

Prepared by and return to: Henry W. Jones, Jr., P.O. Box 10669, Raleigh, NC 27605-0669

NORTH CAROLINA

COVENANTS

RESTRICTIONS

CHATHAM COUNTY

AMENDED AND RESTATED
DECLARATION OF

CONDITIONS, AND

FOR CHATHAM FOREST

**THIS DOCUMENT REGULATES OR PROHIBITS THE
DISPLAY OF POLITICAL SIGNS AND REGULATES OR PROHIBITS THE
DISPLAY OF THE FLAG OF THE UNITED STATES OF AMERICA AND STATE
OF NORTH CAROLINA.**

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS for CHATHAM FOREST is entered into this ____ day of _____, 2022 by the Members of CHATHAM FOREST HOMEOWNERS ASSOCIATION (the "ASSOCIATION").

WITNESSETH:

WHEREAS, Voller Realty & Construction, Ltd. was the original developer of a subdivision in Chatham County, North Carolina, known as Chatham Forest, and in conjunction with the development thereof, caused to be recorded a Declaration of Covenants, Conditions and Restrictions for Chatham Forest, recorded in Deed Book 775, Page 1042 in the Chatham County Registry, and thereafter amendments to the same were recorded, including in Book 1123, Page 462 and Book 1569, Page 1090 in the Chatham County Registry (collectively, "Original Declaration"); and

WHEREAS, the Lot Owners of Chatham Forest desire to amend the Original Declaration and replace it with this Amended and Restated Declaration of Covenants, Conditions and Restrictions (the

“Declaration”) and Voller Realty & Construction, Ltd., no longer owns any Lots within Chatham Forest;

WHEREAS, the Original Declaration is capable of amendment by an instrument approved by two-thirds (2/3) of the votes by Lot Owners entitled to vote thereon and, which is duly executed and recorded in the office of the Register of Deeds for Chatham County;

WHEREAS, this Amended and Restated Declaration of Covenants, Conditions and Restrictions has been approved by the affirmative vote of two-thirds (2/3) of the votes by Lot Owners entitled to vote thereon; and

NOW THEREFORE, the undersigned, representing two-thirds (2/3) of the Lot Owners of the Association, do hereby declare that this Amended and Restated Declaration of Covenants, Conditions and Restrictions for the Association runs with the land and shall be binding upon and inure to the benefit of all Lots and Lot Owners previously subject to the Original Declaration, or that were made subject to the Original Declaration by this supplemental, Amended and Restated Declaration, or thereafter made subject to or may in the future be made subject to the same via the recording of any supplemental declaration or declaration of annexation. The property subject to this Declaration shall be held, sold, and conveyed subject to Chapter 47F of the North Carolina General Statutes, as it may be amended from time to time. This Amended and Restated Declaration of Covenants, Conditions and Restrictions shall amend and supersede all prior recorded covenants for the Association and shall be effective upon recording in the Chatham County Registry. Any conditions previously approved by the Board or the Architectural Review Committee or deemed compliant with the covenants and existing on a Lot as of the date of recording of this document, which conditions could be deemed a violation of appearance criteria or architectural control covenants stated herein, shall be exempt from such appearance criteria or architectural control covenant and deemed in compliance with such appearance and architectural control covenant as of the date of recording.

ARTICLE I EXISTING PROPERTY AND ADDITIONS

Section 1. Existing Property. The property which shall be held, transferred, sold, conveyed and occupied subject to this Declaration and the jurisdiction of the Association is located in Chatham County, North Carolina, and is more particularly described as being all of that property containing 73.102 acres described in Deed Book 727 Page 1094, Deed Book 731 Page 1, Deed Book 750, Page 393, Deed Book 750, Page 867, Deed Book 751, Page 887 and shown on the plat and survey of JUSTICE LAND LIMITED PARTNERSHIP-TRACT SIX AND A PORTION OF DEED BOOK CR PAGE 51, AS RECORDED IN Plat Slide 97-344; Chatham County registry, shown on the plat and survey for Chatham Forest, Phase I and survey of Chatham Forest, Phase II, as recorded in Plat Slide 98-454, 98-455, 98-456, 98-457, Plat Slide 99-27, and Plat Slide 2001-127, Phase III, as recorded in Plat Slide 2003-256, Phase IV, as recorded in Plat Slide 2001-142, Phase VI as recorded in Plat Slide 2002-10 and 11; Phase VII as recorded in Plat Slide 2003-80; Phase VIII as recorded in Plat Slide 2004-195; Phase 5-A as recorded in Plat Slide 2004-278; Phase 5-B as recorded in Plat Slide 2005-134; Phase 9 as recorded in Plat Slide 2006-108; Recombination Plat recorded in Plat Slide 2008-121; and Minor Subdivision recorded in Plat Slide 2008-361, 2013-93 and 2018-42 of the Chatham County Registry, and a map prepared by Smith and Smith surveyors titled, “Survey for Voller Realty & Construction, LTD.” dated January 9, 1998 to which plat reference is hereby made for a more particular description of same, said land being identified herein as the Property.

Section 2. Additions to Existing Property. Additional property may be annexed to Chatham Forest and made subject to this Declaration with the vote of a majority Owners present in person or by proxy at a meeting duly called for such purpose. Annexation of additional property shall be accomplished by recording a Declaration of Annexation in the Chatham County Registry, duly executed, describing the lands annexed and incorporating the provisions of this Declaration, either by reference or by fully setting out said provisions of this Declaration. The additional lands shall be deemed annexed to the Property on the date of recordation of the Declaration of Annexation.

ARTICLE II DEFINITIONS

_____ **Section 1.** “Association” shall mean and refer to Chatham Forest Homeowners Association, Inc., a North Carolina nonprofit corporation, its successors and assigns.

_____ **Section 2.** “Board” or “Board of Directors” shall mean and refer to the body responsible for administration of the Association, elected as provided for in the Bylaws.

_____ **Section 3.** “Bylaws” shall mean and refer to the Bylaws for the Association, as they may be amended from time to time.

_____ **Section 4.** “Common Area” shall mean all real property owned by the Association for the common use and enjoyment of the Lot Owners in the Properties, as identified upon any recorded subdivision plats of the Properties. Common Area shall include any open space, recreation areas, all cemeteries on the Properties and the dedicated public rights-of-ways as shown on the recorded plat of the Association.

_____ **Section 5.** “Common Expenses” shall mean and include:

- a. All sums lawfully assessed by the Association against its Members;
- b. Expenses related to the administration, maintenance, repair or replacement of the Common Area and any other property for which the Association bears maintenance responsibility per the terms of this Declaration;
- c. Expenses declared to be Common Expenses by the provisions of this Declaration or the Bylaws;
- d. Expenses agreed by the Members to be Common Expenses of the Association;
- e. Ad valorem taxes and public assessments charges lawfully levied against Common Areas;
- f. Utilities used in connection with the Common Area; and

g. Hazard, liability or such other insurance premiums as the Declaration or the Bylaws may require the Association to purchase.

Section 6. “Declaration” shall mean and refer to this Amended and Restated Declaration of Covenants, Conditions and Restrictions for Chatham Forest Subdivision.

_____ **Section 7.** “Lot” shall mean and refer to any plat of land shown upon any recorded subdivision plat of the Properties with the exception of the Common Area.

Section 8. “Member” shall mean and refer to a person subject to membership in the Association per Article IV of this Declaration.

_____ **Section 9.** “Lot Owner” or “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, with the exception of the Common Area, excluding those having such interest merely as security for the performance of an obligation.

_____ **Section 10.** “Property” or “Properties” shall mean and refer to that certain real property described in Article I together with such additional property as may be made subject to this Declaration.

ARTICLE III PROPERTY RIGHTS

_____ **Section 1. Owner’s Easements of Enjoyment.** Every Owner shall have a right and easement of enjoyment in and to the Common Area, and any sidewalks within the subdivision 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, acting through the Board of Directors to charge reasonable admission and other fees for the use of any facility situated upon or portion of the Common Area;

b. For violation of the Declaration, Bylaws, rules or regulations of the Association, the right of the Association after notice and an opportunity to be heard to impose fines, and for a period not to exceed sixty (60) days, suspend the voting rights of an Owner or suspend other privileges or services provided by the Association, including use of recreational amenities, if any;

c. The right of the Association to dedicate, sell, lease, or transfer all or any part of the Common Areas, or any interest therein, to any public agency, authority, utility, or to any other person for such purposes and subject to such conditions as may be agreed upon by the Members. Except as otherwise provided in Article III, no such dedication, sell, or transfer shall be effective unless it has been approved by two-thirds (2/3) of the Members and an instrument of dedication, sale, lease, or transfer property executed by the Association has been recorded;

d. The right of the Association, acting through the Board to borrow money for the purpose of improving the Common Area and facilities thereon and in aid thereof to mortgage the Properties, and

the rights of such mortgagee in said Properties shall be subordinate to the rights of the Lot Owners hereunder;

e. The rights of the Board of Directors to adopt, publish, amend, and enforce rules and regulations for the use and enjoyment of the Common Areas, the Lots and improvements thereon, as provided in Article VII; and

f. The right of the Association acting through the Board of Directors to convey portions of the Common Area to any Owner for the purpose of eliminating unintentional conveyances of Common Area or unintentional encroachments of improvements onto portions of the Common Area or for the purpose of enhancing the utility of the Common Area to be retained by the Association or for the purpose of correction to any setback violation or encroachments of any improvements located on any Lot;

g. The right of the Association acting through the Board of Directors to grant easements, leases and licensees over the Common Area as the Board determines to be in the best interest of the Association; and

h. The right of the Association, acting through the Board, to lease or license portions of the Common Area. The Board may enter into leases, licenses or operating agreements for portions of the Common Area and facilities thereon, to permit use of such portions of the Common Area by other community organizations and associations and by others, whether nonprofit or for profit.

_____ **Section 2. Delegation of Use.** Any Owner current in the payment of his assessments as required herein and not in violation of any other covenants as such are set forth herein, may delegate, in accordance with the Bylaws, his right of enjoyment in and to the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside on the Owner's Lot.

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

_____ **Section 1.** Every Owner of a Lot which 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 which is subject to assessment.

Section 2. The Association shall have one (1) class of voting membership:

a. **Class A Members.** Class A Members shall be all Owners, each of whom shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot. Fractional voting with respect to any Lot is hereby prohibited.

Section 3. To the extent not otherwise required by the provisions of the North Carolina Non-Profit Corporation Act, this Declaration, the Bylaws, or the Articles of Incorporation, the powers granted to the Association by this Declaration shall be exercised by the Board of Directors, without any further consent or action on the part of the Members.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation of Assessments. Each Owner of any Lot, by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

- a. Annual assessments or charges.
- b. Special assessments for those purposes outlined in Section 5 below, such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs and reasonable attorneys' 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, with interest costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of the Lot when each assessment was made, and such assessments shall not pass to his successors in title unless expressly assumed by them. All assessments relating to Common Area shall be shared equally by the Owners of Lots.

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 Area, including the maintenance, repair and reconstruction of private streets, driveways, walks, parking areas and storm water management facilities situated on the Common Area, such maintenance to include the cutting and removal of weeds and grass and the removal of trash and rubbish and any other maintenance necessary for the use and enjoyment of the Common Area, including but not limited to, cost of normal repairs, replacement and additions, the cost of cleaning services and utilities for the Common Areas, 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 limitation, the generality of the foregoing, signs, paving, grading, landscaping and any other major expense for which the Association is responsible, and such other needs as may arise.

Section 3. Reserves. The Board shall establish and maintain an adequate reserve fund for periodic maintenance, repair and replacement of improvements to the Common Area.

Section 4. Maximum Annual Assessment. The maximum annual assessment may be increased effective January 1 of each year without vote of membership by up to ten percent (10%) of the previous year's assessment. The maximum annual assessment may be increased in an amount greater than such amount only with the approval of two-thirds (2/3) of the votes of the Members who are present in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than ten (10) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. 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. 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 annual assessments authorized above, the Association may levy, in any assessment year, a special assessment for the purpose of defraying, in whole or in part, the cost of any maintenance, construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of the Members who are present in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than ten (10) days nor more than sixty (60) in advance of the meeting setting forth the purpose of the meeting.

Section 6. Assessment for Stormwater Controls. Any engineered storm water controls which are not the responsibility of the Town of Pittsboro shall be operated and maintained by the Association pursuant to an approved operation and maintenance agreement filed with the Chatham County Registry of Deeds.

Section 7. Emergency Assessments. The Association may levy an emergency assessment when, in the sole determination of the Board, there is potential danger of damage to persons or property. Such emergency assessments may be utilized to pay for preventative, protective or remedial construction, reconstruction, improvements, repairs, clean-up or replacements. Events justifying emergency assessments include but are not limited to, hurricanes, tornados, floods, and fires. Emergency assessments shall be collectible in such a manner as the Board shall determine.

Section 8. 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 Sections 4 or 5 of this Article shall be sent to all Members not less than ten (10) days nor more than sixty (60) days in advance of the meeting. At the first meeting called, the presence of Members or of proxies entitled to cast sixty (60%) percent of all the votes of the Members shall constitute a quorum. If the required quorum is not present, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than the announcement at the meeting, and another meeting may be called subject to the same notice requirements, the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting until a quorum is present or

represented. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 9. 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 an annual basis.

Section 10. Date of Commencement of Annual Assessments; Due Dates. Assessments shall be due and payable in a manner and on a schedule as the Board may provide. 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 Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. Any certificate so given shall be conclusive evidence of payment of the assessments stated therein.

Section 11. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within ten (10) days after the due date shall become delinquent, shall be subject to a late fee of twenty-five dollars (\$25.00) and shall bear interest from the due date at a rate of eighteen percent (18%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, together with interest, late fees, and the costs of collection, including attorney's fees. The assessment shall be the continuing personal obligation of the Lot Owner. Any successor in title to the Lot Owner shall be held to constructive notice of the records of the Association to determine the delinquency in the payment of the assessments by an Owner. The Association may file claims of lien in the public records of Chatham County and sue for a judgement on the lien and execute the judgement against the Lot. 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.

The Association may foreclose any lien against a Lot for the non-payment of assessments as set forth herein or may take any other legal action against the Owner(s) of any Lot for non-payment of assessments. The lien herein granted unto the Association shall be enforceable pursuant to Article 2A of Chapter 45 of the General Statutes from and after the time of filing a Claim of Lien in the Office of the Clerk of Superior Court in the County in which the Property is located in the manner provided therefore by N.C. Gen. Stat § 47F-3-116. The claim of lien shall be recordable any time after thirty (30) days after the due date of the assessment or any installment thereof and the lien shall continue in effect until all sums secured by said lien as herein provided shall have been fully paid.

Such Claims of Lien shall include all assessments which are due and payable when the Claim of Lien is filed, plus interest, costs, attorneys' fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided plus any and all amounts thereafter accruing pursuant to N.C. Gen. Stat § 47F-3-116, and other applicable law.

_____ **Section 12. Subordination Mortgages.** The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage and ad valorem taxes. Sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such

assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 13. Exempt Property. All property dedicated to, and accepted by, a local public authority and all property owned by a charitable or non-profit 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 these assessments.

Section 14. Fines. The Board may impose fines of up to One Hundred Dollars (\$100.00) per day (or any higher amount allowed by law) for each violation of this Declaration, the Bylaws of the Association, or any rules and regulations promulgated by the Association, provided that the Association shall not impose any fines without first notifying the Owner of the offending Lot in writing of the specific violation, which written notice shall also provide for a specific period of time for said offending Owner to cure the indicated violation without incurring a fine. Before imposing any fine, the Association shall also provide the offending Owner with an opportunity to be heard regarding the violation. Any fines imposed thereafter shall be a lien against the Owner's Lot. Fines shall be paid not later than thirty (30) days after notice of the imposition or assessment of fines. These fines shall not be construed to be exclusive and shall exist in addition to all other rights and remedies to which the Association may otherwise be legally entitled; however any fine paid by the offending Owner shall be deducted from or offset any damages that the Association might otherwise be entitled to recover by law from such Owner.

ARTICLE VI ARCHITECTURAL AND APPEARANCE CONTROL

Section 1. General Provisions.

(a). The Board may designate not less than three (3) representatives to serve on the Architectural Review Committee ("ARC") on an annual basis;

(b). The Board may remove members of the Architectural Review Committee appointed by the Board at any time with or without cause; and

(c). In the event of the death, resignation or removal by the Board of any member of the Architectural Review Committee, the Board shall have full right and authority to designate and appoint a successor to complete the unexpired term of such deceased, resigned or removed member.

(d). No building, outbuilding, fence, wall, porch, deck, patio, walk, landscaping, tree removal, grading, site improvement or other improvements or structures shall be constructed, commenced, erected, placed upon or planted on a Lot, or maintained upon any of the Lots, nor shall any exterior addition to or change or alteration of a Lot or improvement take place until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme, and location with respect to topography and finished product have been approved by the Board of Directors or any Architectural Review Committee established by the Board, said committee to consist of no less than three (3) representatives appointed by the Board, in writing, as to conformity and harmony of external design with the existing structures in the subdivision, including, without limitation, with respect to surrounding structures, topography, and appearance. The Architectural Review Committee shall have the right to refuse to

approve any plans and specifications which are not suitable or desirable, in its sole discretion, for safety, appearance, aesthetic or any other reasons, provided such approval is not unreasonably withheld. In approving or disapproving such plans and applications, the Architectural Review Committee shall consider the suitability of the proposed building, improvement, structure or landscaping and materials in relation to the surrounding area and the effect thereof on adjacent or neighboring property.

(e). The ARC may establish and amend from time to time, objective standards and guidelines which may establish, define, and expressly limit what structures or improvements will be approved within the Property, including, but not limited to architectural style, exterior color or finish, roofing material, siding, driveway material, landscape design, and construction technique.

(f). The Architectural Review Committee shall have the right, but not the obligation, to inspect improvements that are being constructed or maintained on any portion of the Properties to monitor compliance with the provisions of this Article, with the approved plans for such improvements, and with the Architectural Guidelines, such right includes the right of entry onto such portion of the Properties to inspect the improvements. Provided, however that reasonable notice must be given to the Owners and/or occupants at least three (3) days prior to the entry and such entry is made at reasonable times to inspect the improvements. The Architectural Review Committee and the Board of Directors are specifically empowered to enforce the provisions of this Declaration by any legal or equitable remedy, and in the event, it becomes necessary to resort to litigation to determine the propriety of any constructed improvement, or to remove any unapproved improvements, the prevailing party shall be entitled to recovery of all court costs, expense, and reasonable attorney's fees in connection therewith.

(g) The Association, the Architectural Review Committee or any other officer, employee, director, or member thereof shall not be liable for damage to any persons submitting plans and specifications for approval by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval, disapproval, or failure to approve any plans and specifications. Every person who submits plans and specifications for approval agrees, by submission of such plans and specifications, that it will not bring any action or suit against the Association, Declarant or Architectural Review Committee to recover any such damages.

(h) Members of the Architectural Review Committee shall not be entitled to any compensation for services performed pursuant to this Article.

(i) Except for matters with respect to which the Board is serving as the Architectural Review Committee or with respect to which the Architectural Review Committee is serving only in an advisory capacity to the Board, an applicant Owner who disagrees with any decision of the Architectural Review Committee may appeal the decision to the Board by giving written notice of appeal within fifteen (15) days following receipt of notice of disapproval or of approval with conditions not agreeable to the applicant Owner. Additionally, the Board may allow a decision of the Architectural Review Committee to be appealed to the Board when the decision is not unanimous by the members of the Architectural Review Committee who have voted on the decision. The Board then shall review the Plans and any additional information requested by the Board and shall give the applicant Owner and the Architectural Review Committee a reasonable opportunity, at one or more meeting of the Board to present evidence and arguments as to why the decision should be affirmed or overruled. Following the last such meeting the Board, by majority vote, either shall affirm or overrule, in whole or in part, the decision of the

Architectural Review Committee, and shall notify the Architectural Review Committee and the applicant Owner of its decision within thirty (30) days following its decision. The decision of the Board is final.

Section 2. Maintenance.

a. **By the Association.** The Association shall maintain all Common Area and improvements thereon and landscape islands within street right of ways adjoining the Properties and landscape easements, sign easements, access easements and center islands as shown on the recorded plats of the Properties, if any. The Association shall have no maintenance and repair responsibility related to any Lot, including any improvements thereon, unless such responsibility is specifically assumed by the Association.

The Association shall have the right, but not the obligation, to maintain other property not owned by the Association, whether within or outside the subdivision, where the Board has determined that such maintenance would benefit all Owners.

In the event that the Association determines that the need for maintenance, repair, or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act of an Owner, or the Owner's family, guests, lessees, invitees or contractors, and is not covered and paid for by insurance maintained by the Association, in whole or in part, then the Association may perform such maintenance, repair or replacement at such Owner's sole cost and expense, and all costs thereof shall be added to and become a part of the assessment to which such Owner is subject and shall become a lien against the Lot of such Owner.

b. **By the Owner.** Each Owner at such Owner's sole cost and expense shall maintain such Owner's Lot, including all improvements thereon, in a safe, clean and attractive condition, and in compliance with all Use Restrictions, as defined in Article VIII hereof, including without limitation all of the following:

- (i) Prompt removal of all litter, trash, refuse and waste;
- (ii) Seeding, fertilizing and watering of all lawns and mowing, edging, clipping, sweeping, pruning, raking and otherwise caring for all lawns on a regular basis, including, any portions of a publicly dedicated street right of way or private street right of way adjacent to any boundary of such portion of the Lot and not maintained by any governmental entity;
- (iii) Pruning and trimming of all trees, hedges and shrubbery not maintained by the Association so that the same are not obstructive of a view by motorists or pedestrians of street traffic, do not cause unsightly or unkempt conditions and do not trespass onto the property of others;
- (iv) Removal of dead or diseased trees, shrubs and other plant material;
- (v) Maintenance of flower and plant gardens;
- (vi) Maintenance of exterior lighting and mechanical facilities;
- (vii) Maintenance of parking areas and driveways;

- (viii) Ensuring proper drainage of the Lot so as to prevent soil erosion;
- (ix) Repairing and painting (or other appropriate external care) and otherwise caring for the dwelling and all other structures located on the Lot;
- (x) Maintenance, repair and painting of all fences, retaining walls, and other improvements or structures on the Lot;
- (xi) Maintenance of all drainage easements, utility easements and other easements located on a Lot that are not specifically allocated by this Declaration to be the responsibility of the Association; and
- (xii) Preventing and correcting unclean, unsightly or unkempt conditions of Lots and all improvements thereon, including keeping all Lots clean and free of garbage, junk, trash, debris, non-operable vehicles and apparatus, and any substance or conditions that might contribute to an unsightly condition, health hazard or the breeding and habitation of snakes, rats, insects or other wildlife or pests.

If the Board of Directors determines that any Owner has failed or refused to discharge properly any of Owner's obligations with regard to the maintenance, repair, or replacement of items for which such Owner is responsible hereunder, the Association shall, except in an emergency situation, give the Owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repairs, or replacement deemed necessary. The Owner shall have ten (10) days after receipt of such notice within which to complete such maintenance, repair, or replacement, or, if such maintenance, repair, or replacement is not capable of completion within a ten (10) day period, to commence such work which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair, or replacement at such Owner's sole cost and expense, and all costs shall be added to and become a part of the assessment to which such Owner is subject and shall become a lien against the Lot. The remedies provided in this Section shall be in addition to, and not in lieu of, other remedies provided in this Declaration for a violation of the Declaration.

ARTICLE VII EASEMENTS

Section 1. Utility Easements. All of the Property, including Lots and Common Areas, shall be subject to such easements for driveways, walkways, parking areas, water lines, telephone and electric power line and other public utilities as shall be established by the Association 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 without approval of the membership.

Easements for installation and maintenance of utility and for drainage are hereby reserved over and across the side ten (10) feet and rear ten (10) feet of each Lot. Utility and drainage easements can be increased to a width deemed necessary by the Town of Pittsboro's Engineer. If said easement is increased beyond the aforesaid ten (10) foot width and/or location and said easement materially damages the value of the Lot, then the Owner can seek reimbursement with support of the Association for such damages from the Town of Pittsboro. The Association shall have the power and authority to grant and establish upon, over, under and across the Common Area conveyed to it such further easements as are requisite for the convenience, use and enjoyment of the Properties.

Section 2. Easement for the Benefit of Governmental Authorities. An easement is hereby established for the benefit of any governmental authority having jurisdiction over the Property, or other governmental agency, over all Common Areas for the setting, removing, and reading of water meters (which shall be separate for each Lot), maintaining, and replacing water, sewage, and drainage facilities, for police protection, fire-fighting and garbage collection and the rendering of such other services as are appropriate and necessary for the use and enjoyment of the Property. In no case shall the governmental authority or other responsible agency, be service to the Property or to any of its occupants when such failure is due to the lack of access to such area due to inadequate design or construction, blocking of access routes, or any other factor within the control of the Association, the Owners or limitations on the governmental authorities' responsibilities.

Section 3. Priority of Easements. Each of the easements hereinabove referred to shall be deemed to be established upon the recordation of this Declaration and shall henceforth be deemed to be covenants running with the land for the use and benefit of the Lots, and the Common Areas, as the case may be, superior to all other encumbrances which may hereafter be applied against or in favor of the Property or any portion thereof.

Section 4. Association Easement for Encroachments. If any encroachment exists at the time of subjecting the Property to this Declaration or shall occur subsequent to subjecting the Property to this Declaration, there is hereby created and shall be a valid easement for such encroachment and for the maintenance of the same.

In the event that any improvements constructed, reconstructed, or altered on a Lot encroaches upon any Common Areas, for any reason not caused by the purposeful act of the Owner, the Association has the right to grant an easement to the extent and for the continuance of such encroachment for so long as such encroachment shall naturally exist. However, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, the person claiming the benefit of such easement.

ARTICLE VIII USE RESTRICTIONS

_____ **Section 1. Rules and Regulations.** 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 each Lot and the Common Area.

Section 2. Use of Properties. No portion of the Properties shall be used except for single-family residential purposes and for purposes incidental or accessory thereto in accordance with the Zoning Ordinance of the Town of Pittsboro and in accordance with the restrictions herein set forth. Single-family residential purposes may include “light-housekeeping” apartments containing no more than one bedroom and or accessory buildings intended as an Accessory Dwelling Unit as defined herein.

_____ **Section 3. Animals.** No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that a reasonable number of dogs, cats or other household pets may be kept or maintained, provided that they are not kept or maintained for commercial purposes. At no time shall any household pet be allowed to run free from the Lot. All pets must be restrained at all times. All pets shall be leashed when off the Owner’s Lot. Pets shall not at any time be left tied or chained on any Lot. The Association shall have the right to promulgate additional rules and regulations governing pet ownership that may further limit the number, size, type and conduct of pets. For purposes of this section, the term “household pet” or “pet” shall not include any exotic animal or animal for which a permit must be obtained from a local, state or federal government to legally keep such animal, nor shall the term include chickens, pigs, horses, goats, sheep, cows, or other type of traditional livestock of any size, including pygmy and miniature varieties, whether or not the same are considered to be a pet by the owner thereof.

_____ **Section 4. Dwelling Specifications.** No building shall be located on any Lot nearer to the property lines as required by the Town of Pittsboro’s Zoning Ordinance. Abutting chimneys, and overhanging eaves, gutters or roof line are exempt hereof. Areas of the Lot located within the front and interior building setback areas must remain in a natural or landscaped state. No buildings or other structures of any kind, other than the crossing of an entrance driveway shall be allowed in these areas. Relief from any violation of the setback violations may be granted by the Declarant at its sole discretion provided that compliance with the Zoning Ordinance of the Town of Pittsboro is maintained and provided that such relief or waiver called a “Variance” is in writing and recorded with the Chatham County Registry.

All dwellings shall be constructed on the Lot by a building contractor licensed in the State of North Carolina. No dwelling shall be erected or allowed to remain on any Lot unless such dwelling shall contain at least One Thousand (1,000) square feet of heated, finished living area, in the case of a one-story residence, or One Thousand Two Hundred (1,200) square feet of heated, finished living area in the case of a one and one-half story or two-story dwelling. No dwelling shall exceed three-stories in height. No garage constructed along with a dwelling on any Lot shall exceed the size of a three (3) car garage. Carports shall not be permitted on any Lot and all garages shall be completely enclosed. Dwellings on Lots 185 through 205 shall contain at least Two Thousand Two Hundred (2,200) square feet of heated, finished living area with at minimum a two (2) car garage, in the case of a one-story residence, or Two Thousand Five Hundred (2,500) square feet of heated, finished living area with a minimum 2 car garage, in the case of a one and a half story or two-story residence.

Section 5. Accessory Dwelling Structures. An Accessory Dwelling Unit shall mean and refer to an auxiliary dwelling unit on a Lot which contains sleeping facilities for one or more persons and a kitchen. Plans for any Accessory Dwelling Unit, if permitted by the Town of Pittsboro, must be submitted by the Owner for approval to the Board of Directors of the Association. If such approval is granted, the Accessory Dwelling Unit must comply with the Town of Pittsboro zoning ordinances and

with any applicable architectural specifications and guidelines as established by the Architectural Review Committee. Such specifications and guidelines shall be provided in the Architectural and Site Design Guidelines and may be amended and revised from time to time by the Architectural Review Committee.

_____ **Section 6. Temporary Structures.** Except as hereinabove set forth no trailer, tent, shack, barn or other outbuilding shall be erected or placed on any Lot.

_____ **Section 7. Fences.** No fences or walls shall be erected or allowed to remain on the front portion of any Lot (the portion of the Lot located between the dwelling and the street that the dwelling faces). No fence or wall may be erected unless it is constructed of approved materials, limited in height and length, and has received the written consent of the Architectural Review Committee. The Committee may issue guidelines detailing acceptable fence styles or specifications from time to time, within its discretion. Notwithstanding anything in this Section to the contrary, any fence existing on any Lot that has been approved by the ARC as of the recording of this Declaration may continue to exist on the Lot. All other provisions of this Article shall apply to the Lots that are subject to the Architectural Guidelines as of the filing of this Declaration.

Section 8. Signs. No sign of any kind shall be erected by an Owner without the prior written consent of the Architectural Review Committee (which approval may be withheld in its discretion) except for the following:

- a. A single “For Sale” or “For Rent” sign is permitted on a Lot;
- b. Signs required by legal proceedings may be posted on a Lot;
- c. Contractors are allowed one (1) sign announcing the contractor’s services on the Lot during construction.
- d. Temporary signs may be posted in the front yard space of a Lot, or alternatively, in a window, to announce special events such as birthday parties and other social events, but such signs may be erected no more than twenty-four (24) hours before the event takes place and must be removed immediately upon the conclusion of such event;
- e. One (1) political sign with maximum dimensions of 24 inches by 24 inches may be posted in the front yard space of a Lot, or alternatively, in a window, but such sign may be removed within seven days after election day. For the purposes of this section, “political sign” means a sign that attempts to influence the outcome of an election for which citizens residing in the Community are generally entitled to vote, such as a national, state, or local election, and including supporting or opposing an issue on the election ballot. No political signs may be posted on the Common Area.
- f. Small garden signs have dimensions not to exceed 12 inches by 18 inches, flags, banners with school insignias or pictures as long they meet community standards placed in the planting beds of the front yard space of a Lot; and
- g. One professional security sign may be posted on the Owner’s Lot or in a window.

The Board and or the Architectural Review Committee shall have the right to enact reasonable rules and regulations governing the style, number, or size of permitted signs, as well as defining those events for which temporary signs may be utilized. Owners are prohibited from placing signs of any type, including political signs, billboards, flags, banners, or similar items within the Common Area.

Section 9. Flags. No flags, banners, or similar item may be displayed on a Lot except as set forth herein.

a. Owners may display one (1) flag of the United States of America not exceeding the dimensions of 4-foot x 6-foot in size, on a house-mounted flag stick, so long as the flag is displayed in accordance with federal law governing such display. In addition, Owners may display one (1) flag of the State of North Carolina not exceeding 4-foot x 6-foot, on a house-mounted flag stick so long as said flag is displayed respectfully and in accordance with applicable law.

b. Owners may display flags in support of sports teams, seasonal flags, and holiday flags. Such displays shall be subject to the reasonable rules and regulations of the Association as to the time, place, manner, location, number, and size of any such display.

Section 10. Outdoor Decorations. The Board is authorized to enact reasonable rules and regulations governing holiday decorations, including, but not limited to, when decorations may be placed and must be removed, limiting the overall number of decorations or size of decorations, and restricting the location of decorations within the Lot.

_____ **Section 11. Driveways.** The driveway for each Lot shall be constructed of gravel, concrete or asphalt and completed prior to the occupancy of any dwelling constructed on that Lot. Each driveway must be of sufficient size to permit the off-street parking of at least two (2) vehicles. Driveways shall provide continuity of landscape, ditches, and any drainage swale and shall blend into the street.

_____ **Section 12. Appearance; Storage of Materials.** Each Owner shall keep his Lot in a clean, orderly, and attractive condition. Maintenance and preservation of the Lot shall include, for example, the trimming of shrubs, the mowing of grass, landscaping, and the removal of trash, leaves, debris, and fallen tree limbs. Swing sets, playhouses, and play areas shall be unobtrusively located on the Lot. Clothes lines shall be unobtrusively located in the backyard of any Lot. At no time shall any Lot or parcel be stripped of topsoil and trees or allowed to be eroded by being excavated or neglected. While attractive landscaping is encouraged, no Owner may plant, cultivate, grow or otherwise have a garden for the production of fruits, vegetables, or any other food item, unless decorative in nature, in the front of any Lot without the prior written consent of the ARC. No lumber, brick, stone, excavated earth, cinderblock, cement, or other materials used for building purposes shall be stored upon any Lot longer than a reasonable time for the completion of construction in which they are used. None of these materials may be stored, or heavy equipment or vehicles parked, within the dripline of any significant trees on or adjacent to the Lot during or after construction.

_____ **Section 13. Parking.** Each Owner shall provide for sufficient space for automobile parking for the Owner and Owner's guests in an enclosed garage or driveway on the Lot, or paved areas designed for parking. Unless otherwise approved by the Board, there shall be no parking of automobiles on any portion of the Lot except in an enclosed garage, driveway, or paved areas designed for parking.

Unless otherwise approved by the Board, there shall be no parking or storage of automobiles on the Common Area. No boats, sailing vessels, trailers, commercial vehicles, campers, motor homes, tractors, golf carts, motorcycles, recreational vehicles, or other similar items may be parked on the streets in the Properties or on any Lot unless such items shall be parked in an enclosed garage or in an area approved by the Architectural Review Committee which is screened from view from the street and adjoining Lots. In no case shall any recreational vehicle parking be allowed in front of or beside a residence. No inoperative, abandoned, or unlicensed vehicle or any vehicle displaying an invalid inspection sticker shall be parked or stored on any Lot or on the streets in the Properties. No tractor trailer or tractor cab may be parked anywhere within the Properties at any time, whether permanently or temporarily, including on the streets.

The Board of Directors shall have the right and authority to promulgate, alter, amend, rescind, publish, and enforce additional rules and regulations governing parking, towing, storage and operation of vehicles, conveyances, and equipment within the Properties, including on the streets and the Lots and shall have the right and authority to enforce, including, but not limited to, the right to levy fines for violations thereof. The Association shall have the right and authority to have towed any vehicle parked, stored or maintained in violation of these restrictions or subsequently adopted parking rules and regulations, the cost of which towing, and storage shall be the responsibility of the Owner of the Lot to which such vehicle is registered. The Association shall not be responsible for any damages caused by or resulting from the tow.

_____ **Section 14. Nuisances.** No noxious or offensive trade or activity shall be carried out upon any Lot or Common Area, nor shall anything be done thereon which would cause embarrassment, discomfort, annoyance, or nuisance (including, without limitation, unnecessary or excessive or offensive noise, disturbance, light, or odor which destroys the peace, quiet, and/or comfort of other Owners) to the neighborhood or to the occupants of any adjoining Lots. No industrial, business, or commercial activity whatsoever is permitted on a Lot, including but not limited to a boarding house, fraternity or sorority house, business, manufacturing, or antique, gift, or any kind of shop.

_____ **Section 15. Lighting.** All outdoor lighting fixtures which are freestanding and not affixed to the house or other approved structures shall be of the type and design as approved in writing by the Architectural Review Committee.

_____ **Section 16. Antennas. Satellite Dishes.** No exposed or exterior radio or television transmission or receiving antennas shall be erected, placed or maintained on any part of the Properties which shall exceed the height of the trees on the Lot or that can be seen from the roadway or adjoining Lots. No satellite dishes or other receiving devices on any Lot shall exceed a diameter of Thirty-Six (36) inches.

_____ **Section 17. Garbage Receptacles.** All garbage shall be stored in receptacles, which are picked up and disposed of weekly. Receptacles shall be placed out of sight of the subdivision streets at all times with the exception of the purpose of garbage pickup.

_____ **Section 18. Solar Collectors.** All Solar Collector(s) (for any purpose) require review and approval from the ARC or Board, as the case may be.

Section 19. Firearms. No firearms of any kind shall be discharged on the Properties. No hunting, trapping, or other taking of wild game shall be allowed.

Section 20. Outdoor Activities. Outdoor fires, including fires to dispose of waste, are prohibited. No trail bikes, go-carts or similar motorized vehicles shall be operated on the Properties.

_____ **Section 21. Tanks.** No tanks or similar types of storage receptacle may be placed upon any Lot.

_____ **Section 22. Mailboxes.** All mailboxes within the subdivision shall be uniform in appearance in a design approved by the Architectural Review Committee; provided, however that all mailboxes for Lots 185 through 205 shall conform to the appearance standards as established by the Association, which may be a different appearance and design than that approved by the Architectural Review Committee for the rest of the subdivision.

_____ **Section 23. Governmental Regulations.** All government building codes, health regulations, zoning restrictions and the like applicable to the Properties shall be observed. In the event of any conflict between any provisions of such governmental code, regulation or restriction and any provision of this Declaration, the more restrictive provision shall apply.

Section 24. Pools. With the prior approval of and at the sole discretion of the Architectural Review Committee, in-ground pools, including hybrid pools may be permitted on a case-by-case basis.

Section 25. Short Term Rentals. Short term rentals are defined as the rental or occupancy of a residence, part of a residence, or Accessory Dwelling Unit for a period of less than thirty (30) days in exchange for monies, goods or services. Not included as a short-term rental is an occupancy by a seller after the closing of a sale or a buyer occupancy prior to closing of a sale.

The occupancy for short term rentals is limited to not more than two (2) persons per bedroom in a residence. An Owner must have the prior approval of the Board in writing to offer a residence or Accessory Dwelling Unit as a short-term rental and such approval, unless revoked by the Board, will be until the end of the calendar year in which approved. An approval by the Board in writing is required for subsequent years. At the sole discretion of the Board of Directors of the Association, any approval can be revoked for overoccupancy, nuisances, or complaints from other Owners. At the sole discretion of the Board of Directors of the Association, all requests for approvals of short-term rentals can be suspended as deemed necessary.

ARTICLE IX INSURANCE

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

a. **Ownership of Policies.** All insurance policies on the Common Area shall be purchased by the Association for the benefit of all the Association and its mortgagees.

b. **Coverage.** All buildings and improvements and all personal property included in the Common Area and facilities thereon shall be insured under a master policy of fire and extended casualty insurance in an amount equal to one hundred percent (100%) insurable replacement value, as determined annually by the Board of Directors with the assistance of the insurance company providing coverage.

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. There shall also be obtained such other insurance coverage as the Association shall determine from time to time to be desirable and necessary.

d. **Premiums.** Premiums for insurance policies purchased by the Association shall be paid by the Association out of the Association's funds as a Common Expense from the assessments provided for herein.

e. **Proceeds.** All insurance policies purchased by the Association shall be for the benefit of the Association and the Owners and their mortgagees as their interest may appear and shall provide that all proceeds thereof shall be payable to the Association as insurance trustees under this Declaration. The sole duty of the Association as insurance trustees shall be to receive such proceeds as are paid and to hold the same in trust for the purposes stated herein or stated in the Bylaws.

_____ **Section 2. Distribution of Insurance Proceeds.** Proceeds of insurance policies received by the Association as insurance trustee shall be distributed to or for the benefit of the beneficial Owners in the following manner:

a. **Expense of the Trust.** All expenses of the insurance trustee shall be first paid or provisions made therefore.

b. **Reconstruction or Repair.** The remaining proceeds shall be paid to defray the cost of reconstruction or repairs. Any proceeds remaining after defraying such costs shall be distributed in equal shares to members of the Association in good standing.

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. These covenants and restrictions shall run with, burden 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 the affirmative vote or written agreement of Owners to which at least sixty-seven percent (67%) of the votes in the Association are allocated. Any amendment must be duly executed and recorded in the office of the Register of Deeds for Chatham County.

Section 4. Rights of Noteholders. Any institutional holder of a first mortgage on a Lot, or the insurer or guarantor of an institutional mortgage holder, will, upon request, be entitled to: (a) inspect the books and records of the Association during normal business hours, (b) receive an annual 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 right to designate a representative 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 Lot securing its mortgage, (e) receive written notice of any sixty (60) day delinquency in the payment of assessments or charges owed by the Owner of any Lot 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 Association for the Common Area, and (g) receive written notice of any proposed action that requires the consent of a specified percentage of mortgage holders.

Section 5. Reserved Rights of Lot Owners. No Lot Owner shall be subject to a restraint imposed by the Association upon his right to sell, transfer, or otherwise convey his Lot. Under no circumstances shall the Association have a right of first refusal upon the sale and conveyance of any Lot. No Lot Owner shall be subject to any restraint imposed by the Association upon his right to mortgage his Lot with whomever or whatever institution and upon those terms and conditions the Lot Owner is willing to accept.

Section 6. Contracts. Any contract, lease, or agreement entered into by the Association on its own behalf must be terminable by either party without cause upon not more than ninety (90) days' notice to the other party. If so terminated, no termination fee shall be required to be paid to or by either party.

Section 7. Applicability of Declaration, By-Laws, and Regulations. All Lot Owners, tenants and occupants of Lots shall be subject to and shall comply with the provisions of this Declaration, the By-Laws, and the Rules and Regulations, as the same may be amended from time to time. All provisions shall be deemed covenants running with and appurtenant to the land.

Section 8. Notice. Any notice required or permitted to be given by this Declaration shall be given or made in writing by personal delivery or by certified mail addressed to any Owner at the last known address of the Owner as it appears on the records of the Association at the time of delivery of such mailing. Any notice given in accordance with this section shall be deemed effective.

Section 9. Merger or Consolidation. Upon a merger or consolidation of the Association with another association, the properties, rights and obligations of the Association, by operation of law, may be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association, by operation of law, may be added to the properties, rights and obligations of the Association as the surviving corporation pursuant to a merger or consolidation. The surviving or consolidated association shall be considered the Association under the Declaration and may

administer the terms and provisions of this Declaration and any applicable supplemental Declaration or new Declaration, together with the terms and provisions of any declarations, covenants and restrictions applicable to other property under the jurisdiction of the surviving or consolidated association, as a common plan. Other than as specifically stated in the plan of merger or consolidation approved pursuant to all legal requirements, no merger or consolidation shall effect any revocation of the provisions of the Declaration with respect to the Properties, including the limits on any assessment or any other matter substantially affecting the interests of the Members of the Association.

Section 10. Board Acts for Association. All obligations required or allowed to be performed by the Association shall be performed in accordance with applicable legal requirements and application provisions of the Association's governing documents. Unless otherwise required by legal requirements, all rights, powers, easements, functions, services, obligations and duties of the Association may be performed, exercised, directed, or contracted for by the Board on behalf of the Association. There is no distinction intended in the Declaration between items that may be adopted, enforced, acted upon, or waived by the Board and items that may be adopted, enforced, acted upon, or waived by the Association, except where a vote of the Members of the Association is required therefor under the North Carolina Planned Community Act and/or the Association's governing documents. The officers of the Association may act on behalf of the Association as authorized in the Association's governing documents and/or as directed by the Board.

Section 11. Shared Amenities. The Board may contract on behalf of the Association with any other person for performance of services, including contracts to provide various shared amenities to be made available for use by Owners, permittees and others for recreation purposes. Access to and use of any such shared amenities is strictly subject to the rules and procedures of the owner(s) of such amenity, and as may be otherwise set forth in a written agreement between the Association and the owner of the amenity. However, all Persons, including all Owners and permittees, are hereby advised that no representations or warranties have been or are made by the Association, or by any Person acting on behalf of the foregoing, with regard to the potential ownership, continuing ownership, operation or availability of any such shared amenity.

ARTICLE XI ELECTRICAL SERVICE

The Association reserves the right to subject the above-described Properties to a contract with Duke Energy or any successor 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 continuing monthly payment to Duke Energy by the Owner of each Lot within said Property. The subdivision may contain landscape lights which will be on a separate meter and will be billed directly to the Association and paid as a Common Expense.

CERTIFICATION OF VALIDITY OF AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CHATHAM FOREST

By authority of its Board of Directors, the Chatham Forest Homeowners Association, Inc. hereby certifies that the foregoing instrument has been duly approved or executed by not less two-thirds (2/3) of the Members of the Chatham Forest and is, therefore, a valid replacement of the existing Original Declaration of Covenants, Conditions And Restrictions for Chatham Forest.

CHATHAM FOREST HOMEOWNERS
ASSOCIATION, INC.

By: _____
President

ATTEST:

Secretary

STATE OF _____

ACKNOWLEDGMENT

COUNTY OF _____

I, _____, a Notary Public of the County and State aforesaid, certify that _____ came before me this day and acknowledged that s/he is Secretary of Chatham Forest Homeowners Association, Inc., and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President and attested by _____ as its Secretary.

Witness my hand and official stamp or seal, this ____ day of _____, 2022.

Notary Public

Printed Name

My commission expires: _____

