

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

RESTATED RESTRICTIONS FOR
GREYCREST HOMEOWNERS ASSOCIATION, INC.

This **RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS**, made and entered into this ____ day of _____ 2021, by a majority of the landowners of GREYCREST PHASES 1-4; as shown on plots thereof recorded as follows: Map Book 21 at Page 942, Map Book 23 at Pages 607, and Map Book 24 at Pages 323, Map Book 24 at Pages 643 in the Office of the Register of Deeds of Mecklenburg County, North Carolina, respectively.

While all homes subject to one of the four phases is collectively known as the Greycrest Homeowners Association, Inc., there are many slight differences and inconsistencies between the various Declarations recorded for each phase, which makes enforcement and interpretation difficult. A majority of the owners subject to the Declarations located at:

Phase 1: Book 5595 Page 500 of the Mecklenburg County Public Registry;

Phase 2: Book 6209 Page 905 of the Mecklenburg County Public Registry;

Phase 3: Book 6532 Page 525 of the Mecklenburg County Public Registry;

Phase 4: Book 6710 Page 422 of the Mecklenburg County Public Registry;

desire to reform all previous Declarations into a single, uniform document for enforcement purposes. All prior Declarations, Supplemental Declarations, and Amendments to the Declarations found within the records of the Mecklenburg County Public Registry prior to the effective date of this Declaration are either merged into this Declaration or replaced by it and shall have no further legal significance.

WHEREAS, a majority of those landowners for the benefit of themselves, their successors and assigns and their future grantees to modify and restate the recorded conditions and restrictions on all of the lots of land shown on three above listed maps pursuant to the following provisions.

Fifty-one percent (51%) of the owners of Phase 1, pursuant to Paragraph 16 of the Phase 1 Declaration of Restrictions;

Fifty-one percent (51%) of the owners of Phase 2, pursuant to Paragraph 16 of the Phase 2 Declaration of Restrictions;

Fifty-one percent (51%) of the owners of Phase 3, pursuant to Paragraph 16 of the Phase 3 Declaration of Restrictions;

Fifty-one percent (51%) of the owners of Phase 4, pursuant to Paragraph 16 of the Phase 4 Declaration of Restrictions.

It is also noted that all four Declarations were recorded and legally enforceable prior to the North Carolina Planned Community Act.

NOW, THEREFORE, in consideration of the agreement of a majority of the owners of Greycrest Homeowners Association, Inc., Phases 1-4 for themselves, their successors and assigns, and for their future grantees, does place and impose hereby on all of the lots of land shown on the above listed maps, the following **RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS**:

1. **LAND USE AND BUILDING TYPE**. All lots in the tract shall be known and described as residential lots to be used only for Single-Family Residential Housing. No structure shall be erected, altered, placed or permitted to remain on any residential building plot other than one detached single-family dwelling, not to exceed two and one-half (2 1/2) stories in height, and a private garage for not more than three (3) cars and other outbuildings incidental to residential use of the plot. This section shall not prevent the use of model homes and construction trailers during the construction of residences within the subdivision.

2. **BUILDING SETBACKS**. No building shall be erected on any residential lot nearer to any street line than the building setback lines shown on the recorded map, and with respect to a corner lot no residence or other building shall be located nearer to the side street line than the building setback lines shown on the recorded map, With respect to corner lots the front lot line shall be deemed the street line having the shorter frontage, and any residence erected on such corner lot shall face the front lot line, No building, garage, carport, or other accessory building and structure incidental to the residential use of the lots shall be located nearer to a side lot line than permitted by Charlotte/Mecklenburg zoning ordinances. For purposes of determining compliance or noncompliance with the foregoing building line requirements, porches, terraces, eaves, wing-walls, and steps extended beyond the outside wall of a structure shall not be considered as part of the structure; provided, however, that this provision shall not be construed to authorize or permit encroachment of any structure upon any easement shown on the recorded plat or reserved herein or upon any other Lot.

3. **LOT AREA AND WIDTH**. No residential structure shall be erected or placed on any building plot, which plot has an area of less than ten thousand (10,000) square feet or a width of less than sixty (60) feet at the front building setback line shown on the recorded map. There shall be no further subdivision of the existing lots as shown on the recorded map. No lot may be subdivided, by sale or otherwise.

4. **RENTAL OF LOTS IN THE COMMUNITY/ TENANTS**. Except with respect to any and all leases in effect as of the date of this Amendment, the maximum number of Dwellings located within the Association which may be leased or rented at any given time is 10%, inclusive of any leases allowed by any hardship exemption, as explained below.

(a) In the event an Owner wishes to lease his or her Unit and the maximum number of Dwellings are already being leased or rented at or above the Rental Cap, said Owner may request a hearing before the Board to request a hardship waiver of the Rental Cap. The Board may, but shall not be required, in the Board's sole and absolute discretion, grant an exception to the Rental Cap to allow the Dwelling to be rented.

(b) The Association recognizes that certain undue burdens and hardships may exist by reason of the Rental Cap. Therefore, the Board shall determine special circumstances and emergency and undue hardship on a case-by-case basis, and such determinations shall be made in the Board's sole and absolute discretion. By way of example and not limitation, the following examples are given: military deployment such that the Owner would be afforded certain protections under 50 U.S.C 3901, et. Seq., the Servicemembers Civil Relief Act; job loss by the Owner where the Owner must relocate his or her residence away from Mecklenburg Co., or any adjoining County in North or South Carolina and cannot sell their property, for fair market value after having made reasonable effort to do so, within 90 days. Hardship exemptions will not be granted for a period of more than 12 months; however, the Owner may request a review for an extension of their hardship exemption. Any exemption for reasons of hardship may be revoked by the Board and any lease granted under the hardship exemption must terminate at the end of the one year period and cannot be renewed or extended without the Owner making a new application to the Board.

(c) Any dwelling that is owned by the HOA is not subject to the Rental Cap and may be leased even if the current number of units being leased exceeds the 10% Cap.

(d) For an Owner to be in compliance with this section, he or she must do the following:

(i) Property owner is to attach the Greycrest Lease Addendum. The requirements of the Addendum cannot be changed but the owner may add additional requirements to their lease. (e.g. no pets, no smoking etc.).

(ii) Owners must have received, in writing, permission to lease their property from the Board of Directors.

(iii) Leases must be submitted to the Board of Directors (BOD) for approval and must be approved before the tenant can take occupancy of the unit.

(iv) Leases must be submitted with at least the following:

(1) Names and ages of each tenant

(2) Background check results for each tenant aged 18 or older

(3) a \$75 processing fee

(4) The make, model, and registration information for each vehicle owned/operated by the tenant(s). The tenant is responsible to make sure this information is updated should new and/or replacement vehicles be obtained during the duration of the lease.

(5) Phone and email address for each tenant aged 18 and older

(6) Tenant and Owner signatures that certify that the tenant has received, read, and agrees to abide by the Rules and Regulations, the Covenants and Restrictions, and the Bylaws. as well as any amendments thereof, of the HOA.

(7). Certification that the tenant has been made aware that any failure by the tenant to comply with any of the provisions of any document listed in subsection (6) shall be a default under the rental agreement of lease.

(8). Termination of the lease, due to tenant non-compliance with the provisions of the CCRs, Rules & Regulation, and/or ByLaws is not automatic. Non-compliance and possible lease termination will be reviewed, on a case-by-case basis, by the BOD. The BOD will determine if the infraction/violation warrants lease termination and eviction of the tenant(s). Such decision will be provided to the Owner to take appropriate action.

(e). Owner must provide their current residential and mailing address, email address and their phone number to the Association;

(f). Note that the owner shall be liable for any violation of the Declarations by the tenant and the Association retains the right to pursue such violations as it normally would against the Owner.

(g). All leases must be written and must have a minimum (six) 6-month period. No short term, VBRO, or other temporary/transient housing agreements will be approved.

(h). Owner shall pay an additional Assessment in the amount of 4% of the monthly rental amount, that may be paid by the tenant, to the Association. The additional 4% will be paid at the time the landlord executes, renews, or extends the lease with the tenant. No lease execution, renewal, or extension shall be approved until the fee is paid.

(i). The association reserves the right to require a fee to run its own background check of the proposed tenant. Said fee will be charged to the owner and the owner may decide whether to pass that cost onto the tenant. A copy of any background check will be provided to the owner.

5. **TEMPORARY STRUCTURES AND OFFSTREET PARKING.** No residence of a temporary nature shall be erected or allowed to remain on any lot, and no trailer, basement, shack, tent, garage, barn or any other building of a similar nature shall be used as a residence on any lot, either temporarily or permanently, Mobile house trailers, on or off wheels, vehicles or enclosed bodies of the type which may be placed on or attached to a vehicle, known generally as “campers”, commercial vehicles of any kind operated by a member of the household occupying the dwelling on the lot and any boats and boat trailers shall not be parked on the street or within the front or side street setback lines, No vehicle of any type which is abandoned or inoperative shall be stored or kept on any lot within this subdivision in such manner as to be seen from any other lot or any street within this subdivision, and no automobiles or other mechanical equipment may be dismantled or allowed to accumulate on any said lot. Vehicles shall not be parked on the sidewalk or within the dedicated street right-of-way, nor shall vehicles be parked or stored on any part of the lot not improved for that purpose, i.e. garage, driveway, carport or parking pad, This paragraph does not preclude occasional overflow parking within the street right-of-way for guests or other reasonable purposes provided that no inconvenience is imposed on the owners of other lots within this subdivision.

6. **NUISANCES.** No noxious or offensive trade or activity shall be carried on upon any lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No portion or part of any lot shall be used or maintained as a dumping ground for trash, garbage, or other

refuse. Trash, garbage, and other waste shall not be kept except temporarily in sanitary containers. No animals, livestock, or poultry of any kind shall be kept or maintained on any lot or in any dwelling except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes. The number of household pets generally considered to be outdoor pets such as dogs and cats shall not exceed three in number except for newborn offspring of such household pets with was under (9) months in age. No savage or dangerous animals shall be kept or maintained on any lot or in any dwelling.

7. **DWELLING SIZE**. The minimal heated square footage of a dwelling may not be less than 1200 square feet of heated area.

8. **FENCES**. No fence or wall shall be erected on any building plot closer to any street right-of-way than the building setback lines shown upon the recorded map and all fence construction requires written approval from the Association. Chain link fencing is not permitted, except that 2"x4" mesh may be used with split rail fencing to contain children and animals within the yard. Below are a list of fence designs which will generally be allowed:

- a. Privacy fences – only type allowed are “shadow box” wood fences with a maximum height of 6 feet. Fence must be made of 1”x 6” pickets. Pickets must be installed on alternating sides of the rails, so the appearance is the same from both sides of the fence.
- b. Metal Fences – Decorative aluminum fences are allowed. (Chain link fences are not allowed.)
- c. Vinyl Fences – Not recommended but can be allowed with approval by HOA.
- d. Brick/Masonry Fences- A wall constructed of brick or stone masonry of no more than five feet in height is permitted with prior approval
- e. Patio Fencing- Fencing of a more solid or privacy nature may be used around patios, wood decks, or: pools as privacy screens but may not extend to the perimeter of the lot.
- f. Picket Fences – Picket fences are allowed but must be submitted to HOA for approval.
- g. Gates shall be designed to be compatible and complementary to the fence design.
- h. Color of fence – natural wood color allowed in all locations. All other colors require approval.
- i. Painting of fences – Generally natural colors will be required subject to approval by the Association
- k. Fencing that is constructed on a lot adjacent to common areas must be of a split wood fence or a decorative metal fence design not to exceed 5 feet in height.

Guidelines and Fence construction guidelines:

- a. Installation or maintenance – Installation or maintenance requires approval for all fence projects. Submission and approval of an Application for Exterior Modification is required

before construction can begin. Application must include a copy of the lot plan showing the proposed location of the fence and its relationship to the house and descriptions of the proposed fence material.

- b. Location of fence on property –no fence or wall shall be erected on any building plot closer to any street right-of-way than the building setback lines shown upon the recorded map.
- c. If fencing is to be placed on the property lines, it must be contiguous to your neighbors if a fence already exists. Double fencing along property lines is discouraged and must be submitted to the Architectural Committee for approval.
- d. Fences installed within an easement are the homeowner's risk and must not block the historic or natural drainage patterns. Notwithstanding approval from the Association, if the construction of a fence interferes with natural drainage patterns or easement access, the fence may require removal or relocation. In such case, the Association will not be liable to the owner for the costs.
- e. Homeowners are responsible for maintaining the attractiveness of their fences and keeping the fencing in good repair. Regardless of material, all fences are to be properly maintained once installed to maintain an upkept look.

Grandfather Clause- Any fence that has been constructed prior to the approval of this Restatement are exempt from all of these requirements except that they must be properly maintained. If a preexisting fence falls into a state of disrepair or is otherwise replaced, the exemption is lost and the owners of the lot must follow all of the regulations in this Restated Declaration.

9. METAL GARAGES, CARPORTS, BUILDINGS AND ACCESSORY STRUCTURES. No metal carport or metal garage shall be erected on any lot or attached to any residence building located on the lot. No metal building or metal accessory structure of any kind shall be placed on any lot except that one (1) metal utility building or noncommercial greenhouse may be located in the rear one quarter (1/4) of any lot directly behind the residence.

10. **EASEMENTS.** Easements for installation, maintenance and repair of utilities and cable television (CATV) and drainage facilities are reserved as shown on the recorded map and over the rear ten (10) feet and each side five (5) feet of every lot, Within the easements, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of the utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements, The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible, The party hereto reserves the right to create and impose additional easements or rights of way over unsold lot or lots for street, drainage, and utility installation purposes by the recording of appropriate instruments and such shall not be construed to invalidate any of these covenants.

11. **SIGNS** No sign of any kind shall be displayed to the public view on any lot except one professional sign of not more than one square (1) foot, one sign of not more than five (5) square feet

advertising the property for sale or rent or signs used by the builder to advertise the property during the construction and sales period.

12. **UNINTENTIONAL VIOLATIONS.** In the event of the unintentional violation of any of the building line restrictions set forth herein, Developer reserves the right, by and with the mutual written consent of the owner or owners for the time being of such lot, to change the building line restriction set forth in the instrument provided, however, that such change shall not be in violation of any provisions of the zoning provisions of the City of Charlotte or County of Mecklenburg,

13. **SATELLITE DISHES OR DISCS.** No free standing radio or television transmission or reception towers, antennas, or discs shall be erected on a lot. One radio and/or television antenna that cannot be seen above the roofline of the residence and one dish or disc not exceeding four (4) feet in diameter and not visible from the street in front of the residence shall be allowed to be attached to the roof structure.

14. **SOLAR COLLECTORS.** Solar collectors may be placed on the roof of the home not facing a main roadway in the community subject to approval by the Association.

15. **MAINTENANCE OF LOT.** Each owner shall keep his lot in an orderly condition and shall keep the improvements thereon in a suitable state of repair, promptly repairing any damage thereto by fire or other casualty. No clothesline may be erected or maintained on any lot other than a clothesline located directly behind the residence. No lot shall be used in whole or in part for storage of rubbish of any character whatsoever and no trash, rubbish, stored materials, wrecked or inoperable vehicles or similar unsightly items shall be allowed to remain on any lot outside an enclosed structure; provided however, that the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish and other debris for collections by governmental or other similar garbage and trash removal units.

16. **ARCHITECTURAL REVIEW.** Notwithstanding anything contained within this Declaration to the contrary, no Owner shall begin construction on, make improvement to, or facilitate and Major exterior alteration to any Lot until the appropriate Architectural Review Form is submitted to and approved by the Association. The Board of Directors will appoint an Architectural Review Committee who will have the authority to review and approve or disapprove any requests. Generally, homes must be consistent in design and of construction materials and with rooflines consistent with the design guidelines as may be established by the Architectural Review Committee from time to time. The Board of Directors will establish the appropriate Architectural Review forms to be submitted along with a list of information that should be included with each request. These forms will be made readily available to the community.

(a) The Association shall have the specific right (but not an obligation) to enforce the provisions contained in this Article and/or to prevent any violation of the provisions contained in this Article by a proceeding at law or in equity against the person or persons violating or attempting to violate any such provisions.

(b) No Major Improvements of any kind or nature, shall be erected, remodeled or placed on any Lot until the plans and specifications therefore and a site plan, including depiction of driveways, walkways, alleys, and drainage patterns have been submitted and approved in writing by the Architectural Review Committee along with the required Request Form. No approval is needed for landscaping changes or minor changes to the exterior structures such as replacing missing siding. Request forms shall be sent to the

Association via certified mail and via email to the Architectural Committee. The Architectural Review Committee shall have thirty (30) calendar days from the date of receipt of the Request form to approve or disapprove the requested change or improvement. The Committee may also request further information if the initial request is unclear or missing required information. The thirty (30) day review period is tolled until the homeowner submits the missing information. If the Committee does not respond to a Request form within the thirty (30) day period, the owner may proceed with improvement without an official approval. However, in no event may any improvement that is in direct violation of this Declaration ever be constructed with or without approval.

i. For the purposes of this section, the Association shall deem all requests as Major Improvements if they include at least one of the following

A. The project will cost \$5,000.00 or more to complete;

B. The project will require a permit to be approved by the local authorities; or

C. The project will include a structure that had footings or other any permanent foundation.

(c) The Board of Directors in consultation with the Committee may, from time to time, publish and promulgate Design Guidelines and such Design Guidelines shall be explanatory of the general intent of the development of the Property and are intended as a guide to assist the Architectural Review Committee in reviewing plans and specifications. In any event, such Design Guidelines shall not be binding upon the Architectural Review Committee and shall not constitute, in every event, the basis for approval or disapproval of plans, specifications and other materials submitted to the Architectural Review Committee for approval. The Design Guidelines, which shall be fair, reasonable and uniformly applied in regard to the Lots, shall carry forward the spirit and intention of these covenants, conditions and restrictions.

(d) All construction, landscaping or other work which has been commenced, or is being commenced for any reason including damage repair, on any Lot located within the Property must be continued with reasonable diligence to completion and no partially completed building, landscaping or other Improvement shall be permitted to exist on any Lot, except during such reasonable time period as is necessary for completion.

(e) Each Owner shall indemnify the Association and hold the Association harmless for any personal injuries or property damage caused by the installation, maintenance or use of any antennae upon the Owner's own Lot or upon any improvements thereon. Should any claims be necessary due to the actions of said contractor, the Owner shall assist the Association in obtaining the aforementioned insurance information. No owner shall have any legal claims against the Association or the Committee due to improvements or changes made to the lot of another owner.

(f) Nothing herein contained shall be deemed to constitute a waiver of any governmental requirements applicable to any Lot and all applicable governmental requirements or restrictions relative to the construction of Improvements on any Lot and/or use and utilization of any Lot shall continue to be applicable and shall be complied with in regard to the Lots.

17. COVENANT FOR MAINTENANCE ASSESSMENTS Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay to the Association: 1) annual assessments or charges; 2) special assessments for capital improvements, repairs and maintenance, unexpected costs and other purposes; and 3) specific assessments including, but not limited to, fines and/or administrative fees, due to delinquency or a violation of this Declaration and/or applicable governing documents. Any such assessment or charge, together with interest, late charges, costs and applicable attorney's fees shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment or charge is made. Each such assessment, together with interest, late charges, costs and applicable attorney's fees, shall also be the personal obligation of the person(s), firm(s), or corporation(s) owning such Lot at the time when the assessment falls due, but such personal obligation shall not be imposed upon such Owner's successor in title unless expressly assumed by the successor in title; however, such unpaid assessment charges shall continue to be a lien upon the Lot against which the assessment has been made.

Section 2. Purposes of Assessments and Duties of Association. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, property maintenance and welfare of the residents of the Property and in particular for the acquisition, improvement, and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas, including but not limited to, the cost of repair, replacement and additions thereto, the cost of labor, equipment, materials, management and supervision thereof, the payment of taxes assessed against any such property, the procurement and maintenance of insurance in accordance with this Declaration and the Bylaws of the Association, the employment of attorneys to represent the Association when necessary, payments of principal and interest on funds borrowed for Association purposes and such other needs as may arise. The Association shall have the authority to assess costs and/or charges against individual lots due to enforcement activities or other nonregular circumstances such as reimbursement for copying and administrative expenses in response to an owner's request.

Section 3. Maximum Annual Assessments. The maximum annual assessment for each Lot shall be determined by the Association.

(a) The maximum annual assessment for each Lot may be increased or decreased by the Directors effective January 1st of each year, without a vote of the Membership, but subject to the limitation that the percentage of any such increase shall not exceed ten (10%) percent of the maximum assessment for each Lot for the previous year without a vote of the Membership. In the event the maximum assessment for each Lot is not increased for any particular year or years, the percentage amount which it might have been increased for such year or years shall be added to the current maximum amount, to the effect that the maximum increase shall be cumulative for the current year and all prior years.

(b) From and after January 1st of the year immediately following the recording of this document, the maximum annual assessment may be increased in excess of the above maximum assessment set forth in paragraph (a) without limitation unless such increase is rejected by no less than sixty-seven (67%) percent of the votes cast by the Members in attendance at a meeting duly called for this purpose in person or by proxy.

Section 4. Special Assessments for Capital Improvements and Other Matters. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, special assessment(s) for the purpose of defraying, in whole or in part, the cost of any construction, repair or replacement of a capital improvement upon any Common Area(s), including fixtures and personal property related thereto, any brick, stone wall or monument erected by Declarant, or any private water or sewer or storm water drainage line owned by Declarant or the Association, repayment of indebtedness and interest thereon, providing funds to pay for unforeseen or unbudgeted expenditures, borrowing the funds to make the Property comply with zoning ordinance(s), borrowing of money for capital improvement(s) and pledging or mortgaging of Association property as security for loans, provided that any such assessment shall be subject to the same requirements as provided in Subsection 3(b) of this Article, and provided further that the Association shall in no event convey or subject to a security interest any portion of the Common Area(s) except in compliance with North Carolina General Statute 47F (the North Carolina Planned Community Act).

Section 5. Specific Assessments. The Association may levy Specific Assessments against any Lot, including, but not limited to, fines and/or administrative fees, due to delinquency or a violation established pursuant to the terms of this Declaration. All such Specific Assessments, together with any previous assessments, late charges, interest (not to exceed the maximum legal rate), costs and applicable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which such assessment is made.

Section 6. Reserves. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Areas and those other portions of the Property that the Association is obligated to maintain. Such reserve fund shall be established out of regular annual assessments and Capital Improvement real estate closing funds, if practicable. Otherwise, such reserve fund may be established out of special assessments.

Section 7. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment(s) or charge(s) not paid within ten (10) days after the due date shall incur late charges in the amount of the maximum allowed by law, or twenty (\$20.00) dollars per month, whichever is determined by the Board of Directors at the beginning of the fiscal year, and if not paid within thirty (30) days after the due date, shall bear interest from the due date at a minimum rate of eighteen (18%) percent per annum, or at the rate established by the Directors at the beginning of the fiscal year of the Association, not to exceed the maximum rate allowed by law. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Owner's Lot, and interest, late charges, costs and applicable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. Any foreclosure of the lien may be in such manner as is prescribed by the laws of the State of North Carolina for foreclosure of deeds of trust under powers of sale or may be in any other manner permitted by applicable law. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or other property of the Association or by abandoning his Lot. It is the sole responsibility of each Owner to provide the Association any alternate address information, as stipulated in Section 11 of this Article.

All payments shall be applied first to costs and attorney's fees, then to late charges, specific assessments, interest, then to delinquent assessments, then to any unpaid installments of the annual assessment or special assessments which are not the subject matter of any suit or legal action, in the order of their coming due, and then to any unpaid installments of the annual assessment or special assessments which are the subject matter of suit or legal action, in the order of their coming due.

Section 8 Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust on a Lot. Sale or transfer of any Lot shall not affect any assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage or deed of trust, pursuant to a foreclosure thereof, shall extinguish the lien of such assessment as to the payment thereof which became 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.

18. **ENFORCEMENT.** The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Nothing herein shall give any owner the right to any legal claims against the Association for any alleged failure to enforce these covenants.

19. **SEVERABILITY.** Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

20. **TERM & AMENDMENT.** These covenants are to run with the land and shall be binding upon all parties and all persons claiming under them for a period of 25 years from the date these restated covenants are recorded; after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change or amend said covenants in whole or in part.

21. **JURISDICTION** These restrictive covenants shall be interpreted pursuant to the Laws of the State of North Carolina.