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LUNDAY A. RIGGSBEE
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Drawn by and RETURN TO: Eric W. Hinson, 1709 Legion Road, Ste 229, Chapel Hill, NC 27517

**DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS,
EASEMENTS, CHARGES AND LIENS
FOR
MORGAN RIDGE HOMEOWNERS' ASSOCIATION, INC.**

further join and utilize MORGAN RIDGE HOMEOWNERS' ASSOCIATION, INC. to administer and enforce these covenants and restrictions applicable to the Subdivision.

NOW, THEREFORE, Declarant declares that the real property described in **EXHIBIT "A"** to this Declaration and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be owned, held, transferred, sold, conveyed, mortgaged, used and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in this Declaration, which shall run with the real property and be binding on any and all persons, firms or corporations owning any right, title or interest in said real property or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I DEFINITIONS

Any defined term used in this Declaration shall have the meaning set forth below or, if not specifically defined in this Article I, the meaning of such term as set forth in the Act or in any other provision of this Declaration.

Section 1. "Act" shall mean and refer to Chapter 47F of the North Carolina General Statutes, known as the North Carolina Planned Community Act.

Section 2. "Association" shall mean and refer to MORGAN RIDGE HOMEOWNERS' ASSOCIATION, INC., a North Carolina nonprofit corporation, its successors and assigns.

Section 3. "Board of Directors" and "Board" shall mean and refer to the Board of Directors of the Association elected or appointed to manage the affairs of the Association as provided in the Bylaws.

Section 4. "Bylaws" shall mean and refer to the Bylaws of the Association, as amended from time to time.

Section 5. "Common Area" shall mean and refer to the real property, together with any improvements thereon, owned by the Association, whether in fee or easement, for the common benefit of the Owners of Lots within the Subdivision, and specifically including the area within any easements and the facilities constructed therein which serve more than one Lot and are not maintained by any governmental authority. Common Area also includes water and sewer lines that serve more than one Lot which are not located within a utility, public agency, authority or Declarant utility easement or a public street right-of-way. The Common Area shall be maintained by the Association or its successors in interest unless dedicated to public use and accepted by a public agency, authority or utility as set forth herein. The maintenance obligation shall also include the maintenance of any Buffer Easements and Access Easements as may be dedicated in current or future phases of the Subdivision and subject to future agreement between Declarant or the Association and Chatham County or other governmental authority.

Section 6. "Declarant" shall mean and refer to Jones Ferry Properties, L.L.C., a North Carolina limited liability company organized and existing in accordance with the laws of the State of North Carolina. It shall also mean and refer to any person, firm or corporation to whom or which the Declarant shall assign or delegate the rights and obligations of Declarant by an assignment of Declarant's rights recorded in the Chatham County Registry and/or the Orange County Registry.

Section 7. "Declarant Control Period" shall mean and refer to the period of time during which the Declarant may appoint or remove the members of the Board of Directors of the Association. The Declarant Control Period shall terminate upon the earlier of the following to occur:

- (a) December 31, 2030;
 - (b) When ownership of all Lots in the Subdivision is transferred from the Declarant to a third party; provided, however, that Declarant shall retain control in the event that additional Lots are formed by the creation and subjection to this Declaration of new Lots as set forth in Article II hereof, thus making Declarant the Owner, by virtue of its ownership of the newly-annexed Lots and of other Lots owned by it;
- or
- (c) Relinquishment or transfer of all Special Declarant Rights as provided in §47F-3-104 of the Act.

Section 8. "Lot(s)" shall mean and refer to any plot of land, with delineated boundary lines, shown on any recorded subdivision maps of the Property, with the exception of any Common Area owned in fee by the Association and any street rights-of-way shown on such recorded maps. In the event that any Lot is increased or decreased in size by recombination or re-subdivision through recordation of a new subdivision plats, any newly-platted lot shall thereafter constitute a Lot.

Section 9. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 10. "Owner(s)" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Property, including contract sellers and owners of an equity of redemption, but excluding those having an interest in a Lot solely as security for the performance of an obligation or as an easement holder (except the Association or the Declarant).

Section 11. "Common Open Space" or "Open Space" shall mean Common Area, owned by the Association, whether in fee or by easement, which shall be maintained by the Association for purposes for the benefit of the Association or Owners, including, but not limited to, drainage, active recreational uses or passive recreational uses, or natural preservation. Common Open Space shall not include public roads within the Property. The Common Open Space and the permitted uses thereon shall be designated herein or on a plat or plats of Morgan Ridge Subdivision Phase 1 recorded or to be recorded in the office of the Chatham County Register of Deeds and/or the Orange County Register of

Deeds. All Common Open Space may be subjected to easements for utilities, including sewer and waterlines, easements for ingress and egress as necessary, easements for installation, maintenance and repair of utilities, greenway easements and may be subjected to easements for any encroachments arising from initial improvements.

Section 12. "Property" shall mean and refer to the Property described in Exhibit "A" to this Declaration and any additional property annexed pursuant to Article II.

Section 13. "Rules and Regulations" means those rules and regulations promulgated by the Association, as the same may be amended from time to time as further set forth in Article X, Section 9 hereinbelow.

Section 14. "Special Declarant Rights" means rights reserved for the benefit of the Declarant including, without limitation, any right (i) to complete improvements indicated on plats and plans filed with the declaration; (ii) to exercise any development right; (iii) to maintain sales offices, management offices, signs advertising the planned community, and models; (iv) to use easements through the common elements for the purpose of making improvements within the planned community or within real estate which may be added to the planned community; (v) to make the planned community part of a larger planned community or group of planned communities; (vi) to make the planned community subject to a master association; or, (vii) to appoint or remove any officer or executive board member of the association or any master association during any period of Declarant control.

**ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION
AND WITHIN THE JURISDICTION OF THE
MORGAN RIDGE HOMEOWNERS' ASSOCIATION, INC.**

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration, and which is within the jurisdiction of the Association, is described on Exhibit "A" attached hereto and incorporated herein by reference.

Section 2. Additions to Existing Property. At any time prior to December 31, 2030, additional lands may be annexed by the Declarant or another entity affiliated or related to Declarant without the consent of the Members and therefore become subject to this Declaration by the recording by Declarant or another entity affiliated or related to Declarant of plats showing such property to be annexed and of a supplementary declaration extending the operation and effect of this Declaration to the property to be annexed; provided, however, that such property must be contiguous to property already subject to this Declaration (or separated from such property only by the right-of-way of a public street or road) and must be approved by Chatham County and, if appropriate, by the Federal Housing Administration and/or the Veterans Administration or other appropriate governmental authority. The addition of such property pursuant to this Section may increase the cumulative number of Lots within the Subdivision and, therefore, may alter the relative maximum voting strength of the various types of Members.

Should Declarant or another entity affiliated or related to Declarant elect to annex any Additional Property and accordingly subject such property to the terms and conditions of this Declaration, the Declarant or another entity affiliated or related to Declarant reserves the right to provide a new subdivision name for the Additional Property, to alter the restrictions contained in this Declaration as to the Additional Property and to provide for an alternative assessment structure with regard to any Additional Property.

The annexation of Additional Property authorized under this section of the Declaration shall be effective upon the recording of a Supplementary Declaration of Covenants and Restrictions for the Additional Property which shall extend the effect and operation of this Declaration to the Additional Property. The Supplementary Declaration may contain changes, deletions and/or modifications as may be necessary or convenient, in the sole discretion of the Declarant or another entity affiliated or related to the Declarant, to reflect the difference in character, if any, of the Additional Property and the change in plan of development for said Additional Property from the Existing Property.

Morgan Ridge Partners, L.L.C. is the owner of two (2) tracts of land, as described in those deed recorded in Book 2093, Page 18 and Book 2099, Page 119, Chatham County Registry. Said tracts, containing approximately 56 acres and 24 acres, respectively, are located generally south of and adjacent to the Property. Morgan Ridge Partners, L.L.C. is an affiliate or related to Declarant. It is contemplated that said tracts will be annexed and made subject to this Declaration.

Section 3. Conveyance of Common Area in Annexed Property. Prior to the conveyance of the first Lot within any newly annexed property to an Owner, the owner of the annexed property shall convey to the Association all Common Area located within the newly annexed property. Title to such Common Area shall be conveyed in the same manner as set forth in Section 3 of Article IV of this Declaration.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to assessment by the Association shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Voting Rights. The voting rights of the membership shall be appurtenant to the ownership of the Lots.

There shall be two classes of membership with respect to voting rights:

(a) Class A Members. Class A Members shall be the Owners of all Lots except those owned by the Class B Member (as hereinafter defined). When more than one person owns an interest (other than a leasehold, easement holder or security interest) in any Lot, all such persons shall be Members and the voting rights appurtenant to their Lot shall be exercised as they, among themselves, determine; but fractional voting shall not be allowed, and in no event shall more than one (1) vote be

cast with respect to any Lot. Class A Members shall be entitled to one (1) vote for each Lot owned. Lots owned by Class A Members shall be "Class A Lots".

(b) Class B Member. The Class B Member shall be the Declarant. Subject to the provisions of this subsection, Declarant shall be entitled to ten (10) votes for each Lot that it owns or controls by virtue of a valid purchase option contract, memorandum of which contract shall be recorded in the office of the Chatham County Register of Deeds and/or of the Orange County Register of Deeds (each a "Class B Lot").

Upon expiration of the Declarant Control Period, Declarant shall have one (1) vote for each Lot that it owns; however, such Lots shall continue to be treated as Class B Lots for assessment purposes.

Section 3. Vacant/Leased Dwellings. If the Owner of a Lot ceases to occupy the dwelling constructed thereon as his own personal living quarters or if any residence within the Property is leased for rental purposes to tenants, the vote as expressed by the Owners of such rental units shall not be entitled to any weight greater than forty-nine percent (49%) on any matter pending before the Association.

An Owner may lease or sublet his/her dwelling; however, any lease or sublease must be for a term of not less than twelve (12) months, in writing and contain the following provision:

"Tenant shall obey, adhere to and be bound by all provisions of the Declaration of Covenants, Conditions, Restrictions, Easements, Charges And Liens For Morgan Ridge Homeowners' Association, Inc. recorded in the Chatham County Registry and/or Orange County Registry and the Rules and Regulations of the Morgan Ridge Homeowners' Association, Inc. as promulgated from time to time. Tenant acknowledges that (s)he has received of a copy such Declaration and the Rules and Regulations of the Association and is familiar with the provisions of same."

If an Owner fails to include said provision in any lease or sublease, it shall be conclusively deemed to be included and part of said lease or sublease. Each Owner shall furnish the Association a copy of any lease or sublease of his or her dwelling, upon demand.

However, notwithstanding the foregoing, the provisions of this Article III, Section 3 will not apply to Lots subject to a mortgage or security interest which is insured or guaranteed by the Federal Housing Administration or the Veterans Administration or otherwise, if the said the provisions of this Article III, Section 3 are prohibited by law.

ARTICLE IV PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment and Access. Except as limited by Section 2 of this Article IV and by the Rules and Regulations adopted by the Members and/or the Board of Directors of the Association, every Owner shall have a right and easement of enjoyment in, use of and access to,

from, and over the Common Area, which right and easement shall be appurtenant to and shall pass with title to every Lot, subject to:

(a) in accordance with the provisions of the Chatham County zoning ordinances and regulations; the right of the Association to charge reasonable admission and other fees for the use of any facilities hereafter situated or constructed on the Common Area; and, to limit the use of such facilities to Owners who occupy a residence on the Property and to their families, tenants and guests, as provided in Section 2 of this Article IV;

(b) the right of the Association, after notice and an opportunity to be heard, to suspend the voting rights of an Owner and the right of an Owner to use the Common Area and facilities thereon for any period during which any assessment against his or her Lot remains unpaid for a period of thirty (30) days or longer, or for a period not to exceed sixty (60) days for any infraction of the published Rules and Regulations of the Association;

(c) in accordance with the provisions of the Chatham County zoning ordinances and regulations, 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 upon by the Members. No such dedication or transfer shall be effective unless the Members entitled to at least eighty percent (80%) of the votes of the entire membership of the Association and at least two-thirds (2/3) of the votes appurtenant to each Class of Lots agree to such dedication, sale or transfer and signify their agreement by a signed and recorded document, *provided that* this subsection shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of sewage, utility and drainage facilities upon, over, under and across the Common Area without the assent of the Members when such easements, in the opinion of the Board, are necessary for the convenient use and enjoyment of the Property. Notwithstanding anything herein to the contrary, the Common Area shall be preserved to the perpetual benefit of the Owners or of the public in general and shall not be conveyed except to Chatham County or to another nonprofit corporation for the aforementioned purposes. Notwithstanding any other provision of this Declaration, the Board of Directors of the Association may, without vote of the Members, exchange Common Area for equivalent real property, provided that such exchange is approved by Chatham County;

(d) in accordance with the provisions of the Chatham County zoning ordinances and regulations, the right of the Association, with the assent of Members entitled to at least eighty percent (80%) of the votes of the entire membership of the Association and at least two-thirds (2/3) of the votes appurtenant to each Class of Lots, to mortgage, pledge, grant deed(s) in trust, or otherwise encumber any or all of its real or personal property as security for money borrowed or debts incurred, provided that the rights of any such lender or mortgagee shall be subordinate to the property rights of the Owners as set forth herein; and/or

(e) the right of the Association, as provided by and consistent with the Chatham County zoning ordinances and regulations, as same may be amended from time to time, to exchange all or part of the Common Area for other property and consideration of like value and utility.

Section 2. Delegation of Use.

(a) Family. The right and easement of use and enjoyment granted to every Owner by Section 1 of this Article may be exercised by members of the Owner's family who occupy the residence of the Owner within the Property as their principal residence in Chatham County, North Carolina.

(b) Tenants. The right and easement of use and enjoyment granted to every Owner by Section 1 of this Article may be delegated by such Owner to his or her tenants or contract purchasers who occupy a residence within the Property pursuant to a written lease or sublease having a term on not less than twelve (12) months. Any Owner who rents, leases or subleases his or her Lot to a tenant shall be not entitled to use and enjoy any common facilities in the Common Area during the period that the Lot is occupied by such tenant as their principal residence in Chatham County, North Carolina.

(c) Guests. The right and easement of use and enjoyment granted to every Owner by Section 1 of this Article may be delegated to guests of such Owners, tenants or contract purchasers, subject to such Rules and Regulations as may be established by the Board of Directors.

Section 3. Conveyance of Title to the Association. Declarant covenants, for itself, its heirs, successors and assigns, that, prior to the conveyance of the first Lot within any phase of the Subdivision to an Owner, it will convey to the Association title to those portions of the Common Area, if any, owned in fee or by easement to the Association. Declarant reserves an easement over and across the Common Area so long as it owns any Lots within the Property for the purpose of constructing any improvements on the Common Area as it deems necessary or advisable. Except as otherwise stated herein, all conveyances by Declarant to the Association shall be free and clear of all encumbrances and liens (including statutory liens of laborers and materialmen pursuant to Article 2 of Chapter 44A of the North Carolina General Statutes) except this Declaration; restrictive covenants applicable to a Lot or the Subdivision; any and all utility, drainage, greenway and other easements of record, such easements as shown on the recorded plats of the Subdivision, and the lien of *ad valorem* taxes not yet due and payable. Any planned improvements or amenities placed on the Common Area by Declarant shall become the property of the Association upon completion of such improvements or amenities.

Section 4. Regulation and Maintenance of Common Area. It is the intent of the Declarant that the Common Area (whether owned by the Association in fee or by easement), if any, be preserved to the perpetual benefit of the Owners within the Subdivision. To that end, Declarant will, prior to the conveyance of the first Lot in any phase or section of the Subdivision to an Owner, reserve on a recorded plat or grant to the Association an easement over and across that portion of any Lot within such phase or section on which a Common Area easement lies for the purpose of enabling the Association to take action permitted by subsections (b) and (c) of this Section 4.

(a) Rights and Responsibilities of the Lot Owners. Each Owner of a Lot upon which a Common Area easement lies shall pay all property taxes and other assessments levied against his Lot, including that portion of such tax or assessment as is attributable to such Common Area. Notwithstanding any other provision of this Declaration, no Owner or other person shall, without the prior written consent of the Association: (1) remove any trees or vegetation within any Common Area; (2) erect gates, fences, buildings or other structures on any Common Area; (3) place any garbage

receptacles on or in any Common Area; (4) fill or excavate any Common Area or any part thereof; or (5) plant vegetation or otherwise restrict or interfere with the use, maintenance, and preservation of any Common Area.

It is the intent of the Declarant that a Common Area easement shall be maintained in the same state as when the Lot upon which such easement lies was conveyed to the Owner. If an Owner of a Lot on which a Common Area easement lies fails to maintain the easement area as provided herein, whether by act or omission, the Association shall have the right to enter upon such Owner's Lot for the purpose of maintaining same and shall have the right to charge such Owner with the costs of such maintenance, which costs, if not paid within thirty (30) days after demand for payment is made by the Association, shall be collected in the same manner and shall incur the same late charges, interest and costs of collection (including reasonable attorney's fees) as set forth in Section 7 of Article VI of this Declaration.

(b) Rights and Responsibilities of the Association. The Association shall have the right and obligation to ensure that the Common Area, if any, is preserved to the perpetual benefit of the Owners and, to that end, shall: (i) maintain the undeveloped Common Area, if any, in its vegetated or natural state; or if in an improved state, keep it free of impediments to its free use by the Owners; (ii) procure and maintain adequate liability insurance covering the Association and its Members against any loss or damage suffered by any person, including the Owner of the Lot upon which Common Area lies, resulting from use of the Common Area; and (iii) pay all property taxes and other assessments levied against all Common Area owned in fee by the Association.

(c) Association's Right of Entry for Maintenance of Common Area Easements. The Association and its employees, agents, contractors and subcontractors shall have a nonexclusive right and easement at all times to enter upon any portion of a Lot reserved or designated as a Common Area easement, if any, and any other portion of the Lot to the extent necessary to gain access to the Common Area easement, for the purposes of: (i) installing and maintaining entrance signage and other signage; (ii) making such improvements to the Common Area easement as have been approved by the Association; and (iii) maintaining the Common Area easement in its natural or improved state, including, without limitation, removal of fallen trees and other debris and, in general, keeping the easement area free from obstructions and impediments to its use. No such entry set forth in this paragraph shall be deemed a trespass. To the extent practicable, the Association shall give reasonable oral notice to the Owner or occupant of such Lot.

ARTICLE V RESTRICTIONS

Section 1. Land Use and Building Type. All Lots shall be used for single-family residential purposes; provided, however, Declarant or Declarant's assign, may use any Lot within the Property as a temporary sales office and/or model home for the purposes of carrying on business related to the development, improvement and sale of lots and/or homes within the Property. The temporary sales office may be a trailer and shall not be required to have a foundation. No structure shall be erected, altered, placed or permitted to remain on any Lot other than one detached, single-family dwelling, not to exceed three (3) stories in height (exclusive of a dwelling with a walk-out basement); a private attached

or unattached garage for not more than four (4) cars; and other out-buildings incidental to residential use of the Lot, not to exceed in size the allowable square footage allowed under Chatham County's impervious surface requirements. However, certain Lots will have non-adjacent but integral companion Lots for use for septic tanks. This use shall be considered as consistent with the restrictions for single-family residential purposes. Specific reference is made to Primary Lot 4, Lot 6, Lot 11, Lot 13, Lot 15 and Lot 16 as shown on the above referenced plats which shall be irrevocably integral to their respective Companion Lot 4A, Lot 6A, Lot 11A, Lot 13A, Lot 15A and Lot 16A as shown on the above referenced plats. Any out-building or detached garage shall be constructed of similar materials to that of the main dwelling. A mother-in-law suite or structure may be permitted according to Chatham County Planning Regulations. Recycling of materials during all construction must comply with Chatham County Recycling ordinance.

Garages, carports and other accessory structures designed for accessory parking of automobiles constructed on the Lots shall meet the following requirements:

- a) be a side-entry or front-entry if attached to the house; or
- b) be either front-entry, side-entry or rear-entry if constructed as a detached accessory building separate from the house; and
- c) if constructed as a detached accessory building separate from the house, the building shall be located in line with or behind the half-way point of the house (stoops, porticos, open colonnades, open decks and open porches excluded).

Section 2. Dwelling Size. The minimum heated square footage of a dwelling, exclusive of open or screened porches, carports, garages, finished attics, and decks, may not be less than 2,500 square feet for a single-story dwelling and 2,800 feet for a two (2) story or greater dwelling. Each dwelling must be "site built", though certain customary components may be partially assembled offsite, such as roof trusses, window units, cabinetry, etc.

Section 3. Building Setbacks, House Location. No dwelling shall be located on any Lot nearer to the front property line or nearer any side or rear line than those distances or setbacks as shown on the recorded plats of the Property. For purposes of these building setback requirements, decks, porches, patios, stoops, eaves, overhangs, bay windows, chimneys, carports, steps and other similar projections shall be deemed to be part of the dwelling only to the extent that the same are deemed to be part of the dwelling under the zoning ordinances as it exists as of the date of issuance of a certificate of occupancy for such dwelling. Any dwelling erected on a Lot other than a corner lot shall face the street on which the Lot abuts. On corner lots, a dwelling may be erected so as to face the intersection of the two streets on which the Lot abuts. The Declarant reserves the right to waive minor violations up to fifteen percent (15%) of the setback requirements set forth in this Article. Nothing herein shall mean that the Architectural Committee cannot withhold its approval of the location of a building regardless of the fact that such building meets the requirements of the paragraph.

Section 4. Fences and Walls. No fence or wall shall be erected on any Lot closer to any side street than the side building setback line. No fence or wall shall be erected any closer than ten (10) feet from a front corner of the dwelling. Chain-link fencing and vinyl fencing are not permitted. Any fence or wall installed within the Subdivision must meet all requirements of the zoning ordinances and must

be approved as provided in Article IX of this Declaration. Nothing in this paragraph shall be deemed to apply to or regulate retaining walls made necessary by the slope or grade of any Lot or Lots nor to any fence installed by the Declarant at any entrance to or along any street within the Subdivision.

Section 5. Temporary Structures. No residence of a temporary nature shall be erected or allowed to remain on any Lot covered by these covenants. No trailer, vehicles, 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. The restrictions contained herein shall not be deemed to apply to any sales office, construction trailer, model home, or other temporary improvement installed by or with the approval of Declarant.

Section 6. Parking, Driveways and Parking Pads. All driveways and parking pads shall be paved with a concrete, asphalt, or masonry (including semi-pervious pavers) surface. Vehicles may be parked or stored only on portions of a Lot improved for that purpose, i.e., garage, driveway, or parking pad. No unenclosed parking shall be constructed or maintained on any Lot except a paved driveway and an attached paved parking pad, which pad shall be designed for the parking of not more than one (1) vehicle.

No mobile house trailer (whether on or off wheels), vehicle or enclosed body of the type which may be placed on or attached to a vehicle (known generally as "campers"), tractor trailer trucks or cabs, or commercial vehicle of any kind shall be parked on any street or any Lot within the Subdivision. Boats or boat trailers and recreational vehicles (RVs) may be parked or stored within the Subdivision, but must be parked or stored out of sight within a garage or other enclosure.

No vehicle of any type which is abandoned or inoperative shall be stored or kept on any Lot in such manner as to be seen from any other Lot, any street within the Subdivision or the Common Area, and no automobiles or mechanical equipment may be dismantled or allowed to accumulate on any Lot.

All driveway pipes must be constructed to meet North Carolina Department of Transportation ("NCDOT") standards. Any questions regarding the construction of the driveway pipes may be obtained from the local NCDOT office.

Section 7. Animals. No animals, livestock, or poultry of any kind shall be kept or maintained on any Lot or in any dwelling, except that a maximum of ten (10) chickens, however specifically excluding any roosters which are not allowed within the Subdivision, and domesticated dogs, cats, or other household pets may be kept or maintained, provided that they are not kept or maintained for commercial purposes. In no event shall any dwelling have more than three (3) dogs and/or three (3) cats. All chickens must be fenced or contained behind the house. All dogs kept outside must be securely chained, controlled or fenced behind the house. Any doghouse must be placed directly behind the house and screened as indicated herein. Horses shall be permitted to be ridden on the common pathways of the Subdivision, but no horses shall be permitted to be boarded, kept, or maintained overnight on any Lot or Common Area in the Subdivision.

Section 8. Nuisances; Business Activity. 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 business trade or activity may be conducted on any Lot unless permitted by the Chatham County zoning ordinance.

Section 9. Signs. Except as otherwise allowed by Chatham County, no sign of any kind shall be displayed to the public view on any Lot except signs used to advertise Lots for sale during the construction and sales period, one sign of not more than ten (10) square feet advertising the property for sale or rent, and signs of not more than ten (10) square feet expressing support of or opposition to political candidates or other issues which will appear on the ballot of a primary, general or special election, provided that such political signs shall not be placed on a Lot earlier than sixty (60) days before such election and shall be removed within three (3) days after such election. The prohibitions set forth in this paragraph shall not apply to the Entry Sign(s) of the Subdivision (as hereinafter defined).

Section 10. Antennas; Satellite Dishes or Discs. No radio or television transmission or reception towers or antennas shall be erected on a Lot other than a customary television or radio reception antenna, which shall not extend more than ten (10) feet above the top roof ridge of the house. However, a satellite antenna receiver or disc will be permitted on a Lot if: (i) the receiver or disc is not larger than two (2) feet in diameter; (ii) the receiver or disc is located on a side of the house away from the street and within the building set back lines applicable to that Lot; and (iii) the receiver or disc is located or screened in such a way that it cannot be seen from any street within the Subdivision. Any such screening must be approved as provided in Article IX of this Declaration. In no event shall any free-standing transmission or receiving tower be permitted on any Lot.

Section 11. Swimming Pools. No above-ground swimming pools shall be permitted in the Subdivision, except that small, inflatable wading pools shall be permitted, but shall be located on a side of the house away from the street in such a way that it cannot be seen from any street within the Subdivision.

Section 12. Mailboxes. Subject to the approval of the US Postal Service, a mail kiosk will be provided from all Owners. No individual mailboxes are permitted.

Section 13. Maintenance of Lot; Construction; General Appearance. Each owner shall keep their Lot in an orderly condition and shall keep the improvements thereon in a suitable state of repair. In the event that any residence or structure on any Lot is destroyed or partially destroyed by fire, Act of God, or as a result of any other act or thing, the owner of such Lot shall repair the damage and reconstruct the improvement within twelve (12) months after such damage or destruction; provided, however, that if the structure damaged is not part of or attached to the residence constructed on such Lot, the owner may, at his option, either completely remove the damaged structure and landscape the area on which the structure stood within two (2) months after such damage or repair or reconstruct the structure within twelve (12) months after such damage.

All construction, landscaping or other work which has been commenced on any Lot shall be in accordance with this Declaration, specifically including Article IX, and shall be continued with reasonable diligence to completion. No partially completed house or other improvement shall be

permitted to exist on any Lot, except during such reasonable time period as is necessary for completion. The owner of each Lot shall at all times keep contiguous public streets free from any dirt, mud, garbage, trash or other debris resulting from any such construction on his Lot.

The owner of each Lot shall maintain the grounds and improvements on his Lot, including but not limited to, plantings, landscaping, and lawns, at all times in a neat and attractive manner. All new building permits shall adhere to the Landscape Plan prepared for the Subdivision. Dead trees may be removed which would pose a hazard to home owners.

Section 14. Clotheslines. No exterior clothesline may be erected or maintained on any Lot.

Section 15. Outside Recreational Equipment. No portable basketball goals will be allowed. Permanent basketball goals may be allowed subject to approval pursuant to Article IX of this Declaration; however permanent basketball goals may not be attached to the dwelling and must have a clear backboard. Trampolines shall be allowed as long as the trampoline is screened and not visible from roadways within the community.

Section 16. Garbage; Unsightly Storage. All trash and rubbish shall be kept in garbage cans stored in such a manner as not to be visible from the street upon which the house fronts. No trash, rubbish, stored materials, wrecked or inoperable vehicles, or similar unsightly items shall be allowed to remain on any Lot; provided, however, that the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish, and other debris for collection by governmental or other similar garbage and trash removal units. In the event of curbside trash and/or garbage pickup, trash and/or garbage cans may be moved to the street on the night before the scheduled pickup, but all garbage cans must be returned to an approved enclosure the night of the scheduled pickup.

Section 17. Septic Tanks; Wells. Each Lot shall be serviced by a private septic tank. No septic systems may be installed in a regulated stream buffer. The location of septic systems may restrict the size and location of improvements on a Lot. The restrictions and locations of septic systems are available from the Chatham County Environmental Health Department. The owner of each Lot should conduct routine inspections of the Lot's septic system for proper maintenance, function and pumping as recommended by the Chatham County Environmental Health Department. As shown on the plat recorded in Plat Slide 2020-250, Chatham County Registry and Plat Book 122, Page 90, Orange County Registry, special notice is given to all Owners that the septic field for and appurtenant to any particular Lot may not be located within the boundaries of said Lot nor be immediately adjacent to said Lot. Further, a Lot may be subject to and burdened by a septic access easements for the benefit of another Lot. Specific reference is made to Primary Lot 4, Lot 6, Lot 11, Lot 13, Lot 15 and Lot 16 as shown on the above referenced plats which shall be irrevocably integral to their respective Companion Lot 4A, Lot 6A, Lot 11A, Lot 13A, Lot 15A and Lot 16A as shown on the above referenced plats.

Each Lot shall be serviced by a private well for water consumption purposes. The location of the well may restrict the size and location of improvements on a Lot. The restrictions and locations of the well are available from the Chatham County Environmental Health Department. The owner of each Lot should conduct routine inspections of the Lot's well for proper maintenance and function as

recommended by the Chatham County Environmental Health Department. Use of underground cisterns or water reclamation processes are required prior to use of well water for purposes of outdoor watering.

Section 18. Removal of Trees. Except in the case of an emergency situation that does not permit any delay, no living tree larger than six (6) inches in diameter at a point measured three (3) feet off the ground shall be removed from any Lot without the approval of the Declarant and/or the Architectural Committee pursuant to Article IX of this Declaration. The foregoing provision shall apply only to Lots that have been occupied pursuant to a certificate of occupancy issued by Chatham County.

Section 19. Landscape Criteria: Protection of Trees. Provisions for proper protection, preservation, installation, maintenance and management of trees and green spaces must be developed by an Owner for any Lot which has a permit to build, or site plan required. An Owner must submit his or her plan to join with any building permit which shows these areas of concerns:

a) Existing trees located within primary open spaces shall be protected from cutting except for safety or security needs, or otherwise not in control of an Owner such as utilities as per other sections of this Declaration;

b) Trees larger than twelve inches (12") in diameter in secondary open spaces must be protected from cutting except for placement of homes, buildings, drives, walks, gardens, security, safety, utilities, or other items required for health safety or welfare of Owner(s);

c) During construction, areas of protection must be marked out in such a way to notify any workers on the site to be aware of and protect areas to be protected. Such notifications may include signs, ropes with flagging and plans of areas in permit box etc. Any construction on a Lot which may impact potential loss of trees in primary spaces by activity of placement of materials shall be protected by similar use of roping, etc.;

d) Any new construction which uses irrigation for gardens or lawns or plantings shall first use harvested water from rain into simple storage methods such as cisterns, tanks or other fashion. No tanks other than 55-gallon or smaller may be exposed and must not be visible from any street in the Subdivision during times of low vegetation. All grasses and lawns or plantings which use irrigation should use moisture sensors and low volume spray apparatus. Drought resistance planting is encouraged;

e) Any exterior lighting must be shielded to prevent light from diffusing directly onto other Lots such as is accepted by Chatham County lighting ordinance. All lighting should use an efficient style of lighting available at the time of installation; and

f) All open space primary areas shall be protected with exceptions being health, safety, and welfare, utilities or trails established for the enjoyment of the homeowners. Any trails must be cut utilizing as low intensity of hydro-axing or system available.

Section 20. Exterior Maintenance. The owner of each Lot shall maintain the grounds and improvements on his Lot, including, but not limited to, plantings, landscaping and lawns, at all times in a neat and attractive manner.

Section 21. Street and Entrance Lighting. Declarant reserves the right to subject the Subdivision to a contract with Duke Power ("Duke") [or other electricity provider] for installation of entrance and street lighting, which contract requires a continuing monthly payment to said provider by each residential customer or the Association.

Section 22. Subdivision of Lots. No Lot shall be subdivided by sale or otherwise so as to reduce the total Lot area shown on the recorded maps or plats, except by and with the written consent of the Declarant. Adjoining Lot owners may affect land swaps to adjust common boundaries, so long as no additional parcels are created; and provided that said land swaps are otherwise in accordance with the zoning ordinances.

Section 23. No Severance of Integral Companion Lots. Certain Lots shall be conveyed with an integral companion Lot, the purpose of said "Companion Lot" is to provide an area for septic tank and use for the single-family residence upon the "Primary Lot". The conveyance of the Companion Lot shall be irrevocably integral with the conveyance of the Primary Lot. No Companion Lot shall be conveyed separately from its respective Primary Lot under any circumstances. Specific reference is made to Primary Lot 4, Lot 6, Lot 11, Lot 13, Lot 15 and Lot 16 as shown on the above referenced plats which shall be irrevocably integral to their respective Companion Lot 4A, Lot 6A, Lot 11A, Lot 13A, Lot 15A and Lot 16A as shown on the above referenced plats.

Section 24. Stream Buffers/Wetlands/Wetland Buffers. Certain Lots shall be conveyed with Stream Buffers, Wetlands and/or Wetland Buffers located thereupon. No building, structure, fill, embankment, fence, driveway, planting, swing or other obstruction shall be permitted in such area, other than those installed by the Declarant or the Association. Generally, these areas shall be maintained for natural preservation and in that natural state. Notwithstanding, the Owner of said Lot shall be responsible for the maintenance, repair or restoration of said area in accordance with the requirements of Chatham County or other governmental authority.

Section 25. County Recycling Programs. All Lot owners are encouraged to participate in the various recycling programs available to Chatham County residents. Information regarding the recycling programs can be located at the Chatham County Solid Waste Management Department.

Section 26. Unintentional Violations. Declarant, or the persons or firms to whom the architectural review and approval authority has been delegated pursuant to the Declaration, may, but shall not be obligated to, waive any violation of the designated and approved building setback lines on any Lot, provided that no waiver may be granted for a violation in excess of fifteen percent (15%) of the applicable requirements. No such waiver shall be effective unless the Lot and all structures thereon are in full compliance with the applicable provisions of the zoning ordinances or a variance has been obtained for such violation. Waivers shall be effective upon recording of same in the Chatham County Registry.

Section 27. Enforcement. Enforcement shall be the responsibility of the Association, but the Declarant, the Architectural Committee or any Lot owner shall also have the right to bring enforcement proceedings. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, Bylaw or Rules and Regulations adopted by the Association, either to restrain violation or to recover damages, or both. The prevailing party in any enforcement proceeding shall be entitled to recover from the adverse party a reasonable sum for reimbursement for attorney's fees and court costs incurred in enforcing or defending matters related to these covenants in an amount to be determined by the court. Invalidation of any one of these covenants

or restrictions by judgment or court order shall in no way affect any other provision, which shall remain in full force and effect.

ARTICLE VI COVENANT FOR MAINTENANCE ASSESSMENT

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot, by acceptance of a deed thereof, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association annual assessments and special assessments, such assessments to be established and collected as hereinafter provided. All assessments which are unpaid when due, together with interest and late charges as set forth in Section 7 of this Article VI and all costs of collection, including reasonable attorneys' fees, shall be a charge on the land and, as provided in §47F-3-116 of the Act, shall be a continuing lien upon the Lot against which such assessment is made. Each such assessment or charge, together with interest, late charges and costs of collection, including reasonable attorneys' fees, shall also be the personal or corporate obligation of the person(s), firm(s) or corporation(s) owning such Lot at the time when the assessment fell due, but such personal obligation shall not be imposed upon such Owner's successors in title unless expressly assumed by them. Although unpaid assessments and charges are not the personal obligation of such Owner's successors in title unless expressly assumed by them, the unpaid assessments and charges shall continue to be a lien upon the Lot against which the assessment or charge was made.

Any monetary fines imposed against an Owner pursuant to the Bylaws or Rules and Regulations shall constitute a lien against the Lot of such Owner to the same extent as if such fine were an assessment against such Lot. Any prevailing party enforcement costs, if applicable against an Owner, pursuant to Article V, Section 27 shall constitute a lien against the Lot of such Owner to the same extent as if such enforcement costs were an assessment against such Lot.

Section 2. Purposes of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Subdivision and, in particular, for: (i) acquisition, improvement, and maintenance of property, services and facilities related to the use and enjoyment of the Common Area; (ii) maintenance, repair and reconstruction of the Common Area and improvements thereon, including, without limitation, storm water drainage facilities including, without limitation, the cost of repair, replacement and additions thereto and the cost of labor, equipment, materials, management and supervision thereof; (iii) payment of taxes and public assessments levied against the Common Areas owned by the Association in fee; (iv) procurement and maintenance of insurance; (v) employment of attorneys, accountants and other persons or firms to represent the Association when necessary; (vi) payment of principal and interest on funds borrowed for Association purposes; (vii) costs of maintaining the street lights, if any; (viii) enforcement of this Declaration, the By-Laws and/or Rules and Regulations; and, (ix) such other needs as may arise.

Section 3. Maximum Annual Assessment. Until December 31, 2021, the Maximum Annual Assessment shall be a sum equal to One Thousand and 00/100 Dollars (\$1,000.00) for each Class A Lot.

(a) From and after January 1, 2022, the Maximum Annual Assessment for Class A Lots may be increased by the Board of Directors effective January 1 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 percent (10%) of the Maximum Annual Assessment for the previous year unless such increase is approved as set forth in Section 3(b), below.

(b) The Maximum Annual Assessments for Class A Lots may be increased without limitation if such increase is approved by not less than two-thirds (2/3) of the votes cast by the Class A Members present, in person or by proxy, at a meeting duly called for that purpose. The provisions of this subsection shall not apply to, nor be a limitation upon, any change in the maximum annual assessment incident to a merger of consolidation as provided in § 47F-2-121 of the Act.

(c) The initial Maximum Annual Assessment for Class A Lots shall be appropriately pro-rated with respect to the conveyance of a Lot to an Owner from the Declarant.

Section 4. Date of Commencement of Annual Assessments; Amount of Assessments; Ratification of Budgets; Certificate of Payment. The obligation to pay the annual assessments provided for herein shall commence as to each Lot on the first day of the month following the date that the Lot is first occupied for residential purposes. A Lot shall be deemed to be occupied for residential purposes when it has been improved with a dwelling for which a certificate of occupancy has been issued and has been conveyed to an Owner who intends the dwelling to be occupied, or, if the dwelling is occupied as a residence before such conveyance, the date of such occupancy. There shall be no annual assessment for Class B Lots.

Subject to the provisions of this Section, the Board of Directors may fix the annual assessment for Class A Lots at any amount not in excess of the Maximum Annual Assessment in effect for the appropriate assessment year. Unless a lower amount is set by the Board of Directors, the initial annual assessment shall be the "Maximum Annual Assessment" set forth in Section 3 of this Article and shall be prorated according to the number of months remaining in the calendar year. Annual assessments shall be fixed at a uniform rate for all Class A Lots and may be collected on a yearly, semiannually, quarterly, or monthly basis, as determined by the Board of Directors.

The Association shall, upon demand, and for such reasonable charge as the Board of Directors may determine, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. If such certificate states that an assessment has been paid, such certificate shall be conclusive evidence of payment. Such authority may be assigned or delegated by the Board to a property management company.

The Board of Directors shall adopt a proposed budget for the Association at least annually. Within thirty (30) days after adoption of the proposed budget, the Board of Directors shall send a copy of the proposed budget and shall give written notice to the Members of a meeting of the Members to consider ratification of the budget, such meeting to be held not sooner than ten (10) days nor more than sixty (60) days after the mailing of such notice. Such meeting may, but need not be, combined with the annual meeting of the Members. Except as provided in Section 6 below, there shall be no requirement

that a quorum be present in order to vote on ratification of the budget (although a quorum must be present to vote on other matters). The budget shall be deemed ratified unless at that meeting Members having a majority of the votes of the entire membership vote to reject the budget. Notwithstanding the foregoing, if the budget provides for annual assessments not greater than ten percent (10%) larger than the assessment in effect for the immediately preceding year, such budget shall be deemed ratified unless Members having at least eighty percent (80%) of the votes of the entire membership vote to reject the budget. If the proposed budget is rejected, the budget last ratified by the Members shall be continued until such time as the Members ratify a subsequent budget proposed by the Board.

Subject to the provisions of this Section, at least twenty (20) days before January 1 of each year, the Board of Directors shall fix the amount of the annual assessment against each Lot. At least ten (10) days before January 1 of each year, the Board of Directors shall send written notice of such assessment to every Owner subject thereto.

Section 5. Special Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, restoration, repair or replacement of a capital improvement upon the Common Areas, any extraordinary maintenance, including fixtures and personal property related thereto and any property for which the Association is responsible, and the cost to purchase Lots and dwellings at foreclosure sales of Association liens, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose. Provided, however, the Board of Directors, at its option may declare that a Special Capital Assessment be levied against all Lots, unless ninety percent (90%) of the total vote of each class of Members vote to reject it. The Special Capital Assessment shall be in an amount not to exceed Two Thousand and no/100 Dollars (\$2,000.00) per Lot and may be levied in emergency situations only, no more than once every five (5) years from the date of the recording of this Declaration. The Special Capital Assessment shall be used to defray the cost of any construction, reconstruction, restoration, repair or replacement of capital improvements upon the Common Areas. This assessment may not be used for any other purposes including litigation involving the Association.

Section 6. Notice of Quorum for any Action Authorized Under Sections 3(b) and 5. Written notice of any meeting called for the purpose of taking any action authorized under Section 3(b) or 5 of this Article VI shall be sent to all Members not less than ten (10) days or more than sixty (60) days prior to the meeting. At such meeting, the presence of Members or of proxies entitled to cast sixty percent (60%) of the votes of each Class of Lots shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and if the meeting is called for a date not later than sixty (60) days after the date of the first meeting, the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

Section 7. Effect of Nonpayment of Assessments; Remedies. An assessment not paid within ten (10) days after the due date shall incur a monthly late charge as the Board of Directors may from time to time establish, and, if not paid within thirty (30) days after the due date, shall also bear interest from the due date at a rate established by the Board of Directors from time to time, but in no event shall such rate be greater than eighteen percent (18%) per annum or the maximum rate allowable by law,

whichever is greater. The Association may bring an action at law or in equity against the Owner personally obligated to pay the same and/or foreclose the lien against the Lot for which such assessment is due. Interest, late payment charges, costs and reasonable attorneys' fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or by abandonment of his Lot.

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 a Lot pursuant to foreclosure of a first mortgage or deed of trust, or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of any assessments which became due prior to the date of such conveyance. 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 9. Exempt Property. All Common Area owned in fee by the Association, all property dedicated to and accepted by a public authority, and all property owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. Notwithstanding the foregoing, no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 10. Working Capital Fund. At the time of closing of the initial sale of each dwelling constructed on each Lot, and at every re-sale closing thereafter, a sum equal to Five Hundred and 00/100 Dollars (\$500.00) shall be collected from the purchaser of such Lot and transferred to the Association as part of its working capital. The purpose of the working capital fund is to ensure that the Association will have adequate cash available to meet unforeseen expenditures or to acquire additional equipment or services deemed by the Board of Directors to be necessary or desirable. Amounts paid to the Association pursuant to this Section shall not be considered as an advance payment of any regular assessment.

The Working Capital Fund Payment may be increased without limitation if such increase is approved by not less than two-thirds (2/3) of the votes cast by the Class A Members present, in person or by proxy, at a meeting duly called for that purpose. The Working Capital Fund Payment may be increased by the Association without a vote of the membership, but subject to the limitation that the percentage of any such increase shall not exceed ten percent (10%) of the Working Capital Fund Payment for the previous year. Notwithstanding the foregoing, if the Working Capital Fund Payment is established at an amount not greater than ten percent (10%) larger than the Working Capital Fund Payment in effect for the immediately preceding year, such amount shall be deemed ratified unless Members having at least eighty percent (80%) of the votes of the entire membership vote to reject the same.

**ARTICLE VII
RIGHTS OF LENDERS**

Section 1. Books and Records. Any holder of a first deed of trust on any Lot, or its agent(s), shall have the right, during normal business hours, to examine copies of this Declaration, the Articles of Incorporation, Bylaws, Rules and Regulations and the books and records of the Association and, upon written request to the Association, to receive a copy of the financial statement for the immediately preceding fiscal year. The Association shall be entitled to charge such reasonable amount as the Board of Directors may determine for providing copies of the financial statement for the immediately preceding fiscal year.

Section 2. Notice to Lenders. Upon written request to the Association, the holder of a first deed of trust on any Lot shall be entitled to timely written notice of:

(a) Any sixty (60)-day delinquency in the payment of assessments or charges owed by the Owner of the Lot securing its loan.

(b) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

(c) Any proposed action that requires the consent of a specified percentage of owners or holders of first mortgages on the Lots.

(d) The Association shall be entitled to charge such reasonable amount as the Board of Directors may determine for providing such written notice.

Section 3. Approval of Holders of First Deeds of Trust. Unless at least seventy-five percent (75%) of the holders of the first deeds of trust on Lots located within the Property have given their prior written approval, the Association shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer any real estate or improvements thereon which are owned, directly or indirectly, by the Association. Neither the granting of easements for utilities or other purposes nor the exchange of real property as provided in Section 1(c) of Article IV hereof shall be deemed a transfer within the meaning of this clause. Notwithstanding anything herein to the contrary, the property owned by the Association, whether in fee, by easement, or otherwise, shall be preserved to the perpetual benefit of the Owners or of the public in general and shall not be conveyed except to Chatham County or to another nonprofit corporation for the aforementioned purposes.

(b) Change the method of determining the obligations, assessments, dues or other charges that may be levied against a Lot;

(c) Fail to maintain hazard insurance on insurable improvements on the Common Area on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value; or

(d) Use the proceeds of any hazard insurance policy covering losses to any part of the Common Area for other than the repair, replacement, or reconstruction of the damaged improvements.

Section 4. Payment of Taxes and Insurance Premiums. The holders of first deeds of trust on Lots, jointly or singly, may (but is not required to) pay taxes or other charges which are in default and which have or may become a charge or lien against any of the Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage upon the lapse of a policy covering property owned by the Association. The persons, firms or corporations making such payments shall be owed immediate reimbursement thereof by the Association.

ARTICLE VIII EASEMENTS

Section 1. Access, Drainage and Utility Easements. Easements for the installation, maintenance and repair of driveways, walkways, water lines, gas lines, telephone, cable television, electric power transmission lines, sanitary sewer and storm water drainage facilities and for other public utility installations are reserved as shown on the recorded plats of the Property. Further, easements for the same are reserved within a ten (10) foot area along each lot line of each Lot.

The Association may reserve and grant easements over the Common Area as provided in Article IV, Section 1(c), of this Declaration.

Easements are also reserved for the benefit of the Declarant, the Association, and their respective heirs, successors and assigns, over, across and under those portions of the Lots, Easements, Common Area and Open Spaces where "Entry Sign(s)" are located, for the purpose of installing, operating, repairing and maintaining landscaping, subdivision entrance signage, and fencing in the easement area.

Within any such easement herein provided, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation or maintenance of the utilities installed thereon, or which may change the direction of flow or drainage of water through drainage pipes or channels constructed in such easements.

For a period of twenty-five (25) years from the date hereof, Declarant reserves an easement and right of ingress, egress and regress on, over and under the Property, including each and every Lot within the Subdivision, to maintain and correct drainage or surface water runoff in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or take any other similar action that it deems reasonably necessary or appropriate. After such action has been completed, Declarant shall grade and seed the affected property and restore the affected property to its original condition to the extent practicable, but shall not be required to replace any trees, bushes or shrubbery necessarily removed. Declarant shall give reasonable notice of its intent to take such action to all affected Owners.

Declarant reserves the right to create and impose additional easements or rights-of-way over any unsold Lot or Lots by the recording of appropriate instruments in the Chatham County Registry and Orange County Registry, and such instruments shall not be construed to invalidate any of these covenants.

To the extent that any improvement constructed by the Declarant infringes or encroaches into a drainage easement or utility easement established by the Declarant or reflected on a recorded map of the Property, the Declarant, in its sole discretion, shall have the right to waive minor violations that do not impact the reasonable use of the easement area.

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 or easement holder is responsible or for which the Association is responsible.

The Declarant, the Association and their heirs, successors and assigns shall at all times have the right of access upon such easements for the purpose of landscaping, planting, mowing, maintaining, repairing or replacing the easement area and the improvements thereon or for removing any object placed in the easement area in violation of the provisions of this Declaration.

Easements are also reserved for the benefit of the Declarant, the Association and their respective heirs, successors and assigns, over, across and under those portions of the Lots for the purpose of installing, maintaining, and repairing the street lighting in the Subdivision, if any.

Section 2. Easements for Governmental Access. An easement is hereby established over the Common Area and every Lot for the benefit of applicable governmental agencies for installing, removing, and reading water meters; maintaining and replacing water, sewer and drainage facilities; and acting for other purposes consistent with public safety and welfare, including, without limitation, law enforcement, fire protection, garbage collection, and the delivery of mail.

Section 3. Easement over Common Area. A perpetual, nonexclusive easement over the Common Area or Open Space, if any, is hereby granted to each Lot and its Owners, family members and tenants of such Owners, the occupants of such Lot, and guests and invitees of such Owners, tenants or occupants, for the purpose of providing access, ingress and egress to and from the Common Area or Open Space if any and for the use thereof.

Section 4. Easement for Encroachments. In the event that any structure erected on a Lot encroaches upon any other Lot or the Common Area if any, and such encroachment was not caused by the purposeful act or omission of the Owner of such Lot, then an easement appurtenant to such Lot shall exist for the continuance of such encroachment upon the Common Area or other Lot for so long as such encroachment shall naturally exist. In the event that any structure erected principally on the Common Area encroaches upon any Lot, then an easement shall exist for the continuance of such encroachment of such structure onto such Lot for so long as such encroachment shall naturally exist. The foregoing shall not be construed so as to allow any extension or enlargement of any existing encroachment or to permit

the rebuilding of the encroaching structure, if destroyed, in a manner so as to continue such encroachment.

Section 5. Association's Easement upon Lots. The Association shall have a right, license and easement to go upon any Lot for the purpose of fulfilling its obligations under this Declaration, the restrictive covenants applicable to the Subdivision, and any other laws, ordinances, rules and regulations, public or private, which the Association is obligated or permitted to enforce. Such easement shall include, without limitation, the right to go on any Lot to correct, repair or alleviate any condition which, in the opinion of the Board of Directors of the Association or of the manager employed by the Association, creates or may create an imminent danger to the Common Area or improvements thereon or is a clear violation of this Declaration or the Restrictive Covenants applicable to the Lot, including, but not limited to an obligation of maintaining the subject Lot. This easements shall also specifically include the right of the Association to go on any Lot for the purpose of installing, maintaining or replacing the street lights located on the Property.

Section 6. Sight Distance Easement. Sight distance easements are hereby established across all Lots as indicated on the recorded map of the Property. Within the sight distance easement, no Owner shall create, plant or erect a wall, fence, foliage, berm, parked vehicle, sign or any other obstruction between two feet and eight feet tall above the curb line.

Section 7. Public Drainage Easement. A public drainage easement is hereby established across those Lots as indicated on the recorded map of the Property and/or Subdivision. A perpetual, nonexclusive easement over all said Lots is hereby granted to the Association, its employees, subcontractors and utility companies, for the purpose of establishing, maintaining and up-keeping the storm drainage features constructed by the Declarant or the Association and located within the public drainage easement.

Section 8. Access. The Declarant, the Association and their successors and assigns shall at all times have the right of access upon such easements for the purpose of landscaping, planting, mowing, maintaining, repairing or replacing the easement area and the improvements thereon or for removing any object placed in the easement area in violation of the provisions of this Article.

ARTICLE IX ARCHITECTURAL CONTROL

No building, fence, sign (including unit identification signs), wall or other structure shall be commenced, constructed, erected or maintained upon such Lot, nor shall any exterior addition to or change or alteration thereof be made, nor shall a building permit for such improvement or change be made, nor shall any major landscaping or re-landscaping be commenced or made (all such construction, alteration and landscaping are hereinafter referred to as the "Improvements") until plans and specifications showing the nature, kind, shape, heights, materials, color and location of same shall have been submitted to and approved in writing by the Declarant. If the Declarant fails to approve or disapprove such proposed Improvements within thirty (30) days after the plans and specifications have been received by it, approval will not be required, and this Article shall be deemed to have been complied with. Declarant shall have the right (but not the obligation) to promulgate and from time to

time amend written architectural standards and construction specifications (hereinafter the "Architectural Guidelines") which may establish, define and expressly limit the standards and specifications which will be approved, including, but not limited to, architectural style, exterior color or finish, roofing material, siding material, driveway material, landscape design and construction technique. Declarant shall not approve any Improvements that it determines, in its discretion, not to be in harmony of external design, construction and/or location in relation to the surrounding structures, topography or the general plan of development of the Subdivision.

Declarant may, at any time, delegate the review and approval authority contained in this Article IX to the Board of Directors of the Association, which, in turn, may delegate such authority, to an Architectural Committee composed of three (3) or more persons appointed by the Board. Such delegation shall be made by the Declarant by recording in the Chatham County Registry and the Orange County Registry, an Assignment of Declarant's Rights with respect the review and approval authority contained in this Article IX. Declarant shall approve all initial construction plans and shall delegate such authority no later than the date upon which Declarant no longer owns any Lots within the Property, and no termination of Special Declarant Rights shall be deemed a termination or assignment of the rights reserved to Declarant in this Article IX. Any use of the term "Declarant" in this Article IX shall be deemed to apply to Declarant and, when appropriate, to the Board of Directors or the Architectural Committee. Nothing herein shall be construed to permit interference with the development of the Lots by Declarant in accordance with its general plan of development.

Neither Declarant nor the Association, nor any officer, director, manager, member or employee of either, shall be liable for damages to any person by reason of mistaken judgment, negligence, or nonfeasance in connection with the approval or disapproval or failure to approve or disapprove any plans, specifications and/or Improvements.

ARTICLE X GENERAL PROVISIONS

Section 1. Enforcement. The Declarant, the Association and each Owner shall have the right to enforce, by proceeding at law or in equity, all restrictions, conditions, covenants, rules, regulations, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, the Act, the Bylaws or Rules and Regulations adopted by the Association. Failure by the Association or an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

The Association shall not be obligated to take action to enforce any covenant, restriction or rule which the Board reasonably determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement actions, or any case in which the Board reasonably determines that the cost of enforcement outweighs the benefit to be gained by enforcement. Any such determination shall not be construed as a waiver of the right to enforce such provisions under other circumstances or to estop the Association from enforcing any other covenant, restriction or rule.

The prevailing party in any enforcement proceeding shall be entitled to recover from the adverse party a reasonable sum for reimbursement for attorney's fees and court costs incurred in enforcing or defending matters related to these covenants in an amount to be determined by the court.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision, which shall remain in full force and effect. If any provisions of this Declaration shall be invalid, illegal or unenforceable, the offending provision shall be modified so as to be valid, legal and enforceable but only so much as to most nearly retain the intent hereof.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run and bind the land, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time this Declaration shall be automatically extended for successive periods of ten (10) years unless terminated or altered by a vote of the Owners as set forth below. During the Declarant Control Period, the Declarant may amend this Declaration, without the consent or joinder of the Members or the Association, for the purpose of conforming this Declaration to the requirements of any governmental law or regulation. This Declaration may also be amended during the first twenty-five (25) year period by an instrument signed by the Owners of not less than eighty percent (80%) of the Lots, and thereafter by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots. No amendment shall be effective unless it has been approved, if required by Section 4 of this Article XI, by the Federal Housing Administration or Veterans Administration, and is recorded in the office of the Register of Deeds of Chatham County.

Section 4. FHA/VA Approval. In the event that Declarant has arranged for and provided purchasers of Lots with FHA-insured or VA-guaranteed mortgage loans, then as long as any Class B Lot exists, as provided in Article III hereof, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: (i) mortgaging of real property owned by the Association; and/or (ii) deeding of Common Area to persons other than the Association (not including the granting of an easement or exchanges permitted by Article IV, Section 1(c) hereof).

Section 5. Non-Liability of the County. Neither Chatham County nor any other municipality, shall be responsible for failing to provide any emergency or regular fire, police, or other public service to the Subdivision, any Lot, or any Owner or occupant thereof when such failure is due to the lack of access to the Subdivision or any Lot thereof due to inadequate design or construction of such access, blocking of access routes, or any other factor within the control of the Declarant, the Association, an Owner, or an occupant of any Lot.

Section 6. Declarant's Right To Change Development. With the approval of Chatham County, Declarant shall have the right, without consent or approval of the Owners, to create dwelling units, add Common Area, change unit types and reallocate units within, and withdraw real property from the Subdivision. Declarant shall have all Special Declarant Rights as set out herein and granted pursuant to N.C.G.S. 47F-1-103(28).

Section 7. Insurance. The Association shall procure and maintain adequate liability insurance covering the Association, in an amount not less than \$1,000,000.00. The Association shall

also procure and maintain full replacement value hazard insurance on real and personal property owned by the Association, and shall procure and maintain officers', directors' and employees' liability insurance. The premiums for such insurance shall be a common expense paid from the annual assessments provided in Article VI of this Declaration.

Section 8. Rules and Regulations. The Board of Directors shall have the authority to adopt additional rules and regulations governing the use of the Common Area if any and the Lots within the Subdivision and shall furnish a written copy of said Rules and Regulations to the Owner(s) of each Lot at least fifteen (15) days before such Rules and Regulations become effective. Any violation of such Rules and Regulations shall be punishable by fine and/or suspension of voting rights as provided in this Declaration.

In addition to any other rights and remedies that the Association may have under this Declaration, the Association may impose sanctions for violations of this Declaration, the Bylaws of the Association, the Rules and Regulations adopted by the Association, or any restrictive covenants applicable to a Lot within the Subdivision, in accordance with procedures set forth in the Bylaws, which sanctions may include, but are not limited to, reasonable monetary fines, which fines shall constitute a lien upon the Lot of the violator, and suspension of the right to vote and the right to use any recreational facilities within the Common Area; provided, however, that the Association shall not have the right to suspend the right to use and access to mail facilities by an Owner.

In addition, pursuant to procedures provided in the Bylaws, the Association may exercise self-help to cure violations (specifically including, but not limited to, the towing of Owner and tenant vehicles that are in violation of parking rules) and may suspend the right of an Owner to use any open space and recreational facility within the Property if the Owner is more than thirty (30) days delinquent in paying any assessment or other charge due to the Association.

The Association shall at all times have the right and easement to go upon any Lot for the purposes of exercising its rights hereunder, including, but not limited to, enforcement of the architectural guidelines applicable to the Property. Any entry onto any Lot for purposes of exercising this power of self-help shall not be deemed as trespass. All remedies set forth in this Declaration, the Bylaws and/or the Rules and Regulations shall be cumulative of any remedies available at law or in equity. In any action to enforce its rights and remedies, the party prevailing in such action shall be entitled to recover all costs, including, without limitation, attorneys' fees and court costs, reasonably incurred in such action.

Any monetary fines imposed against an Owner pursuant to the Bylaws or Rules and Regulations shall constitute a lien against the Lot of such Owner to the same extent as if such fine were an assessment against such Lot. Any prevailing party enforcement costs, if applicable to an Owner, pursuant to Article V, Section 27 and/or Article X, Section 1 shall constitute a lien against the Lot of such Owner to the same extent as if such enforcement costs were an assessment against such Lot.

Section 9. Condemnation/Casualty. If all or any part of the Common Area, if any, and improvements thereon are taken by power of eminent domain or are damaged or destroyed by fire or

other casualty, the proceeds of the condemnation award or any insurance policies covering such improvements shall be payable to the Association. The Board of Directors shall propose to the Members, at an annual or special meeting held within sixty (60) days after the date of the condemnation or casualty, whether or not to reconstruct the improvements. The insurance proceeds shall be used to reconstruct the improvements unless at least sixty-seven percent (67%) of the Members vote at such meeting against reconstruction, in which event the proceeds shall be retained by the Association for operation expenses or reserves, as determined by the Board or the Members. Nothing in this Section shall prevent the Board from proposing and the Members from approving the use of such proceeds for construction of different improvements (e.g., playground on Common Area in lieu of a destroyed club house).

(Signature Page to Follow)


The individual(s) signing this instrument on behalf of Declarant warrant(s) and represent(s) that (s)he has the authority to act and bind said Declarant to the terms and conditions of this instrument.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed in its name by its duly authorized officer, as of the 15th day of December, 2020.

Declarant

Jones Ferry Properties, L.L.C. , a North Carolina limited liability company

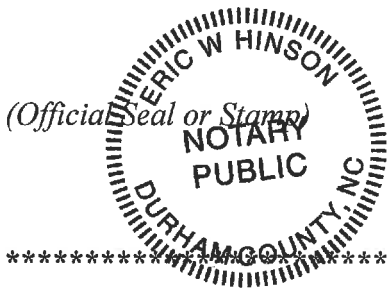
By:  (Seal)
E. Wesley Lloyd, Member and Manager

By:  (Seal)
Warren D. Mitchell, Member and Manager

STATE OF NORTH CAROLINA, COUNTY OF CHATHAM } ss:

I, Eric W. Hinson, a Notary Public of the State of North Carolina, County of Durham, do hereby certify that E. Wesley Lloyd and Warren D. Mitchell, personally appeared before me this day and acknowledged that (s)he is a Member(s) and Manager(s) of Jones Ferry Properties, L.L.C., a North Carolina Limited Liability Company and further acknowledged the due execution of the foregoing and annexed instrument on behalf of the said limited liability company.

Witness my hand and official seal, this the 15th day of December, 2020.




Notary Public
My Commission Expires: 11/24/2021

EXHIBIT "A"

BEING ALL OF THAT TRACT OR PARCEL OF LAND CONSISTING OF 76.14 ACRES, MORE OR LESS, PER PLAT AND SURVEY THEREOF ENTITLED "SURVEY FOR JONES FERRY PROPERTIES LLC", DATED JUNE 11, 2014, AND PREPARED BY R.S. JONES & ASSOCIATES, INC., RECORDED IN PLAT BOOK 113, PAGE 22, ORANGE COUNTY REGISTRY AND PLAT SLIDE 2014-138, CHATHAM COUNTY REGISTRY, TO WHICH PLAT REFERENCE IS MADE FOR A MORE PARTICULAR DESCRIPTION OF SAME AND BEING THE SAME LAND CONVEYED TO JONES FERRY PROPERTIES, L.L.C. RECORDED IN BOOK 1748, PAGE 757, CHATHAM COUNTY REGISTRY AND IN BOOK 5807, PAGE 484, ORANGE COUNTY REGISTRY.

TOGETHER WITH

BEING ALL OF LOT 1A, CONTAINING 0.65 ACRES AS SHOWN ON THAT RECOMBINATION MAP RECORDED IN PLAT BOOK 116, PAGE 162, ORANGE COUNTY REGISTRY AND PLAT SLIDE 2017-83, CHATHAM COUNTY REGISTRY AND BEING THE SAME LAND CONVEYED TO JONEW FERRY PROPERTIES, L.L.C. RECORDED IN BOOK 1913, PAGE 255, CHATHAM COUNTY REGISTRY AND IN BOOK 6269, PAGE 39, ORANGE COUNTY REGISTRY.

ALSO DESCRIBED AS

BEING ALL OF THAT TRACT OR PARCEL OF LAND AS SHOWN ON THAT CERTAIN MAP AND SURVEY ENTITLED "SURVEY FOR MORGAN RIDGE SUBDIVISION PHASE I", DATED MAY 28, 2020, PREPARED BY R.S. JONES & ASSOCIATES, INC. AND RECORDED IN PLAT SLIDE 2020-250, CHATHAM COUNTY REGISTRY AND IN PLAT BOOK 122, PAGE 90, ORANGE COUNTY REGISTRY, TO WHICH PLAT REFERENCE IS HEREBY MADE FOR A MORE PARTICULAR DESCRIPTION OF SAME.

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Doc No: 30035513
Recorded: 12/03/2020 12:18:17 PM
Fee Amt: \$26.00 Page 1 of 5
Excise Tax: \$0.00
Orange County North Carolina
Mark Chilton, Register of Deeds
BK **6693** PG **708 - 712 (5)**

Jerena P. Cecil

Drawn by and RETURN TO: Eric W. Hinson, 1709 Legion Road, Ste 229, Chapel Hill, NC 27517

9757-30-1863

9757-30-3824 DBP

AMENDMENT TO

**DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS,
EASEMENTS, CHARGES AND LIENS
FOR
MORGAN RIDGE HOMEOWNERS' ASSOCIATION, INC.**

**[Book 2167, Page 50, Chatham Co. Registry]
[Book 6692, Page 2153, Orange Co. Registry]**

AMENDMENT TO

DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS,
EASEMENTS, CHARGES AND LIENS
FOR
MORGAN RIDGE HOMEOWNERS' ASSOCIATION, INC.

THIS AMENDMENT TO DECLARATION is made on the date hereinafter set forth by **Jones Ferry Properties, L.L.C.**, a North Carolina limited liability company authorized to do business in the State of North Carolina, (hereinafter "Declarant");

WITNESSETH:

WHEREAS, Declarant caused the recordation of that certain Declaration of Covenants, Conditions, and Restrictions, Easements, Charges and Liens for Morgan Ridge Homeowners' Association, Inc. in Book 2167, Page 50, Chatham County Registry and Book 6692, Page 2153, Orange County Registry, (the "Declaration");

WHEREAS, the Declaration subjects certain real property to the terms, covenants, conditions, restrictions, easements, charges and liens as set forth therein;

WHEREAS, Declarant has discovered that the real property described on Exhibit "A" of the Declaration is incorrect and desires to correct the legal description of the real property subject to the terms, covenants, conditions, restrictions, easements, charges and liens as set forth in the Declaration;

WHEREAS, Article X, Section 3, authorizes an amendment to the Declaration by the Declarant, if:

During the Declarant Control Period, the Declarant may amend this Declaration, without the consent or joinder of the Members or the Association, for the purpose of conforming this Declaration to the requirements of any governmental law or regulation. This Declaration may also be amended during the first twenty-five (25) year period by an instrument signed by the Owners of not less than eighty percent (80%) of the Lots, and thereafter by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots.

WHEREAS, Declarant is the owner of one hundred percent (100%) of the Lots;

NOW, THEREFORE, Declarant declares that the real property described in **EXHIBIT "A-1"** to this Amendment to Declaration and such additions thereto as may hereafter be made pursuant to Article II of the Declaration, is and shall be owned, held, transferred, sold, conveyed, mortgaged, used and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in the Declaration, which shall run with the real property and be binding on any and all persons, firms or corporations owning any right, title or interest in said real property or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

In all other respects, the terms of the Declaration, as amended and modified by this Amendment to Declaration shall remain in full force and effect and are hereby reaffirmed and ratified. If there is a conflict between this Amendment to Declaration and the Declaration, the terms of this Amendment to Declaration will prevail.

(Signature Page to Follow)

The individual(s) signing this instrument on behalf of Declarant warrant(s) and represent(s) that (s)he has the authority to act and bind said Declarant to the terms and conditions of this instrument.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed in its name by its duly authorized officer, as of the 3rd day of December, 2020.

Declarant

Jones Ferry Properties, L.L.C. , a North Carolina limited liability company

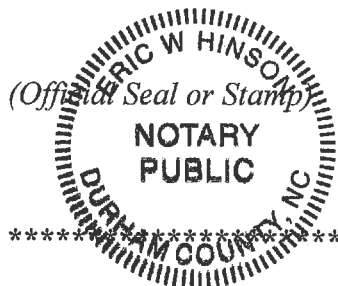
By: [Signature] (Seal)
E. Wesley Lloyd, Member and Manager

By: [Signature] (Seal)
Warren D. Mitchell, Member and Manager

STATE OF NORTH CAROLINA, COUNTY OF CHATHAM } ss:

I, Eric W. Hinson, a Notary Public of the State of North Carolina, County of Durham, do hereby certify that E. Wesley Lloyd and Warren D. Mitchell, personally appeared before me this day and acknowledged that (s)he is a Member(s) and Manager(s) of Jones Ferry Properties, L.L.C., a North Carolina Limited Liability Company and further acknowledged the due execution of the foregoing and annexed instrument on behalf of the said limited liability company.

Witness my hand and official seal, this the 3rd day of December, 2020.



[Signature]
Notary Public
My Commission Expires: 11/24/2021

EXHIBIT "A-1"

BEING ALL OF THAT TRACT OR PARCEL OF LAND CONSISTING OF 76.14 ACRES, MORE OR LESS, PER PLAT AND SURVEY THEREOF ENTITLED "SURVEY FOR JONES FERRY PROPERTIES LLC", DATED JUNE 11, 2014, AND PREPARED BY R.S. JONES & ASSOCIATES, INC., RECORDED IN PLAT BOOK 113, PAGE 22, ORANGE COUNTY REGISTRY AND PLAT SLIDE 2014-138, CHATHAM COUNTY REGISTRY, TO WHICH PLAT REFERENCE IS MADE FOR A MORE PARTICULAR DESCRIPTION OF SAME AND BEING THE SAME LAND CONVEYED TO JONES FERRY PROPERTIES, L.L.C. RECORDED IN BOOK 1748, PAGE 757, CHATHAM COUNTY REGISTRY AND IN BOOK 5807, PAGE 484, ORANGE COUNTY REGISTRY.

LESS AND EXCEPT

Being all of that certain tract located on the South side of Jones Ferry Road (SR 1942) and North of the Chatham County - Orange County boundary, containing 15.77 acres, more or less, described as follows: BEGINNING at a point on the Chatham County - Orange County boundary and located in the centerline of Jones Ferry Road (SR 1942) and running thence with the centerline of said Jones Ferry Road the following courses and distances: N77°03'01"E 86.24 feet; thence N77°31'29"E 372.82 feet; thence N75°07'05"E 107.08 feet; thence N72°20'37"E 81.51 feet; thence N69°10'50"E 78.12 feet; thence N64°45'41"E 55.45 feet; thence N69°22'18"E 75.67 feet; thence N74°05'43"E 80.23 feet; thence N76°14'07"E 122.86 feet; thence N62°13'24"E 106.20 feet; thence N53°01'20"E 142.74 feet; thence N46°58'47"E 87.59 feet; thence N44°40'29"E 106.59 feet; thence N43°41'51"E 115.83 feet; thence N43°07'40"E 158.86 feet; thence N42°56'28"E 134.70 feet; thence N43°10'23"E 117.48 feet; thence N43°20'52"E 114.63 feet to a point in the centerline of said Jones Ferry Road; running thence S19°05'30"E 343.38 feet to a 2" flat iron; running thence S01°56'45"W 748.33 feet to a set iron; continuing thence S01°56'45"W 20.00 feet to a point; running thence S52°36'03"W 16.56 feet to a point on the Chatham County-Orange County boundary; running thence along and with the Chatham County-Orange County boundary N83°16'05"W 1572.58 feet to the point and place of BEGINNING.

See Also, Plat Book 115, Page 52, Orange County Registry.

TOGETHER WITH

BEING ALL OF LOT 1A, CONTAINING 0.65 ACRES AS SHOWN ON THAT RECOMBINATION MAP RECORDED IN PLAT BOOK 116, PAGE 162, ORANGE COUNTY REGISTRY AND PLAT SLIDE 2017-83, CHATHAM COUNTY REGISTRY AND BEING THE SAME LAND CONVEYED TO JONES FERRY PROPERTIES, L.L.C. RECORDED IN BOOK 1913, PAGE 255, CHATHAM COUNTY REGISTRY AND IN BOOK 6269, PAGE 39, ORANGE COUNTY REGISTRY.

ALSO DESCRIBED AS

BEING ALL OF THAT TRACT OR PARCEL OF LAND AS SHOWN ON THAT CERTAIN MAP AND SURVEY ENTITLED "SURVEY FOR MORGAN RIDGE SUBDIVISION PHASE I", DATED MAY 28, 2020, PREPARED BY R.S. JONES & ASSOCIATES, INC. AND RECORDED IN PLAT SLIDE 2020-250, CHATHAM COUNTY REGISTRY AND IN PLAT BOOK 122, PAGE 90, ORANGE COUNTY REGISTRY, TO WHICH PLAT REFERENCE IS HEREBY MADE FOR A MORE PARTICULAR DESCRIPTION OF SAME.