

BK 1912 PG 800 - 813

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
OWEN'S RIDGE SUBDIVISION

THIS DECLARATION is made on the 20th day of July, 2022, by DLH Development, LLC, hereinafter referred to as "Declarant".

WITNESSETH:

THAT WHEREAS, Declarant is the owner of certain property located in the Town of Stem, Granville County, North Carolina which is more particularly described on Exhibit "A" attached hereto, hereinafter referred to as the "Property"; and

WHEREAS, it is the desire and intention of Declarant (as defined herein) to impose on the Property covenants, conditions and restrictions under a general plan or scheme of improvement for the benefit of all the Property and the future owners thereof;

NOW, THEREFORE, Declarant hereby declares that all of the Property described on Exhibit "A" 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, and which shall run with the title to the Property and be binding on all parties having any right, title or interest in the described Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

- a. "Town" or "Town of Stem" is defined as Town of Stem, Granville County, North Carolina.
- b. "Code" is defined as the Town of Stem Land Development Code as it exists from time to time, and includes all duly adopted regulations, rules, directives, and policies of the County pursuant to or in furtherance of the Code.

Submitted electronically by Nathan M Garren, Attorney at Law in compliance with North Carolina statutes governing recordable documents and the terms of the submitter agreement with the Granville County Register of Deeds.

- c. "Declarant" is defined as DLH Development, LLC, its successors and assigns.
- d. "Declaration" is defined as these covenants, conditions and restrictions, including all exhibits and amendments.
- e. "Include" or "Including" is defined as being inclusive of, but not limited to, the matter described, unless otherwise clearly obvious from the context.
- f. "Lot" is defined as any numbered or lettered portion of the Property, together with any improvements thereon, which is shown upon any recorded plat of any part or all of the Property, and which is not any of the following: dedicated street rights-of-way; Common Area; Open Space; greenway or park lands owned in fee simple by the County.
- g. "Maintain", "Maintenance", "Maintaining", or any similar term used herein is defined to include any one or more of the following, as the context requires: acquisition, purchase, construction, re-construction, installation, maintenance, inspection, examination, upkeep, cleaning, renewal, alteration, repair, replacement, repainting, remodeling, restoration, removal, improvement, administration, operation, use, planting, mowing, cutting, trimming, pruning, fertilizing, watering and preservation.
- h. "Owner" is defined as the record Owner, whether one or more Persons, of fee simple title to any Lot and shall include Declarant as to any Lot owned by Declarant. "Owner" shall not include any Person who holds an interest in a Lot merely as security for the performance of an obligation or as a tenant.
- i. "Person" is defined to include any natural person, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, Governmental Entity (including the County), or other entity.
- j. "Property" is defined as all of the real property subject to any part or all of the terms of this Declaration and more particularly described on Exhibit "A".
- k. "Registry" is defined as the office of the Register of Deeds (or any successor office under applicable law) for the North Carolina County or Counties in which deeds, plats, easements, mortgages and deeds of trust for the Property are recorded. All references herein to recording or to any requirement to record a document or plat refer to recording in the Registry of the County or Counties in which the applicable portion of the Property is situated.
- l. "Association" is defined as Owen's Ridge Homeowners Association, Inc., its successors and assigns.

Section 5. Outside Antennas. No outside radio or television antennas or satellite dishes exceeding eighteen (18) inches in diameter and no free standing transmission or receiving towers or satellite dishes or discs shall be erected on any Lot or dwelling within the Property.

Section 6. Building Setback. Any house, garage or other approved building constructed on any Lot in said subdivision shall be constructed with the setback requirements set forth in the Town of Stem Subdivision Regulations in effect at the time that said house, garage or other approved building is constructed on a Lot.

Section 7. Mobile Homes, Manufactured Homes, etc. No mobile home, manufactured home, modular home, trailer, or other like structure shall be located or installed on any Lot. As used in this Section, mobile home, manufactured home or modular home shall mean a structure, assembled in whole or in part in a location other than on the Lot itself.

Section 8. Waiver of Minor Violations. Unless such a waiver or variance is inconsistent with the provisions of the Town of Stem Code, both the Declarant and the Owners shall have the right to waive a minor violation of, and allow a minor variance from, the restrictions contained in these Covenants, where the same resulted unintentionally or without gross carelessness on the part of any Owner (including, without limitation, Declarant) and/or is not materially harmful to the Property. For purposes of this Section, a minor variance shall be deemed to be any variance often percent (10%) or less, when the provision in question involves a minimum or maximum distance, size, or measurement. If such waiver is granted in writing, then thereafter any matter so waived shall no longer be deemed a violation of this Declaration.

Section 9. Parking. No automobile, truck or vehicle of any kind shall be parked on any public street abutting the Property after receiving notification from the Declarant, the Owners, or from the Town of Stem to remove the automobile, truck or vehicle. No trucks, trailers, junked, dismantled, wrecked, unregistered or abandoned vehicles may be parked on any Lot without the prior approval of the Declarant or other valid waiver executed hereunder. Recreation vehicles and boats may only be parked in the rear yard on any Lot. Any restriction on the right to park vehicles on public streets contained in this Declaration shall only be applicable to the Owners and their family members and tenants. During construction of a dwelling, Builders shall be allowed to park construction vehicles on the Lot; however, Builders shall be responsible for regrading, re-seeding, or re-mulching any areas damaged by construction parking.

Section 10. Swimming Pools. All swimming pools must be located in the rear yard of any dwelling. Above-ground swimming pools are NOT permitted.

Section 11. Animals. No animals, birds, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that domesticated dogs, cats, pet birds or other household pets may be kept or maintained, provided that they are not kept or maintained for

commercial purposes and are controlled in accordance with applicable governmental ordinances and are not a nuisance to other Lot owners.

Section 12. Subdividing. No Lot shall be subdivided, or its boundary lines changed except with the prior written consent of the Declarant during the period Declarant owns any of the Property.

Section 13. Unsightly Growth. Each Lot shall be maintained in a neat condition. No weeds, underbrush or other unsightly growth shall be permitted to grow or remain on any Lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain thereon, including vacant parcels.

Section 14. Signs. 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 Lot except as required by local governmental authority; provided, however, that the Declarant, or its respective agents, may place "For Sale" signs on any Lots for sale.

Section 15. Fences. No fences are permitted in the front yard of a Lot. In addition, only fences made of wood or vinyl and no taller than 6 feet in height are permitted on the rear portion of a Lot.

Section 16. Accessory Buildings. Any accessory building must be located in the rear yard of a Lot and must match the siding material and color and the roofing material and color of the dwelling exterior.

ARTICLE IV

EASEMENTS

Section 1. Utility Easements. All of the Property, including Lots, shall be subject to such easements for driveways, walkways, parking areas, water lines, sanitary sewers, storm drainage, gas lines, telephone and electric power line and other public utilities as shall be established by the Declarant or by his predecessors in title, prior to the subjecting of the Property to this Declaration.

Section 2. Easement for the Benefit of Governmental Entities. An easement is hereby established for the benefit of any Governmental Entity having jurisdiction over the Property, or other governmental agency, overall Common Areas for the setting, removing and reading of water meters (which shall be separate for each Lot), maintaining and replacing water, sewage and drainage facilities, for police protection, firefighting and garbage collection, postal services, and the rendering of such other services as are appropriate and necessary for the use and enjoyment of the Property. In no case shall the Governmental Entity or other responsible agency, be responsible for failing to provide any emergency or regular fire,

police, or other public service to the Property or to any of its occupants when such failure is due to the lack of access to such area due to inadequate design or construction, blocking of access routes, or any other factor within the control of the Declarant, the Owners or occupants. All conveyances of any portion of the Property shall be subject to these limitations on the Governmental Entity's responsibilities.

Section 3. Easements Shown on Recorded Maps. There are hereby reserved easements as shown on the recorded map or maps of the Property. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities and drainage facilities, or which may change the direction of flow or drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Lot Owner, except for those improvements for which a public authority or utility company is responsible.

Furthermore, in and addition to the foregoing reserved specific easements, the Declarant so long as it owns any Lot, may cut and create drains and drain ways both above ground and underground for the purpose of facilitating the removal of surface water whenever such action may appear to be necessary in order to maintain reasonable standards of health, safety and appearance along, over or across any Lot. These reservations of easements expressly include the right to cut any trees, bushes, shrubs or growth, the grading, cutting or ditching of the soil any other action necessary to complete installation.

Section 4. Easement for Benefit of Utility Company. The Declarant reserves the right to subject the Property, including the Common Areas, to a contract with Duke Energy for the installation of underground electric lines, cables and connector posts or for the installation of street lighting, either or both of which, may require an initial payment or a continuing monthly payment to the utility by the owner of each Lot.

Section 5. Easements for Repairs. Each Owner shall have a perpetual access easement over an adjoining Lot to the extent reasonably necessary to perform repair, maintenance, or reconstruction of his dwelling. No fence, wall, outbuilding, storage shed or similar structure, or any other kind of obstruction shall be installed or maintained within the easement area which will obstruct access to the residential unit. Such repair, maintenance, or reconstruction shall be done expeditiously, and, upon completion of the work, the owner shall restore the adjoining Lot and Common Areas to as near the same condition as that which prevailed prior to the commencement of the work as is reasonably practicable.

Section 6. Priority of Easements. Each of the easements hereinabove referred to shall be deemed to be established upon the recordation of this Declaration and shall henceforth be deemed to be covenants running with the land for the use and benefit

of the Lots, and the Common Areas, as the case may be, superior to all other encumbrances which may hereafter be applied against or in favor of the Property or any portion thereof.

Section 7. Declarant Easement. If any encroachment shall occur subsequent to subjecting the Property to this Declaration, 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 entry and encroachment by the Declarant for a period not to exceed eighteen (18) months following conveyance of a Lot to an Owner for the purpose of correcting any problems that may arise regarding utilities, 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 8. Emergencies. Every Lot 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 and endangers any building or portion of the Common Areas.

Section 9. Landscape Easements. The Owners shall be responsible for Maintaining and replanting any shrub, tree, or groundcover located within any area designated on a recorded map of the Property as a landscape easement, open space, buffer, or similar designation. Whenever a slope easement co-exists, in whole or in part, within a designated landscape easement, and any future public improvement adjacent to the slope easement removes or causes any of the shrubs or trees within the slope easement to die or become unhealthy, it shall be the responsibility of the Owners to replace the shrubs and trees in accordance with the minimum applicable quantity, size and spacing requirements of the Code within one-hundred and eighty days of completion of the public improvement. Within any area designated on recorded maps of the Property as a landscape easement or similar designation, no vegetation shall be removed without the prior written consent of the Owners. Notwithstanding the foregoing, no Governmental Entity shall be required to obtain the consent of the Owners when working within slope easements, greenway easements or construction easements.

Section 10. Sight Triangles. No sight obstructing or partially obstructing wall, fence, foliage, berm, parked vehicle or sign between two feet and eight feet tall, as measured above the curb line elevation or the nearest traveled way if no curb exists, shall be placed within any area designated on a recorded map of the Property as a sight triangle or other similar designation. An easement over sight triangles is reserved for the benefit of the Declarant, the Owners, and the Town, and their

respective agents and contractors for the purpose of removing any such obstruction, and a Person entering onto a Lot pursuant to such easement for the purpose of removing such obstruction shall not be deemed a trespasser and shall not be liable for damages to the Owners or the Owner of the Lot with respect to the obstruction removed from the sight triangle. It shall be the responsibility of the Owners (as to Common Area) or Owner of the Lot, as soon as reasonably practicable following removal of any obstruction from the sight triangle, to restore the portion of the Property previously occupied by the removed obstruction to the condition required or permitted by the Code and the Governing Documents.

ARTICLE V GENERAL PROVISIONS

Section 1. Applicability. The Property, this Declaration and the other Governing Documents are subject to the ordinances, regulations, and rules of the Town of Stem, and shall be construed in accordance with all of the applicable provisions of the Code, whether or not such Code provisions are specifically referenced in this Declaration. There may be certain provisions of the Code that apply to all of the Property and certain provisions of the Code that apply only to certain portions of the Property (for example, provisions of the Code relating to private streets apply only to those portions of the Property that contain private streets). It shall be the responsibility of the Owners to comply with all provisions of the Code applicable to such portion of the Property, whether or not any approval, disapproval, waiver or variance of the terms of this Declaration with respect to such portion of the Property has been given by the Declarant or its authorized agent, or any other Person who has the authority to give such approval, disapproval, waiver or variance.

Section 2. Conflicts. The provisions of the Code control over any inconsistent provisions of this Declaration, any Annexation Declaration or any other Governing Documents. As applicable provisions of the Code are amended, modified, revised, deleted, or moved to different sections, this Declaration and all Annexation Declarations are deemed to be revised so as to conform to the provisions of the Code as they exist from time to time and are applicable to the Property or any part thereof. Provided, however, any provision of this Declaration or any Annexation Declaration that is more restrictive than an applicable provision of the Code (for example, a building setback distance required by this

Declaration or an Annexation Declaration that is greater than that required by the Code) is not an inconsistent provision of this Declaration unless the Code specifically provides otherwise and is not deemed revised to conform to the Code.

Section 3. Severability. Invalidation of any one of these 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 4. Duration of Declaration. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods often (10) years.

Section 5. Amendment of Declaration. This Declaration may be amended by Declarant with no other consent, until such time as Declarant no longer owns at least one Lot within the subdivision. After Declarant has sold its last Lot, this Declaration may only be amended by the written agreement or vote of not less than 6 of the Lot owners. Amendments to this Declaration are valid from the later of the time of recording in the Registry or such later date specified in the amendment. When County approval of an amendment is required by the Code or by a provision of this Declaration (including this Article), County approval shall be evidenced by the signature of the County Attorney or his/her Deputy on the recorded original or copy of the amendment. Any amendment of this Article or any other provision of this Declaration that requires County approval is void ab initio if recorded without the required County signature.

Section 6. Amendments Permitted Without Owner Approval. The following amendments may be effected by the Declarant without consent of the Owners: Amendments, if necessary for the exercise of any development right, including, but not limited to, amendments to qualify the Property, or any portion thereof, for tax exempt status, or to reflect any plat change to the Property as permitted herein, or amendments that would allow the Declarant to change any provision of the Declaration or the Bylaws, which, in the sole judgment of the Declarant, tends to impair the development or marketing rights of the Declarant or Builders under the Declaration or the Bylaws, or interferes with the development of or construction on any portion of the Property. Amendments to correct any obvious error or inconsistency in drafting, typing or reproduction. Amendments to conform to the requirements of any law or Governmental Entity having legal jurisdiction over the Property or to qualify the Property or any Lots and improvements thereon for mortgage or improvement loans made, insured or guaranteed by a governmental agency or to comply with the requirements of

law or regulations of any corporation or agency belonging to, sponsored by, or under the substantial control of, the United States Government or the State of North Carolina, regarding purchase or sale in such Lots and improvements, or mortgage interests therein, as well as any other law or regulation relating to the control of Property, including, without limitation, ecological controls, construction standards, aesthetics, and matters affecting the public health, safety and general welfare. A letter from an official of any such corporation or agency, including, without limitation, the Veterans Administration, U.S. Department of Housing and Urban Development, the Federal Home Loan Mortgage Corporation, Government National Mortgage Corporation, or the Federal National Mortgage Association, requesting or suggesting an amendment necessary to comply with the requirements of such corporation or agency shall be sufficient evidence of the approval of such corporation or agency, provided that the changes made substantially conform to such request or suggestion.

Section 7. Indemnification. No immunity, exculpation or indemnification provision of this Declaration shall relieve one or more Owners from its liabilities as an Owner under this Declaration and other Governing Documents.

Section 8. FHA/VA Approval. If Declarant determines to qualify this Property for Federal Housing Administration or Veterans Administration approval the following actions will require the prior written approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional property, dedication of Common Areas, and amendment of this Declaration of Covenants, Conditions and Restrictions.

Section 9. Recordation. No amendment shall be effective until recorded in the County in which the Property is situated.

ARTICLE VI

MEMBERSHIP AND VOTING RIGHTS. Every owner of a lot which is subject to these covenants shall be a member of the Owen's Ridge Homeowners Association, Inc. Membership shall be appurtenant to and may not be separated by ownership of any lot. Such memberships is not intended to apply to those person or entities holding an interest in any tract merely as security for the performance or an obligation to pay money, e.g., mortgages or deeds of trust: however, if such secured party should realize upon his security and become the fee owner of a tact, it and its

assigns will be subject to all of the requirements and limitations imposed in these covenants on owners of tracts within Owen's Ridge Subdivision, including those provisions with respect to payment of annual assessments.

ARTICLE VII

COVENANTS FOR MAINTENANCE ASSESSMENTS. The costs of administration and maintenance of the storm water control system located across the rear of Lot 4 and partially across the rear of Lot 5, including but not limited to the annual inspection by a licensed engineer, repair and upkeep as needed, shall be the responsibility of the Owen's Ridge Homeowners Association, Inc. after the Declarant makes the initial construction and/or improvements thereto. Also, the cost of administration and maintenance of any open space owned by the Association to the extent necessary, required or permitted. Therefore, there are hereby created contributions for maintenance expenses as may from time to time specifically be authorized by the Board of Directors or Owen's Ridge Homeowners Association, Inc., to be commenced at the time and in the manner set forth in this article. Each owner, by acceptance of a deed or recorded contract of sale or any portion of the properties, is deemed to covenant and agree to pay these contributions. These contributions, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be continuing lien upon the property against which each such contribution is made. Each such contribution, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who is the owner of such property at the time when the assessment fell due. The personal obligation for delinquent contributions shall not pass to his successors in title unless expressly assumed by them. The contributions levied by the association shall be used exclusively for improvement and maintenance of the signs and other easements located on each lot for the benefit of all Homeowners.

It shall be the duty of the Board of Directors of Owen's Ridge Homeowners Association, Inc., at least sixty (60) days before the beginning of each fiscal year, to prepare a budget covering the estimated expenses of the association during the coming year. The budget shall include a capital contribution establishing a reserve fund in accordance with the budget separately prepared as provided herein. The base contribution to be levied against each lot for the coming year shall be set at a level which is reasonably expected to produce total income to the association equal to the total budgeted common expenses, including reserves. In determining the level of contributions, the Board, at its discretion, may consider other sources of funds available to the association. In addition, the Board shall consider the number

of lots subject to the contribution on the first day of the fiscal year for which the budget is prepared and the number of lots reasonably anticipated to become subject to the contribution during the fiscal year. In no event shall the maximum contribution be increased each year by more than five (5%) percent above the maximum annual contribution for the previous year, without a vote of membership. The maximum annual contribution may be increased about 5 percent (5%) by a vote of two-thirds of the members who are voting in person or by proxy, at a meeting duly called for this purpose.

The obligations to pay the contributions provided for herein shall commence as to each lot on the first day of the month following the conveyance of the lot to a person other than the Declarant. Contributions shall be due and payable in a manner and on a schedule as the Board of Directors of the Owen's Ridge Homeowners Association, Inc. may provide. The first annual contribution shall be adjusted according to the number of days remaining in the fiscal year at the time contributions commence as per this section. Contributions must be fixed at a uniform rate for all lots.

ARTICLE VIII

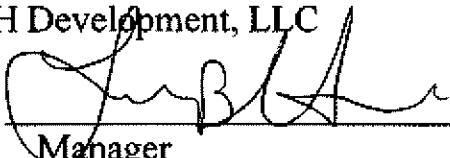
EFFECT OF NON-PAYMENT OF ASSESSMENTS. Any contribution not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eight percent (8%) per annum. The Owen's Ridge Homeowners Association, Inc. may bring an action law against the owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the contributions provided herein by non-use of his lot.

ARTICLE IX

SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the contributions provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot does not affect the assessment lien; however, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer shall relieve such lot from liability for any contributions thereafter becoming due or from the lien thereof.

IN WITNESS WHEREOF, Declarant have hereunto set their hands and seals, this the 20th day of July, 2022.

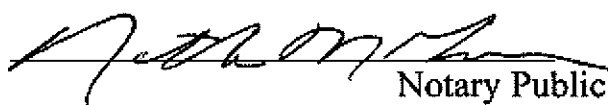
DLH Development, LLC

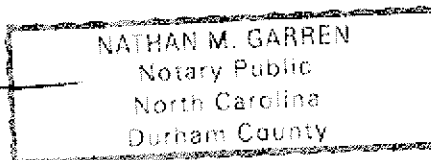
By:  (SEAL)
Manager

STATE OF NORTH CAROLINA
COUNTY OF DURHAM

I, a Notary Public of the County and State aforesaid, certify that Lauren B. Haskins, Manager of DLH Development, LLC, a North Carolina limited liability company, personally appeared before me this day and being duly authorized acknowledged the execution of the foregoing instrument on behalf of the company.

Witness my hand
and official stamp or seal, this 20th day of July, 2022.


Notary Public

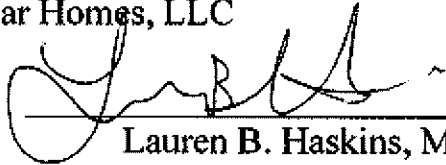


My Commission Expires: 10/08/2022

Trabar Homes, LLC, as an owner of certain property described in Exhibit "A", hereby joins in this Declaration for the sole purpose of subjecting the lots it owns within Owen's Ridge Subdivision to the terms, obligations, requirements, easements and all other matters set forth in this Declaration.

Trabar Homes, LLC

By:



Lauren B. Haskins, Manager

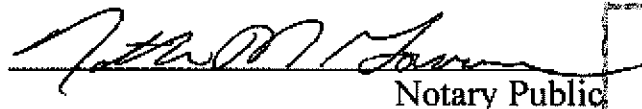
(SEAL)

STATE OF NORTH CAROLINA
COUNTY OF DURHAM

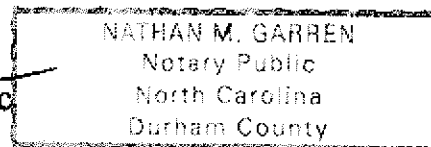
I, a Notary Public of the County and State aforesaid, certify that Lauren B. Haskins, Manager of Trabar Homes, LLC, a North Carolina limited liability company, personally appeared before me this day and being duly authorized acknowledged the execution of the foregoing instrument on behalf of the company.

Witness my hand

and official stamp or seal, this 20th day of July, 2022.



Notary Public



My Commission Expires: 10/08/2022

Exhibit “A”

Being all of Lots 1-9, Owen’s Ridge Subdivision, as shown on that plat, dated August 28, 2021 and recorded in Book 50, Page 137, Granville County Registry.