

Declaration of Restrictive Covenants

Seven Lakes West

(Series 3000, 4000, 5000 Lots)

*The attached document is filed on record in the
Moore County, NC Register of Deeds Office
in Book 449 at Page 662
and amended and recorded in
Book 653 at Page 5623
and amended and recorded in
Book 2200, Page 421
And amended and recorded in
Book 2466, Page 513*

exclusive of porch area in its bottom floor provided;

1. that each square foot of screened-in porch area and each square foot of an enclosed two-car garage shall be considered as one-half (1/2) foot in computing the total square footage of heated area,

2. that ten (10%) percent of the total square footage of an attached deck not to exceed a maximum of 100 square feet credit shall be considered in computing the total square footage of heated area.

(e) No single-family dwelling shall consist of more than three stories, exclusive of any basement.

(f) No porch or projection of any building shall extend nearer than 50 feet to any road rights of-way, nor nearer than 12-1/2 feet to the property line of any abutting property owner, or side street line, nor within fifty (50') feet from the normal water elevation of any lake located within Seven Lakes West Subdivision, and in no event shall any dwelling be erected below an elevation of five (5') feet above the normal water elevation of any lake located within Seven Lakes West Subdivision.

(g) Plans and specifications must be submitted to the Building Committee of Longleaf, Incorporated, or its designated agent, for any structure or improvement to be erected on or moved upon or to any lot, the proposed location thereof on said lot or lots, the construction material to be used, the roof and exterior color schemes, as well as all remodeling, reconstruction, alteration, or additions thereto on any lot shall be subject to and shall require the approval of said Building Committee, or its duly, authorized agent before any such work is commenced., The Committee, or its designated agent, shall locate the building on the lot and shall have the authority to disapprove the location thereon for any reason even if desired location is within the restrictions herein set forth. Said committee shall have the right to disapprove any plans; specifications; or details submitted to it in the event the same are not in accordance with all of the provisions of these restrictions or the rules and regulations promulgated by said Longleaf, Incorporated or when (1) the design or color scheme of the proposed building or other structure is not in harmony with the general surroundings of such lots or with the adjacent buildings or structures, (2) the plans and specifications submitted are incomplete or (3) the Committee deems the plans, specifications or details or any part thereof, to be contrary to the interest, welfare or rights of all or any part of the real property subject hereto, or the owners thereof. The decisions of the Committee shall be final. Neither the Committee, its agents nor Longleaf, Incorporated, or its agents shall be responsible for structural deficiencies, or any other defects in plans or specifications submitted, revised or approved in accordance with the foregoing provisions.

(h) No outside toilet shall be allowed on the premises. No untreated waste from any lot shall be permitted to enter any lake within the Seven Lakes Subdivision. Each residential dwelling shall have an individual sanitary unit and the owner of said lot shall install a type of unit that complies in all respects with the requirements of the Moore County Health Department or other governing legal authority. Each lot owner shall obtain approval from the appropriate legal authority prior to the installation of any sanitation system and shall further be bound by all orders or recommendations of such authority and/or authorities with regard to water supply to said lot, repair, alteration or replacement of the installed sanitary unit. No drain field, or other disposal system shall be allowed nearer than seventy-five (75') feet to the normal water elevation of any lake located within Seven Lakes Subdivision.

(i) No lot shall be subdivided except as herein provided, and only one (1) single dwelling shall be erected on anyone lot.

(j) Longleaf, Inc., expressly reserves to itself, its successors or assigns, the right to re-plot any two (2) or more lots in any section on the plat of any subdivision prior to their sale in order to create a modified building lot or lots. The restrictions and covenants herein apply to each such building

lot or lots so created.

(k) All clotheslines, equipment, garbage cans, service yards, woodpiles and storage piles shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring residence and streets. All rubbish, trash and garbage shall be regularly removed from the premises and shall not be allowed to accumulate thereon.

II. NUISANCES

No noxious or offensive trade or activity shall be permitted on any lot, nor shall anything be done thereof which may be or become an annoyance or nuisance to the neighborhood. No animals or fowl shall be kept or maintained on said lot except customary household pets. No such pet shall be allowed off the property of its owner unless on a leash suitable for controlling and holding said pet, said leash being controlled and held by the owner or his designated agent. Further, said leash shall not exceed six (6') feet in length. No signs of any kind shall be displayed on any lot without the written permission of Longleaf, Incorporated, or its successors or assigns. All lots must be kept in a tidy manner as determined by Longleaf, Incorporated, or its successors or assigns. Failure to do so will result in maintenance of said lot by Longleaf, Incorporated or its successors or assigns, in which event a proper charge for the same will be assessed and collected as provided in Restriction Number 9 hereof.

III. BOAT DOCKS

No boat docks, floats or other structures extending into a lake shall be constructed or placed into or on any lake within Seven Lakes West Subdivision without prior written approval of the Building Committee. Use of the lakes shall be in compliance with the rules and regulations of Longleaf, Incorporated, its successors and/or assigns.

IV. UTILITY EASEMENTS

Longleaf, Incorporated, its successors or assigns, and licensees reserves an easement upon all 60-foot rights of way, reserves a 15-foot wide easement along all road rights of way and a 5-foot wide easement along the side and rear lines of each and every lot for the purpose of installing, operating and maintaining television cables, utility lines and mains thereon, together with the right to trim and/or cut or remove any trees and/or brush and the right to locate guy wires, braces and anchors wherever necessary for the said installations, operations or maintenance; together with the right to install, operate and maintain gas and water mains, sewer lines, culverts, and drainage ditches and other services and appurtenances thereto, for the convenience of the property owners, reserving also the right of ingress and egress to such areas for any of the purposes mentioned above. Exceptions: 1. Where an owner of two or more adjoining lots constructs a building which shall not be subject to the aforementioned five-foot easement unless it is shown on recorded plats; 2. No easement shall exist on that portion of any water front lot running along or abutting the shore line of any lake within Seven Lakes West Subdivision unless shown on the recorded plats, except, however, Longleaf, Incorporated, for itself, its successors, assigns, and licensees reserves the right to cause or permit drainage of surface water over and/or through said lots. Longleaf, Incorporated, its successors or assigns and licensees reserves an easement on, over and under all road rights of way for the purpose of installing, operating, and maintaining the abovementioned utilities and drainage. The owners of said property shall have no cause of action against Longleaf, Incorporated, its successors or assigns or licensees either at law or in equity excepting in case of any damages caused said property, by reason of willful negligence in installing, operating, removing or maintaining the abovementioned installations.

Further, Longleaf, Incorporated, its successors and assigns, reserves the right to subject the real property in this subdivision to a contract with Carolina Power and Light Company for the installation of

underground electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to Carolina Power and Light by the owner of said lot.

V. WATER AVAILABILITY, CONNECTION AND FEES

Grantee, his heirs or assigns, agrees that if and when a central water system is installed in the Subdivision and water made available to Grantee's property by installation of water mains that Grantee will, if and when water service is needed in connection with use of said property, subscribed to water service from the central water system and make connection thereto and will pay the Company for use and availability of water, such sums and fees as allowed and approved by the North Carolina Utilities Commission, and in accordance with rules and regulations adopted by the Company and approved by the North Carolina Utilities Commission. Upon said connection to the central water system, Grantee will cease using for consumption water from his previous supply whether it be well or otherwise. Water availability fees may be charged irrespective of connection to the central water system.

VI. LAKE RIGHTS

The purpose of any lot or property adjacent to or bordering upon any of the man-made lakes situated within the Subdivision shall not convey any right, title or interest in any property lying beneath the high water mark of such lake or to the surface waters thereover, it being specifically understood and agreed that the Company retains the exclusive right and title to all lake basins and the water contained therein and to all of the property in areas designated as "recreation area". The Company further reserves the right to adopt, promulgate, and enforce such rules and regulations governing the use of all lakes, recreation areas and Clubhouses lying and being upon the property.

VII. VARIANCES

The Building Committee shall have the right, in its absolute discretion, to waive any of the foregoing conditions or restrictions upon being shown that the same is unreasonable or unfeasible, as applied to any particular lot or lots in said subdivision.

VIII. LEASING OR RESIDENCES

Entire residences may be rented, as may be approved or otherwise provided for by the Seven Lakes Landowners Association's Board of Directors. No room may be rented and no transient tenants accommodated. This Section 9 shall not apply, however, to any lease or leases which may be entered into by the Declarant.

IX. MAILBOXES

Mailboxes, design and location are subject to approval of Declarant or their representatives unless and until a central mail station is constructed and put into use at which time all individual boxes shall be removed and no more mailboxes approved.

X. EXTERIOR LIGHTS

All exterior lights shall be attached to the house and be no higher than eaves except for standard lamp posts and walk-way lights.

XI. ANTENNAS

No television antennas more than 24" higher than house will be allowed. All such antennas must be attached to the house; No towers shall be allowed.

XII. FENCES

No fences of shrubbery or other material shall be constructed without prior written approval of Longleaf, Incorporated, or such person or persons as they may designate.

XIII. DEFINITIONS

The following terms used in the foregoing restrictions are hereby defined as follows:

"the company" refers to Longleaf, Incorporated, its successors, assigns or licensees.

"grantee" refers to any person, persons, firm or corporation to whom any property in Seven Lakes West is conveyed and to their successors, in title or interest.

"lot or property" refers to any piece or parcel of real estate situated within the boundaries of Seven Lakes West Subdivision as shown and delineated on the map thereof made by Williams & Works, Inc.

"Building Committee" refers to the group of persons appointed by Longleaf, Incorporated, as its agents, to regulate the use of the property and perform the duties herein set forth for such committee and such other duties as delegated to it by Longleaf, Incorporated.

XIV. The Amendments to the Restrictive Covenants appended to the Consent Order recorded in Book 653, Page 560, Moore County Registry, are ratified, affirmed, and republished except as set forth in this Second Amendment to the Declaration of Restrictive Covenants

XV. COVENANTS RUNNING WITH THE LAND, DURATION OF RESTRICTIONS

These restrictions shall be considered as covenants running with the land, and shall bind the grantees, their heirs, executors, administrators, successors and assigns, and if said Grantees, their heirs, executors, administrators, successors or assigns shall violate or attempt to violate, any of the covenants or restrictions herein contained, it shall be lawful for any person, persons, or legal entity owning the land in the Subdivision to prosecute by proceeding at law or in equity against the person or persons violating or attempting to violate any such covenants or restrictions either to prevent him or them from doing so, and to recover damages for such violation. The invalidation of anyone or more of the covenants or restrictions herein contained by any court of competent jurisdiction in no way shall affect any of the other covenants or restrictions, but they shall remain in full force and effect.

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IN WITNESS WHEREOF, Longleaf, Incorporated, has caused this instrument to be executed by its duly authorized officers and its seal affixed hereto, this the 27th day of July, 1979.

LONGLEAF, INCORPORATED

By: Fred R. Lawrence, President

ATTEST:

Ann Norris, Secretary

**NORTH CAROLINA
LEE COUNTY**

I, Vicki S. Brewer, a Notary Public do hereby certify that Ann Norris personally appeared before me this day and acknowledged that she is the Secretary of Longleaf, Incorporated 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 corporate seal, and attested by herself as its Secretary.

Witness my hand and notarial seal, this the 27th day of July, 1979.

Vicki S. Brewer

My Commission Expires:

April 8, 1984 .

EXHIBIT" A "

Maps showing those certain lots and/or parcels of land comprising "Seven Lakes West", which maps are of respective sections of "Seven Lakes West". All said maps are recorded in Plat Cabinet 1 at the Slide number indicated below in the office of the Moore County Register of Deeds, Moore County, Carthage, North Carolina, except for Westwood Section, which is recorded in Plat Cabinet 2. Slide 9, Moore County Register of Deeds Office.

<u>Section Name</u>	<u>P.c.</u>	<u>Slide Number</u>	<u>Section Name</u>	<u>P.c.</u>	<u>Slide Number</u>
Sandlewood	1	166	Lakeview	1	188
Elmwood	1	166-B	Village Green	1	188-B
Parkland	1	167	Wedgewood	1	189
Willowdale	1	167-B	Sunset	1	189-B
Eastwood	1	176-B	Blackwood	1	190
Beaver Dam	1	180-B	Edgewood	1	190-B
Lakewood	1	181	Hartside	1	191
Hillendale	1	181-B	Oakwood	1	191-B
Maple	1	182	Forest Hill	1	192
Homestead	1	182-B	Crestview	1	192-B
Sand wood	1	183	Greenhill	1	193
Willowhaven	1	183-B	Northwood.	1	193-B
Fairlawn	1	184	Westwood	2	9
.Southwood	1	184-B			
Pine Valley	1	185			
Longpoint	1	185-B			
Cedarwood	1	186			
Rosedale	1	186-B			
Woodrow	1	187			
Woodridge	1	187-B			

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The Amendments to the Restrictive Covenants appended to the Consent Order recorded in Book 653, Page 560, Moore County Registry, are ratified, affirmed, and republished except as set forth in the Third and Fourth Amendment to the Declaration of Restrictive Covenants

ARTICLE I
AMENDMENTS TO RESTRICTIVE COVENANTS

1. Definitions:

(a) "Association" shall mean West Side Landowners' Association, Inc., a North Carolina non-profit corporation, its successors and assigns.

(b) "Common Facilities" shall mean all real property together with all personal property used in connection therewith, now or hereafter owned or leased by the Association for the common use and enjoyment of the Lot Owners.

(c) "Developer" shall mean Seven Lakes Development Company, a North Carolina corporation, its assigns and any persons or entities succeeding to its respective rights and obligations under the Declaration.

(d) "Declaration" shall mean, collectively, the Declaration of Restrictive Covenants of Seven Lakes Subdivision recorded in Book 449, Page 662, Moore County Registry, and the amendments to each of these Declarations, including this amendment, that are recorded in the Office of the Register of Deeds of Moore County, North Carolina.

(e) "Lot" shall mean any numbered plot of land shown upon any recorded subdivision map as described in Exhibit "I" attached hereto and all additions thereto as may hereafter be brought within the jurisdiction of this Declaration.

(f) "Lot Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any Lot, but excluding those having such interest merely as security for the performance of an obligation.

2 Membership "Each Lot Owner, except Developer of a lot shall be a member of the Association. Each member of the Association shall be entitled on all issues to vote in accordance with the Charter and By-Laws of the Association.

3. Rights and Obligations of the Association.

(a) The Association 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.

(b) The Association, 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

Association. The Board, acting on behalf of the Association, may accept any real or personal property, leasehold or other property interest within the Properties conveyed to it by the Developer.

- (c) Association, 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 Association, 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 Association, (c) the Articles of Incorporation of the Association or (d) this Declaration. Imposition of remedies shall be as provided in the Association's By-Laws.

4. Assessments.

(a) Creation of the Lien and Personal Obligation of 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 Association: (1) annual assessments (also referred to as "annual dues") and (2) special assessments for road improvements (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 assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due, 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.

(b) Use of Assessments. The Annual Assessments levied by the Association 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 Association, (d) real property or equipment that is hereafter leased or rented for the use and benefit of the Association, (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 Association.

(c) 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.

(d) Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy—upon to 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 Association or any other fees imposed by the Corporation for the use and enjoyment of Common Facilities. The Association shall not levy any special assessments upon the Lot Owners until such time that, pursuant to Section 5 of Article VI of the First Amendment to Declaration of Covenants and Restrictions for Seven Lakes Country Club, parity in the assessments to be paid by Lot Owners and by owners of lots in Seven Lakes Country Club (n/k/a Beacon Ridge)—those lots subject to the Declaration of Covenants and Restrictions for Seven Lakes Country Club (n/k/a Beacon Ridge) recorded in Book 563, Page 503, Moore County Registry, as amended—is achieved.

(e) Rate of Annual Assessments. The Association 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 Charter and By-Laws of the Association

(f) Date and Commencement of Annual Assessments. 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

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.

(g) Lien for Assessments. 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 Association records the notice of the same in the Office of the Clerk of Superior Court of Moore County. The Association also may file a suit to collect such delinquent assessments and charges. The Association 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.

(h) Subordination of the Lien to Mortgages. 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 no 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 of 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.

5. Lot Owners' Easements of Enjoyment. Every Lot Owner shall have a right and easement of enjoyment in and to the Common Facilities which shall be appurtenant to and shall pass with the title to every Lot. subject to:

- (a)** The right of the Association to permit the use of and to charge reasonable admission and other fees for the use of any of the Common Facilities;
- (b)** The right of the Association to suspend the voting rights and right to use of the common facilities by a Lot Owner for any period during which any assessment against his Lot remains_unpaid and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations; and,
- (c)** The right of the Association to impose regulations for the use and enjoyment of the Common Facilities, which regulations may further restrict the use of the Common Facilities.

A Lot Owner may delegate, in accordance with the Association'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.

6. Minimum Building Restriction. No single family detached residential home shall be built or approved in "Seven Lakes West" upon a lot or lots which contain less than 1,600 square feet of heated floor space.

7. The Declarations of Restrictive Covenants previously recorded and identified in Section 1(d) above are hereby affirmed and are only amended as stated herein and by any previously recorded amendments.

8. If any provision contained herein should be determined by a Court of competent jurisdiction to be invalid as to any lot owner, then, and in that event, the same shall be invalid as to all Lot Owners.

9. NOTWITHSTANDING ANYTHING CONTAINED HEREIN, THE DEVELOPER HEREUNDER, AND ANY ENTITIES SUCCEEDING TO ITS RIGHTS, SHALL NOT BE REQUIRED TO PAY ANY ASSESSMENT WITH RESPECT TO ANY LOT OR LOTS NOW OR HEREAFTER OWNED BY SAID DEVELOPERS EXCEPT FOR LOTS IT OWNS, ON WHICH A RESIDENCE IS LOCATED.

10. Amendment. Section 1, Section 4, Section 11, Section 12, and Section 13 of this Declaration—as enumerated in this Declaration as recorded in Book 449, Page 662, Moore County Registry—and Section 6 of this Declaration—as enumerated in this Declaration as recorded in Book 653, Page 560, Moore County Registry—shall, notwithstanding any other provision hereof, be subject to amendment by the Lot Owners, upon the affirmative vote of sixty-seven percent (67%) thereof, 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, considered and counted in the aggregate, of lots 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, 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 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.

11. 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 Association 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.
- (b) A Lot Owner may delegate, in accordance with the Association'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 I-A
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 Properties as the Planned Community Act applies to planned communities created after the effective date of the Planned Community Act.

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