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GRANVILLE COUNTY
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KATHRYN CREWS AVERETT
Register Of Deeds

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
PINE VALLEY SUBDIVISION

Prepared by and mail to Joslin, Sedberry & Lamkin, P.O. Box 18928, Raleigh, NC 27619

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is entered into this 30th day of January, 2006, between Gary Felton Land Investment Company, Inc., a North Carolina corporation (hereinafter called "Declarant") and all parties hereafter acquiring any of the described property.

WITNESSETH:

WHEREAS, Declarant is the owner of all lots within a subdivision in the County of Granville, State of North Carolina, known as Pine Valley; and

WHEREAS, it is in the best interest of the Declarant and to the benefit, interest and advantage of every party hereafter acquiring any of the described property that certain covenants, conditions, easements, assessments, liens and restrictions governing and regulating the use and occupancy of the property be established; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities and the desirability and attractiveness of the property in Granville, County, North Carolina, and the continued maintenance and operation of such recreational and common area.

NOW, THEREFORE, in consideration of the premises, the Declarant agrees with all parties hereafter acquiring any of the property hereinafter described that it shall be and is hereby subject to the following restrictions, covenants, conditions, easements, assessments and liens relating to the use and occupancy thereof, which shall be construed as covenants running with the land, shall be binding on all parties acquiring any right, title or interest in any of the Properties and shall inure to the benefit of each owner thereof.

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ARTICLE I

THE PROPERTY

Section 1. Existing Property. The property which shall be held, used, transferred, sold, conveyed and occupied subject to this Declaration is located in Granville County, North Carolina, and is more particularly described on Exhibit A attached hereto and incorporated herein by reference. The Declarant hereby subjects the property, more particularly described on Exhibit A attached hereto and incorporated hereby by reference, to this Declaration and the jurisdiction of the Association and any additions thereto.

Section 2. Additions to Existing Property. At any time prior to December 31, 2016, Additional property may be annexed by the Declarant without the consent of the Members and therefore become subject to this Declaration by the recording by Declarant of a plat showing such property to be annexed and of a supplementary declaration extending the operation and effect of this Declaration to the property to be annexed, provided, however, that such property must be contiguous to property already subject to this Declaration (or separated from such property only by the right-of-way of a street or road) and must be approved the Granville County. The addition of such property pursuant to this Section may increase the cumulative number of Lots within the Properties and, therefore, may alter the relative maximum voting strength of the various types of Members.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Pine Valley HOA Association, Inc., its successors and assigns.

Section 2. "Builder" as used herein shall mean Anderson Homes, Inc., any entity to which it assigns its interest in its lot purchase contract with Declarant, and any commercial Builder which purchases and owns a Lot within the Subdivision for the purpose of constructing upon it a residence to be sold.

Section 3. "Common Area" shall mean all property owned by the Association, and such other property that the Association may hold subject to the provisions of the Declaration. Common Areas shall be defined and bounded on the plat(s) as "Common Areas", "Common Open Space", or other similar designation on maps of the Properties. Common Areas in each phase shall be conveyed to the Association in accordance with Article III, Section 3. Common Areas shall specifically include but shall not be limited to: (a) all water lines and sewer lines which serve the Properties and are located outside of any public street right-of-way or any utility easement (excluding those lines serving a single Lot); and (b) all storm drainage pipes which serve the Properties that are located outside of any public street right-of-way,

(excluding those pipes serving a single Lot); and (c) open space identified on recording plats.

Section 4. "Common Expense" shall mean and include:

- (a) All sums lawfully assessed by the Association against its members;
- (b) Expense of the Common Area and administration, maintenance, repair, or replacement of the Common Areas;
- (c) Expenses declared to be Common Expenses by the provisions of this Declaration or the By-laws;
- (d) Hazard, liability, or such other insurance premiums as the Declaration or the By-laws may require the Association to purchase;
- (e) Ad valorem taxes and public assessment charges lawfully levied against Common Areas;
- (f) Expenses agreed by the Members to be Common Expenses of the Association;
- (g) Utilities used in connection with the Common Areas;
- (h) Reimbursement of Declarant and Builder for all expenses of the Association paid by Declarant or Builder (including insurance, real estate taxes and cost of creating the Association) prior to collection of sufficient funds by the Association for payment of such expenses; and
- (i) Any reasonable expense incurred by the Association in performance of the regular and customary operations of a Homeowners Association.

Section 5. "Declarant" shall mean and refer to Gary Felton Land Investment Company, Inc., a North Carolina corporation. It shall also mean and refer to any person, firm or corporation 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 Granville County Registry.

Section 6. "Lot" shall mean and refer to any numbered Lot or plot of land shown upon any recorded subdivision map of the Properties, with the exception of the Common Area and dedicated right-of-way.

Section 7. "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 or as a tenant.

Section 8. "Properties" shall mean and refer to that certain real property hereinbefore described in Exhibit A, and such additions thereto as may hereafter be made subject to the provisions of this Declaration.

ARTICLE III

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of use and enjoyment in and to the Common Area and over the Common Area for access, ingress and egress from and to public streets, walkways and parking areas and such easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association, subject to the ordinances of the County of Granville, 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 fine Owners for non-compliance with these Covenants, suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 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.

No such dedication or transfer shall be effective unless persons entitled to cast at least eighty percent (80%) of the votes in the Association agree in writing to that action. All the owners of Lots to which any limited common element is allocated shall agree in order to convey that limited common element or subject it to a security interest;

(d) The right of the Association to limit the number of guests of Members;

(e) The right of the Association, with the assent in writing of persons entitled to cast at least eighty percent (80%) of the votes in the Association, and in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, and the rights of such mortgagee in said Properties shall be subordinate to the rights of the Members and the Association hereunder;

(f) The right of the Association to adopt, publish and enforce rules and regulations as provided in Article VIII of this Declaration; and

(g) The right of the Association to exchange Common Area in accordance with the ordinances of the Town of Creedmoor and North Carolina Planned Community Act, Chapter 47F, North Carolina General Statutes.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-laws, his or her 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, but such delegation shall be subject to the limitations of subsections (a) through (g) of Section 1 above.

Section 3. Title to the Common Area. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Area to the Association, free and clear of all encumbrances and liens, except utility and storm drainage easements.

Section 4. Parking. The Association may regulate the parking of boats, trailers and other such items on the Common Area and individual Lots. In particular, outdoor storage or parking of any unlicensed vehicles, campers, boats, trailers or any vehicles that are not licensed automobiles, vans and sport utility vehicles is prohibited. No motor vehicles may be parked or stored on any Lot or any of the subdivision streets while on jacks or while being repaired. Motor vehicles may not be parked or kept on any street in the subdivision for more than one (1) twenty-four (24) hour period during a thirty (30) day period. Parking or storage of motor vehicles on the grass area of any Lot is prohibited.

Section 5. TV Antennae and Cablevision. Exterior equipment including, but not limited to, communications, telecommunications, microwave, television, cable television dishes, satellite dishes, and antennae, shall not be placed or installed by Owner, its agents, licensees, or representatives on the exterior front wall or on the exterior sidewalls of any structure erected or placed upon a Lot that is within twenty feet (20') from the front wall of the house or at any place on the premises that is parallel to said front wall or sidewalls. In a location where the rear wall or a sidewall faces a street, the same restriction shall apply to the entire rear wall or the entire sidewall that faces a street and the areas of the premises that are parallel to said rear wall or sidewall. Under no circumstances may installed exterior dishes or receivers have a circumference larger than eighteen inches (18"). The Association may further regulate or prohibit the erection of television antennae and satellite dishes on individual Lots.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot that 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 that is subject to assessment. Membership in the Association as defined hereinabove shall be mandatory for each original Lot Owner and each successive Owner of a Lot.

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

Class A. Class A members shall be all Owners, with the exception of the Declarant and Builder, and shall be entitled to one vote for each Lot owned provided that when Class B membership terminates, as set forth below, the Declarant and Builder shall be Class A members for each Lot they then own. 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, and in no event shall fractional votes be allowed.

Class B. The Class B member(s) shall be the Declarant and Builder and shall be entitled to five (5) 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 Class B membership; provided, however, and anything herein to the contrary notwithstanding, if at any time before ten (10) years after the first Lot is conveyed to an Owner for use as a residence, the Class B membership terminates for the foregoing reason and thereafter Declarant, pursuant to this Declaration, annexes Additional Property to the Declaration such that, following such annexation, if votes are allocated to the Lots owned by the Declarant and Builder at the rate of five (5) votes per Lot, Declarant's and Builder's total outstanding votes would exceed the total outstanding votes of the Class A Members, the Class B membership shall be reinstated until such time as it again terminates due to one of the events of termination stated herein, without limitation on the number of times the Class B membership may terminate and be reinstated in accordance with this provision; or

(b) Ten (10) years after the first Lot is conveyed to an Owner for use as a residence; or

(c) Upon the surrender of all Class B membership by the holder thereof.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant and Builder 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 assessments or charges; 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 Lot 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 Lot at the time when the assessment fell due. The personal obligation for delinquent assessments owed by an Owner 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 in particular for the acquisition, improvement and maintenance of the Common Areas, including the maintenance, repair and reconstruction of driveways, walks, bridges and parking areas situated on the Common Area, maintenance and upkeep of storm sewer pipes and impoundment structures, the cutting and removal of weeds and grass, the removal of trash and rubbish or any other maintenance of Common Areas and maintenance and landscaping of the Common Areas, including but not limited to, the cost of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes and public assessments levied against the Common Area, the payment of Common Expenses, the procurement and maintenance of insurance in accordance with this Declaration or the Association's bylaws, the employment of attorneys to represent the Association when necessary, the provision of adequate reserves for the replacement of capital improvements including, without limiting the generality of the foregoing, paving and any other expense for which the Association is responsible, and such other needs as may arise.

Section 3. Reserves. The Association shall establish and maintain an adequate reserve fund or funds for the periodic maintenance, repair and replacement of improvements to the Common Area and those other portions of the Properties that the Association may be obligated to maintain. Such reserve fund is to be established out of regular or special assessments for Common Expense for the Owners of the kind of Lots that require the reserve fund or funds.

Section 4. Maximum Annual Assessment. Until January 1 of the year immediately following the first conveyance of a Lot to a purchaser (other than a successor Declarant), the maximum annual assessment for detached single family Lots shall be Two Hundred Fifty Dollars (\$250.00) per Lot. 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.

(a) From and after January 1 of the year immediately following the first conveyance of a Lot to a purchaser (other than a successor Declarant), the maximum annual assessments may be increased effective January 1 of each year without a vote of membership by up to 10% of the previous year's assessment.

(b) From and after January 1 of the year immediately following the first conveyance of a Lot to a purchaser (other than a successor Declarant), the maximum annual assessment for Lots may be increased above the increase permitted in Section 4(a) above by agreement of Owners of Lots to which sixty-seven percent (67%) of the votes in the Association are allocated.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 5. Special Assessments for Capital Improvements. In addition to the assessment 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, and in connection with exterior maintenance, including fixtures and personal property related thereto, provided that any such assessment shall have assent of two-thirds (2/3) of the votes in the Association, in person or by proxy, at a meeting duly called for this purpose.

Section 6. Notice and Quorum for any Action authorized under Sections 4 and 5. Written Notice of any meeting called for the purpose of taking any action authorized under Section 4 or 5 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 members or of proxies entitled to cast sixty percent (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 more than 60 days following the preceding meeting.

Section 7. Uniform Rate of Assessment. Both annual and special assessments shall, except as herein otherwise specifically provided, be fixed at a uniform rate for all Lots and shall be collected on a monthly basis. Provided, however, that the assessment for Lots owned by Declarant or Builder shall be twenty-five percent (25%) of the regular assessments for other Lots.

Section 8. Date of Commencement of Annual Assessments: Due Dates. The regular annual assessments provided for herein shall commence as to all Lots in the Pine Valley Subdivision on the date of the first conveyance of a Lot by the Declarant to a purchaser (other than a successor Declarant). Assessments of Lots within each Phase that is annexed to the subdivision shall commence on the date of the first conveyance by the Declarant from the annexed Phase.

Such annual assessments shall be paid ratably on a quarter-annually basis or on such other periodic basis as may be established from time to time by the Board of Directors. 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 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 authorized agent of the Association setting forth whether the assessment on a specified Lot has been paid. Any certificate so given shall be conclusive evidence of payment of the assessment stated therein.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum or at the maximum rate allowed by law, whichever is less. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property and in either event interest, costs and reasonable attorney's

fees of any such action shall be added to the assessment. Foreclosure is to be in the same manner as that of Deeds of Trust, foreclosed under power of sale under Chapter 45 of the North Carolina General Statutes, or by any other method authorized by law. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. Should any deficiency remain after the foreclosure, the Association may also bring an action against the Owner for said deficiency.

Section 10. Subordination of the Lien to Mortgage. The lien of the assessments provided for herein shall be subordinate to the lien of ad valorem taxes and the lien of any mortgage or Deed of Trust that is an encumbrance on any part of the Properties. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to such mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Exempt property. All Properties dedicated to, and accepted by, a local public 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.

Section 12. Working Capital Fund. At the time of closing of sale of a dwelling on a Lot, a sum equal to one-sixth (1/6) of the annual assessment for a Class A Lot shall be collected from the purchaser and transferred to the Association to be held as a working capital fund. The purpose of said fund is to insure that the Association will have adequate cash available to meet unforeseen expenses, and to acquire additional equipment or services deemed necessary or desirable. Amounts paid into the fund shall not be considered advance payment of regular assessments.

Section 13. Dues Paid In Advance. At the time of closing of the initial sale of a dwelling constructed on a Lot, the annual assessment for a Class A Lot, prorated for a partial month to the first day of the month following said closing, will be collected from the purchaser. An amount equivalent to one annual assessment (prorated to the end of the Association's fiscal year), plus any working capital collections, shall be collected at the time of conveyance of the Lot to the purchaser.

ARTICLE VI

ARCHITECTURAL CONTROL

(a) No dwelling building, fence, wall or other structure of any kind shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made (including changes or alterations in the color of exterior paint, vinyl siding, masonry or shutters) until the plans and

specifications showing the nature, kind, shape, height, materials and location of the same 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 Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board (the "Architectural Committee"). In the event said Board, or the Architectural Committee, fails to approve or disapprove such design and location within thirty (30) days after said completed plans and specifications have been submitted to it, approval will not be required, and this Article will be deemed to have been fully complied with. Residences shall be erected with a minimum of 600 square feet of heated space on the first story (if a two story structure), exclusive of porches and garages, with a total square footage of at least 1150 square feet of heated space. On single story residences, the minimum total square footage shall be 1000 square feet of heated space, exclusive of porches and garages.

(b) No trailer, tent, shack, barn or other building shall be erected or placed on any Lot covered by these covenants. No detached garage shall at any time be used for human habitation temporarily or permanently. Temporary structures are prohibited.

(c) No additional driveways or sidewalks may be installed on any Lot without the prior written approval of the Board of Directors of the Association or the Architectural Committee.

(d) Mailboxes shall not be altered in anyway, with the exception of repairs to restore these items to their original appearance if damaged or discolored.

(e) Grass shall be mowed as frequently as necessary to keep the yard from becoming unsightly, and flowerbeds shall be kept free of weeds. In the event this work is not done, the Association shall have the authority, but not the obligation, to perform this work in lieu of the Owner and assess the cost to the Owner through the Association, including any legal fees incurred by the Association. In addition, any alteration of the landscaping of the front and/or side yards must be approved by the Board of Directors of the Association or the Architectural Committee.

(f) No yard art, including plastic flowers, that is visible from the street may be displayed on any Lot without the prior written approval of the Board of Directors of the Association or the Architectural Committee.

(g) No household furniture intended for interior use may be kept or stored on porches or yards.

(h) All garbage or refuse shall be kept in the rear yard of all Lots, not in the front or side yards and may not be visible from the public street, except as necessary to comply with applicable governmental ordinances regulating garbage or refuse collection.

(i) Clothes lines, including temporary or retractable lines, are prohibited on any Lot.

(j) Upon the recordation of a deed from the Declarant to a Builder, said Builder shall be responsible for upkeep and cleanliness (including mowing of any grass on the Lot) of Lots for which no structure has been commenced.

(k) No noxious or offensive trade, activity, or language 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. Except for unit identification numbers required by governmental authority, no billboards shall be erected or maintained on the Properties. No more than one sign, not larger than five square feet in size, is to be placed on any Lot; only for sale or for rent signs are permitted. No trade materials or inventories may be stored upon the properties and no trucks or tractors may be stored on the Properties. No business activity or trade of any kind whatsoever, which shall include but not be limited to the use of any residence as a doctor's office or professional office of any kind, a fraternity house, a rooming house, a boarding house, an antique shop or gift shop shall be carried on upon any Lot. The foregoing notwithstanding, the Declarant, Builder, real estate brokers, Owners and their agents may show Lots for sale or lease; and the Declarant and Builder and the agents and employees of each, shall have the right to (i) use Lots and improvements erected thereon for sales offices, field construction offices, storage facilities, and its own general business offices; (ii) maintain spot-lighted model homes which may be open to the public for inspection 7 days per week for such hours as the Declarant or Builder deems appropriate or necessary; (iii) conduct any other activities on Lots to benefit sales and construction effect; and (iv) use the parking facilities on the Common Area for parking for its employees and invitees.

ARTICLE VII

INSURANCE

Section 1. Insurance coverage on the Properties shall be governed by the following provisions:

(a) Ownership of Policies. All insurance policies covering the Common Areas shall be purchased by the Association for the benefit of the Association and the Members. All insurance policies covering Single Family Lots shall be owned by the individual Owners thereof and shall be fully paid by such Owners.

(b) Coverage. All buildings and improvements upon the Common Areas and all personal property included in the Common Areas shall be insured in an amount equal to one hundred percent (100%) insurable replacement value as determined annually by the Association with the assistance of the insurance company providing coverage. Such coverage shall provide protection against:

(j) Loss or damage by fire and other hazards covered by the standard extended coverage endorsement,

- (ii) Such other risks as from time to time shall be customarily covered with respect to buildings on the land, and
- (iii) Such policies shall contain clauses providing for waiver of subrogation.

(c) Liability. Public liability insurance shall be secured by the Association with limits of liability of no less than One Million Dollars (\$1,000,000.00) per occurrence and shall include an endorsement to cover liability of the Owners, individually and as a group (arising out of their ownership in the Common Areas) to another Owner.

(d) Other Insurance. There shall also be obtained such other insurance coverage as the Board of Directors of the Association shall determine from time to time to be desirable or necessary.

(e) Premiums. Premiums for insurance policies purchased by the Association shall be paid by the Association as a Common Expense and charged to the Owners as an assessment according to the provisions above.

(f) Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Members. The sole duty of the Association shall be to receive such proceeds as are paid and to hold the same for the purposes stated herein or stated in the By-laws of the Association. All policies shall be written with a company authorized to do business in North Carolina.

(g) Responsibility of Lot Owner. By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that he or she will carry blanket all-risk casualty insurance on his or her Lot and structures constructed thereon. Each Owner further covenants and agrees that in the event of a partial loss or damage (defined as cost of repair less than 50% of the current tax value), resulting in less than total destruction (defined as cost of repair valued at greater than or equal to 50% of the current tax value) of structures comprising his Lot, the Owner shall proceed, within 60 days of the casualty, to repair or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with this Declaration. The Owner shall pay any costs or repair or reconstruction that are not covered by insurance proceeds. In the event that the structure is totally destroyed, as defined above, the Owner may decide not to rebuild or to reconstruct, in which case the Owner, within 45 days of the casualty, shall clear the Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction and thereafter the Owner shall continue to maintain the Lot in a neat and attractive condition consistent with the community-wide Standard.

ARTICLE VIII

USE RESTRICTIONS

Section 1. Rules and Regulations. The Board of Directors of the Association shall have the power to formulate, amend, publish, and endorse reasonable rules and regulations concerning the use and enjoyment of the Common Areas and individual Lots. Such rules and regulations may provide for imposition of fines or penalties for the violation thereof, or for the violation of any of the covenants and conditions contained in this Declaration.

Section 2. Use of Properties. No portion of the Properties (except for uses of the Properties by Declarant and Builder described in Article VI(k)), shall be used other than for residential purposes and for uses incidental or accessory thereto.

Section 3. Quiet Enjoyment. No obnoxious or offensive activity shall be done on the Properties, nor shall anything be done which may be or may become a nuisance or annoyance to the neighborhood.

Section 4. Animals. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling; except a reasonable number of domesticated dogs and cats may be kept or maintained provided that they are not kept or maintained for commercial purposes. All pets must be kept under the direct control of the owner by fence, leash or harness and may not run freely at any time. Pet owners are required to clean up after their dog or cat when in the Common Areas. Violations will be subject to a fine and/or legal action. The number of domesticated dogs and cats that is reasonable will be determined by the Board of Directors of the Association from time to time, as, and if, the Board decides to make such determination; and the decision of the Board of Directors concerning the question in each instance shall be conclusive and binding on all interested parties.

ARTICLE IX

EASEMENTS

Section 1. All of the Properties, including Lots and Common Areas, shall be subject to such easements for driveways, walkways, parking area, water lines, sanitary sewers, storm drainage facilities, gas lines, telephone and electric power lines and other public utilities as shall be established by the Declarant or by his predecessors in title; and the Association shall have the power and authority to grant and establish upon, over, under, and across the Common Areas conveyed to it, such further easements as are requisite for the convenient use and enjoyment of the Properties. In addition, there is hereby reserved in the Declarant, its contractors, agents and employees an easement and right of ingress, egress and regress across all Common Areas, now or hereafter owned by the Association, for the purpose of construction of improvements and development of the Properties until such time as Class B membership terminates; provided, that all the Common Areas shall be restored to as near its condition before the use of the easement as is reasonably practicable.

Section 2. All Lots shall be subject to easements for the encroachments constructed on adjacent Lots and Common Areas to the extent that such initial improvements actually encroach, including, but not limited to, such items as overhanging eaves, gutters and downspouts and walls.

Section 3. An easement is hereby established over the Common Areas and facilities for the benefit of applicable governmental agencies, public utility companies and public service agencies as necessary for setting, removing and reading of meters, replacing and maintaining water and sewer facilities, electrical, telephone, gas and cable antenna lines, fire fighting, garbage collection, postal delivery, emergency and rescue activities and law enforcement activities.

Section 4. If any dwelling is located closer than five (5) feet from its lot line, the Owner thereof shall have a perpetual access easement over the adjoining Lot to the extent reasonably necessary to perform repair, maintenance or reconstruction of his dwelling. Such repair, maintenance or reconstruction shall be done expeditiously and, upon completion of the work, the owner shall restore the adjoining Lot to as near the same condition as that which prevailed prior to the commencement of the work as is reasonably practicable. No fence, wall or landscaping shall be installed in said easement that interfere with the rights of the adjoining Lot Owner.

ARTICLE X

GENERAL PROVISIONS

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

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

Section 3. Amendment. The Declarant, acting alone, can amend this Declaration for the exercise of any development right at any time that the Declarant owns a Lot. 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 by affirmative vote of, or written agreement signed by, Owners of Lots to which at least sixty-seven percent (67%) percent, or more, of the votes in the Association are allotted.

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Section 4. If any amendment to these covenants, conditions, and restrictions is executed, each such amendment shall be delivered to the Board of Directors of this Association. Thereupon, the Board of Directors shall, within 30 days do the following:

(a) Reasonably assure itself that the amendment has the assent of Owners having the required number of votes in the Association. (For this purpose, the board may rely on its roster of members and shall not be required to cause title to any Lot to be examined.)

(b) Attach to the amendment a certification as to its validity, which certification shall be executed by the Association in the same manner that deeds are executed. The following form of certification is suggested:

CERTIFICATION OF VALIDITY OF AMENDMENT TO

CONDITIONS AND RESTRICTIONS OF

PINE VALLEY HOA ASSOCIATION, INC.

By authority of its Board of Directors, Pine Valley HOA Association, Inc. hereby certifies that the forgoing instrument has been approved by affirmative vote or written agreement signed by lot owners of lots to which at least sixty-seven percent (67%) of votes in the Association are allotted; or by the Declarant acting alone as authorized by the Declaration; and is, therefore, a valid amendment to the existing covenants, conditions and restriction of Pine Valley Subdivision.

PINE VALLEY HOA ASSOCIATION, INC.

By: _____
President

Section 5. Management and Contract Rights of Association. Declarant shall enter into a contract with a management company or manager for the purposes of providing all elements of the operation, care, supervision, maintenance and management of the property. However, no such contract shall be binding upon the Association except through express adoption, ratification of the terms and conditions of such contract. Any contract or lease entered into by Declarant or by the Association while Declarant is in control thereof shall contain a provision allowing the Association to terminate such contract at any time after providing 45 days written notice without justification or penalty after transfer of management by Declarant to the Association.

Section 6. Rights of Noteholders. Any institutional holder of a first mortgage or Deed of Trust on a Lot will, upon written request, be entitled to (a) inspect the books and records of the Association during normal business hours, (b) receive an annual audited financial statement of the Association within ninety (90) days following the end of its fiscal year, (c) receive written notice of all meetings of the Association and the right to designate a representation to attend all such meetings, (d) receive written notice of any condemnation or casualty loss that affects either a material portion of the project or the note securing its mortgage, (e) receive written notice of any sixty-day delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage, (f) receive written notice of a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Owners' Association, (g) receive written notice of any proposed action that requires the consent of a specified percentage of mortgage holders, and (h) be furnished with a copy of the master insurance policy, all the above upon request of mortgage holder.

ARTICLE XI

ELECTRICAL SERVICE

Declarant reserves the right to subject the above described Properties to a contract with a public utility for the installation of underground electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to the public utility by either the Association, the Owners or both.

ARTICLE XII

SPECIAL DECLARANT RIGHTS

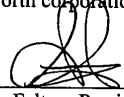
Declarant reserves for itself, its successors and assigns if such successors or assigns acquires more than one undeveloped lot from the Declarant for the purpose of development, the Special Declarant Rights as defined in Section 47F-1-103(28) of the North Carolina Planned Community Act, Chapter 47F, North Carolina General Statutes, including, but not limited to the following: the right to complete, repair, maintain, replace and operate improvements indicated on Maps of the Properties; the right to exercise any development right; the right to maintain sales offices, manage offices, models and signs advertising the Properties; the right to use easements through the Common Area and through any Lot or Lots for the purpose of making, repairing, maintaining, replacing and operating improvements within the Properties, and the right to elect, appoint or remove any officer or Board member of the Association during any period of Declarant control.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused this Declaration to be executed by its authorized President this 30 day of January, 2005.

[SIGNATURE IS ON THE NEXT PAGE]

Book Page
1130 0936

GARY FELTON LAND INVESTMENT
COMPANY, INC.,
A North corporation

By: 
Gary, Felton, President

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I, a Notary Public of the County and State aforesaid, certify that Gary Felton personally came before me this day and acknowledged that he is President of Gary Felton Land Investment Company, Inc., a corporation, and that he, as President, being authorized to do so, executed the foregoing on behalf of the corporation.

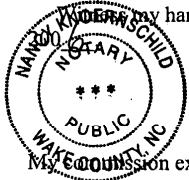
My hand and notarial seal this 24 day of January,

Nancy K. Schindler
Notary Public
My Commission expires: 11/08/06

EXHIBIT A

The Lots and rights-of-way, as shown on plat of Pine Valley Subdivision, recorded in Plat Book 31, Page 178, Granville County Registry and as shown on plat of Pine Valley Subdivision, Phase 1, recorded in Plat Book 32, Page 120 (2 sheets), Granville County Registry.

P:\Pine Valley\declaration January 27, 2006.doc


Doc ID: 002485530004 Type: CRP
Recorded: 07/01/2010 at 03:15:53 PM
Fee Amt: \$23.00 Page 1 of 4
Granville County, NC
Kathy M. Adcock Reg of Deeds
BK 1357 PG 863-866

PREPARED BY & Mail To: Burns, Day & Presnell, P. A.
P. O. Box 10867, Raleigh, NC 27605

NORTH CAROLINA
GRANVILLE COUNTY

AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR PINE VALLEY
SUBDIVISION TO ANNEX LOTS 1-24; 33-37; 66; 73-97
AND SUPPLEMENTAL DECLARATION FOR POND LOTS
(Declaration recorded in Book 1130, Page 0920, Granville
County Registry)

THIS AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR PINE VALLEY SUBDIVISION TO ANNEX LOTS 1-24; 33-37; 66; 73-97
AND SUPPLEMENTAL DECLARATION FOR POND LOTS (hereinafter referred to as the
"Amendment") made and entered into the ___ day of April , 2010, by Gary Felton Land Investment
Company, Inc., a North Carolina corporation (hereinafter referred to as the "Declarant");

WHEREAS, Declarant has previously executed and recorded the Declaration of Covenants,
Conditions and Restrictions for Pine Valley Subdivision, as recorded in Book 1130, Page 0920, Granville
County Registry, as amended (hereinafter referred to as the "Declaration"); and,

WHEREAS, *Article I of the Declaration provides that the Declarant may annex additional
properties to this Declaration;*

NOW, THEREFORE, the Declarant does hereby resubmit, publish and declare that all the
property described as:

**BEING all of that property as shown on map entitled Pine Valley, including but not limited to Lots
1-24; 33-37; 66; 73-97, as recorded in Plat Book 39, Page 47, Granville County
Registry.**

is held and shall be held, conveyed, encumbered, used and occupied subject to the covenants, conditions,
restrictions, uses, limitations and obligations of the Declaration as amended, all of which are declared and

agreed to be in furtherance of an plan for the improvement of said property and shall be deemed to run with the land and shall be a burden and benefit to Declarant, its successors and assigns, and all persons, firms, corporations and other entities acquiring or owning any interest in the real property and improvements, their grantees, heirs, executors, administrators, devisee and assigns.

In addition thereto, **Lots 1 through 9, and 20 through 24** (hereinafter referred to as "Pond Lots") are subjected to the following pond maintenance provisions (hereinafter referred to as "Pond Maintenance Provisions") hereinafter declared to insure the maintenance of the pond located partially on, adjoining or near each of the above lots and thereby to enhance the values of investments made by purchasers of said lots:

1. Membership. The owners of each of the above lots in the Property shall be a member (hereinafter referred to as "Pond Lot Member") of the Pine Valley Pond Homeowner's Association ("Pond Association"), which Pond Association shall be governed by N.C.G.S. Chapter 47F. All owners of a Pond Lot shall be collectively considered the Pond Lot Member. The Pond Association will be an unincorporated association which shall have as its function the duty to assess the owners of Lots 1 through 9, and 11 through 24, Pine Valley for a pro rata share of the costs to maintain the pond (hereinafter called "Pond Lot Assessments"); and, to serve at the pleasure of all the Pond Lot Members.

2. Voting. The Pond Lot Members shall meet and vote annually on the second weekend in January and elect a Pond Lot Member to serve as President, one as Treasurer plus three additional Pond Lot Members, all five of which shall serve as a Board for one year and, to discuss any matters of concern that affects the pond. The function of the Board shall be to make recommendations to the Pond Lot Members for any necessary maintenance required. Any member of the Board may call a meeting of the Board upon five days notice. Any Pond Lot Members with a concern of pond maintenance may call for a meeting with the Board upon five days notice. In the event a majority vote of the Board recommends maintenance, then the Board shall call a meeting of the Pond Lot Members. At such meeting the Pond Lot Members shall vote on the recommended maintenance and set a uniform Pond Maintenance Assessment against each Pond Lot Member. All votes for a Pond Maintenance Assessment shall be by majority vote of the number of Members attending the meeting. For voting purposes, all owners of a Pond Lot shall be considered as having one vote. There is one vote for each Pond Lot.

The Pond Lot Members shall have the right to formulate rules about the use of the pond and whether to allow any fishing or boating, however no motorized boats or swimming is allowed on or in the pond. Unless otherwise decided, canoes and kayaks are allowed on the pond. All votes for pond activities shall be by majority vote of the number of Members attending such meeting to formulate rules.

3. Maintenance Obligation of Pond Association. The Members of the Pond Association shall maintain the pond.

4. Easement for Maintenance. The Declarant grants to and imposes upon the Pond Lot Members and their assigns a 20 foot wide easement ("Pond Easement") around the edge of the pond for access, ingress and egress for the purpose of pond maintenance as required by the Pond Association. In addition, Declarant grants to the Pond Lot Members and their assigns a 20 foot wide easement for access, ingress and egress which is 10 feet on either side of the dividing line between Lots 23 and 24 from the right of way of Pitch Pine Drive to the Pond Easement ("Access Easement"). These easements are for the sole purpose of access for maintenance and not for public use. This easement is appurtenant to the Pond Lots.

5. Maintenance Obligations of Members. Each Member shall maintain his own Lot to the edge of the pond, keeping the Pond Easement free and clear of debris, grass mowed and obstructions removed.

6. Assessments. Each owner of a Pond 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 Pond Association the Pond Lot Assessments as defined above. The Pond Association shall also have the authority to establish, fix and levy an individual assessment on any Pond Lot to secure the liability of that Pond Lot Member to the Pond Lot Association arising from owner's breach of any of the provisions of these Pond Maintenance Provisions, together with interest thereon and the costs of collection (including reasonable attorney fees), shall be a lien on the applicable lot, continuing until paid in full, as well as a personal obligation of the person who was the lot owner at the time when the Pond Maintenance Assessment fell due. While any unpaid amounts shall remain a lien on the applicable lot, the personal obligation shall not pass to that owner's successors in title unless expressly assumed by the successor.

Any Pond Lot Assessments which are not paid when due shall be delinquent. The Pond Association shall have the option to declare the outstanding balance of any Pond Maintenance Assessment due and payable if any installment thereof becomes delinquent. If the Pond Maintenance Assessment is not paid within fifteen (15) days after the due date, the Pond Maintenance Assessment shall include a late payment penalty of \$20 or ten percent (10%) of the Pond Maintenance Assessment amount, whichever is greater. The Pond Association may bring an action at law against the responsible Pond Lot Member and/or foreclose the lien against the applicable Pond Lot. Interest, costs, and reasonable attorney fees of any such action shall be added to the amount of the delinquent Pond Maintenance Assessment. Each Pond Lot Member, by the acceptance of a deed to a lot, expressly vests in the Pond Association, its agents or assigns, the right and power to bring all actions against the Pond Lot Member, personally, for the collection of all debts due by it to the Pond Association and to enforce the lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Pond Association in a like manner as a mortgage or a deed of trust lien on real property. Each Pond Lot owner also expressly grants to the Pond Association a power of sale in connection with foreclosure of a lien for Pond Maintenance Assessment. The lien provided for in this Article shall be in favor of the Pond Association acting on behalf of the Pond Lot Members, which shall have the power to bid in at foreclosure and to acquire and hold, lease, mortgage and convey the foreclosed lot. The lien of the Pond Maintenance Assessment shall be subordinated to the lien of a deed of trust on a lot.

IN WITNESS WHEREOF, Declarant has caused this instrument to be signed by its duly authorized officer, this day first above written.

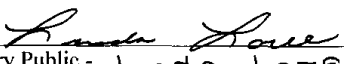
Gary Felton Land Investment Company, Inc., a North Carolina corporation

By: 
Gary Felton, President

State of North Carolina
County of Wake

I, the undersigned Notary Public, certify that Gary Felton personally came before me this day and acknowledged that he is President (title) of **Gary Felton Land Investment Company, Inc.**, a corporation, and that he/she, as such officer, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and official seal, this the 19 day of April, 2010


Notary Public - Linda Loree

My commission expires: 8/1/2013

LINDA LOREE
NOTARY PUBLIC
WAKE COUNTY, N.C.
My Commission Expires 8-1-2013.

Doc ID: 002650100002 Type: CRP
Recorded: 05/02/2012 at 11:10:13 AM
Fee Amt: \$26.00 Page 1 of 2
Granville County, NC
Kathy M. Adcock Reg of Deeds
BK 1426 PG 456-457

PREPARED BY & Mail To: Burns, Day & Presnell, P. A. 
P. O. Box 10867, Raleigh, NC 27605

NORTH CAROLINA

GRANVILLE COUNTY

ASSIGNMENT OF DECLARANT RIGHTS

PINE VALLEY SUBDIVISION

(Declaration recorded in Book 1130, Page 0920,
Granville County Registry)

THIS ASSIGNMENT OF DECLARANT RIGHTS FOR FOR PINE VALLEY SUBDIVISION
made and entered into the 30 day of April, 2012, by Gary Felton Land Investment Company,
Inc., a North Carolina corporation (hereinafter referred to as the "Felton") to Strongwater, LLC, a North
Carolina limited liability company (hereinafter referred to as the "Declarant");

WHEREAS, Felton has previously executed and recorded the Declaration of Covenants,
Conditions and Restrictions for Pine Valley Subdivision, as recorded in Book 1130, Page 0920, Granville
County Registry, as amended (hereinafter referred to as the "Declaration"); and,

WHEREAS, Felton desires to assign to Declarant, and Declarant desires to accept assignment
from Felton of, all rights and obligations of the Declarant under the Declaration as described in this
Assignment.

ASSIGNMENT

NOW, THEREFORE, pursuant to the Declaration:

1. Felton hereby designates Declarant as Declarant under the Declaration, and upon the
representation and warranties contained herein, sells, assigns, transfers and conveys unto Declarant all of its
right, title and interest in and to its status as Declarant thereunder, and all of the rights and easements
associated therewith, and hereby sells, assigns, transfers, conveys and delegates to Declarant all of the
obligations of Declarant as set forth in the Declaration.

2. Felton hereby warrants to Declarant that Felton has not previously released, relinquished,
waived, surrendered, or assigned any of its rights or portions thereof under the Declaration to any other
Person. Felton agrees to indemnify and hold Declarant, its shareholders, officers, directors and employees,
harmless from and against any claim, cost or expense, including, without limitation, court costs and attorneys'
fees actually and reasonably incurred, based on Felton's exercise of its rights as Declarant under the
Declaration prior to the date of this Assignment

3. Felton hereby warrants to Declarant that Felton is duly authorized and empowered to execute
this Assignment and all signatures on this Assignment by any officer or director of Felton have been duly

authorized by all necessary corporate action.

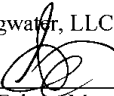
4. Declarant hereby accepts the foregoing assignment and delegation and, by its acceptance hereof, agrees that it shall perform all of the duties of Declarant under the terms of the Declaration from and after the date hereof but not prior hereto. Declarant agrees to indemnify and hold Felton, its shareholders, directors, officers and employees, harmless from and against any claim, cost or expense, including, without limitation, court costs and attorneys' fees actually and reasonably incurred, based on Declarant's exercise of its rights as Declarant under the Declaration on or after the date of this Assignment

IN WITNESS WHEREOF, Felton and Declarant each has caused this instrument to be executed in legal and binding form by its duly authorized official on the day and year first above written.

Gary Felton Land Investment Company, Inc.

By: 
Gary Felton, President

Strongwater, LLC

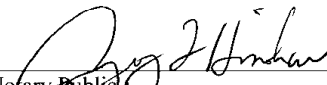
By: 
Gary Felton, Manager

Wake County, North Carolina

I certify that the following person personally appeared before me this day and acknowledged to me that he signed the foregoing document as an officer of Gary Felton Land Investment Company, Inc.: Gary Felton, President

Date: 4-30-12

(affix seal or stamp here)


Notary Public

Printed/Typed Name: Gregory L. Hinchman

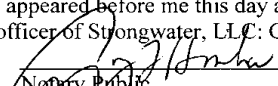
My Commission Expires: 8-15-15

Wake County, North Carolina

I certify that the following person personally appeared before me this day and acknowledged to me that he/she signed the foregoing document as an officer of Strongwater, LLC: Gary Felton, Manager

Date: 4-30-12

(affix seal or stamp here)


Notary Public

Printed/Typed Name: Gregory L. Hinchman

My Commission Expires: 8-15-15


Doc ID: 002650110003 Type: CRP
Recorded: 05/02/2012 at 11:11:58 AM
Fee Amt: \$26.00 Page 1 of 3
Granville County, NC
Kathy M. Adcock Reg of Deeds
BK **1426** PG **458-460**

PREPARED BY & Mail To: Burns, Day & Presnell, P. A. 2
P. O. Box 10867, Raleigh, NC 27605

NORTH CAROLINA
GRANVILLE COUNTY

AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR PINE VALLEY
SUBDIVISION TO ANNEX LOTS 25, 25A; 26-32; 38-39, 98-
105 PINE VALLEY SUBDIVISION
(Declaration recorded in Book 1130, Page 0920, Granville
County Registry)

THIS AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR PINE VALLEY SUBDIVISION TO ANNEX LOTS 25, 25A; 26-32; 38-
39, 98-105 (hereinafter referred to as the "Amendment") made and entered into the 30 day of
April, 2012, by Strongwater, LLC, a successor declarant to Gary Felton Land Investment
Company, Inc., a North Carolina corporation (hereinafter referred to as the "Declarant") as consented to
and subordinated to by HHHunt Homes Raleigh-Durham, LLC, a North Carolina limited liability company;

WHEREAS, Declarant has previously executed and recorded the Declaration of Covenants,
Conditions and Restrictions for Pine Valley Subdivision, as recorded in Book 1130, Page 0920, Granville
County Registry, as amended (hereinafter referred to as the "Declaration"); and,

WHEREAS, Gary Felton Land Investment Company, Inc. transferred all declarant rights to
Declarant by Assignment of Declarant Rights recorded in Book 1424, Page 451, Granville County
Registry; and,

WHEREAS, HHHunt Homes Raleigh-Durham, LLC owns Lots 98 and 99, as recorded in Plat Book
39, Pages 47-49, Granville County Registry and desires to join in this Amendment; and,

WHEREAS, Article I of the Declaration provides that the Declarant may annex additional
properties to this Declaration;

NOW, THEREFORE, the Declarant does hereby resubmit, publish and declare that all the

property described as:

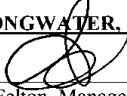
BEING all of that property as shown on map entitled Pine Valley - Phase 2, including but not limited to Lots 26-32; 38-39, 98-105, and the Recreation Area, as recorded in Plat Book 39, Pages 47-49, Granville County Registry; and,

Being all of Lots 25 and 25A, inclusive of Pine Valley Subdivision, Phase 2, as shown on map recorded in Map Book 40, Page 55, Granville County Registry

is held and shall be held, conveyed, encumbered, used and occupied subject to the covenants, conditions, restrictions, uses, limitations and obligations of the Declaration as amended, all of which are declared and agreed to be in furtherance of an plan for the improvement of said property and shall be deemed to run with the land and shall be a burden and benefit to Declarant, its successors and assigns, and all persons, firms, corporations and other entities acquiring or owning any interest in the real property and improvements, their grantees, heirs, executors, administrators, devisee and assigns.

IN WITNESS WHEREOF, Declarant and HHHunt Homes Raleigh-Durham, LLC have caused this instrument to be signed by its duly authorized officer, this day first above written.

STRONGWATER, LLC:

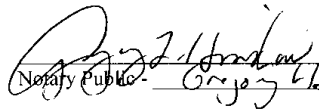
By: 
Gary Felton, Manager

State of North Carolina - County of Wake

I, the undersigned Notary Public of the County and State aforesaid, certify that Gary Felton, Manager, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this 30 day of April, 2012.

My Commission Expires: 8-15-15

Seal


Notary Public - Gregory E. Hirscher



HHHUNT HOMES RALEIGH-DURHAM, LLC:

By: _____
Macon Foster, Manager

State of North Carolina - County of Wake

I, the undersigned Notary Public of the County and State aforesaid, certify that Macon Foster personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this ____ day of _____, 2012.

My Commission Expires: _____

Notary Public - _____

Seal