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Prepared by and return to: David T. Pryzwansky
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507 West Peace Street, Suite 101
Raleigh, North Carolina 27603

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR HARDEN CREEK SUBDIVISION

THIS DECLARATION, made as of the 30th day of June, 2021 by CLOUDBREAK INVESTMENTS LLC, a North Carolina limited liability company (hereinafter referred to as "Declarant");

WITNESSETH:

WHEREAS, Declarant is the owner of certain property containing approximately 10.301 acres, in Archer Lodge, Johnston County, North Carolina which is more particularly described on Exhibit "A" attached hereto ("Property"); and

WHEREAS, it is the desire and intention of Declarant to impose on the Property covenants, conditions and restrictions under a general plan or scheme of improvement for the benefit of all of the Property and the future owners thereof; and,

WHEREAS, the Property shall be comprised of ten (10) single family residential lots ("Lot(s)") and shall be known as Harden Creek Subdivision.

NOW, THEREFORE, Declarant hereby declares that all of the Property described on Exhibit "A" shall be held, sold and conveyed subject to the following covenants, conditions and restrictions which are for the purpose of protecting the value and desirability of, and which shall run with the title to, the Property and be binding on all parties having any right, title or interest in the described Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

Submitted electronically by "The Pryzwansky Law Firm"
in compliance with North Carolina statutes governing recordable documents
and the terms of the submitter agreement with the Johnston County Register of Deeds.

ARTICLE I

ARCHITECTURAL CONTROL

No building site preparation (including, but not limited to grading, elevation work, or sloping) or initial construction, erection or installation of any improvements, including but not limited to, buildings, fences, signs, walls, bulkheads, screens, equipment, or other structures shall be commenced, erected, placed, altered or maintained upon any Lot, until the plans and specifications showing the nature, kind, shape, height, materials, exterior colors, siding, location and elevations of the proposed improvements shall have been submitted to, and approved in writing by, as to harmony of external design and location in relation to surrounding structures and topography, an Architectural Committee composed of two (2) persons initially appointed by the Declarant. In the event the Architectural Committee fails to approve such submission made by any owner of a Lot ("Lot Owner" or "Member") within thirty (30) days after said plans and specifications have been received by the Committee, approval will be deemed to have been denied. Any plans and specifications that contain inaccurate or missing data or information when submitted shall not be deemed to be approved notwithstanding any prior approval by the Committee.

Upon request, the Architectural Committee shall provide any owner with a letter stating that any such work, plans and specifications have been approved, and the letter may be relied upon by third parties.

Approval or disapproval by the Architectural Committee of such plans, location or specifications may be based upon any grounds, including purely aesthetic and environmental, which in the sole discretion of the Committee, it shall deem sufficient. Neither the Declarant nor the Architectural Committee shall be responsible for any defects in the plans and specifications submitted to it or in any structure erected or improvements made on any Lot.

The Declarant, Architectural Committee, or their appointed agents, shall have the right, at their election, but shall not be so required, to enter upon any of the Lots during site preparation or construction, erection, or installation of improvements to inspect the work being undertaken and to determine that such work is being performed in conformity with the approved plans and specifications.

The Architectural Committee shall have the power to grant, and may allow, variances of, and adjustments of, the restrictions established herein in order to overcome practical difficulties and prevent unnecessary hardships in application of the restrictions contained herein; provided, however, that variances or adjustments are done in conformity with the intent and purposes hereof; and, provided also, that in every instance such variance or adjustment will not be materially detrimental or injurious to other Lots in the immediate neighborhood. Variances and adjustments may be of the height, size, and setback requirements, but shall not be limited thereto. No variance shall be permitted if it violates governmental minimum standards.

In the event of the grant of any variance in the restrictions established herein, the Declarant on behalf of the Architectural Committee shall execute a document acceptable in

substance to the Declarant attesting to such grant and the specific nature thereof in form suitable for recording, so that the Lot Owner may record the document in the Registry of the County in which the Lot is located. Such document shall be prepared at the cost of the Lot Owner and shall be binding upon the Declarant, its successors and assigns, and other Lot Owners and may be relied upon by third parties to evidence the variance approval.

The Architectural Committee shall continue in existence until the earlier of (i) ten (10) years from the date of the filing of this Declaration or (ii) the date which is ten (10) months after the sale of the last Lot by a builder who purchased a Lot directly from the Declarant, such sale date to be the date a deed for such last Lot is recorded in the Johnston County Registry. The Architectural Committee may be reconstituted in the event that Lots are repurchased by the Declarant pursuant to Article III herein.

After discontinuance of the Architectural Committee (1) no further approvals need be obtained by any Lot Owner pursuant to this Article, and any Lot Owner thereafter shall improve its Lot as the Lot Owner deems appropriate, without such prior approval but no inconsistent with other Articles of this Declaration, and (2) any improvement located on any Lots shall be deemed approved by the Architectural Committee and any variance of any improvement from the building restrictions set forth herein shall be deemed approved by the Architectural Committee whether or not a document of variance approval has been recorded unless there shall be pending in Johnston County an action against any Lot Owner for enforcement of the provisions of this Declaration for failure to comply with the provisions of this Article or for having constructed an improvement which violates the building restrictions and a variance shall not have been given, and as to the Lot affected by the actions, the result of the action shall be determinative thereof.

Any purchaser of a lot or institution financing a lot shall rely on the foregoing statement.

ARTICLE II

THE ASSOCIATION

The Declarant shall create Harden Creek Homeowners Association, Inc. (the "Association") and the voting Members of the Association shall be the Lot Owners. The Association shall own and maintain the "Common Area" which shall mean all real property and any improvements constructed thereon including but not limited to private roads, playground and picnic area(s) and open space, if any, owned by the Association for the common use and enjoyment of the Owners or members of the Association, as may be designated on any subdivision map of the Property or by the Association. Common Area shall also include the access or pedestrian easements leading to the Common Area. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is all of that Property other than the Lots. Declarant shall convey the Common Area to the Association free and clear of any liens prior to the conveyance of a Lot.

ARTICLE III

COVENANT FOR MAINTENANCE AND ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Lot Owner for any Lot owned other than by the Declarant or its immediate grantee herein referred to as "Builder", 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: (a) to the Association: (i) annual assessments or charges; (ii) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided; and (b) to the appropriate governmental taxing authority: (i) a pro rata share of ad valorem taxes levied against the Common Area; and (ii) a pro rata share of assessments for public improvements to or for the benefit of the Common Area if the Association shall default in the payment of either or both for a period of six (6) months. 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 Owner of such property at the time when the assessment fell due. The personal obligation for the delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments.

(a) The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety 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 Area, including but not limited to, the costs of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Area; the maintenance of water and sewer mains in and upon the Common Area; the maintenance of open spaces and streets which have not been accepted for dedication to a public authority, roadway medians and islands (including medians and islands located in dedicated rights-of-way within the Property), drives and parking areas within the Common Area; the procurement and maintenance of insurance in accordance with the By-Laws; the maintenance of dams and ponds or other bodies of water, if any, located within the Common Area; the repair and maintenance of entrance ways, landscaping and lighting of Common Area, road medians and islands, entrance ways, the community mailbox ("CBU") and the concrete pad turnout to the CBU; the cost of operating, maintaining and repairing any street lights erected by the Association or the Declarant in the rights-of-way of streets (whether public or private) or in any other easement provided therefor within the Property; the maintenance and any other financial responsibility related to all stormwater and erosion control facilities located on the Lots or Common Area; the payment of charges for garbage collection and municipal water and sewer services furnished to the Common Area; the employment of attorneys and other agents to represent the Association when necessary; the provision of adequate reserves for the replacement of capital improvements including, without limiting the generality of the foregoing, paving, and any other major expense for which the Association is responsible; and such other needs as may arise.

(b) The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Area and those other portions of the Property which the Association may be obligated to maintain. Such reserve fund is to be established out of regular assessments for common expense.

(c) All monies collected by the Association shall be treated as the separate property of the Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the Property, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles of Incorporation and the By-Laws of the Association. As monies for any assessment are paid to the Association by any Owner, the same may be commingled with monies paid to the Association by the other Owners. Although all funds and common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his member ship interest therein, except as an appurtenance to his Lot. When any Owner shall cease to be a member of the Association by reason of his divestment of ownership of his Lot, by whatever means, the Association shall not be required to account to such Owner for any share of the fund or assets of the Association, or which may have been paid to the Association by such Owner, as all monies which any Owner has paid to the Association shall be and constitute an asset of the Association which may be used in the operation and management of the Property.

Section 3. (i) Working Capital. At the initial closing of the sale of a Lot to the initial Lot Owner (including builders), the Lot Owner shall contribute $100.00 to the Association as working capital. These amounts need not be segregated but may be commingled with the regular assessment funds

(ii) Annual Assessment. Until December 31 of the year of the conveyance of the first Lot to a Lot Owner, the annual assessment shall be $180.00 per Lot. The annual assessment for the calendar year immediately following the year in which conveyance of the first Lot to a Lot Owner is made and for each calendar year thereafter may be increased or decreased without limit by a majority vote of the Board of Directors of the Association. Builders that acquire Lots from the Declarant or otherwise shall not be exempt from paying annual assessments.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any calendar year, a special assessment for the purpose of defraying in whole or in part the costs of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of the Members entitled to cast at least seventy five percent (75%) of the votes of each class of Members who are voting, in person or by proxy, at a meeting duly called for this purpose. All special assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 5. Notice And Quorum For Any Action Authorized Under Sections 3 And 4.

Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 of this Article shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Rate of Annual Assessment. Both annual and special assessments shall be fixed at a uniform rate for Lots.

Section 7. Date and Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to a Lot on the date of closing for the conveyance of the Lot from the Builder to the Lot Owner. There shall be no assessments, annual or otherwise, on any Lots owned by the Declarant or Builder. The first annual assessment shall be adjusted according to the number of days remaining in the calendar year. At least thirty (30) days in advance of each annual assessment period, the Board of Directors shall establish an annual budget and determine whether the annual assessments for the following year shall be less than the maximum regular annual assessment as provided in Section 3 of this Article IV. In the event the Board of Directors does not determine that the annual assessments shall be reduced, then the annual assessments shall be as provided in Section 3, Article IV. Upon adoption by the Board of the budget and annual assessments amount, the Board shall deliver copies of same to every Owner subject there to; provided, however, that failure to deliver a copy of the budget and annual assessments amount shall not affect the liability of Owners for assessments. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien created herein against the property in the same manner as prescribed by the laws of the State of North Carolina for the foreclosures of Deeds of Trust, and interest, costs and reasonable attorney's fees for representation of the Association in such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided for herein by nonuse of the Common Area or abandonment of his Lot nor shall damage to or destruction of any improvements on any Lot by fire or other casualty result in any abatement or diminution of the assessments provided for herein.

Section 9. Effect of Default in Payment of Ad Valorem Taxes or Assessments for Public Improvements by Association. Upon default by the Association in the payment to the governmental authority entitled thereto of any ad valorem taxes levied against the Common Area or assessments for public improvements to the Common Area, which default shall continue for a period of six (6) months, each Owner of a Lot in the development shall become personally

obligated to pay to the taxing or assessing governmental authority a portion of such unpaid taxes or assessments in an amount determined by dividing the total taxes and/or assessments due the governmental authority by the total number of Lots in the development. If such sum is not paid by the Owner within thirty (30) days following receipt of notice of the amount due, then such sum shall become a continuing lien on the Lot of the then Owner, his heirs, devisees, personal representatives and assigns, and the taxing or assessing governmental authority may either bring an action at law or may elect to foreclose the lien against the Lot of the Owner.

Section 10. Subordination of the lien to mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien or liens provided for in the preceding section. However, the sale or transfer of any Lot which is subject to any such first 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.

Section 11. Exempt Property. All property dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE IV

USE RESTRICTIONS

Section 1. Use of Property. No portion of the Property (except for a temporary office of the Declarant and building models used by Declarant) shall be used except for single-family residential purposes and for purposes incidental or accessory thereto.

Section 2. Quiet Enjoyment. No obnoxious or offensive activity shall be carried on upon the Property, nor shall anything be done which may be, or may become, a nuisance or annoyance to the neighborhood.

Section 3. Animals. No animals, birds, livestock, poultry or fowl of any kind, including, but not limited to roosters, chickens, turkeys, geese and ducks, shall be kept or maintained on any Lot or in any dwelling except that dogs, cats, pet birds or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes and are controlled in accordance with applicable governmental ordinances and are not a nuisance to other Lot owners.

Section 4. Offensive Behavior. No immoral, improper, offensive, or unlawful use shall be made of the Property, or any part thereof. All laws, orders, rules, regulations, ordinances, or requirements of any governmental agency having jurisdiction thereof, relating to

any Lot or any portion of the Property, shall be complied with, by and at the sole expense of the Owner.

Section 5. Business. No industry, business, trade, occupation, or profession of any kind, whether commercial or otherwise, shall be conducted, maintained, or permitted on any Lot, except that the Declarant or its agents may use any unsold Lots for sales or display purposes, Declarant may maintain a sales or rental office on the Property and Declarant may maintain marinas or other amenities to the Property.

Political Signs

Section 6. Signs. No Lot Owner shall display, or cause, or allow to be displayed, to public view any sign, placard, poster, billboard, or identifying name or number upon any Lot except as required by local governmental authority; provided, however, that the Declarant, or its respective agents, may place "For Sale" or "For Rent" signs on any Lots for sale; provided, however, that during the development of the Property and the initial marketing of Lots, the Declarant may maintain a sales office and may erect and display such signs as the Declarant deems appropriate as aids to such development and marketing, provided that such signs do not violate any applicable laws. Such permitted signs shall be placed in the approximate center of a Lot and six feet from the road curb. No sign shall be nailed to trees.

- Boats, trailers behind approved fence

Section 7. Parking. No boats, trailers, campers, motorhomes, trucks, tractors, unlicensed automobiles, uninsured automobiles or inoperative automobiles shall be parked in the front yard of any Lot or on any right of way of any roads or streets within the Property or adjoining the Property by any Lot Owner, its family members, tenants or contract purchasers. No more than two (2) of such vehicles may, however, be parked in the rear yard of a Lot. Delivery and maintenance vehicles are permitted.

- Parking on streets, Functional Auto / parking on Lot

Section 8. Trailers, etc. No trailer, mobile storage units, POD, mobile home, modular home or other structure of a temporary character shall be placed upon any Lot at any time, provided, however, that: (i) this prohibition shall not apply to shelters or storage units used by the contractor during the construction of a dwelling, garage or accessory building, it being clearly understood that these latter temporary shelters may not, at any time, be used as residences or permitted to remain on the Lot after completion of construction and (ii) PODs or similar storage structures may be place on a Lot by a Lot Owner for no more than 30 days provided such POD or similar structure is being used solely in association with moving into or out of a dwelling on the Lot.

Section 9. Fuel Tanks. No fuel tanks (including propane tanks) or similar storage receptacles may be exposed to view. Any such receptacles may be installed only within an accessory building or within a screened area, or buried underground; provided, however, that nothing contained herein shall prevent the Declarant from erecting, placing or permitting the placing of tanks, or other apparatus, on the Property for uses related to the provision of utility or other service.

Section 10. Guest Facility, Sheds and Out Buildings. A guest apartment or guest facility may be included as part of a main detached single family dwelling. In addition, all

accessory buildings, sheds or out buildings must be constructed out of the same exterior material as the main dwelling and must be the same color as the main dwelling.

Section 11. Subdividing. No Lot shall be subdivided, or its boundary lines changes except with the prior written consent of the Declarant during the period Declarant owns any of the Property. However, the Declarant hereby expressly reserves unto itself, its successors and assigns, the right to replat any two (2) or more Lots shown on the plat of any subdivision of the Property in order to create one or more modified Lots; to recombine one or more Lots to create a larger Lot; to eliminate from this Declaration Lots that are not otherwise buildable or are needed for access to any area of the Property or are needed for use as private roads or access areas, and to take such steps as are reasonably necessary to make such replatted Lots suitable and fit as a building site or access area or roadway, said steps to include, but not to be limited to the relocation of easements, walkways, and rights-of-way to conform to the new boundaries of the said replatted Lots.

Section 12. Mineral Extraction. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind, nor oil, gas or mineral exploratory activity, shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon, or in, or under, any Lot. No derrick or other structures designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot; nor shall sand, clay, or other materials be mined or removed from any Lot for use elsewhere.

Section 13. Delivery Receptacle. No mail box, paper box or other receptacle of any kind for use in the delivery of mail, newspapers, magazines or similar material shall be erected or located on any Lot unless and until the size, location, design and type of material for the receptacle shall have been approved by the Declarant or the Architectural Committee.

Section 14. Antennae. Exterior radio antennae, aerials, disks and dishes for reception of commercial broadcasts shall not be permitted on any Lot (except television antennae and small 18" or 30" satellite dishes will be permitted so long as they are placed in the rear yard or attached to the roof or to rear portion or side portion of the house) and no other aerials, disks and dishes (for example, without limitation, amateur short wave or ship to shore) shall be permitted on any Lot without permission of the Architectural Committee as to design, appearance and location.

Section 15. Construction Limitations. During construction, all vehicles involved, including those delivering supplies, must enter the Lot on a driveway only as approved by the Declarant so as not to damage unnecessarily trees, street paving and curbs. During construction, builders must keep the homes, garages, and building sites clean and free of debris. All building debris, stumps, trees, etc., must be removed from each Lot by builder as often as necessary to keep the house and Lot attractive. Such debris will not be dumped in any area of the Property.

Section 16. Firearms; Hunting Prohibited. There shall be no discharging of firearms, guns or pistols of any kind, caliber, type, or method of propulsion on the Property or adjacent property owned by the Developer; and no hunting of any type shall be carried on or conducted on the Property.

Section 17. Unsightly Growth. Each Lot shall be maintained in a neat condition. No weeds, underbrush or other unsightly growth shall be permitted to grow or remain on any Lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain thereon, including vacant parcels.

Section 18. Fences. No fences are permitted in the front yard or side yards of a Lot. In addition, only fences of a maximum height of six (6) feet and made of vinyl or treated wood shall be permitted on the rear portion of the Lot. All property owners shall apply a stain/water sealant to all fencing within four (4) months of its original construction. All fencing shall be maintained and repaired as reasonably necessary to maintain a reasonably aesthetically appealing appearance.

Section 19. Independent Covenants. Each and every covenant and restriction contained herein shall be considered to be an independent and separate covenant and agreement, and in the event any one or more of said covenants or restrictions shall, for any reason, be held to be invalid, or unenforceable, all remaining covenants and restrictions shall nevertheless remain in full force and effect.

Leasing

ARTICLE V

BUILDING RESTRICTIONS

Section 1. Square Footage. Any dwelling erected on a detached single-family residential Lot shall contain a minimum enclosed dwelling area of 1800 square feet. The term "enclosed dwelling area" as used in this Section 1 shall mean the total enclosed area within a dwelling subject to heating and cooling; provided, that the term specifically does not include garages, terraces, open porches, decks, stoops and like areas regardless of heating or cooling.

Section 2. Setback Lines. In no case shall the setback lines be less than that required by the governmental agency having jurisdiction over the Property.

Section 3. Height and Accessory Building. No structure, except as hereinafter provided, shall be erected, altered, placed or permitted to remain on any detached single-family residential Lot other than a detached single family dwelling not to exceed two (2) stories in height, unless the Architectural Committee approves in writing a variance permitting a structure of more than two stories, and a garage and small accessory building (which may include a pool house or guest facilities), provided, the use of such dwelling or accessory building does not in the opinion of the Architectural Committee overcrowd the site. Such accessory building may not be constructed prior to the construction of the primary dwelling. All garages must be attached to the main dwelling, unless the Architectural Committee approves in writing a variance permitting a detached garage.

Section 4. Multi-Family Use Prohibited. No multiplex residence or apartment house shall be erected or placed on, or allowed to occupy, any detached single-family residential Lots,

and no dwelling once approved and constructed shall be altered or converted into a multiplex residence or apartment house.

Section 5. Remedies. If the finished dwelling, garage, accessory building or other structure does not comply with the submitted and approved plans and specifications, the Declarant retains the right to make the necessary changes at owner's expense to comply with the approved plans and specifications, the right to treat such charge or cost as an assessment, the right to file under the North Carolina lien laws a notice of liens for any costs incurred, and the further right to resort to all remedies provided under the laws of North Carolina for the recovery of such costs and the expenses of collection, including without limitation, reasonable attorneys' fees. Any changes in plans or specifications must first be reapproved by the Declarant in accordance with the procedure herein specified for architectural control.

Section 6. Trash Receptacles. Each Lot Owner shall provide receptacles for garbage in an area not generally visible from the road, or provide underground receptacles or similar facilities.

Section 7. Driveways. All driveways from the street to each house shall be concrete.

Section 8. Ditches and Rights of Way. Each Lot Owner shall install sod in the ditches and rights of way adjoining their Lot and ensure that such sod remains in good condition. No plantings of any kind other than sod shall be placed in the rights of way.

Section 9. Variances. The Architectural Committee shall be empowered with the right to grant, in writing, variances to the requirements imposed in this Article where unintentional errors occur or topographical conditions exist that would result in a minor violation of such restriction. Violations no in excess of twenty (20%) of the minimum requirements shall be deemed minor.

ARTICLE VI

EASEMENTS

Section 1. Owners Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to suspend the voting rights of an 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;

(b) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless and instrument approving such dedication or transfer has been

signed by two thirds (2/3) of each class of members and recorded at the Johnston County Register of Deeds.

(c) the right of the Association to impose regulations for the use and enjoyment of the Common Area and improvements thereon, which regulations may further restrict the use of the Common Area ;

(d) the right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and facilities thereon; and

(e) the right of the Association to convey portions of Common Area to the Declarant or to any owner for the purpose of eliminating unintentional conveyances of Common Areas or unintentional encroachments of improvements onto portions of the Common Areas or for the purpose of enhancing the utility of the Common Areas to be retained by the Association or for the purpose of correcting any setback violations, minimum Lot size requirements, or encroachments of any improvements located on any Lot.

Section 2. Utility Easements. Some or all of the Lots shall be subject to such easements for water lines, sanitary sewers, storm drainage, gas lines, telephone and electric power line and other public utilities as shall be established by the Declarant or by his predecessors in title, prior to the subjecting of the Property to this Declaration.

Section 3. Easement for the Benefit of Governmental Authorities. An easement is hereby established for the benefit of any governmental authority having jurisdiction over the Property, or other governmental agency, over all the Lots for the setting, removing and reading of water meters (which shall be separate for each Lot), maintaining and replacing water, sewage and drainage facilities, for police protection, fire fighting and garbage collection and the rendering of such other services as are appropriate and necessary for the use and enjoyment of the Property. In no case shall the governmental authority or other responsible agency, be responsible for failing to provide any emergency or regular fire, police, or other public service to the Property or to any of its occupants when such failure is due to the lack of access to such area due to inadequate design or construction, blocking of access routes, or any other factor within the control of the Declarant, the Owners or occupants. All conveyances of any portion of the Property shall be subject to these limitations on the governmental authorities' responsibilities.

Section 4. Recorded Easements. There may be reserved easements as shown on the recorded map or maps of the subdivision. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities and drainage facilities, or which may change the direction of flow or 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.

These reservations of easements expressly include the right to cut any trees, bushes, shrubs or growth, the grading, cutting or ditching of the soil and any other actions necessary to complete installation.

Section 5. Electricity. Declarant reserves the right to subject the Property to a contract with Duke Energy Progress or any other public utility provider for (i) the installation of underground electric cables which may require an initial contribution and/or (ii) the installation of street lighting, which may require a monthly payment to the utility provider by the owner of each Lot ("Street Lighting System"). Upon installation of the Street Lighting System, monthly payments shall be paid by the Lot owners to the utility provider until such time as the applicable governmental authorities either accept the existing Street Lighting System without change or accept the Street Lighting System with change after compensating the utility provider the reasonable costs of making the changes.

Section 6. Roadways. Declarant reserves the right to enter the roadways and rights of way serving the Subdivision to perform whatever work is necessary to improve the roadways and rights of way to a condition acceptable to the Department of Transportation ("DOT") so that DOT will accept public dedication of the roadways and rights of way. All Lot owners shall reasonably cooperate with the Declarant in all aspects necessary to effectuate all roadway and rights of way dedications to DOT. In addition, all driveway tiles are to be installed correctly by all Lot owners and, if not installed correctly, they may be re-installed correctly at the expense of the Lot owner by the Declarant. If homes on 75% of the Lots are not occupied by December 31, 2023, the Lot owners shall assume responsibility for securing DOT's acceptance of the dedication of the roads in the Subdivision.

Section 7. Priority of Easements. Each of the easements hereinabove referred to shall be deemed to be established upon the recordation of this Declaration and shall henceforth be deemed to be covenants running with the land for the use and benefit of the Lots, superior to all other encumbrances which may hereafter be applied against or in favor of the Property or any portion thereof.

ARTICLE VII

ANNEXATION

If within ten (10) years of the date of recording of the Declaration, the Declarant should acquire and develop additional land adjacent to the Property, or adjacent to property annexed by Declarant, (land adjacent shall include land across a street from the Property) such land may be annexed by the Declarant without the consent of members; and, in doing so, Declarant may file and record such amendments to this Declaration as are necessary without the consent of the members in order to subject such additional lands to the terms of this Declaration. Annexation of additional lands shall be accomplished by recording in the Office of the Register if Deeds in the county in which the Property is located, a Declaration of Annexation, by the Declarant, describing the lands annexed and incorporating the provisions of this Declaration, either by reference or by fully setting out said provisions of this Declaration. The additional lands shall be deemed annexed to the Property on the date of recordation of the

Declaration of Annexation, and in the case of annexation by the Declarant, no action or consent on the part of any other person or entity shall be necessary to accomplish the annexation.

ARTICLE VIII

QUIET ENJOYMENT

No obnoxious or offensive activity shall be carried on upon any Lot, nor shall anything be done which may be or become a nuisance or annoyance to the neighborhood.

ARTICLE IX

ENFORCEMENT

The Declarant or any owner of any Lot, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations imposed by the provisions of this Declaration either to restrain violation or recover damages. Failure by any Owner or the Declarant to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

ARTICLE X

SEVERABILITY

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

ARTICLE XI

TERM

The covenants and restrictions of this Declaration shall run with and bind the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless by vote of a majority of the then owners of the Lots (exclusive of any mortgage holder or trustee under a deed of trust), it is agreed to modify this Declaration in whole or in part, or to terminate it. Such modification or termination shall not be effective until the recording of a document of modification or termination in the Office of the Johnston County Register of Deeds.

ARTICLE XII

DECLARANT AMENDMENTS

This Declaration may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration; (c) if such amendment is required by an institutional or governmental lender or purchaser of Mortgage loans, including, for example, the Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Housing Administration (FHA), or Veterans Administration (VA), to enable such lender or purchaser to make or purchase Mortgage loans on the Lots subject to this Declaration; or (d) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure or guarantee Mortgage loans on the Lots subject to this Declaration; provided, however, any such amendment shall not materially adversely affect the title to any Owner's Lot unless any such Lot Owner shall consent thereto in writing.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand.

Cloudbreak Investments LLC,
a North Carolina limited liability company

By: _____
David T. Pryzwansky, Managing Member

STATE OF NORTH CAROLINA :
COUNTY OF WAKE :

I, a Notary Public certify that David T. Pryzwansky personally came before me this day and acknowledged that he is the Managing Member of Cloudbreak Investments LLC, a North Carolina limited liability company, and that the as Managing Member under authority duly given executed the foregoing on behalf of the company.

Witness my hand and official seal, this the 30th day of June, 2021.

_____
Notary Public

My Commission expires: _____

CORNELIA L.J. ASHBY
NOTARY PUBLIC
WAKE COUNTY, N.C.
My Commission Expires 9-21-2021.