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WILKES COUNTY
RICHARD L. WOODRUFF
REGISTER OF DEEDS**

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
THE FIELDSTONE PATIO HOMES**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE FIELDSTONE PATIO HOMES (as may be amended or supplemented as set forth herein, "Declaration") is made this 13th day of Sept. 2016, by Premier Property Holdings, LLC, a North Carolina corporation, whose address is 313 Main St., N. Wilkesboro, NC 28659 ("Declarant").

WITNESSETH:

A. Declarant is the owner and developer of certain real estate in Wilkes County, North Carolina, and more particularly described by deed recorded in Book 1223, Page 294 of the Wilkes County Registry (the "Property"); and,

B. Declarant is developing the Property known as The Fieldstone Patio Homes by permitting the construction of high end patio homes thereupon The Fieldstone Estates Lot 1 and an 11.39 +/- acre tract that adjoins The Fieldstone Estates, that are to be used for residential purposes and the improvements are to be owned by the homeowners association to which the Owner of a patio home and lot must belong and pay lien-supported maintenance assessments; and,

C. At the time of the conveyance of a patio home and lot to an Owner, the Declarant intends to make available the common areas on the Property and the common areas of The Fieldstone Estates to the lot Owner, and at the time of the completed development, the Common Area inclusive of the septic field and pumping station, excluding patio home lots, dedicated streets and any remaining common areas, shall be conveyed without cost or charge to The Fieldstone Patio Homes Property Owners Association; and,

D. Declarant hereby declares that all of the Property described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and

conditions, which are for the purpose of protecting the value, desirability and attractiveness of The Fieldstone Estates and Fieldstone Patio Homes community as a whole, and which shall run with, the real property and be binding on all parties having any right, title and interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

1. "Association" shall mean and refer to The Fieldstone Patio Home Owners Association, to be formed as a non-profit corporation, its successors and assigns.

2. "Fieldstone Patio Homes" shall mean and refer to the patio homes and lots situated thereupon the lands described hereinabove, its successors and assigns.

3. "Property" shall mean and refer to that certain real property hereinabove described, and such additions thereto as may hereafter be annexed into this Declaration and the Association by the Declarant.

4. "Common Area" shall mean all property owned by Association for the common use and enjoyment of the Members of the Association, including Limited Common Areas, but not including any patio home and lot property.

5. "Limited Common Area" shall mean those portions of the Common Area designated in the recorded plat of any portion of the property that serves only a limited number of lots and which may include, but specifically is not limited to, driveways, walkways, parking areas, buildings or areas serving only specified lots, and such similar areas.

6. "Lot" shall mean and refer to any parcel of land designated on the recorded map of the subdivision map of the Property on which such parcel appears (subject to approval of the Declarant), with the exception of the Common Area and Limited Common Areas.

7. "Lot in Use" shall mean and refer to any lot on which a patio home unit has been fully constructed and made ready for occupancy as a dwelling unit, including, without limitation, completion of the installation of final floor covering, interior paint and wallpaper and all appliances. Further, a Lot may become a Lot in Use by contractual agreement between the Declarant and the Owner of such Lot.

8. "Member" shall mean and refer to every person or entity that holds membership in the Association.

9. "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 Property,

including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

10. "Declarant" shall mean and refer to Premier Property Holdings, LLC, its successors and assigns to whom the rights of Declarant hereunder are expressly transferred, in whole or in part, and subject to such terms and conditions as the Declarant may impose.

11. "Person" shall mean and refer to any individual, corporation, partnership, association, trustee, or other legal entity.

12. "Building" shall mean and refer to a Patio Home, constructed or erected on the property.

13. "Board of Directors' or Board" shall refer and mean those persons elected or appointed and acting collectively as the Directors of the Association.

14. "Common Expenses" shall refer to and include all charges, costs and expenses incurred by the Association for and in connection with the administration of The Fieldstone Patio Homes Association and Common Area and maintenance of the shared roadway system and all areas common to The Fieldstone Estates. The common expenses of The Fieldstone Patio Homes area proper include but are not limited to maintenance of the patio homes area, inclusive of but not limited to, mowing, fertilizing, weed control, leaf removal, shrub trimming, punching and over seeding; costs of any additions and alterations thereto, snow removal from sidewalks and driveways; all liability for loss or damage arising out of or in connection with the common areas and their use; all premiums for hazard, liability and other insurance with respect to the subdivision; all costs incurred in acquiring a Lot pursuant to a judicial sale; all reserve funds or other funds established by the Association; ad valorem taxes and public assessments lawfully levied against the Common Area; expenses agreed to by Members to be common expenses of the Association. "Common Expenses" shall be construed broadly so as to maintain the overall aesthetic of The Fieldstone Estates and The Fieldstone Patio Homes subdivision.

15. "Patio Home" shall mean and refer to a dwelling or place of residence constructed upon a Lot within the Property. The area upon which the homes shall be situate will be surveyed setting forth the location of the homes and each home shall have their own separate septic systems on the patio home lot where feasible or, in the alternative, shall have separate septic systems and pump stations, if need be, within the common area. Moreover, it is the desire of the Developer and Lot owners that the homes shall be subject to like or similar high end construction requirements in keeping with the overall concept of the subdivision covenants respective of the general construction and architectural review requirements for the patio homes.

16. "Amenities" shall mean the facilities constructed, erected or installed on the common areas of The Fieldstone Estates and The Fieldstone Patio Homes for the use, benefit and enjoyment of Members.

ARTICLE II

PROPERTY RIGHTS IN COMMON AREAS

1. Except as otherwise provided, each Owner shall have a right and easement of enjoyment in and to the common areas, which shall be appurtenant to and shall pass with the title to the Lot subject to the following provisions:

a. The right of the Association to suspend the right of any Owner or the privilege of any Resident to use such a Common Area that is recreational in nature, as determined by the Board, for any infraction of the Rules and Regulations relating to the common areas for a period not to exceed sixty (60) days for each infraction or for non-payment or delinquent Assessments against a Lot Owner until such time as the Lot Owner is current on account with the Association;

b. The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

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 an instrument to such dedication or transfer is signed by two-thirds (2/3) of Members.

d. The right of the Association to limit the number of guests of Members.

e. The right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the common areas and facilities and in aid thereof; to mortgage its property, and the rights of said mortgage in said property shall be subordinate to the rights of the Owners hereunder.

f. The right of the individual Members to the exclusive use of parking spaces as provided in this Article.

2. Any Owner may delegate, in accordance with the By Laws, his right of enjoyment to the Common Area and facilities to the Members of his family, who are living at the home, his tenants, or contract purchasers who reside on the property.

3. The Declarant hereby covenants for itself, its heirs and assigns, that it will convey fee simple title to the Common Area to The Fieldstone Patio Homes Association, Inc., as designated on the recorded plat free and clear of all encumbrances and liens, at such time as ninety percent of the patio home units are sold to third parties and/or, at the

Developers sole discretion. The Common Area inclusive of the septic field and pumping station, if necessary, that serves the patio home units, shall be conveyed to The Fieldstone Estates Patio Homes Association, Inc. Thereafter, the exterior maintenance and/or repairs necessary to maintain the aesthetic of the patio homes and the lots shall be the sole responsibility of The Fieldstone Estates Patio Homes Association, Inc. The obligation to maintain this specific Common Area as set forth on the plat of same recorded in Book _____, Page _____, Wilkes County Registry, shall in no way release the patio home owners from the obligation to pay in sum an annual \$2,000 assessment to The Fieldstone Estates Homeowners' Association, Inc. as it is the intent of the Developer that the assessment be applied toward maintenance of the remaining common properties such as the roadway system, lighting, signage and the like. The assessment shall be imposed upon the property owners of the patio homes area, being the proportionate share of the sum of \$1,000 assessed to property owners situated on an 11.39 +/- acre tract annexed into the common plan and scheme and the sum of \$1,000 assessed to property owners situated upon The Fieldstone Estates Lot 1, due and payable to The Fieldstone Estates Homeowners' Association, Inc. on an annual basis for maintenance of the common areas of all Lot owners and patio home owners subject to any additional special assessments that may be deemed by The Fieldstone Estates Homeowners' Association, Inc. to be necessary from time to time. To be clear, it is the basic intent of The Developer and all Lot owners to maintain a superior curb appeal and aesthetic for The Fieldstone Estates proper and the patio homes area in keeping with a high end gated community through necessary or routine improvements to the roadway system, infrastructure and any other common use or benefit of the community.

4. The Association may, in its discretion, provide one or more central television antennas, dish receivers or the like for communication services and the cost of these may be included in annual or special assessments. The Association may regulate or prohibit the erection of such devices on individual Lots.

5. Ownership of each Lot shall entitle the Owner or Owners thereof the use of automobile parking spaces, which shall be located on the Lot as designated, together with the right of ingress and egress in and upon the parking spaces. The Association may regulate the parking of boats, trailers and other such items on the Common Area. No boats, campers, trailers, motor homes, trucks or trailers and other such personal property shall be parked within the right of way of any public street; nor shall any of these be regularly parked on the Property except in an enclosed garage or in areas designated by the Association. The Association shall from time to time adopt appropriate parking rules when deemed necessary.

6. All pets shall be house pets and kept inside the Owner's dwelling. All pets allowed outside shall be at all times on a leash. There shall be no outdoor, housing, runs or similar structures to accommodate pets outside the Owner's dwelling. Patio Home owners are limited to no more than two cats and/or dogs as house pets.

ARTICLE III

ANNEXATION OF ADDITIONAL PROPERTY

1. Annexation of additional property shall require the assent of two-thirds (2/3) of the Membership of both The Fieldstone Estates Homeowners' Association, Inc. and The Fieldstone Estates Patio Homes Association, Inc. at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting for the purpose of the meeting. The presence of Members or of proxies entitled to cast two-thirds (2/3) of the votes shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirement set forth above and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

2. The Declarant expressly reserves a unilateral right to annex additional Property for further development at the earlier of either a period of twenty (20) years from the date of the execution of these covenants or until such time as Declarant conveys all right, title and interest in and to all Common Areas of both The Fieldstone Estates and The Fieldstone Patio Homes and any other residual property owned by the Declarant to the Association or to any third party, inclusive of any such property within the Fieldstone Estates or Fieldstone Patio Homes community.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

1. Every Owner of a Lot which is subject to assessment shall be a Member of The Fieldstone Patio Homes Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. No Owner shall have more than one membership.

2. The Association Members shall be all Owners and shall be entitled to one (1) vote for each Lot Owner. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for the Lot shall be exercised as determined by its Members but, in no event shall more than one (1) vote be cast with respect to any Lot.

3. The right of any Member to vote may be suspended by the Board of Directors for just cause pursuant to its rules and regulations and according to the provisions of Article II, 1 a.

4. Notwithstanding the above, the patio home property owners are also subject to the annual assessment of The Fieldstone Estates Homeowners' Association, Inc. The intent of the assessment is for maintenance of the common roadway system and other common areas. Therefore, the patio home property owners shall also be Members

of The Fieldstone Estates Homeowners' Association, Inc.. Members in good standing with each association and whose property is situated upon the former The Fieldstone Estates Lot 1 shall have one vote in the aggregate and the patio home property owners situated upon the 11.39 acre +/- acre tract annexed into the subdivision community shall have one vote in the aggregate in The Fieldstone Estates Homeowners' Association, Inc. The actual vote for the individual Lot and individual tract shall be determined by a majority of the patio home owners for each respective tract.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

1. The Declarant, for each Lot Owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed thereof, whether or not it shall be so expressed in the deed, is deemed to covenant and agree to pay the Association annual assessments or charges and special assessments for capital improvements. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to the successor in title unless expressly assumed by them.

2. The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the residents of the Property and in particular for the acquisition, improvement and maintenance of common areas, including but not limited to the maintenance, repair and reconstruction of septic tanks, septic fields, private streets, driveways, walks and parking areas situated on the Common Area, such maintenance to include but not be limited to the cutting and removal of weeds and grass, the removal of trash and rubbish or any other maintenance provided or for the use and enjoyment of the Common Area, 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 assessed against the Common Area, the procurement and maintenance of insurance in accordance with this Declaration, 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 major expense for which it is responsible, and such other need as may arise. Roofs and exterior painting shall be the responsibility of Owners, subject to the control of the Association.

It is specifically provided that the original construction of each septic system shall be the responsibility of each Lot Owner and may be placed upon the Owner's Lot where feasible. If placement of a septic system is not feasible to be placed upon the Owner's Lot then, location and construction shall be within the Common Area. Initially, the location and construction of each system shall be at the direction of and with the

permission of the Declarant. After the original construction of the septic systems, all future repairs and maintenance shall be the responsibility of the Fieldstone Patio Homes Association, Inc. for those systems that are constructed and built upon or within the Common Area as described in Plat Book _____, Page _____, Wilkes County Registry.

3. A quarterly assessment shall be fixed annually by the Board annually due and payable quarterly on the first day of each quarter of the calendar year, per Lot Owner. Further, the Board shall establish and fix the due dates of any special assessment.

4. In addition to the annual assessment, the Association may levy in any assessment year a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of its Members who are voting in person or by proxy at a meeting duly called for this purpose.

5. Moreover, an annual assessment being the proportionate share of the sum of \$1,000 shall be assessed by The Fieldstone Estates Homeowners' Association, Inc. to property owners situated on an 11.39 +/- acre tract annexed into the common plan and scheme and the sum of \$1,000 assessed to property owners situated upon The Fieldstone Estates Lot 1, due and payable to The Fieldstone Estates Homeowners' Association, Inc. on an annual basis for maintenance of the common areas of all Lot owners and patio home owners subject to any additional special assessments that may be deemed by The Fieldstone Estates Homeowners' Association, Inc. to be necessary from time to time, as set forth hereinabove.

6. Written notice of any meeting called for the purpose of taking any action to change the annual dues of the Association or assess a special assessment shall be sent to all Members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast 2/3rds of the votes of the 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 of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

7. Both quarterly and special assessments must be fixed by the Board at a uniform rate for all Lots and shall be collected by the Association.

8. The quarterly assessments provided for herein shall commence as to all Lots on the first day following the conveyance of the Lot to the Owner and shall be pro rated according to the number of days remaining in the quarter. The Declarant, its successors and assigns, shall pay the regular assessment for any Lot it owns until such time Declarant transfers the Lot to a third party. Written notice of the regular assessment

shall be sent to every Member subject thereto. The Board or any adjudicatory panel established by the Board, may levy a reasonable Fine Assessment, as a fine or penalty for violation of this Declaration, all in accordance with the Planned Community Act. A lien may be filed for this Fine Assessment and this Fine Assessment may be enforced by foreclosure and otherwise treated as a regular assessment.

9. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the highest rate permitted by law on the date the assessment became due. After sixty (60) days, the Association may bring an action at law against the Owner personally obliged to pay the same or foreclose the lien against the property. 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.

10. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. However, the sale or transfer of any Lot pursuant to 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 assessments thereafter becoming due or from the lien thereof.

11. Any portion of the Property dedicated to and accepted by a local public authority shall be exempt from the assessments created herein, except no land or improvement devoted to dwelling use shall be exempt from assessments.

12. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Area and Limited Common Areas which the Association may be obligated to maintain. Such reserve fund is to be established out of regular assessments for common expenses. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements for which the Association is responsible pursuant to Article VII herein.

ARTICLE VI

ARCHITECTURAL REVIEW

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein, including exterior painting be made until the plans and specifications showing the nature, kind, shape, height, materials, color 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, topography and concept of Fieldstone Patio Homes community by The Fieldstone Estates Architectural Review Committee. The Fieldstone Estates Architectural Review Committee as set forth in the Declaration of Protective Covenants, Conditions and Restrictions for The Fieldstone Estates and subsequent amendment will consist of one (1) member of The Fieldstone Estates Patio Homes

Association at such time as the Developer elects to transfer to The Fieldstone Estates Homeowners' Association the architectural review responsibilities.

The ground-floor living area of the main structure of the Patio Home to be constructed on a Lot, exclusive of one-story open porches, garages and other non-heated areas, shall not be less than 2,000 square feet of fully enclosed living space and shall be forward facing. Further, there will be three or four floor plans with varied elevation and pitch of the roof. Approval of the roof pitch and other aesthetics associated with the construction of the patio homes shall fall under the discretionary authority of the Architectural Review Committee. Set backs incident to the placement of the patio home structure situated upon each lot shall be set forth on the recorded map of the patio home and any subsequent revisions thereof. A temporary stone drive will be put in place by Builder when construction begins and maintain the stone drive during construction to keep mud and debris off the street.

ARTICLE VII

EXTERIOR MAINTENANCE

It is in the best interest of the Association and The Fieldstone Patio Homes community that all areas be properly maintained and that the Association shall be required to provide such maintenance provided herein and make a uniform rate of charge without regard to the actual cost of maintenance of such areas. In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: trees, shrubs, grass, walks, mailboxes, fences installed by Declarant or the Association, and street lights to maintain the continuity of the community. Further, the Owner of any Lot may, subject to Association approval, plant trees, shrubs, flowers and grass in his rear yard and may also maintain portions or all of his rear yard provided that such maintenance by the Owner does not hinder the Association in performing its maintenance duties. In the event that the need for maintenance or repair is caused through the willful or negligent act of and Owner, his family, guests or invitees, the cost of such maintenance or repair shall be added to and become a part of the assessment to which the Lot is subject. The Association is hereby granted an easement and right of access to go upon any Lot for performance of repairs or maintenance, the responsibility of which is the Association's hereunder.

ARTICLE VIII

USE RESTRICTIONS

1. The Board of Directors of the Association shall have the power to formulate, publish, and enforce reasonable rules and regulations concerning the use and enjoyment of the front yard space of each Lot and the Common Area. Such rules and regulations, along with all policy resolutions and policy actions taken by the Board of Directors, shall be recorded in a Book of Resolutions which shall be maintained in a

place convenient to the Owners and available to them for inspection during normal business hours.

2. Each Lot and the Common Area and facilities shall be for the following uses and subject to the following restrictions, and, in addition, to those set forth in the By-Laws:

a. All Patio Homes and the Common Area and facilities shall be used for residential and related common purposes. Each dwelling shall be used as a single-family residence and for no other purpose, except that the Declarant may use one or more Homes for offices and/or model homes for sales purposes.

b. Nothing shall be kept and no activity shall be carried on in any Patio Home or on the Common Area and facilities which will increase the rate of insurance, applicable to residential use, for the Property or the contents thereof. No Owner shall do or keep anything, nor cause or allow anything to be done or kept, in his home or on the Common Area and facilities, which will result in the cancellation of insurance of any portion of the Property, or the contents thereof, or which will be in violation of any law, ordinance, or regulation. No waste shall be deposited on any portion of the Common Area and facilities.

c. No immoral, improper, offensive, or unlawful use shall be made of the Property, or any part thereof, and all valid laws, ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, order, rules, regulations, or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be complied with, by and at the sole expense of the Owner or the Association, whichever shall have the obligation to maintain or repair such portion of the Property.

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

e. No industry, business, trade, occupation, or profession of any kind, whether commercial or otherwise, shall be conducted, maintained, or permitted on any part of the Property, except that the Declarant or its agent may use any unsold Patio Home for sales or display purposes.

f. 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 Patio Home, building, or any portion of the Common Area and facilities, except as allowed by The Fieldstone Estates Architectural Review Committee; provided, however, that the Declarant may place "For Sale" signs on any unsold or unoccupied home and in suitable places on the Common Area; provided, however, that during the development of the Property and the marketing of Patio Homes, the Declarant may maintain a sales office

and may erect and display such signs as the Declarant deems appropriate as aids to such development and marketing, provided that such signs do not violate any applicable laws.

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

h. The Common Area and facilities shall be used only for the purposes for which they are intended and reasonably suited and which are incident to the use and occupancy of the Patio Homes subject to any rules or regulations that may be adopted by the Association pursuant to its By-Laws.

3. No obnoxious or offensive activity shall be carried on upon the Property, nor shall anything be done which may be or may become a nuisance or annoyance to the residents within the Property.

ARTICLE IX

EASEMENTS

All of the Property including Lots and Common Areas shall be subject to such easements for driveways, walkways, parking areas, waterlines, sanitary sewers, storm drainage facilities, gas lines, telephone, communication and electric power lines and other public utilities as shall be established by the Declarant or by its predecessors in title, prior to the subjecting of the Property to this Declaration; 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 Property. An easement is hereby established for the benefit of Wilkes County and/or the City of Wilkesboro over all Common Areas hereby or hereafter established for the setting, removal, and reading of water meters, the maintenance and replacement of water, sewer and drainage facilities, the fighting of fires and collection of garbage.

ARTICLE X

INSURANCE

Insurance coverage on the Property shall be governed by the following provisions:

1. All insurance policies upon the Property shall be purchased by the Home Owner.

2. All buildings and improvements upon the Patio Home Lot shall be insured in an amount equal to 100% insurable replacement value as determined annually by the Association with guidance from the insurer of the home. Coverage shall provide

protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and, such other risks as from time to time shall be customarily covered with respect to buildings on the land; such policies shall contain clauses providing for waiver of subrogation. Premiums upon insurance policies purchased by the Home Owner shall be paid by the Home Owner.

ARTICLE XI

GARBAGE

The Association shall have the right to make and enforce rules concerning the collection of garbage and other refuse including, but not limited to, the right to make rules establishing the placement and keeping of garbage and refuse containers to be placed at curbside on days established for garbage and refuse collection by an independent private garbage collection company, Wilkes County, or the city of Wilkesboro and rules and regulations concerning the time when such garbage and refuse containers must be removed from the curbside by Property Owners.

ARTICLE XII

GENERAL PROVISIONS

1. The Association or any Owner shall have the right to enforce by any proceeding or 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.

2. 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.

3. 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 during the first twenty (20) year period by an instrument signed by not less than ninety (90) percent of the Lot Owners and thereafter by an instrument signed by not less than seventy-five (75) percent of the Lot Owners. Any amendment must be recorded.

4. 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 or ratification of the terms and conditions of such contract. Any contract 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 within thirty (30) days without justification or penalty after transfer of management by Declarant to the Association.

5. Any institutional holder of a first mortgage on a Lot will, upon request, be entitled to inspect the books and records of the Association during normal business hours, receive an annual audited financial statement of the Association within ninety (90) days following the end of its fiscal year and receive written notice of all meetings of the Association, the right to designate a representative to attend all such meetings, receive written notice of any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage, receive written notice of any sixty (60) day delinquency in the payment of assessments or charges owed by the Owner of any unit on which it holds the mortgage, receive written notice of a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association, receive written notice of any proposed action that requires the consent of a specified percentage of mortgage holders and be furnished with a copy of the master insurance policy.

ARTICLE XIII

ELECTRICAL SERVICE

Declarant reserves the right to subject to the above-described Property to a contract with Duke Energy Company 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 Duke Energy by the Owner of each Lot within the Property.


ARTICLE XIV

OWNER'S OBLIGATION TO REPAIR

Except for those portions which the Association is required to maintain and repair hereunder, each Owner shall, at the Owner's expense, keep the interior of the improvements on his Lot and its equipment and appurtenances in good order, condition and repair and in a clean and sanitary condition. In addition, the Owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, water heaters, heating equipment, and light fixtures that may be in or connected with such improvements. The Owner shall also be responsible for maintaining the exterior of his unit, including but not limited to the roof and gutters, which are excluded from responsibility of the Association as provided in Article VII. The Declarant shall have the right at Owner's expense to enter Owner's property in an emergency situation to make necessary repairs to protect the Owner's property or adjoining Owner's property. This discretion is given exclusively to the Manager of the Association.

IN WITNESS WHEREOF, the Declarant has executed this Declaration and hereunto set its hand and seal this 13th day of September, 2016.

Premier Property Holdings, LLC

 (SEAL)
By:

NORTH CAROLINA
WILKES COUNTY

I, H Grafton Church a Notary Public in and for the County and State aforesaid, certify that G. Scott Barnes, Member of Premier Property Holdings, LLC, a North Carolina limited liability company, Grantor (executing on behalf of all limited liability company interests represented herein), personally appeared before me this day and acknowledged the execution of the foregoing instrument for the purpose stated herein and by authority duly given as an act of the limited liability company.

Witness my hand and official stamp or seal, this 13 day of September, 2016.

H Grafton Church
NOTARY PUBLIC

My Commission Expires: 02/01/2020

