

***Declaration of Covenants and
Restrictions for Seven Lakes West Country Club***

(Series 6000 Lots)

The attached document is filed on record
in the Moore County, NC Register of Deeds Office
in Book 563 at Page 503
and amended Book 1032, Page 245
and amended Book 1228, Page 326
and amended Book 2200, Page 414
and amended Book 2466, Page 517

(As amended January 1, 2004)

NORTH CAROLINA

Recorded: Book 563, Page 503
Amended: Book 1032, Page 245
Amended: Book 1228, Page 326
Amended: Book 2200, Page 414
Amended: Book 2466, Page 517

MOORE COUNTY

**DECLARATION OF COVENANTS AND
RESTRICTIONS FOR SEVEN LAKES
WEST COUNTRY CLUB**

THIS DECLARATION, made on the date hereinafter set forth by **SEVEN LAKES DEVELOPMENT CO.**, a Corporation organized under the laws of North Carolina, hereinafter referred to as "Developer";

WITNESSETH:

WHEREAS, Developer is the owner of certain property in Mineral Springs Township, Moore County, North Carolina, and more particularly described as follows:

PHASE I

See Exhibit "A" attached hereto.

WHEREAS, Developer now owns and/or intends to acquire additional tracts adjoining or in close proximity to Phase One above described, for a maximum area of 1500 acres, more or less,

WHEREAS, Developer intends to make some or all of this Declaration applicable to the additional tracts by incorporation by reference to this Declaration; and

WHEREAS, Developer desires to subject Phase One to the covenants, restrictions and conditions set forth herein, and the Declarant further desires to notify future purchasers of portions of Phase One that it intends to subject additional tracts, when acquired, to some or all of these covenants, restrictions and conditions; and

WHEREAS, Developer reserves the right to subject said additional tracts to these covenants, restrictions and conditions without necessity for a vote or concurrence of any other person, firms, or corporations.

NOW, THEREFORE, Developer hereby declares that Phase One 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. Architectural Committee. “Architectural Committee” shall mean a committee elected by the Members to carry out the duties herein assigned to the Architectural Committee.

Section 2. Common Facilities; Common Open Space. “Common Facilities” and “Common Open Space” shall mean all real property together with all personal property used in connection therewith, now or hereafter owned or leased by the Corporation, for the common use and enjoyment of the Lot Owners.

Section 3. Corporation; Maintenance Corporation. “Corporation” and “Maintenance Corporation” and “Association” shall mean and refer to Seven Lakes West Landowners Association, Inc., a North Carolina nonprofit corporation, its successors and assigns. Every person or entity – except for the Declarant - that owns a Lot shall be a member.

Section 4. Developer; Declarant. “Developer” and “Declarant” shall mean Seven Lakes Development Company, a North Carolina corporation, its successors, assigns, and any persons or entities succeeding to its respective rights and obligations under the Declaration.

Section 5. Declaration. “Declaration” shall mean, collectively, the Declaration of Covenants and Restrictions for Seven Lakes West Country Club recorded in Book 563, Page 503, Moore County Registry, and all amendments thereto recorded in the Moore County Registry.

Section 6. Lot; Homesite. “Lot” or “Homesite” shall mean any individual or numbered plot of land as shown upon any recorded subdivision map subject to the jurisdiction of the Declaration.

Section 7. Member. “Member” shall mean each Lot Owner—except Developer—of a Lot in his capacity as a member of the Corporation. Each member of the Corporation shall be entitled on all issues to vote in accordance with the Articles of Incorporation and By-Laws of the Corporation.

Section 8. Owner; Lot Owner. “Owner” and “Lot Owner” shall mean the record owner, whether one or more persons or entities, of fee simple title to any Lot but shall exclude those having such interest merely as security for the performance of an obligation.

Section 9. Properties. “Properties” shall mean any and all real property subject to the jurisdiction of this Declaration.

Section 10. Utility Area. “Utility Area” shall mean those tracts or parcels of the Properties set aside for fire stations, maintenance buildings, and the installation of utility systems to serve the remainder of the Properties. Utility systems shall include, but shall not be limited to, water, sewer, telephone, electricity, and gas. The Utility Areas may be conveyed to a municipality or to public utility companies that operate and maintain such systems. Utility Areas shall be accessible by easements of ingress and egress if not located on a public or private road.

**ARTICLE II
PLAN FOR PROPERTY DEVELOPMENT**

Section 1. Each section or phase of the properties shall be developed in accordance with a plan that complies with the applicable regulations.

Section 2. The Developer may retain ownership of certain areas to be designated on recorded plats as "reserved by the owner".

Section 3. The ownership of utility easements and facilities, including wells, water towers, treatment and disposal plants and dispersion areas, are reserved at this time for possible conveyance to a public utility company or companies, to a municipality, or other entity as Developer may see fit.

ARTICLE III RIGHTS AND OBLIGATIONS OF THE CORPORATION

Section 1. Management. The Corporation shall be responsible for the exclusive management, maintenance, and control of the Common Facilities and shall keep the Common Facilities in good, clean, attractive and sanitary condition, order and repair.

Section 2. Powers. The Corporation, through action of its Board of Directors, may acquire, hold, lease and dispose of tangible and intangible personal property and real property upon such terms and conditions as the Board deems desirable and in the best interests of the Corporation. The Board, acting on behalf of the Corporation, may accept any real or personal property, leasehold or other property interest within the Properties conveyed to it by the Developer.

Section 3. Other Powers. The Corporation, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the Common Facilities, which rules and regulations shall be consistent with the rights and duties established by the Declaration. The Board, acting on behalf of the Corporation, shall also have the power to seek relief in any court of competent jurisdiction for violations of its rules and regulations and to enforce any and all obligations imposed upon the Members by (a) such rules and regulations, (b) the By-Laws of the Corporation, (c) the Articles of Incorporation of the Corporation or (d) this Declaration. Imposition of remedies shall be as provided in the Corporation's By-Laws.

ARTICLE IV PROPERTY RIGHTS

Section 1. The Developer for each Lot dedicated as a site for a dwelling unit shall have a right of easement of enjoyment in and to the Common Open Space which shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

(a) the right of the Corporation to charge reasonable admission and other fees for the use of any facility situated upon the Common Open Space.

(b) the right of the Corporation to suspend the voting rights and right to use of the facilities by an owner for any period during which any assessment against his lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations.

(c) the right of the Corporation, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Open Space and facilities and in aid thereof to mortgage said property, and the rights of such mortgagee in said properties shall be subordinate to the rights of the homeowners hereunder.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws,

his right of enjoyment to the Common Open Space and facilities to the members of his family, his tenants, or contract purchasers who reside on his property.

Section 3. Title to the Common Open Space. The Developer hereby covenants for itself, its successors or assigns, that prior to the conveyance of the first lot in each separate plat of Seven Lakes West Country Club, it will convey fee simple title to the Corporation of the Common Open Space specifically described in said recorded plat. Such conveyance shall be free and clear of all encumbrances and liens, but shall be subject to these covenants and to all easements of record for utilities for access.

Section 4. Rights; Delegation of Use. Every Lot Owner shall have a right and easement of enjoyment in and to the Common Facilities that shall be appurtenant to and shall pass with the title to every Lot, subject to:

- (a) The right of the Corporation to impose regulations for the use and enjoyment of the Common Facilities that may restrict the use and conditions of use of the Common Facilities.

A Lot Owner may delegate, in accordance with the Corporation's by-laws, his rights of enjoyment of the Common Facilities only to the members of his immediate family, tenants of his Lot, contract purchasers who reside on the Lot and guests of any of the foregoing.

ARTICLE V MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot which is subject to assessment shall be a member of the Maintenance Corporation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.

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

Class A. Class A members shall be all owners with the exception of the Developer and shall be entitled 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.

Class B. Class B member(s) shall be the Developer 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:

- (a) 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 sub-paragraph (b) below, additional lands within the 1500 acres, more or less are annexed to the properties without the assent of Class A members on account of the development of such additional lands by the Developer, all as provided for in Article VII, Section 2 below.

- (b) On May I, 1998.

ARTICLE VI
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Assessments. Except for the Developer, each Lot Owner within the Properties as well as each future Lot Owner, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Corporation: (1) annual assessments (also referred to as “annual dues”) and (2) special assessments (such annual and special assessments to be established and collected as hereinafter provided). The annual and special assessments, together with interest, costs and reasonable attorney’s fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessments is made. Each such assessment, together with interest, costs and reasonable attorney’s fees shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due, but the personal obligation for any delinquent assessment shall not pass to his successors in title unless expressly assumed by them. The Developer pays no dues or charges of any kind except for lots it owns on which a residence is located.

Section 2. Use of Assessments. The Annual Assessments levied by the Corporation shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Lots including, but not limited to, costs, fees, expenses, and other obligations related to (a) management and administration of the Association, (b) provision of utility services to and for the Common Facilities, (c) premiums on all policies of insurance obtained for the use and benefit of the Corporation, (d) real property or equipment that is hereafter leased or rented for the use and benefit of the Corporation, (e) maintenance of reasonable and appropriate funds for working capital, general operation reserves, and replacement reserves, (f) ad valorem taxes related to the Common Facilities, (g) maintenance, operation, acquisition, and improvement of the Common Facilities, (h) procurement and maintenance of fidelity and performance bonds for its officers, agents, and employees, (i) incurrence of secured or unsecured debt, and (j) all other items and expenditures requisite or advisable for the performance of the obligations and responsibilities of the Corporation.

Section 3. Budget. It shall be the duty and obligation of the Board, within thirty (30) days after adoption of any proposed budget for the planned community, which budget shall be sufficient to discharge in full the responsibilities and obligations of the Association for the new fiscal year, (hereinafter the “Budget”) to provide to all the Members (a) a summary of the Budget and a notice of the meeting to consider ratification of the Budget and (b) a statement therein that the Budget is subject to ratification without a quorum. The Board shall set a date for a meeting of the Members, to be held not fewer than ten (10) nor more than sixty (60) days after mailing of the summary and notice, to consider ratification of the Budget (hereinafter the “Budget Meeting”). The Budget shall, notwithstanding the presence or absence of a quorum, be ratified unless a vote of not less than a majority of all Members, considered and counted in the aggregate, subject to (a) that certain Declaration of Covenants and Restrictions for Seven Lakes West recorded in Book 449, Page 662, Moore County Registry, as amended from time to time and at any time, (b) that certain Declaration of Covenants and Restrictions for Pinnacle recorded in Book 609, Page 201, Moore County Registry, as amended from time to time and at any time, (c) that certain Declaration of Covenants and Restrictions for Morganwood recorded in Book 1694, Page 541, Moore County Registry, as amended from time to time and at any time, (d) that certain Declaration of Covenants and Restrictions for Seven Lakes West Country Club (now known as Beacon Ridge) recorded in Book 563, Page 503, Moore County Registry, as amended from time to time and at any time, and (e) that certain Declaration of Covenants, Conditions and Restrictions of Beacon Ridge Lakeview Homes recorded in Book 947, Page 247, Moore County Registry, as amended from time to time and at any time, (hereinafter, collectively, the “Membership”) vote to reject the Budget. Notwithstanding the foregoing, however, in the event that (y) the Membership rejects the Budget or (z) the Board fails for any reason so to determine the Budget or the Assessments for the succeeding fiscal year, then, and until such time as the Budget shall have been adopted and the Assessments shall have been determined, as provided

herein, the Budget and the Assessments in effect for the then-current year shall be deemed to be applicable for the succeeding fiscal year.

Section 4. Special Assessment. In addition to the annual assessments authorized above, the Corporation may levy—upon the affirmative vote of two-thirds (2/3) of the votes of the Lot Owners who are voting in person or by proxy at a meeting duly called for this purpose—a special assessment in any fiscal year for the purpose of defraying, in whole or in part, the costs of any purchase, construction, repair or replacement of any capital improvement—including personal property and fixtures related thereto—upon the Common Facilities. This provision shall in no way affect the Annual Assessments to the Corporation or any other fees imposed by the Corporation for the use and enjoyment of Common Facilities. The Corporation shall not levy any special assessments upon the Lot Owners until such time that, pursuant to Section 5 of this Article VI, parity in the assessments to be paid by Lot Owners and by owners of lots in Seven Lakes West—those lots subject to the Declaration of Covenants and Restrictions for Seven Lakes West recorded in Deed Book 449 Page 662, Moore County Registry, as amended—is achieved.

Section 5. Annual Assessment. The Corporation shall determine the rate of annual assessment and establish one or more categories of Lots and assessments as it, in its discretion, deems proper as set forth in the Articles of Incorporation and Bylaws of the Corporation; provided, however, that the annual assessment shall be levied pursuant to the schedule hereinafter set forth.

<i>Improved Lots</i>	
May 1, 2003- April 30, 2004	\$358.00
May 1, 2004-April 30, 2005.....	\$400.96
May 1, 2005- April 30, 2006.....	\$449.07
May 1, 2006- April 30, 2007.....	\$502.95
May 1, 2007- April 30, 2008.....	\$563.30
May 1, 2008- April 30, 2009.....	\$630.00

<i>Unimproved Lots</i>	
May 1, 2003- April 30, 2004.....	\$229.00
May 1, 2004- April 30, 2005.....	\$256.00
May 1, 2005- April 30, 2006.....	\$286.00
May 1, 2006- April 30, 2007.....	\$320.00
May 1, 2007- April 30, 2008.....	\$358.00
May 1, 2008- April 30, 2009.....	\$380.00

However, if parity in the assessments to be paid by Lot Owners in 2008 and by owners of lots in Seven Lakes West—those lots subject to the Declaration of Covenants and Restrictions for Seven Lakes West recorded in Deed Book 449 Page 662, Moore County Registry, as amended—is not achieved in 2008 pursuant to the schedule hereinabove set forth, the annual assessment shall be increased at an annual rate of twelve percent (12%) until parity is reached, and, thereafter, the Corporation shall assess identical annual assessments to all Members of the Corporation

Section 6. Collection. The annual assessments provided for herein shall be collected on an annual basis and shall commence on the first day of the month following the conveyance of such Lot. The first annual assessment shall be adjusted according to the number of months remaining in the fiscal year after recording of this Amendment for the purposes of creating a lien upon properties. The Corporation shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Corporation setting forth whether the assessments on a specified Lot have been paid.

Section 7. Fees. Any annual or special assessment, if not paid within thirty (30) days after the date such assessment is due, together with interest established by the Board of Directors at the beginning of each fiscal year, costs of collection, Court costs, and reasonable attorney's fees shall constitute a lien against the Lot upon which such assessment is levied at the time the Corporation records the notice of the same in the Office of the Clerk of Superior Court of Moore County. The Corporation also may file a suit to collect such delinquent assessments and charges. The Corporation may file Notice of Lis Pendens, bring an action at law against the owner personally obligated to pay the same and/or bring an action to foreclose the lien against the property. No Lot owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common facility or abandonment of his Lot.

Section 8. Subordination. The assessment liens provided for herein shall be subordinate to the lien of any first mortgage or deed of trust on all or any portion of the Lots. Sale or transfer of any Lot shall not affect the assessment lien or liens provided for herein. However, the sale or transfer of any Lot which is subject to any mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien for such assessments as to the payment thereof which become due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage or deed of trust.

Section 9. Exempt Property. The following property—as well as the following individuals, partnerships, and corporations—subject to this Declaration shall be exempted from the assessment charge and lien created herein:

- (a) the grantee of conveyances made to utility companies for wells, tanks, pipelines, treatment plants, dispersion fields, lines, pumping stations, maintenance facilities, and for the creation of utility easements;
- (b) all Common Open Space; and
- (c) all unimproved Lots owned by the Declarant.

ARTICLE VII ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. If within ten (10) years of the date of incorporation of the Maintenance Corporation, the Developers should purchase additional land adjoining or in proximity to Phase One, comprising in all approximately 1500 acres, such land may be annexed by the Developer without the consent of the Corporations provided below in Section 3.

Section 2. Any and all portions of the approximately 1500 acres, may be subjected to these covenants by the Declaration that incorporates by reference some or all the provisions of this document. All lots in said acreage shall be deemed part of Seven Lakes West Country Club, although the lots within such additional acreage will appear on later phases or plats of the subdivision. The consent of the Corporation shall not be necessary for annexation of all lots within such acreage. The Developer reserves the right to subject a portion of such acreage to separate declarations without the consent of the Association.

Section 3. Annexation of any property, other than that described above, shall require the assent of two-thirds (2/3) of the Class A membership and two-thirds (2/3) of the Class B membership, if any, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The presence of members or of proxies entitled to cast sixty (60%) percent of

the votes of each class of membership shall constitute a quorum. In the event that a quorum is present and adopts an annexation resolution, but said resolution fails to receive the two-thirds vote required, then additional members not present may give their written assent to the action taken thereat. In such event, the two-thirds requirement may consist of those who voted favorably at a meeting in person and by proxy and of those members who give written assent to the annexation resolution thereafter.

ARTICLE VIII TERM

All of the provisions, restrictions, conditions, easements, covenants, agreements, liens and charges set forth herein shall affect each and all of the above described lots delineated on said map, shall run with the land and shall exist and be binding upon all parties and all persons claiming under them the date of recordation hereof, unless sooner annulled, amended or modified pursuant to the provisions hereof, as stated in Article XVII.

ARTICLE IX MUTUALITY OF BENEFIT AND OBLIGATION

All of said restrictions, conditions, easements, covenants, provisions, agreements, liens, and charges set forth herein are made for the mutual and reciprocal benefit of each and every lot shown on said map and are intended to create mutual, equitable servitudes upon each of said lots in favor of each and all other lots shown on said map; create reciprocal rights between the respective owners of all the lots shown on said map; to create a privity of contract and estate between the grantees of said lots, and their heirs, successors and assigns; and shall as to the owner of each lot in said subdivision, his heirs, successors or assigns, operate as covenants running with the land for the benefit of each and all other lots in said subdivision and their respective owners.

ARTICLE X LAND USE

Section 1. All lots, tracts and parcels of the subdivision shall be used only as herein set forth, and such designated usage can be changed only by the approval of the Architectural Committee as provided for herein. All lots of the subdivision shall be used only for single family residence, except that nothing contained in this Declaration shall be construed to prevent Developer from erecting and maintaining, or authorizing the erection and maintenance of structures and signs for the development and sale of the subdivision while the same or any part thereof is owned by Developer.

ARTICLE XI USE AND IMPROVEMENT

Section 1. All lots of the Developer above described or hereinafter subjected to these or substantially the same restrictions shall be known and described as residential building sites. No residence shall be constructed, altered, placed or permitted to remain on any parcel in the development unless same is constructed upon a residential building site. The lay of the lots as shown on the recorded plat shall be adhered to, provided, however, with the prior written approval of the developer, its successors or assigns, and the Architectural Committee, (a) additional streets, roadways or driveways, either public or private, may be opened through any lot, and (b) the size and shape of any lot may be altered provided no remaining or resulting lot may vary from the size of such lot as shown on the recorded plat by more than 20% as to the width at street frontage or by more than 15% as to the area, and provided further that no lot or group of lots may be re-subdivided so as to produce

a greater number of smaller lots. More than one lot may be used for the erection or placement of a residential structure provided the location of such structure is approved in writing by the Architectural Committee hereinafter referred to, its agents, successors or assigns.

Subject to the terms of paragraph 2 below, only the following structures shall be erected, altered, placed or permitted to remain on the lots herein described: (a) one detached dwelling not to exceed two stories in height, exclusive of basement, and (b) one garage attached to the dwelling structure, to be used as a private garage for not more than three cars. Garages shall not open to the front street unless approved by the Architectural Committee.

Section 2. No building of any type, outside lighting, outside trash receptacle, fence, wall, hedge or screen planting shall be erected, placed or altered on any premises in said development until the building plans, specifications and plot plans showing the location of such building, outside lighting, outside trash receptacle, wall hedge, fence or screen planting have been approved in writing as to conformity and harmony of external design, and external materials with existing structures in the area and as to location with respect to topography, lakes, golf courses and finished ground elevation, by an Architectural Committee appointed by the Developer, or its successors and assigns. No exposed concrete blocks shall be used above finished ground elevations unless said blocks are covered with brick veneer, stone, or stucco. No asbestos shingles or asbestos siding of any type or asphaltic covering shall be used on vertical exterior walls unless approved by the Architectural Committee.

Section 3. The Architectural Committee shall approve the location of buildings and other improvements on all building sites in the subdivision. Except with the prior written approval of the Architectural Committee referred to above, no building shall be located on any building site outside the minimum building setback lines shown on the map of the lots hereinabove referred to, which said setback line in general shall be fifty (50') feet from the property line of the golf course property, fifty (50') feet from the water line of any lake, 20 feet from the rear property line of any lot, fifty (50') feet from any front street and twelve and one-half (12.5') feet from any side lot or side street line. The measurements referred to shall be from the base of the building foundation and reasonable eaves or overhangs shall not be considered.

Section 4. No residential structure exceeding a total height of 35 feet and no residential structure which has an area of less than 2,000 square feet of heated living space, exclusive of porches and garage, shall be erected or placed on any building site. Two story dwellings shall contain not less than 1,600 square feet of heated living space on the first or ground floor. A second story shall be defined as any floor level which lies at an elevation of more than 5 feet above but less than 12 feet above any other floor level within the same residence.

Section 5. No noxious or offensive trade or activity shall be carried on upon any building site, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No signs or billboards other than signs having the name of the current lot owner and the lot number shall be erected or maintained on the premises. No trade materials or inventories may be stored upon the premises and no campers, recreational vehicle, motor homes, trucks or tractors, boats or boat trailers may be stored or regularly parked on the premises unless garaged and out of view, without prior written approval of Architectural Committee. Unless approved in writing by the Developers, no business activity or trade of any kind whatsoever, shall be carried on upon any building site.

Section 6. No structure of a temporary character, tent, shack, trailer, camper, garage, or any other outbuilding shall be used on any lot at any time as a permanent or temporary residence, or

dwelling, except under a temporary written permit which may be granted, upon specific time limitations of such use, in the discretion of the Developer. Nor shall such be placed on or erected on any lot or lots; provided, however, that the Architectural Committee may grant permission for such temporary buildings or structures for the storage of materials during construction by the persons doing such work.

Section 7. No livestock of any description may be kept or permitted on the property with the exception of dogs, cats, and other animals which are bona fide household pets, and which do not make objectionable noise or constitute a nuisance or inconvenience to owners of other lots nearby. Upon receipt of a written Complaint regarding any dog or pet, the Architectural Committee may notify the owner of such dog or pet of the Complaint and, after affording the owner an opportunity to be heard, implore such restriction upon the owner regarding such dog or pet as may be reasonably necessary to satisfy the Complaint in the direction of the Committee. No raising, breeding, training or dealing in dogs, cats or any other animals may be permitted on or from any lot. Horseback riding shall be limited to approved equestrian trails.

Section 8. Adequate off-street parking shall be provided by the owner of each building site for the parking of automobiles owned by such owner, or his guest, and owners of building sites agree not to park their automobiles on the streets in the development.

Section 9. All owners and occupants of any lot in the development shall extend to any and all golfers lawfully using the country club golf course the courtesy of allowing such golfers to retrieve and all errant golf balls which have taken refuge on any lot in the development. Players must take relief at nearest point that ball last crossed property line. Ball must be dropped on course property line. No out of bounds market shall be erected by any property owner.

Section 10. For the purpose of avoiding any unsightly or undesirable waterfront, no boathouses or bathhouse will be permitted. A private dock, pier, raft or landing stage or other structure may be erected or maintained at or upon the shoreline of any plot having direct water frontage or upon land under water in front of such plot with approval by the Architectural Committee.

Section 11. Developer shall have the right to charge a reasonable building permit fee for use to defray the expense of the Architectural Committee in approving any building or homesite construction plan which shall be payable by the owner prior to commencement of any clearing or construction on his lot.

ARTICLE XII SEWAGE DISPOSAL AND WATER SYSTEM

Section 1. Owners of homes completed prior to the completion of the central sewage system and/or water system must make connection to such systems within thirty (30) days after completion of each such system. Homesite Owners agree to pay any availability charge for water or sewer which may be approved by the N.C. Utilities Commission prior to connection to such system.

Section 2. No permits and/or approvals for the construction of improvements on any lots shall be granted or approved by the Architectural Committee unless and until the property owner desiring such approval shall have made satisfactory arrangements for making connections from the central sewer system and the central water system for such property owner's lot.

Section 3. Private water wells may be constructed or drilled only with the consent from the Architectural Committee and water therefrom may be used only for irrigation and/or heating and cooling purposes.

Section 4. The developer reserves the right to subject the real property in this subdivision to a contract with authorized utility suppliers for the installation of underground gas, telephone, television or electric utility and/or the installation of street lighting, either of which may require an initial payment and/or continuing monthly payment to such supplier.

ARTICLE XIII CONSTRUCTION PERIODS

Section 1. The work of constructing, altering or remodeling any building on any lot or lots shall be pursued diligently from the commencement until the completion thereof and shall be completed within 12 months from time of approval by the Architectural Committee.

Section 2. All planned lot grading shall be approved in advance by the Architectural Committee. All lot filling shall be approved in advance by the Architectural Committee.

Section 3. No lot shall be used or maintained as a dumping ground for rubbish, refuse or garbage. Garbage or other waste shall be kept in sanitary containers. All incinerators or other equipment for the disposal or storage of such matter shall be kept in a clean and sanitary condition, and all incinerators shall be approved by the Architectural Committee before installation or use. Burning of trash or refuse is prohibited without prior approval of the developer or its assigns.

Section 4. No television or radio antennae, satellite receiver or towers may be erected or maintained anywhere upon the development without prior written consent of the Architectural Committee.

Section 5. All drying of wash must be done indoors or in an area screened from view from any other lot or street.

ARTICLE XIV UTILITY AND DRAINAGE EASEMENT

Section I. The right is reserved to construct and maintain utilities on the streets and roads of the subdivision either above or below ground and to make all necessary slopes for cuts or fills upon the lots shown on the herein referred to survey map in the original grading of said streets and roads; and developer reserves perpetual utility easements under, over and across a strip five (5') feet (unless otherwise noted on the survey map herein referred to, in which case said map shall govern) in width adjacent to and along the side yard lines of each lot for the purpose of placing, laying, erecting, constructing, maintaining and operating, or of authorizing the placement, laying, erection, construction, maintenance and operation of utilities (including, without limitation, sewage, water, electricity, gas, cablevision, telephone and telegraph); and Developer reserves perpetual easements under, over and across a strip ten (10') feet (unless otherwise noted on the survey map herein referred to, in which case said map shall govern) in width adjacent to and along the front and back yard lines of each lot, for the purpose of placing, laying, erecting, constructing, maintaining or operating or of authorizing the placement, laying, erection, construction, maintenance and operation of utilities and drainage systems. No change in the natural drainage shall be made by any lot owner without prior written approval from the Architectural Committee. Developer may erect perimeter fencing for Security purposes around the outside boundaries of the development.

Section 2. The interest conveyed by Developer to any of said lots by contract, deed or other conveyance, shall not in any event be held or construed to include the title to the water, gas, cablevision, sewer, storm sewer, electric light, power, telegraph and telephone lines, poles or conduits, or any other utility or appurtenances thereto constructed by Developer, or its agents, or by

any utility company along or upon said lots, or any part thereof, to serve said property. The right to sell, convey or lease water and sewer lines and their appurtenances erected by or on behalf of Developer is hereby expressly reserved to Developer.

**ARTICLE XV
EASEMENT FOR USE OF STREETS**

Developer hereby grants, conveys and assigns and sets over to every owner, his family, tenants or bona fide guests shall have the right of ingress and egress over upon and across the private roads within the properties and shall have the use of said roads for access to and from public highways adjoining the properties. The Developer reserves the right to any time hereafter to dedicate and convey such streets to any appropriate governmental body or to the public.

**ARTICLE XVI
TRAFFIC REGULATION**

Developer shall have the right and power and option to establish and enforce rules and regulations governing the operation of boats, vehicles and conveyances, motor powered or otherwise, on the streets, lakes and roads of the subdivision. Such rule and regulation making power and option shall include, but is in no way limited to, the establishment and enforcement of speed limits, stop signs, yield signs, no parking zones, traffic control signals, safety zones and other traffic control and safety devices, rules and regulations together with reasonable remedies, including fines for violations of such rules or regulations. The right and power and option herein given to Developer in this Article may be assigned to any appropriate governmental body or authority.

**ARTICLE XVII
TERM AND ENFORCEMENT**

Section 1. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them until May 1, 1998, at which time said covenants shall be automatically extended for successive periods of ten years unless by vote of a majority of the then owners of the residential building sites covered by these or substantially identical covenants, it is agreed to change said covenants in whole or in part.

Section 1-A:

(a) Notwithstanding any other provision of this Declaration except for Section 1-A(b) of this Article XVII, this Declaration may be amended at any time and from time to time by an affirmative vote of or written agreement signed by not fewer than two-thirds ($\frac{2}{3}$) of the Lot Owners.

(b) Notwithstanding any other provision of the Declaration or this First Amendment to Declaration of Covenants and Restrictions for Seven Lakes Country Club including Section 1-A(a) of this Article XVII, the provisions set forth in this First Amendment to Declaration of Covenants and Restrictions for Seven Lakes Country Club shall not be subject to amendment without the prior consent of Corporation.

Section 2. If the parties hereto or any of them or their heirs, successors or assigns, shall violate or attempt to violate any of the covenants herein, it shall be lawful for any other person or persons owning any real property herein described or situated in Seven Lakes West Country Club Subdivision and which is subject to these or substantially identical covenants to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant and wither to prevent it, her, him or them from so doing or to recover damages or other dues for such violation.

Section 3. Invalidation of any one of these covenants or any part thereof by judgment or court order in no wise affects any of the other provisions which shall remain in full force and effect.

Section 4. These covenants shall be in addition to any laws, ordinances, governmental zoning or regulations which may be applicable to the property herein described, and in the event such laws, regulations or ordinances may be more restrictive than these covenants, said laws, regulations or ordinances shall control.

**ARTICLE XVIII
VARIANCES**

The Architectural Committee or the Developer shall have power to and may allow reasonable variances and adjustments of these conditions and restrictions in order to overcome practical difficulties and prevent unnecessary hardships in the application of the regulations contained herein; provided, however, that such is done in conformity to the intent and purposes hereof; and, provided, also that in every instance such variance or adjustment will not be materially detrimental or injurious to other property or improvements in the neighborhood. Variances and adjustments of height, size and setback requirements may be granted hereunder.

**ARTICLE XIX
REMEDIES FOR VIOLATIONS**

Section 1. All provisions, restrictions, conditions, easements, covenants, agreements, liens, and charges herein shall be binding on all of the lots described on the herein referred to map or plat and the owners thereof, regardless of the source of title of such owners, and other breach thereof, if continued for a period of thirty (30) days from and after the date that Developer or any other property owners, shall have notified in writing the Owner or resident in possession of the lot upon which or as to which such breach has been committed to refrain from a continuance of such action and to correct such breach, shall warrant the Developer or other lot owner, to apply to any court of law or equity having jurisdiction thereof for an injunction or other proper relief, and if such relief be granted, the court may, in its discretion, award to the plaintiff in such action reasonable expense in prosecuting such suit, including attorney's fees.

Section 2. Violation of any of the foregoing provisions, restrictions, conditions, easements, covenants, agreements, liens and charges shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith for value as to any lot or portion thereof in the subdivision but such provisions, restrictions, conditions, easements, covenants, agreements, liens and charges shall be enforceable against any portion thereof acquired by any person through foreclosure or by deed in lieu of foreclosure for any violation of the provisions, restrictions, conditions, easements, covenants, agreements; liens and charges herein contained occurring after the acquisition of said property through foreclosure, or deed in lieu of foreclosure.

**ARTICLE XX
APPROVALS**

The Architectural Committee shall have the right to disapprove any plans, specifications or details submitted to it as aforesaid in the event such plans, specifications and details are not in accordance with all of the provisions of this Development, if the design or color schemes of the proposed building or other structure sic; not in harmony with the general surroundings of such lot or within the adjacent buildings or structures, if the plans and specifications submitted are incomplete, or in the

event the Architectural Committee deems the plans, specifications or details, or any part thereof, to be contrary to the interests, welfare, or rights of all or any part of the real property subject hereto, or the owners thereof, all in the sole discretion of the Architectural Committee. The decisions of the Architectural Committee shall be final.

Neither the Developer, the Architectural Committee nor any agent thereof shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the foregoing, nor for any structural or other defects in any work done according to such plans and specifications.

ARTICLE XXI

Every homesite owner shall be responsible for the upkeep and maintenance of his property. Seven Lakes West Maintenance Corporation shall have a reasonable right to come onto any homesite for the purpose of proper maintenance and to charge the owner thereof a reasonable fee for the service of maintaining, including, but not limited to the mowing of weeds and high grass in developed areas, should the condition of said homesite be considered unsightly by the Architectural Committee.

ARTICLE XXII ADOPTION OF THE PLANNED COMMUNITY ACT

Section 1. Adoption of North Carolina Planned Community Act. The terms and provisions of the North Carolina Planned Community Act as set forth in Chapter 47F of the North Carolina General Statutes and as amended and as recodified from time to time and at any time (hereinafter the “Planned Community Act”) shall apply to the Property as the Planned Community Act applies to planned communities created after the effective date of the Planned Community Act.

ARTICLE XXIII CERTAIN AMENDMENTS

Section 1 of Article I, Section 6 of Article I, Section 7 of Article I, Section 8 of Article I, Article XI, and Article XIII of this Declaration shall, notwithstanding any other provision hereof, be subject to amendment by the Owners and shall not require the consent or approval of any other parties. The amendment of any other provision of this Declaration shall require the affirmative vote of sixty-seven percent (67%) of the owners of lots, considered and counted in the aggregate, subject to (a) that certain Declaration of Covenants and Restrictions for Seven Lakes West recorded in Book 449, Page 662, Moore County Registry, as amended from time to time and at any time, (b) that certain Declaration of Covenants and Restrictions for Declaration of Covenants and Restrictions for Pinnacle recorded in Book 609, Page 201, Moore County Registry, as amended from time to time and at any time, (c) that certain Declaration of Covenants, Conditions and Restrictions of Beacon Ridge Lakeview Homes recorded in Book 947, Page 247, Moore County Registry, (d) that certain Declaration of Covenants and Restrictions for Declaration of Covenants and Restrictions for Morganwood recorded in Book 1694, Page 541, Moore County Registry, as amended from time to time and at any time, and (e) that certain Declaration of Covenants and Restrictions for Seven Lakes West Country Club (now known as Beacon Ridge) recorded in Book 563, Page 503, Moore County Registry, as amended from time to time and at any time.

IN TESTIMONY WHEREOF, the parties have caused this instrument to be executed by its duly authorized officers and its seal to be hereunto affixed, this the 29th day of June, 1987.

SEVEN LAKES DEVELOPMENT CO.

By: Donald R. Billings, President

ATTEST:

Judith U. Lownes, Secretary

CORPORATE SEAL

NORTH CAROLINA
MOORE COUNTY

I, Vicki S. Brewer, a Notary Public, do hereby certify that Judith U. Lownes personally came before me this day and acknowledged that she is Secretary of Seven Lakes Development Co., 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 herself as its Secretary.

Witness my hand and official seal, this the 29th day of June, 1987.

Vicki S. Brewer
Notary Public

My Commission Expires:
April 8, 1989

EXHIBIT "A"

BEING ALL OF THOSE LOTS shown on the plats of SEVEN LAKES WEST COUNTRY CLUB, SECTIONS 2 thru 5 and recorded in Plat Cabinet 3, Slides 171; 172; 173 and 174, Moore County Registry, made by Central Carolina Surveyors, P.A., to which plats reference is made for a further description.