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J. LEE WARREN JR.
REGISTER OF DEEDS
CUMBERLAND CO., N.C.

045393

(N.P. SEAL)

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Prepared by and return to Richard M. Wiggins, PO Box 87009, Fayetteville, NC

NORTH CAROLINA
CUMBERLAND COUNTY

RESTRICTIVE COVENANTS FOR
SILVER CREEK SUBDIVISION

THIS DECLARATION, made this the 14 day of September, 2006, by Estate Builders, LLC, a North Carolina limited liability company with its principal place of business in Cumberland County, North Carolina; H.J. Morris Construction, Inc., a North Carolina corporation; and McCauley & McDonald Investments, Inc., a North Carolina corporation, hereinafter collectively referred to as "Developer", and collectively referred to as "Developers";

WITNESSETH:

WHEREAS, Developers, as set out on Exhibit "A" attached hereto and incorporated herein, are the owners of certain property in Carvers Creek Township, Cumberland County, North Carolina, which is known as SILVER CREEK SUBDIVISION, as shown on the plats of same duly recorded in Plat Book 114, Page 179, Plat Book 117, Page 181, and Plat Book 117, Page 185, Cumberland County, North Carolina Registry, hereinafter the "Properties."

NOW THEREFORE, Developers hereby declare that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are 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 to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is part of the Properties, including contract seller, but excluding those having such interest merely as security for the performance of an obligation.

Section 2. “Properties” shall mean and refer to that certain real property hereinabove described.

Section 3. “Lot” shall mean and refer to any numbered plot of land shown upon any recorded subdivision map of the Properties.

Section 4. “Association” shall mean and refer to the Silver Creek of Cumberland Homeowners Association, Inc., a nonprofit corporation organized and existing under the laws of the State of North Carolina.

ARTICLE II

USE RESTRICTIONS

Section 1. Land Use. All Lots shall be used for single-family residential purposes only and shall not be used for any business or commercial purposes, provided, however, that each Developer reserves the right to use any Lot and any improvement thereon owned by a Developer as a model home with sales office. Group family homes are prohibited.

Section 2. Building Type. All Lots shall be residential Lots, and no structure shall be erected, altered, placed or permitted to remain on any of said Lots except one detached single home dwelling of not more than two and one-half stories in height, a private

garage for not more than three cars and other outbuildings in the rear of the dwelling house which may be incidental to normal residential use in subdivisions of similar category. Such outbuildings erected, altered, placed or permitted shall be of the same quality, workmanship and material as the principal dwelling structure and must be centered along the rear Lot line, and must comply with Section 3 below. Any outbuilding erected, altered, or placed on any lot must be approved in writing by the Association's Architectural Committee (hereinafter "AC") prior to construction. Manufactured outbuildings shall be placed upon a Lot only with the prior consent of the AC. No mobile home (Class A or B) or modular home will be allowed on any Lot to which these covenants apply. No single-family attached or detached dwelling units shall be permitted on any such Lot or Lots which shall give to the improved Lot or Lots on which the said single-family attached or detached dwelling unit is constructed an appraised valuation of less than One Hundred Forty Thousand and No/100 (\$140,000.00) Dollars; such valuation to be based upon cost levels prevailing as the date these covenants are recorded; it being the intention and purpose of this covenant to provide that all dwellings shall be of quality and workmanship substantially the same or better than which can be produced on the date these covenants are recorded for the minimum value herein stated for the minimum permitted dwelling size.

Section 3. Set Back Requirements. There shall be no structure on any of the designated single-family Lots within thirty five (35) feet of the street on which the Lot fronts, nor within less than ten (10) feet of the side lines of the Lot and not less than fifteen (15) feet from any side street, nor within the interior lot line, side and rear lot line setback requirements of the Cumberland County Zoning Ordinance, whichever is more restrictive. For the purposes of these covenants, steps, overhangs and chimneys shall not be considered as a part of the building; provided, however, that this shall not be construed to permit any portion of an improvement on a Lot to encroach upon another Lot. When consistent with the

Zoning Ordinance, the building line set-back as provided for in this Paragraph may be varied by as much as ten (10) percent with the express consent to Developer, which said consent document need not be of record in the Office of the Registry of Deeds, Cumberland County, North Carolina.

Section 4. Minimum Size of Each Dwelling. The ground floor of the main structure exclusive of one-story porches and garages shall not be less than One Thousand Five Hundred (1,500) square feet for a one-story non-duplex dwelling and not less than Eight Hundred (800) square feet for the first floor of a two-story dwelling. The minimum heated square footage for any residential dwelling shall be one thousand five hundred (1,500). Square footage is determined by the outside dimensions of the main structure, excluding any unheated space. Heated area living space shall mean the ordinary living space in a house which is designated and constructed so as to be capable of being heated for regular living space in cold weather. In the computation of floor space, unheated storage area, garages, and porches shall not be counted. Houses shall be constructed using either "crawl space" or "slab on grade" construction. No residence or other building, and no fence, wall, utility yard, driveway, swimming pool or other structure or improvement, regardless of size or purpose, whether attached to or detached from the main residence, shall be commenced, placed, erected or allowed to remain on any building plot, nor shall any addition to or exterior change or alteration thereto be made, unless and until building plans and specifications covering the same, showing the same nature, kind, shape, height, size, materials, floor plans, exterior color schemes with paint samples, location and orientation on the building plot and approximate square footage, construction schedule, on-site sewage and water facilities, and such other information as the Developers shall require, including, if so required, plans for the grading and landscaping of the building plot showing any changes proposed to be made in the elevation of surface contours of the land, have been submitted to and approved in writing

by the AC and until a copy of all such plans and specifications, as finally approved by the AC, have been lodged permanently with the AC. No alteration in the exterior color of the home or the color of the shingles shall be made without the prior written approval of the AC.

The AC shall have the absolute and exclusive right to refuse to approve any such building plans and specifications and lot-grading and landscaping plans which are not suitable or desirable in its option for any reason, including purely aesthetic reasons. In passing upon such building plans and specifications and lot-grading and landscaping plans, the AC may take into consideration the suitability and desirability of the proposed constructions and of the materials of which the same are proposed to be build to the building plot upon which it proposes to erect the same, the quality of the proposed workmanship and materials, the harmony of external design with surrounding neighborhood and existing structures therein, and the effect and appearance of such constructions as viewed from neighboring properties. In the event the AC fails to approve or disapprove such building plans and specifications within thirty (30) days after the same have been submitted to it as required above, the approval of the AC shall be presumed and the provisions of this paragraph four (4) shall be deemed to have been complied with. However, no residence or other building, structure or improvement which violates any of the covenants and restrictions herein contained or which is not in harmony with the surrounding neighborhood and the existing structures therein shall be erected or allowed to remain on any part of a building plot on said land.

Section 5. Driveways. All driveways shall be constructed of concrete.

Section 6. Fences. No fence shall be erected on any Lot closer to the front of the Lot than the house's rear corner nearest the street. No fence shall be built within any easement for utilities. Fencing traversing a Lot shall be parallel with the front line. Provided however, that with respect to corner Lots, no fencing shall be erected or maintained any closer than forty-five (45) feet from the front property line, not to exceed a ten-foot extension

from the back corner of the house (extended from the back line of the house); and in the event a house has already been established on the lot adjacent to the corner Lot, no fencing shall be erected on the corner Lot any closer to the front of the Lot than the distance the front corner of the adjacent structure is from its front property line; in any event, fencing shall be no closer than the house's rear corner. Solid privacy fences over three (3) feet in height shall not be built within twenty-five (25) feet of a public right-of-way. Chain link fences of any type are not permitted.

No fences, including decorative split-rail fences, are permitted in the front yard of a Lot.

Section 7. Temporary Structures. No trailer, tent, shack, garage, barn or similar type outbuilding shall be placed, erected or allowed to remain on said property without the written consent of the AC. No structure of a temporary character shall be used as a residence temporarily, permanently, or otherwise.

Section 8. Restricted Activities. No commercial, noxious or offensive trade or activity shall be carried on upon any plot, nor shall anything be done which may be or become an annoyance or nuisance to the neighborhood.

Section 9. Animals. The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Lot, except the keeping of not more than two (2) orderly domestic pets (dogs or cats) shall be permitted; provided, however, that such pets are not kept or maintained for commercial purposes for breeding and provided further, that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Property. All pets shall be registered and inoculated as required by law. No dangerous dogs, including, but not limited to, pit bulls, rottweilers, dobermans, and chows, shall be permitted on the premises, unless the Lot owner installs a six (6) foot privacy

fence that complies with Section 6, above, and in addition installs a six (6) foot chain link fence, with said chain link fence installed at least ten (10) feet inside the perimeter of the privacy fence. The above-listed breeds of dog may not be exercised in the neighborhood, even if the dog is on a leash. Any of the above-listed breeds of dogs may be removed at the sole discretion of any of the Developers and/or the Association. All owners of the above-listed breeds must provide the Association with a current copy of liability insurance in the minimum amount of \$1,000,000.00.

Any dog house or dog containment structure or system must be located to the rear of the principal dwelling structure and must be located within twenty (20) feet of the rear of the main structure. No such permitted dog house or dog containment structure or system shall be placed, erected or maintained closer to any street than the rear corner of the principal dwelling structure, and in no event closer to any street than thirty (30) feet.

Section 10. Motor Vehicles. No automobile or motor vehicles may be dismantled or repaired on said property. No mechanically defective automobile, motor vehicle, mechanical device, machine, machinery, or junk car shall be placed or allowed to remain on said property at any time. Notwithstanding the above, these restrictions shall not apply if such vehicle is kept in an enclosed garage. No commercial trucks, including but not limited to those with eighteen wheels, shall be permitted to be parked on the premises except in the course of delivery, pick up, or discharge of a specific commercial duty

No camping trailer, motor home or recreational vehicle (not including sports utility vehicles) shall be permitted on the premises except in accordance with restrictions contained herein. No camping trailer, motor home, or recreational vehicle may be parked closer to the front street than either the front corner of the house on the premises or the front corner of the adjacent house, whichever is further from the street, and must be within the yard setbacks. Any permitted camping trailer, motor home, or recreational vehicle must be kept in a well-

maintained condition and appearance. On corner Lots, no camping trailer, motor home, or recreational vehicle shall be permitted any closer to any street than the principal dwelling structure. In no event shall any permitted camping trailer, motor home, or recreational vehicle be used as a residence temporarily, permanently, or otherwise.

Section 11. Exterior Alterations. No exterior alterations, additions, or changes of any kind may be made to the structure or design of the residence and improvements now on said property without the written consent of the AC.

Section 12. Mailboxes. All mailboxes shall be uniform to those initially installed by the Developers.

Section 13. Signs. No sign of any character shall be displayed or placed upon any Lot except "For Sale" or "For Rent" signs, which signs may refer only to the particular premises on which displayed, shall not exceed two (2) square feet in size, shall not extend more than four (4) feet above the surface of the ground, shall be fastened only to a stake in the ground and shall be limited to one (1) sign to a Lot. Any Developer may enter upon any building plot and summarily remove and destroy any signs that do not meet the provisions of this section.

Section 14. Satellite Dishes. No satellite dish antennas, radio tower or antenna of any nature shall be placed or allowed to remain on said property except for a satellite dish measuring no more than eighteen (18) inches in diameter, attached to the rear of the dwelling, or the rear corner or the building, so long as said satellite dish is not readily visible from the road.

Section 15. Clothesline. Clotheslines are not permitted.

Section 16. Basketball goals. No basketball goals of any nature, whether stationary or portable, regulation size or otherwise, shall be allowed in the street or public right of way. Only portable basketball goals shall be allowed in side or front yards or driveways, provided

they are properly maintained and in good repair. Permanently installed goals must be placed in the back yard. Unsightly basketball goals located in front and side yards are subject to removal by the Association.

Section 17. Yard Maintenance. Each owner shall landscape and maintain his yard in a well-manicured style, so as to enhance his own as well as his neighbors' homes and Lots. The grass of each Lot shall be kept at a reasonably short length, and all trees, shrubs and bushes shall be properly pruned. If the yard is not maintained properly, the Association has the right to perform the required work and to bill the Lot owner for said work. The Association may obtain a lien against any Lot owner who fails to timely pay any bill for maintenance work done by the Association.

Section 18. Trash and Yard Debris. No trash of any kind, whether household or yard debris shall be placed or allowed to remain on said property, except in proper containers. Containers should only be placed by the street on the evening before the day trash is scheduled to be picked up. Each owner shall promptly remove the trash container from the street, in no case later than the evening of the day the trash was removed.

Section 19. Swimming Pools. There shall be no above ground swimming pools. In-ground pools are permitted and must be surrounded by a four (4) foot privacy or ornamental fence.

Section 20. Wetlands. All of the properties subject to these declarations, conditions, covenants and restrictions shall also be subject to the following Special Provisions Relating to Wetlands. In developing the property, the Developer has agreed with the State of North Carolina and the Department of the Army Corps of Engineers (pursuant to a permit issued by the State of North Carolina and the Army Corps of Engineers) to restrict and prohibit any future filling or other detrimental activities in the wetlands areas which presently exist within the identified area of the property. Accordingly, all wetlands shown

and delineated on the recorded plat of the Silver Creek Subdivision shall be maintained in perpetuity in their natural or mitigated condition. No person or entity shall fill, grade, excavate, or perform any other land disturbing activities; nor cut, remove, or harm any vegetation; nor construct any structures, nor allow animal grazing or watering or any other agricultural use on such conservation areas. Benign structures, such as pile-supported walkways, may be permissible only after reviewed and written consent is provided by the U.S. Army Corps of Engineers, Wilmington District, and therefore may be enforced by the United States of America. This covenant is to run with the land and shall be binding on the Owner, and all parties claiming under it.

Section 21. Mutual Benefit. It is understood and agreed that these restrictions are made for the mutual benefit of the grantors and grantees and any and all subsequent grantees, and all such parties shall be deemed to have a vested interest in these restrictions and the right to enforce the same.

ARTICLE III

UTILITIES AND UTILITY AND DRAINAGE EASEMENTS

Section 1. Utilities. Developers reserve the right to subject the real property in this entire subdivision to a contract with Public Utility Provider(s) for the installation of overhead and/or 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 public Utility Provider by the owner of each building. Developers and their successors in title may devote any Lot or portion thereof, not already sold, for any construction and uses which it, in its discretion, deems necessary in order to provide the subdivision with utilities.

Section 2. Utility and Drainage Easements. Easements for installation and maintenance for utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted

to remain which may interfere with the installation and maintenance or utilities, or which may change the direction or flow of drainage, or which may obstruct or retard the flow of water. All areas indicated as streets and easements on the recorded plat are hereby dedicated to the public use for uses forever except side yard easements which are for the use and benefit of those persons and Lots as described herein.

ARTICLE IV

GENERAL PROVISIONS

Section 1. Enforcement. So long as any Developer is an owner of a Lot shown on the plat, Developer, 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 these Restrictive Covenants. Failure by any Developer or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Amendment. It is understood and agreed, and the present owners and all subsequent Grantees of present owners expressly agree by the acceptance of land within the above described subdivision area that the covenants and restrictions of the Declaration shall run with and bind the land for a term of twenty (20) years from the date the Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

Notwithstanding anything contained herein, these restrictive covenants may be amended at any time by written consent of a majority in interest of the Developers, their successors or assigns, so long as Developers, their successors or assigns, own any one Lot in the Silver Creek Subdivision. Notwithstanding the above, the initial Architectural Committee shall consist of one member: HJ Morris Construction, Inc. So long as HJ Morris Construction, Inc. owns a Lot in Silver Creek Subdivision, it shall remain the sole member of

the Architectural Committee. This provision cannot be altered by majority vote of Developers or by way of Amendment to these restrictive covenants.

Section 3. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise effect any other provisions, which shall remain in full force and effect.

ARTICLE V

CONFLICTING PROVISIONS

To the extent the provisions of this Declaration conflict with any applicable provisions of the Cumberland County Zoning and Subdivision Ordinance, the conflicting provisions of the County Ordinances shall control.

ARTICLE VI

HOMEOWNERS ASSOCIATION

Each Lot owner is a member of Silver Creek of Cumberland Homeowners Association and subject to the restrictions and covenants set out in the Declaration of Covenants, Conditions and Restrictions recorded in Book _____, Page _____ of the Cumberland County Registry. As a member of Silver Creek of Cumberland Homeowners Association, each Lot owner shall be liable for annual dues as determined by the Silver Creek of Cumberland Homeowners Association.

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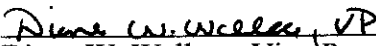
IN WITNESS WHEREOF, the Developers herein, have caused this Declaration to be signed in their names the day and year first above written.

DEVELOPERS:

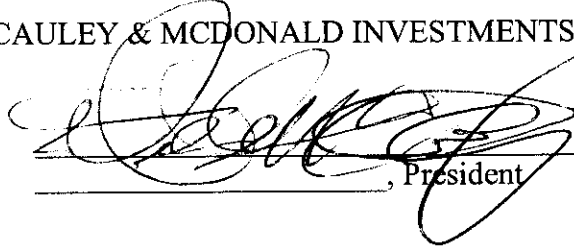
ESTATE BUILDERS, LLC

By: 
RICHARD M. WIGGINS, Manager

H.J. MORRIS CONSTRUCTION, INC.

By: 
Diane W. Wallace, Vice-President

MCCAULEY & MCDONALD INVESTMENTS, INC.

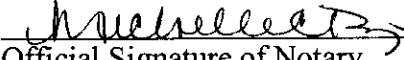
By: 
President

STATE OF NORTH CAROLINA

COUNTY OF CUMBERLAND

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Richard M. Wiggins, Manager, Estate Builders, LLC.

Date: 9/13/06


Official Signature of Notary

Michelle A. Ping
Notary Public
Notary's printed or typed name

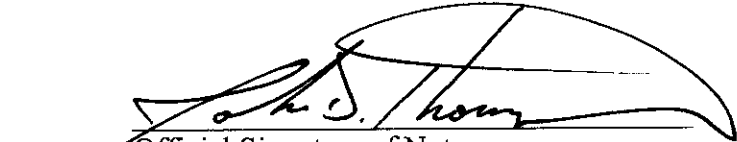
(Official Seal)
My Commission Expires: 10/1/2008

STATE OF NORTH CAROLINA

COUNTY OF WAKE

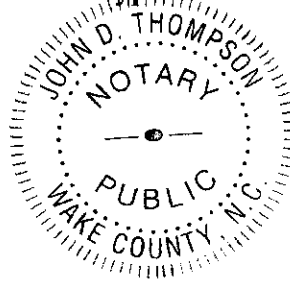
I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Diane W. Wallace, Vice President, HJ Morris Construction, Inc.

Date: 9/12/06


Official Signature of Notary
JOHN D. THOMPSON

Notary's printed or typed name

(Official Seal)
My Commission Expires: 6/18/2006

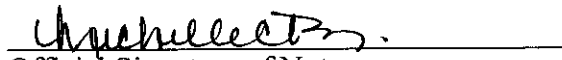


STATE OF NORTH CAROLINA

COUNTY OF CUMBERLAND

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: (Name) Albert O. McCauley, President, McCauley & McDonald Investments, Inc.

Date: 9/14/06


Official Signature of Notary

Notary's printed or typed name Michelle C. Ping

(Official Seal)
My Commission Expires: 10/1/2008

EXHIBIT "A"

DEVELOPERS

Name	Lots Owned
a. Estate Builders, LLC	3, 23, 24, 25, 26, 28, 37, 40
b. H.J. Morris Construction, Inc.	1, 2, 4 – 17 inclusive, 19 - 22 inclusive, 29 - 36 inclusive, 38, 39, 41 - 50 inclusive
c. McCauley & McDonald Investments, Inc.	51 - 70 inclusive