

NORTH CAROLINA
SAMPSON COUNTY

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS, made and entered into between FRED L. PAIT and STELLA D. PAIT, hereinafter called "Declarants," and all land owners of the lots and tracts shown and designated on a map entitled "SURVEY FOR FRED L. PAIT AND STELLA D. PAIT," a subdivision located in Franklin Township, Sampson County, North Carolina;

WITNESSETH

WHEREAS, Declarants are the owners of certain lots and tracts of real property located in Franklin Township, Sampson County, North Carolina, as shown and designated on a map prepared by Owen Surveying, Incorporated, entitled "SURVEY FOR FRED L. PAIT AND STELLA D. PAIT," dated June, 1996 and duly recorded in Book of Official Maps No. TWENTY NINE (29), at page SEVENTY THREE (73) and SEVENTY FOUR (74), Sampson County Registry, said map reference being made for a more accurate and complete description of said lots and tracts and the same is incorporated herein by reference and made a part hereof; and

WHEREAS, Declarants will convey the said lots and tracts, subject to a roadway easement as shown on said map and together with the right of a non-exclusive roadway easement as designated on said map as "60' WIDE PRIVATE RIGHT-OF-WAY" and right to the use of the access to Black River described as "PRIVATE ACCESS #1" & and "PRIVATE ACCESS #2"; together with a roadway easement to said subdivision as described in Deed Book 1208, at page 110, Sampson County Registry.

NOW, THEREFORE, Declarants hereby declare that all of the lots and tracts described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, all of which are for the purpose of enhancing the use and enjoyment of said lots and tracts. These easements, covenants, restrictions, and conditions shall run with the lots and tracts and shall be binding on all parties, their heirs,

successors, or assigns having or acquiring any right, title or interest in the described lots or tracts or any part thereof and shall inhere to the benefit of each owner thereof.

ARTICLE I

Definitions.

Section 1. "Association" shall mean and refer to Black River Landowners Association, Inc., its successors and assigns.

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

Section 3. "Property" shall mean and refer to those certain lots and tracts as described in Book of Maps No. TWENTY NINE (29) at pages SEVENTY THREE (73) and SEVENTY FOUR (74), Sampson County Registry, and any subdivisions thereof.

Section 4. "Roadway Easement" shall mean all roadways as shown and designated in Book of Maps TWENTY NINE (29) at pages SEVENTY THREE (73) and SEVENTY FOUR (74), Sampson County Registry, together with roadway easement described in Deed Book 1208, at page 110, Sampson County Registry.

Section 5. "Access" shall mean those lots designated as "PRIVATE ACCESS #1" & "PRIVATE ACCESS #2" in Book of Maps TWENTY NINE (29) at pages SEVENTY THREE (73) and SEVENTY FOUR (74), Sampson County Registry.

ARTICLE II

Property Rights.

Section 1. Owner's Roadway Easement. Every landowner shall be subject to and shall have the right to a non-exclusive roadway easement for ingress, egress, regress and access over and upon that roadway described as "60' PRIVATE RIGHT-OF-WAY," together with the use of the access to Black River as shown and designated on the above referenced map, and a 60' roadway easement described in Deed Book 1208, at page 110, Sampson County Registry, which shall be appurtenant to and shall pass with the title to every lot or tract or subdivision thereof, subject to the following provisions:

A. The right of the association to impose regulations for the use of the roadways and access to the Black River;

B. The right of the association to dedicate or transfer all or any part of the roadways and or the access to the Black River, to any public agency, authority, or utility, for such purposes and under such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds of the members agreeing to such dedication or transfer has been recorded.

C. The right of the association to impose assessments as provided herein.

D. The right of the association to suspend the voting rights and to the use of access to the Black River by an landowner for any period of time during which any assessment against any lot or tract remains unpaid and for a period not to exceed sixty (60) days for any infractions of the association's published rules and regulations.

E. The right of the association to impose a lien on the landowner's lot or tract for nonpayment of assessment.

Section 2. Delegation of Use. Any landowner may delegate, in accordance with the bylaws of the association, his right to use of the roadway easement and access to the Black River to members of his family, his tenants, or contract purchasers who reside on said property.

Section 3. Title to the Roadway Easement and Access to Black River.
The Declarants hereby covenant for themselves, their successors and assigns, that they will convey a non-exclusive roadway easement to the aforescribed roads and access to the Black River as shown on the aforementioned map recorded in Book of Maps TWENTY NINE (29) at pages SEVENTY THREE (73) and SEVENTY FOUR (74), Sampson County Registry, together with the roadway easement described in Deed Book 1208, at page 110, Sampson County Registry, and fee simple title to the access to the Black River.

Section 4. Restrictions to Use of Property. The property being conveyed is subject to the following restrictions:

A. Only Houses, Cabins, 14' or wider Manufactured homes, or Travel Trailers, will be allowed on the property.

B. Manufactured homes must be underpinned with either brick or T-lock vinyl.

C. No junked motor vehicles or unsightly accumulations of any kind are allowed.

ARTICLE III

Membership and Voting Rights.

Section 1. Membership. Each landowner of a lot or tract which is designated in Book of Maps TWENTY NINE (29) at pages SEVENTY THREE (73) and SEVENTY FOUR (74), Sampson County Registry, or subdivision thereof, which is subject to assessment shall be a member of the association. A membership shall be appurtenant to and may not be separated from ownership of any lot, tract or subdivision thereof which is subject to assessment.

Section 2. Class of Membership. The association shall have one class of members, who shall be all landowners within the property described in Map Book TWENTY NINE (29) at pages SEVENTY THREE (73) and SEVENTY FOUR (74), Sampson County Registry.

Section 3. Voting Rights. Each landowner shall be entitled to one vote irrespective of the number of lots or tracts owned. When more than one person holds an interest in such lots or tracts, all of such persons may be members. The vote for such lots or tracts shall be exercised as they among themselves determine, but in no event, will more than one vote be cast with respect to such lots or tracts, except to such tracts that may be subdivided, and then, said subdivided lots or tracts owned will have one vote to be cast.

Covenant

a binding agreement made by individuals, ~~parties~~ parties, etc. to do or keep from doing a specified thing.

ARTICLE IV

The Promises made by God to us recorded in the Bible

Covenants for Assessment.

Section 1. Creation of the Lien and Personal Obligation of Assessment. The Declarants, for each landowner within the subdivision, hereby covenant, and every landowner of said lots or tracts by acceptance of a deed therefore, whether or not it shall be expressed in such deed or other conveyance, is deemed to covenant and agree to pay to the association an annual assessment of charges for the maintenance and repair of the roadway and access to Black River. Each landowner agrees to pay to the appropriate governmental taxing authority a prorata share of ad valorem taxes levied against the roadway and access, if any, should the association default in the payment thereof for a period of six (6) months, all as hereinafter provided.

Section 2. Special Assessment for Capital Improvement to Roadway or Access. The annual and special assessments, together with such interest thereon and cost of collection thereof, as hereinafter provided, shall be a charge on the lot or tract and shall be a continuing lien upon the lot or tract and improvements against which such assessment is made. Each such assessment, together with twelve (12%) percent interest, plus costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the landowner of the lot or tract at the time the assessment fell due. The personal obligation of a landowner for delinquent assessment shall not pass to his successors in title unless expressly assumed by them; however, said assessment shall constitute a lien against the lot or tract. All assessments shall be shared equally by the landowners within the subdivision.

Section 3. Purpose of Assessment. The assessments levied by the association shall be used exclusively for the maintenance, repair, and improvement of the roadway and access to the Black River by the landowners of the lots and tracts described herein.

Section 4. Reserve. The association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair, and improvements to the roadway and access to Black River. Such reserve fund is to be established out of regular assessments due.

Section 5. Amount of Assessment.

A. Initial Annual Assessment. To and including August 1, 1997, the initial annual assessment shall be FIFTY DOLLARS (\$50.00) per landowner per year. From and after August 1, 1997, said assessment may be increased by the association. From and after

August 1, 1997, the annual assessment effective for any year may be increased by the Board of Directors, without the vote of the membership, by a percentage which may not exceed five (5%) percent of the prior annual assessment.

B. Increase by Members. From and after August 1, 1997, the annual assessment may be increased by a percentage greater than five (5%) percent by an affirmative vote of two-thirds of the members who are voting in person or by proxy, at a meeting duly called for such purpose. A written notice setting forth the purpose of the meeting shall be sent to all members not less than thirty (30) days or more than sixty (60) days in advance of the meeting.

C. Decrease by Board of Directors. The Board of Directors may decrease the annual assessment from time to time if in its opinion such decrease is prudent.

D. Decrease by Members. The members may decrease the annual assessment from time to time by an affirmative vote of two-thirds of the members who are voting in person or by proxy, at a meeting duly called for such purpose. A written notice setting forth the purpose of the meeting shall be sent to all members not less than thirty (30) days not more than sixty (60) days in advance of the meeting.

E. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part the cost of construction or reconstruction, unexpected repair, or replacement of a described capital improvement to the roadway or access to the Black River, provided that any such assessment shall have the assent of two-thirds of the vote of the members who are voting in person or by proxy at a meeting duly called for this purpose, a written notice of which, setting forth the purpose of the meeting, shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. The amount of the proposed assessment need not be stated.

F. First Year Assessment. Until August 1, 1997, Declarants shall maintain and keep in good repair the roadway and access to the Black River at their sole expense and thereafter, the cost of said maintenance and repair shall be the sole responsibility of the members of the association.

Section 6. Uniform Rate of Assessment. Annual assessments shall be a uniform rate and shall be collected on an annual basis.

Section 7. Quorum for Any Action Taken by the Members. The presence at the meeting of members or of proxies entitled to cast thirty (30%) percent of all votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, this Declaration of Covenants, Conditions, and Restrictions, or the By-Laws of the Association. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented.

Section 8. Date of Commencement of Annual Assessment. The annual assessment provided for herein shall be paid annual and in advance and the initial assessment shall be paid upon the purchase of said lot or tract. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each landowner at least thirty (30) days in advance of each annual assessment. Written notice of the annual assessment shall be sent to each landowner subject thereto. The due date shall be established by the Board of Directors. The association, upon demand at any time, shall furnish a certificate in writing signed by an officer of the association setting forth whether the assessments on a specified lot or tract have been paid. A properly executed certificate of the association as to the status of an assessment on a lot or tract is binding upon the association as of the date its issuance.

Section 9. The Effect of Nonpayment of Assessment & Remedies of the Association. Any assessments not paid within thirty (30) days after due date shall bear interest from due date at the rate of twelve (12%) percent per annum. The association may bring an action at law against the landowner personally obligated to pay the same or foreclose the lien against the property and in either event, any interest, cost, or reasonable attorney's fees for any such action shall be added to the assessment. No owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the roadway or access or abandonment of his property.

Section 10. Effect of Default in Payment of Ad Valorem Taxes or Assessment for Public Improvements by Association. Upon default by the association in payment to a governmental authority entitled thereto of any ad valorem taxes levied against the roadways or access to Black River, which default shall continue for six (6) months, each owner of a lot or tract in the subdivision shall become personally obligated to pay to the taxing or governmental authority a portion of such unpaid taxes or assessments in an amount determined in the same manner as is annual assessment for the maintenance of roadways and access to Black River. If such sum is not paid by the landowner within thirty (30) days following receipt of the notice of the amount due, then such sums shall become a continuing lien on the property of the then landowner, his heirs, devisees, personal representatives, or assigns, and the taxing or assessing governmental authority may either bring an action at law or elect to foreclose the lien against the property of the landowner.

Section 11. Subordination of Lien to Mortgages. The lien of the assessments provided for herein on any lot or tract shall be subordinate to any mortgage on such lot or tract. A lien for assessment is not affected by any sale or transfer of a lot or tract, except that a sale or transfer of any lot or tract pursuant to foreclosure of a mortgage, shall extinguish the lien of such assessment as to payments which become due prior to such sale or transfer.

No sale or transfer shall relieve such lot or tract from liability for any assessments thereafter becoming due or from the lien thereof.

Section 12. Arbitration. In the event of any dispute concerning the provisions of this Article, such dispute shall be settled by arbitration as provided by the laws of the state of North Carolina as they now are or are hereafter amended.

ARTICLE V

General Provisions

Section 1. Providing for Traffic Flow. It shall be the responsibility of the association to maintain uninterrupted traffic flow along all roadways within the property and to the access to the Black River.

Section 2. Enforcement. The association, or any landowners, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, liens, and charges now or hereafter imposed by the provisions of this declaration. Failure by the association or by any landowner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 3. Severability. The invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed, this the 22nd day of July, 1996.

Fred L. Paith (SEAL)
FRED L. PAITH

Stella D. Paith (SEAL)
STELLA D. PAITH

NORTH CAROLINA

ROBESON COUNTY

I, Susan Britt Williams a Notary Public in the county and state
aforesaid do certify that FRED L. PAIT and STELLA D. PAIT personally appeared before me
this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and official seal this the 22nd day of July, 1996.

Susan Britt Williams (SEAL)
Notary Public

My commission expires: 10-31-99