

*Manuel F. Smith
9/11/11*



Doc ID: 000922750033 Type: CRP
Recorded: 02/23/2006 at 10:42:27 AM
Fee Amt: \$110.00 Page 1 of 33
Onslow County, NC
Mildred M Thomas Register of Deeds

BK **2605** PG **459-491**

DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS

OF

THE NEIGHBORHOODS OF HOLLY RIDGE

Date: February 15, 2006

TABLE OF CONTENTS

I. Definitions2
II. Association - General Purposes, Membership and Voting4
III. Management and Administration of Subdivision.....5
IV. Intentionally Omitted6
V. Assessments for Common Expenses.....6
VI. Special Assessments.....9
VII. Lien for Assessments9
VIII. Compliance With Association Documents10
IX. Property Rights of Lot Owners, Cross-Easements, and Exceptions11
X. Architectural Committee and Architectural Restrictions12
XI. Insurance14
XII. Restrictions on Use and Occupancy.....15
XIII. Special Declarant Rights19
XIV. Development of the Subdivision20
XV. Waiver21
XVI. Variances21
XVII. Duration, Amendment and Termination22
XVIII. Common Areas: Private23
XIX. Acceptance23
XX. Hearing Procedure.....25
XXI. Captions.....26
XXII. Notice27
XXIII. Liberal Construction.....27
XXIV. Joinder27

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS
OF
THE NEIGHBORHOODS OF HOLLY RIDGE

This DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS OF THE NEIGHBORHOODS OF HOLLY RIDGE ("Declaration"), a subdivision located in Onslow County, North Carolina, made and entered into as of the 15th day of February, 2006, by and among NEIGHBORHOODS OF HOLLY RIDGE, LLC, a North Carolina limited liability company (hereinafter called "Declarant"); SUNTRUST BANK, a Georgia banking corporation ("SunTrust"); SOUTHERN HOME BUILDERS, INC., a North Carolina corporation ("Southern Builders"); and ALL PROSPECTIVE PURCHASERS OR OWNERS of Lots as shown on all maps of "The Neighborhoods of Holly Ridge" recorded in the Onslow County Register of Deeds Office;

WITNESSETH:

WHEREAS, Declarant and Southern Builders are the owners of all of the Lots and Declarant is the Owner of all Common Areas and streets shown on and designated on the several maps of the Neighborhoods of Holly Ridge, Phase I, including, but not limited, to the map recorded in Map Book 49 at Page 38 in the office of the Register of Deeds of Onslow County, North Carolina (such map, together with future maps, herein collectively referred to as "the Maps");

WHEREAS, Declarant, desires to submit the Lots and Common Areas, together with the improvements thereon, to the provisions of Chapter 47F of the General Statutes of North Carolina (hereinafter sometimes referred to as the "North Carolina Planned Community Act" or the "Act"), and develop a residential community and intends by the recordation of this Declaration to impose the covenants, conditions, restrictions and easements contained herein (hereinafter sometimes called "Restrictions") on the property described herein as Lots and Common Areas to the end that the Lots and Common Areas shall be held subject to the Act and said Restrictions;

WHEREAS, Southern Builders owns certain Lots within the Subdivision (hereinafter defined) and desires to submit the Lots so owned, together with the improvements thereon, to this Declaration and the Restrictions;

WHEREAS, SunTrust is the beneficiary under certain deeds of trust recorded in the office of the Register of Deeds of Onslow County, North Carolina, as more particularly described Article XXIV hereof (collectively, the "Deeds of Trust") and have joined into this Declaration in order to consent to this Declaration and to subordinate the Deeds of Trust and the liens thereof to this Declaration;

WHEREAS, Declarant also owns in fee simple the real estate designated as Additional Property in the description attached as Attachment A hereto, as the same may be

amended by Declarant from time to time, and may hereafter elect to subject all or any portion of the Additional Property to the provisions of this Declaration pursuant to Article XIV hereof.

NOW, THEREFORE, Declarant does hereby declare that the Restrictions contained herein shall run with the Lots and Common Areas described herein; shall be a burden on and a benefit to such Lots and Common Areas; shall be binding on all parties having or acquiring any right, title, or interest in the Lots or any part thereof; and shall inure to the benefit of each Owner of any part thereof.

I.

Definitions

As used in this Declaration, the Articles, the Bylaws, and the Rules and Regulations of the Association, exhibits attached and all amendments thereof, unless the context requires otherwise, the following definitions shall prevail:

- (1) "Additional Property" means the real property so designated on Attachment A attached hereto which Declarant may submit to this Declarant and to the jurisdiction of the Association pursuant to Article XIV hereof.
- (2) "Articles" means the Articles of Incorporation of The Neighborhoods of Holly Ridge Owners Association.
- (3) "Association" means The Neighborhoods of Holly Ridge Owners Association, its successors and assigns.
- (4) "Association Documents" means collectively, the Articles of Incorporation of the Association, this Declaration, the Bylaws and the Rules and Regulations, all as may be amended, modified or restated from time to time. Any exhibit, schedule or amendment to an Association Document shall be considered a part of that document.
- (5) "Builder" means any Person which purchases one or more Lots for the purpose of constructing improvements for later sale to consumers or purchases one or more parcels of land within the Additional Property for further subdivision, development and/or resale in the ordinary course of such Person's business. Any such Person occupying or leasing a Lot for residential purposes shall cease to be considered a Builder with respect to such Lot immediately upon occupation of the Lot for residential purposes notwithstanding that such Person originally purchased the Lot for the purpose of constructing improvements for later sale to consumers.
- (6) "Bylaws" means the Bylaws of The Neighborhoods of Holly Ridge Owners Association.
- (7) "Common Areas" means all real property (including the improvements thereon), interests in real property and personal property now owned or hereafter acquired by the Association for the common use and enjoyment of all of the Owners. The Common Areas are

subject to those easements and restrictions set forth in this Declaration, including but not limited to, Article I hereof.

(8) "Common Expenses" means expenditures made by or financial liabilities of the Association, together with any allocations to reserves.

(9) "Declarant" means Neighborhoods of Holly Ridge, LLC, its successors and assigns. In the event another Person acquires title to three (3) or more Lots on which no Dwelling has been constructed at the time of such acquisition, Neighborhoods of Holly Ridge, LLC, by recorded instrument, may designate such party as an additional Declarant, and in such event, such party shall be a Declarant as specified herein as to such Lots and as to such Lots shall be entitled to the same rights as Neighborhoods of Holly Ridge, LLC.

(10) "Declaration" means this Declaration of The Neighborhoods of Holly Ridge and any amendments hereto. This Declaration sometimes is referred to herein as the Restrictions.

(11) "Development Period" means the period ending on the earliest of (i) December 31, 2011 or (ii) the date specified by Declarant in a written notice to the Association that the Development Period is to terminate on that date.

(12) "Dwelling" means the primary residential structure located on a Lot built in accordance with the requirements of this Declaration.

(13) "Eligible Mortgage Holder" means the holder of a first deed of trust on a Lot who has requested in writing that the Association notify them of any proposed amendment to the Declaration, the Articles, or the Bylaws.

(14) "Executive Board" means the Executive Board of The Neighborhoods of Holly Ridge Owners Association, Inc.

(15) "Landscaping" means living plants, shrubs, vegetation, ground coverings (including grass or sod), and appurtenant live/growing vegetative materials together with straw, mulches and composting materials installed upon a Lot.

(16) "Lot" means those separately numbered and designated parcels shown on any of the Maps and on any other Maps of the Additional Property brought within the Subdivision.

(17) "Owner" means the record Owner, whether one or more Persons, of a fee or undivided fee interest in a Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

(18) "Permit" shall mean the North Carolina State Stormwater Management Permit Number SW8050213 and any amendments, additions or replacements thereof, or any such permit obtained by Declarant and relating to the Additional Property.

(19) "Person" means one or more natural persons, corporations, partnerships, limited liability companies, trusts or other legally recognized entities capable of holding title to real estate.

(20) "Stormwater Management Facilities" or "Stormwater Management Facility" as those terms are used herein shall mean all areas consisting of ditches, swales, stormwater retention ponds and any other improvement located in the Subdivision constructed pursuant to the Permit.

(21) "Subdivision" means all of the property defined herein as Lots and Common Areas, and includes all or any portion of the Additional Property submitted to this Declaration by Declarant.

(22) Any capitalized word not defined herein, unless it is plainly evident from the context of this Declaration that a different meaning is intended, shall, as used herein, have the meaning as set forth in N.C.S. 47F-1-103.

II.

Association - General Purposes, Membership and Voting

(1) An association named The Neighborhoods of Holly Ridge Owners Association has been or will be formed under the direction of Declarant pursuant to the rules and requirements of the Nonprofit Corporation Act (Chapter 55A) of the General Statutes of North Carolina as an association of the Owners of Lots. Its purposes are to own, manage, maintain, and operate the Common Areas and facilities located upon the Common Areas, specifically including, but not limited to, the Subdivision entrance signs, street lights, Stormwater Management Facilities, drainage pipes and drainage outlets, streets (until accepted for maintenance by a governmental entity) and other improvements and amenities in the Subdivision owned by the Association; to maintain Landscaping installed on the Lots as provided herein; to enforce the Restrictions contained herein; and to make and enforce rules and regulations governing the Owners' use and occupancy of Lots and Common Areas. In addition to the foregoing, the Association has as its purposes the acceptance of the transfer of the Permit from Declarant and to take all actions and pay all fees required to affect such transfer of the Permit, and thereafter to oversee, inspect, manage and, when necessary, repair and replace all Stormwater Management Facilities located within the Common Area or on individually owned Lots.

(2) To fulfill the general purposes of the Association as set forth herein and in the other Association Documents, together with those purposes set forth in the Act, the Association shall have all the powers set forth in the Association Documents, the Act and the North Carolina Nonprofit Corporation Act.

(3) Declarant, by this Declaration and the Owners of individual Lots by their acceptance of individual deeds thereto, covenant and agree with respect to the Association: (A) that each is a member of the Association; (B) that for so long as each is an Owner, each will

