

DRAFTED BY: BRANT H. GODFREY
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BPH

Date of Inc. 5-31-96

**DECLARATION
 OF COVENANTS, CONDITIONS AND RESTRICTIONS
 OF PLANTATION ROW**

THIS DECLARATION, made on the 23rd day of APRIL, 1997,
 by PLANTATION ROW, INC., a North Carolina Corporation (hereinafter referred to as
 "Declarant");

WITNESSETH:

WHEREAS, Declarant is the owner of certain land in or near the City of Winston-Salem,
 County of Forsyth, State of North Carolina, which is more particularly described on the plat
 entitled "PLANTATION ROW" recorded in Plat Book 39 at page 146, Forsyth
 County Registry of Deeds.

WHEREAS, Declarant proposes to develop said land into a subdivision consisting of lots
 for sale and therefore desires to subject said land to this Declaration.

NOW, THEREFORE, Declarant hereby declares that all of the land 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 and desirability of, and which shall
 run with, the real property and be binding on all parties having any right, title or 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**

Section 1. "Association" shall mean and refer to Plantation Row Homeowners
 Association, Inc., its successors and assigns.

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

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore
 described.

Section 4. "Lot" shall mean and refer to any lot designated by number on the recorded subdivision map of the properties referred to above or any subsequently recorded subdivision map of the properties referring to this Declaration as the same may be amended from time to time.

Section 5. "Declarant" shall mean and refer to Plantation Row, Inc., its successors or assigns.

Section 6. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 7. "Common Area(s)" shall mean and refer to any and all real property subject to this Declaration and subsequent Declaration defined and bounded by properly referenced and recorded plat(s) designated thereon as "common areas" or "common open space." Common area(s) shall include area(s) owned by the Association for the common use and enjoyment of all members or designated classes or members of the Association, including private streets, roads, entranceways, and their improvements.

ARTICLE II 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. Declarant shall be a member of the Association by virtue of ownership of any lot, whether subject to assessment or not.

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

(a) **Class A.** Class A members shall be all owners with the exception of the Declarant and shall be entitled to one 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 among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

(b) **Class B.** The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(1) when the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership, but provided that the Class B membership shall be reinstated if thereafter, and before the time stated in subparagraph (2) below, additional lands are annexed to the properties and as the result of such annexation, the Declarant, and its

successors and assigns, own more than one-fourth (1/4) of the total lots subject to this Declaration.

(2) on December 31, 2007, or at such earlier time as Declarant shall choose to convert his membership to Class A.

ARTICLE III COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The owner of a lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, shall be deemed to covenant and agree to pay to the Association: (a) monthly assessments or charges which are common expenses; (b) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided; and (c) the monthly and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such 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 and shall not pass to his successors in title as a personal obligation unless expressly assumed by them, regardless of the fact that it is a lien on the property purchased.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used to maintain the development entrance landscaping, and private roadways, if any, overseeding, fertilizing, and cutting of lawns on the lots outside of areas fenced in by owners, trimming of shrubbery outside of areas fenced in by owners, and leaf raking of areas outside of fencing installed by owners, as herein provided, and to administer the Association's affairs, such uses to include (but not be limited to) the cost of repairs, replacements and additions to the development entrance landscaping and improvements, private roadways, if any, and improvements, the cost of labor, equipment and materials related to their operation, the cost of management and supervision of the Association's affairs, the employment of agents, attorneys, accountants, consultants and others to represent, advise or assist the Association when necessary, and such other needs as may arise. Expressly outside the scope of this provision, and expressly the responsibility of owners, are the following: (a) any and all maintenance of lawns, shrubbery, and plantings, including trees, within fencing installed on lots by owners; (b) watering of all grass, plantings, shrubbery, and trees on lots; and (c) removal and replacement plantings, shrubs, and trees or portions thereof on lots.

Section 3. Maximum Initial Monthly Assessment. The first monthly assessment shall be Fifty and no/100 Dollars (\$50.00) dollars per lot. Thereafter, such assessment shall be established (and increased or decreased from time to time) by the Board of Directors of the Association.

The Board of Directors may without the approval of the membership increase the monthly assessment by an amount not to exceed 25% of the maximum assessment of the previous year. Any increase in excess of the 25% must be approved by two-thirds (2/3) vote of each class of membership voting in person or by proxy at a meeting duly called for this purpose.

Section 4. Special Assessments for Capital Improvements. In addition to the monthly assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement related to decorative street lighting, if any, and entrance landscaping, and improvements, and private roadways, if any, including fixtures and personal property related thereto. If any such assessment exceeds fifty dollars (\$50.00) per lot, then such assessment shall have the assent of a majority of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose; otherwise, such assessment shall be approved by the Board of Directors of the Association without a vote of the membership.

Section 5. Notice and Quorum for Any Action Authorized Under Section 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 of this Article shall be sent to all members not less than ten (10) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast fifty percent (50%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than fifty (50) days following the preceding meeting.

Section 6. Assessment Rate. Both monthly and special assessments must be fixed at a uniform rate for all lots; provided, however, that lots owned by Declarant shall not be subject to monthly or special assessments.

Section 7. Date of Commencement of Monthly Assessments: Due Date. The monthly assessments provided for herein shall commence as to all lots on the date of transfer of title from the Declarant. The Board of Directors shall fix the amount of the monthly assessment against each lot at least thirty (30) days in advance of each calendar year. Written notice of the monthly assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid, and if not, the amount due.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property.

No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Association's property or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages and Ad Valorem Taxes. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage (the term "mortgage" shall include a deed of trust) and ad valorem taxes. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to foreclosure of a first mortgage or foreclosure of a tax lien or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Exempt Property. All properties dedicated to, and accepted by, a local public authority and all properties owned by charitable or nonprofit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE IV EASEMENTS

Section 1. Walks, Drives, Parking Areas, and Utilities. All of the properties, including lots, and common area shall be subject to such easements for driveways, walkways, parking areas, water lines, sanitary sewers, storm drainage facilities, gas lines, telephone and electric power lines, television cable lines, and other public utilities as shall be established prior to subjecting the properties to this Declaration by the Declarant or its predecessors in title; and the Association shall have the power and authority to grant and to establish in, over, upon, and across the common area conveyed to it such further easements as are requisite for the convenient use and enjoyment of the properties.

Section 2. Private Streets. All private streets shall be subject to an easement in favor of every lot to which they are designated to serve and shall be deemed appurtenant to each lot, whereby the owner of such lot shall be entitled to use them as a means of ingress, egress, and regress and such other uses as shall have been designated. Such easements shall be superior to every easement of whatever nature to which any of the common area may be subjected.

Section 3. Utility, Drainage, and Landscape Maintenance. An easement on each lot may be reserved by the Declarant for itself and its successors and assigns along, over, under, and upon such portion of said lots as shall, in Declarant's sole discretion, be reasonably necessary to provide adequate drainage and utility services thereto, and to perform landscape maintenance on the lots as delineated in Article III, Section 2, which easements shall be in addition to such other easements as may appear on the aforementioned recorded subdivision plat(s). The purpose of these easements shall be to provide, install, maintain, construct, and operate drainage facilities

now or in the future and utility service lines to, from, or for each of the individual lots, and to provide landscape maintenance as provided in Article III, Section 2. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities, or which may change the direction or flow of drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the Association, except for those improvements for which a public authority or utility company is responsible. Within ten (10) days' prior written notice to owner, Declarant or the Association shall have the right to enter on to the owner's property for the purpose of removing obstructions in such easements upon owner's failure to do so. For the purpose of this covenant, Declarant reserves the right to modify or extinguish the herein reserved easements along any lot lines when, in its sole discretion, adequate reserved easements are otherwise available for the installation of drainage facilities and/or utility service lines. The Association may likewise reserve and grant easements for the installation and maintenance of sewage, utility, and drainage facilities in, across, under, and over the common area.

ARTICLE V COMMON AREA PROPERTY RIGHTS

Section 1. Use of Common Area. Every owner (by virtue of membership in the Association) shall have a nonexclusive right and easement of enjoyment in and to the common area which shall be appurtenant to and shall pass with the title for every lot subject to the provisions of this Declaration, the Charter, and the Bylaws of the Association, and the agreement(s) referred to in Section 3 hereof, and the following:

(a) The right of the Association to limit the use of the common area to owners, their families, and guests.

(b) The right of the Association to suspend voting and enjoyment rights of an owner for any period during which any assessments against his lot remains unpaid, or for any infraction of the Association's published rules and regulations.

(c) The right of the Association to mortgage, to dedicate, or to transfer any part of the common area to any public agency, authority, utility or other entity for such purposes and subject to such conditions as may be agreed upon by the members of this Association as applicable in accordance with the terms and provisions of this declaration. No such mortgage, dedication, or transfer shall be effective unless approved by members entitled to cast two-thirds ($\frac{2}{3}$) of the votes of the Class A membership and two-thirds ($\frac{2}{3}$) of the votes of the Class B membership, if any, and unless written notice of the proposed action is sent to every member not less than thirty (30) days nor more than sixty (60) days in advance of the vote. The instrument effecting such dedication, transfer, or conveyance shall be sufficient if it is executed by appropriate officers of the Association and contains a recital of the approval of the members.

Section 2. Delegation of Use. The right and easement of enjoyment granted to every owner in Section 1 of this Article may be exercised by members of the owner's family and an owner may delegate his rights of enjoyment in the common area to his tenants or contract purchasers who occupy the residence of the owner within the properties.

Section 3. Title to the Common Area. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the common area shown on the aforementioned recorded plat to the Association, free and clear of all encumbrances and liens, except utility, antenna, drainage and landscaping easements, and easements to governmental authorities. Similarly, Declarant will convey to the Association common areas which are parts of this development as those portions are annexed in the future.

ARTICLE VI ARCHITECTURAL CONTROL

Section 1. The Declarant shall have the responsibility of approving all plans proposed for construction on all the Lots. Subsequent modifications to the improvements on the Lots after the house is completed shall be approved by the Board of Directors. The Board shall form an architectural committee to review all requests and make recommendations to the Board. The architectural restrictions shall apply to each and every Lot now or hereafter subject to this Declaration. *- sec Amendment -*

Section 2. No change in exterior color of a dwelling, nor any additional plantings outside fenced areas on the lots, shall be made without prior written approval of the Committee.

Section 3. In the event the Committee fails to approve or disapprove the site or design of any proposed improvements within thirty (30) days after plans and specifications therefor have been submitted and received, approval will not be required, and the requirements of this Article will be deemed to have been fully met; provided, however, that the plans and specifications required to be submitted shall not be deemed to have been received by the Committee if they contain erroneous data or fail to present adequate information upon which the Declarant or the Association, as the case may be, can arrive at a decision.

Section 4. The Committee shall have the right, at their election, to enter upon any of the properties during site preparation or construction, erection, or installation of improvements to inspect the work being undertaken and to determine that such work is being performed in conformity with the approved plans and specifications and in a good and workmanlike manner, utilizing approved methods and good quality materials.

**ARTICLE VII
EXTERIOR MAINTENANCE**

Section 1. Maintenance. The yard (defined as the area of the lot outside of any fencing erected by owners) shall be maintained by the Association. The maintenance of the fenced-in area and improvements constructed on the lot shall be the duty of the owners of such lots. If, however, in the opinion of the Association, any owner shall fail to maintain any lot owned by him in a manner which is reasonably neat and orderly or shall fail to keep improvements constructed thereon in a state of repair so as not to be unsightly, all in the opinion of the Association, the Association, in its discretion, by the affirmative vote of two-thirds (2/3) of the membership of the Board of Directors, and following ten (10) days written notice to the owner, may enter upon and make or cause to be made the repairs to such improvements and perform such maintenance on the lot as the removal of trash, cutting of grass, pruning of shrubbery, seeding, and items of erosion control. The cost incurred by the Association in rendering all such services, plus a service charge of fifteen percent (15%) of such cost, shall be added to and become a part of such other assessment to which lot is subject.

Section 2. Perpetual Easement. Every lot shall be conveyed subject to a perpetual easement to the Association for purposes of the maintenance provided for in this Article, whether or not it shall be so expressed in any deed or other conveyance. By acceptance of a deed or other conveyance, each owner shall be deemed to grant such easement to the Association.

ARTICLE VIII

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 restrictions 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 provisions which shall remain in full force and effect.

Section 3. Amendment. 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 with the affirmative written consent of two-thirds (2/3) of the votes of each class of members. Such amendment shall be executed by the Association, shall contain a certification by an officer of the Association that two-thirds (2/3) of each class of members have consented to such amendment in writing, shall refer to the volume and page in which this instrument (and any Supplemental Declaration) is recorded and shall become effective upon recordation. Provided, however, the foregoing provisions shall not prohibit the Declarant from annexing additional properties as provided for in Section 4 of this Article.

Section 4. Annexation. Declarant reserves the right to annex additional parcels of land contiguous to the Properties and any future phases without the consent of the members.

IN WITNESS WHEREOF, the undersigned, being the President of the Declarant corporation, has caused this Declaration to be executed by its duly authorized officers with corporate seal affixed hereunto, all as of the day and year first above written.

PLANTATION ROW, INC.

By: Burt L. Harris
President



ATTEST:

Virginia M. Nixon
Asst. Secretary

NORTH CAROLINA)
FORSYTH COUNTY)

I, Karen E. Jones, a Notary Public of Forsyth County, North Carolina, certify that Virginia M. Nixon personally appeared before this day and acknowledged that she is Asst. Secretary of PLANTATION ROW, INC., a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its _____ President, sealed with its corporate seal, and attested by her as its Asst. Secretary. Witness my hand and seal this 22nd. day of April, 1997.



Karen E. Jones
Notary Public

My Commission expires: 10/25/97

STATE OF NC - FORSYTH CO
The Foregoing certificate of Karen E. Jones,
NP(s)
is certified to be correct this the 25th day of Apr., 1997
Dickie C. Wood, Register of Deeds by: [Signature] Asst/Deputy

maintenance, repair, and replacement of this light shall be the continuing responsibility of each successive owner.

18. These restrictions are made subject to a right of way to BellSouth Telephone System, Duke Power Company, Piedmont Natural Gas Company, and Summit Cable Services to enter on said property in order to maintain service lines at its own expense.

19. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain such prohibited activity or to recover damages, or both. Invalidation of any one of these covenants by judgment or court order shall in no way affect any other of said provisions which shall remain in full force and effect.

20. The above restrictions and conditions are covenants running with the land, and shall be binding upon the owners of the above-described property and persons claiming under them for a period of 20 years from the date of the recording of these restrictions, unless changed in accordance with the following paragraph, and at the end of said 20 years, said restrictions and conditions shall automatically expire, unless extended as set out below.

21. Any restriction, covenant or condition hereinabove set forth may be extended, removed, modified or changed by securing the written consent of the Developer, which written consent, if given, shall be duly executed, acknowledged, and recorded in the Office of the Register of Deeds of Forsyth County, North Carolina, and which written consent may be given or withheld within the uncontrolled and sole discretion of the Developer. The Developer may convey its right to remove, modify or change any restriction, condition or covenant of this instrument to any person, firm or corporation by instrument in writing duly recorded in the Office of the Register of Deeds of Forsyth County, North Carolina.

IN WITNESS WHEREOF, the undersigned, being the President of Plantation Row, Inc., has caused this instrument to be executed by its duly authorized officers with corporate seal affixed hereto, this 23rd day of April, 1997.

PLANTATION ROW, INC.

By: [Signature]
President

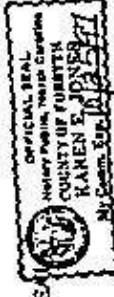


ATTEST:

[Signature]
Asst. Secretary

NORTH CAROLINA)
FORSYTH COUNTY)

I, Karen E. Jones, a Notary Public of Forsyth County, North Carolina, certify that Virginia K. Blason, personally appeared before this day and acknowledged that s/he is Asst. Secretary of PLANTATION ROW, INC., a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by him/her as its Asst. Secretary. Witness my hand and seal this 22nd day of April, 1997.



[Signature]
Notary Public

My Commission expires 10/25/97

STATE OF NC - FORSYTH CO
The foregoing certificate of Karen E. Jones
is certified to be correct this 23rd day of April, 1997
Dulcie C. Wood, Register of Deeds by: [Signature]