



**The McLemore
Group**

TERMS OF AUCTION

AUCTION FOR – D & J of Catawba County, LLC

AUCTION LOCATION – Online only at <http://www.themclemoregroup.com>

AUCTION DATE – Concludes on April 30th, 2020 at 2:00pm

AUCTIONEER – Dan McLemore (Broker/Owner) & Matt Gallimore (Auctioneer) of United Country Real Estate – The McLemore Group located at 107-B N. Trade Street (P.O. Box 66) Matthews, NC 28105 has contracted with “Seller” to offer to sell certain property at public auction.

Offering – 7728 Long Bay Parkway Catawba, NC 28609

Legal Description – LOT 8 8 PL 54-56 LONG BAY PL 54-56

Parcel ID: 4701048008840000

General Terms and Conditions

10% Buyer’s Premium applied to final and accepted bid to arrive at Final Contract Price. Purchaser will be expected to sign a Real Estate Purchase Contract, Place an Earnest Money Deposit of \$5,000, and close by June 1st, 2020. Sold “Subject to Seller Confirmation”.

BIDDER REGISTRATION – **Register** online at <http://www.themclemoregroup.com>

Auctioneer may refuse to register or expel any person who is disruptive, noncompliant, or previously caused a problem of any kind for Seller or Auctioneer. The requirements for Bidder registration may be waived by Auctioneer with respect to any Bidder, without waiving same for any other Bidder. By registering, Bidder acknowledges receipt of the Terms of Auction and access to the Sale Contract and unconditionally and irrevocably agrees to be bound by both.

AGENCY DISCLOSURE – Auctioneer / Broker is acting exclusively as an agent for Seller and not as an agent for any bidder or buyer. No third-party broker / agent is acting as a subagent of Auctioneer.

COLLUSION – Bid-rigging is a federal felony punishable by imprisonment and fine. Auctioneer will report all suspected, illegal conduct to the F.B.I and cooperate with any investigation and prosecution

COPYRIGHT FOR AUCTION – The Auction is the exclusive intellectual property of Auctioneer, covered by copyright protection, and may not be recorded, reproduced, or used in any form by anyone other than Auctioneer.

DUE DILIGENCE – Seller and Auctioneer, Realtor(s), and/or Broker(s) do not attempt to provide Bidder with all of the information Bidder may need to make an informed decision about the Auction and Property. Bidder should obtain professional advice, inspect, and conduct due diligence on the Property, any occupancy of it, title, zoning, surrounding area, all information provided by Seller or Auctioneer, public records, Terms of Auction, Sale Contract, transaction contemplated, and all circumstances, defects, facts, issues, problems, and other relevant matter (collectively “Property Issues”). All information provided by Auctioneer came from Seller and Public Record and is believed to be accurate, but neither Seller nor Auctioneer guarantees, represents, or warrants its accuracy or completeness and Bidder should not rely upon it without independent inspection and verification from sources Bidder knows to be reliable. Bidder has either performed all inspections and other due diligence that it deems necessary in advance of bidding in the Auction, Bidder understands and fully accepts the risk of not having done so. No Property will be open for inspection following the Auction and through the time of closing the sale. Seller and Auctioneer, Realtor(s), and / or Broker(s) are not required to update any information provided or published and will have no liability whatsoever for failing to do so.

DISCLAIMERS – Participation in the Auction is at Bidder’s sole risk and Seller and Auctioneer, plus their agents, contractors, directors, employees, members, officers, and representatives will have no liability whatsoever. The Property will be offered “**AS IS, WHERE IS, WITH ALL FAULTS.**” To the fullest extent allowed by law, Seller and Auctioneer unconditionally disclaim any guarantee, representation, or warranty of every kind, whether expressed, implied, or statutory, whether oral or written, whether past, present, or future, with respect to all Property Issues, except as expressly provided in the terms of the Auction and the Sale Contract.

DISCLOSURES - Unless otherwise disclosed, the Property will be offered for sale and conveyed by deed free and clear of all liens, mortgages, deeds of trust, delinquent taxes, assessments and warrants, but subject to all non-monetary encumbrances such as conditions, covenants, deeds, easements, reservations, restrictions, right-of-ways, title exceptions, zoning regulations and matters of record. Maps, depictions, and sketches in any materials related to the Property are for illustration purposes only and Seller, Realtor, and Auctioneer do not guarantee, represent, or warrant their accuracy or completeness.

AUCTION METHOD – Auction will be “Sold Subject to Seller Confirmation” and conducted with internet bids until 2 pm on April 30th, 2020. Final high bid plus **10% Buyer’s Premium** will be the Contract Price. Purchaser will be required to sign a Contract of Purchase, where the final Contract Price will be the final bid plus **10% Buyer Premium**. Purchaser will be required to make a **\$5,000 Earnest Money Deposit** and close within **30 days**.

SALE CONTRACT – Bidder should carefully read and understand the Sale Contract before bidding in the Auction. The Property will be offered subject to the terms of the Sale Contract which is not negotiable. **This is a cash sale and not contingent upon any matter, including buyer obtaining financing.** Buyer will immediately execute the Sale Contract and all related documents presented by Auctioneer to bind Bidder and Seller to a sale of the Property and no addition, deletion, or revision will be permitted. The Sale Contract will exclusively govern the Parties’ rights, responsibilities, and remedies with respect to any sale of the Property and all related matters. The sale must close within 30 days following the Auction.

EARNEST MONEY DEPOSIT – Purchaser will be required to make a **\$5,000 Earnest Money on Day of Auction**. The Earnest Money Deposit shall be made with certified funds or funds authorized by Seller. If Purchaser defaults under the terms of the Sale Contract, Earnest Money will be forfeited to Seller and Auction Company. If Seller defaults under the terms of the Sale Contract, Earnest Money will be returned to Purchaser.

TITLE - At Settlement, Seller shall convey to Purchaser good and marketable fee simple title to the Property by **Deed of General Warranty**, free of all liens, tenancies, defects and encumbrances, except as otherwise indicated herein, and subject only to such restrictions and easements as shall then be of record which do not affect the use of the Property for residential purposes or render the title unmarketable. If a defect is found which can be remedied by legal action within a reasonable time, Seller shall, at Seller's expense, promptly take such action as is necessary to cure the defect. If Seller, acting in good faith, is unable to have such defect corrected within 60 days after notice of such defect is given to Seller, then this Contract may be terminated by either Seller or Purchaser. Purchaser may extend the date for Settlement to the extent necessary for Seller to comply with this Paragraph but not longer than 60 days.

RELEASE FOR USE – Bidders, Buyers, and other persons present at the Auction (collectively “Attendees”) are advised that Auctioneer and its agents, contractors, employees, and/or representatives may record the Auction related matter, and Attendees through audiotape, photography, motion pictures, and/or videotape for advertising, marketing, promotion, publicity, record, and/or trade purposes, and in consideration of being allowed to attend the Auction, Attendees unconditionally and irrevocably agree that their images and voices may be so recorded and used by Auctioneer in all types of media without territorial, time, or use limitation, and without compensation being owed or paid to Attendees by Auctioneer or Seller.

DISPUTE RESOLUTION – There shall be an attempt for any dispute resulting from Auction to be resolved by non-binding mediation. Any action must be commenced within two (2) years from the date when the cause of action accrues or it will be forever barred. The right of action will accrue, and the two (2) year limitation period will begin to run, on the date the breach, damage, or injury is sustained and not when the resulting damage or harm is discovered.

To the fullest extent allowed by law, neither Seller, Realtor, nor Auctioneer will be liable for any consequential, exemplary, incidental, indirect, punitive, or special loss or damage, including, but not limited to, damage to property or loss of income, revenues, time, or use that might arise out of the Auction, offering or sale of the Property, or any related matter, whether such action be in contract, tort, strict liability, or other legal or equitable theory.

Choice of Law, Jurisdiction, and Venue – Any Auction matter will be exclusively construed and governed in accordance with the laws of the State of Virginia, without regard to its conflict of laws principles. The exclusive jurisdiction and venue for any controversy or claim between the Parties will be the County of Floyd in the State of Virginia.

MISCELLANEOUS – The Terms of Auction will bind Bidders and their agents, assigns, attorneys, beneficiaries, brokers, directors, distributes, employees, executors, heirs, legatees, officers, representatives, shareholders, and successors in interest. No deletion, modification, supplement, or waiver of any provision of the Terms of Auction will be made, except by Auctioneer's written revision or announcement at the Auction.

Bidder Acknowledgement – By registering for online only auction you hereby agree to the terms of auction.

AERIAL IMAGE

Online Auction Only, Ending April 30, 2020

@ 2:00PM

www.themclemoregroup.com



**The McLemore
Group**



AREA MAP

Online Auction Only, Ending April 30, 2020
@ 2:00PM

www.themclemoregroup.com



**The McLemore
Group**



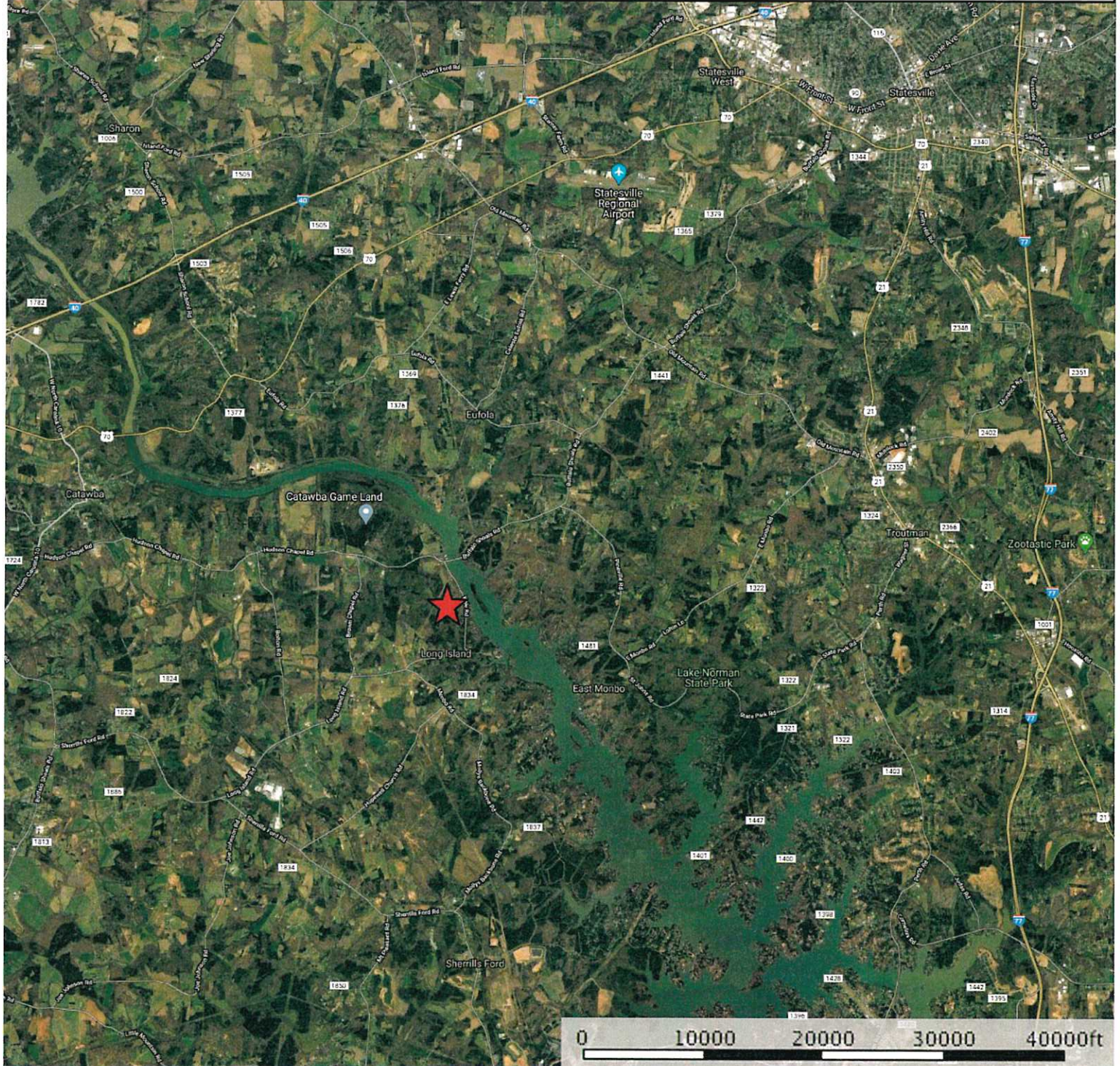
LOCATION MAP

Online Auction Only, Ending April 30, 2020
@ 2:00PM

www.themclemoregroup.com



**The McLeMore
Group**



Parcel Report - Catawba County NC

Parcel Information:

Parcel ID: **470104800884**
Parcel Address: 7728 LONG BAY PKWY
City: CATAWBA, 28609
LRK(REID): 301330
Deed Book/Page: 2718/1519
Subdivision: LONG BAY
Lots/Block: 8/
Last Sale: \$66,000 on 2002-12-30
Plat Book/Page: 54/56
Legal: LOT 8 8 PL 54-56 LONG BAY PL 54-56
Calculated Acreage: .720
Tax Map:
Township: CATAWBA
State Road #: 3117

Tax/Value Information: Tax Rates(pdf)

City Tax District: All in County
County Fire District: CATAWBA RURAL
Building(s) Value: \$0
Land Value: \$78,000
Assessed Total Value: \$78,000
Year Built/Remodeled: /
Current Tax Bill

Miscellaneous:

Building Permits for this parcel.
Building Details
WaterShed: WS-IV Critical Area
Voter Precinct: P21/ Voting Map
Parcel Report Data Descriptions

Owner Information:

Owner: D & J OF CATAWBA COUNTY LLC
Owner2:
Address: PO BOX 275
Address2:
City: SHERRILLS FORD
State/Zip: NC 28673-0275

School Information:

School District: COUNTY
Elementary School: CATAWBA
Middle School: MILL CREEK
High School: BANDYS
School Map

Zoning Information:

Zoning District: COUNTY
Zoning1: R-30
Zoning2:
Zoning3:
Zoning Overlay: CRC-O,WP-O,FPM-O
Small Area: SHERRILLS FORD
Split Zoning Districts: /
Zoning Agency Phone Numbers

Firm Panel Date: 2008-03-18
Firm Panel #: 3710470100K
2010 Census Block: 1007
2010 Census Tract: 011503
Agricultural District:

List all Owners

Deed History Report

Assessment Report

This map/report product was prepared from the Catawba County, NC Geospatial Information Services. Catawba County has made substantial efforts to ensure the accuracy of location and labeling information contained on this map or data on this report. Catawba County promotes and recommends the independent verification of any data contained on this map/report product by the user. The County of Catawba, its employees, agents, and personnel, disclaim, and shall not be held liable for any and all damages, loss or liability, whether direct, indirect or consequential which arises or may arise from this map/report product or the use thereof by any person or entity.

Assessment Report - Catawba County NC as of January current year

Property Assessment Information:

Card: 1 of 1 Class R

Next Previous Card

Revaluation Date: January 1, 2020

Parcel Information:

Parcel ID: 470104800884

Property Address: 7728 LONG BAY PKWY

LRK(REID): 301330

Owner Information:

Name: D & J OF CATAWBA COUNTY LLC

Name2:

Address: PO BOX 275

City/State/Zip: SHERRILLS FORD, NC 28673-0275

Assessment Information:

Market Building(s) Value: \$0

Total Market Value: \$78,000

Market Land Value: \$78,000

Use Total Value: \$0

Sales Data:

Date	Type	Price	Source	Validity
2002-12-30	LAND	\$66,000	BUYER	VALID SALE

Property Factors:

Topography	Utilities	Street or Road
ROLLING	NONE	PAVED

Building Permit Data:

Issue Date	Number	Amount	Purpose
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Notes:

Note1:

Last Update: 2019-02-12

Card: 1 of 1

Next Previous Card

The Building sketch is not currently available or there is no structure on property.

This map/report product was prepared from the Catawba County, NC Geospatial Information Services. Catawba County has made substantial efforts to ensure the accuracy of location and labeling information contained on this map or data on this report. Catawba County promotes and recommends the independent verification of any data contained on this map/report product by the user. The County of Catawba, its employees, agents, and personnel, disclaim, and shall not be held liable for any and all damages, loss or liability, whether direct, indirect or consequential which arises or may arise from this map/report product or the use thereof by any person or entity.

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Telephone: (828) 465-8270 TDD: (828) 465-8200 WLS # 2001-01963
IP X AC Prmt. Prmt. Prmt. Prmt. Prmt. Prmt. Prmt.
Owner/Agent BRIDGEWATER CO. U. LLC Phone 704-799-9720
Address LONG BAY PARKWAY Subdivision LONG BAY
CATAWBA N.C. 28609 Section/Block/Phase Lot # 8
Lot Size 0.72 Acres Directions: 10E (R) HUNTER CHASE ROAD (R) KATE ROAD CROSS
BRIDGE (R) LONG BAY PARKWAY PASS PAKSIDE DRIVE LOT # 8 AND (R)
Property Address LONG BAY PARKWAY
Facility: House X Mobile Home Business Multi-family Other: Pin Number 911 4700 02 89 7481-8
Other Zoning Approval # N/A
Bedrooms 4 # Seats # Employees Application Rate 30 GPD Flow 480
Hot Tub or Spa yes/no Special Fixtures Basement yes/no 100% Repair Area yes/no
Basement Plumbing yes/no Water Supply: Private Well X Public Semi-Public

Type of System: Trench Bed Pump X Pump/Panel Panel LPP Other 25% REDUCTION SYS
Septic Tank Size Pump Tank Size Nitrification Field: Total Square Feet Depth of Stone
Bed Size Trench Width Total Length of All Trenches Number of Trenches
Trench Length / / / / / Feet on Center Maximum Trench Depth Distance of Nearest Well
DO NOT INSTALL SEPTIC WHEN WET LAKE *WELL RECORD REQUIRED AT COMPLETION*

Topo % Slope
Texture
Structure
Clay Min.
Soil Wetness
Soil Depth
Restrict. Hoz. at
Available space yes/no
Overall Class S PS U
Comments: SEE SOIL NOTES
R. WILLIAMS
LONG BAY 13010

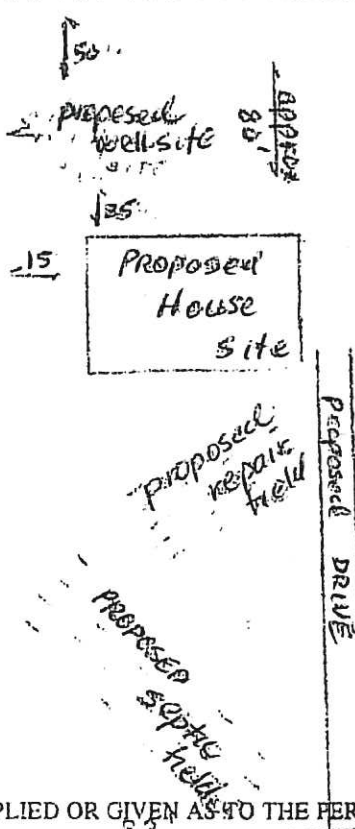


Exhibit "A"



Filter Required
Riser required when
tank is more than 6
inches deep.

NO GUARANTEE OR WARRANTY IS IMPLIED OR GIVEN AS TO THE PERFORMANCE OR LENGTH OF TIME THIS SYSTEM WILL FUNCTION

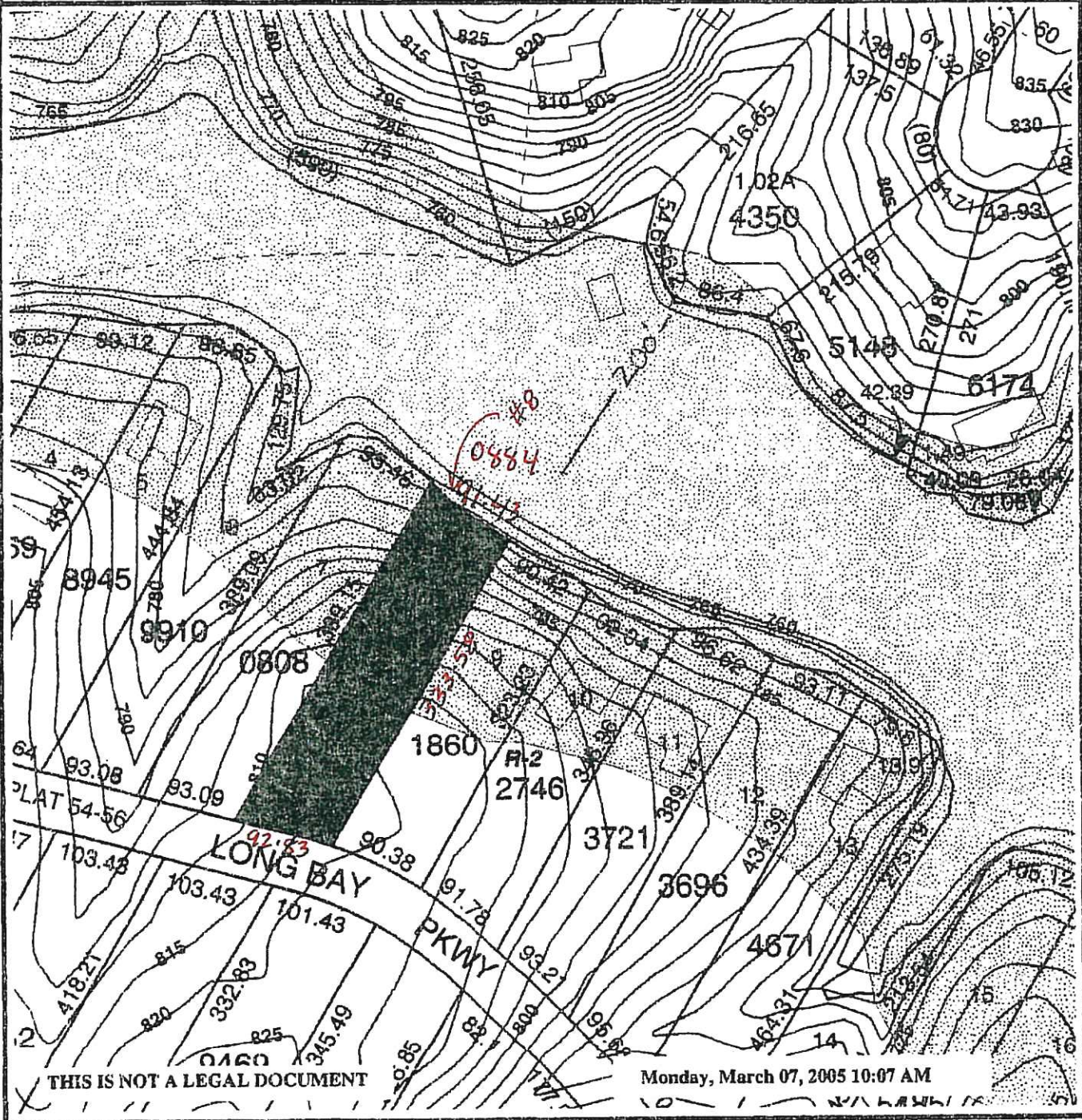
*Improvement Permit has no expiration date and is transferable, but may be revoked if site plans or intended use changes for the proposed facility. An Authorization to Construct is valid for (5) five years from date issued and is not transferable. Well Permit valid for 5 years provided site conditions do not change. Well location, installation, and protection must meet state and local regulations, and must be inspected and approved by a representative of the Catawba County Health Department before any portion of the installation is put into use. The siting of the well by the Health Department staff is to provide protection from known possible sources of contamination. No volume of water is guaranteed at any site by the Health Department.

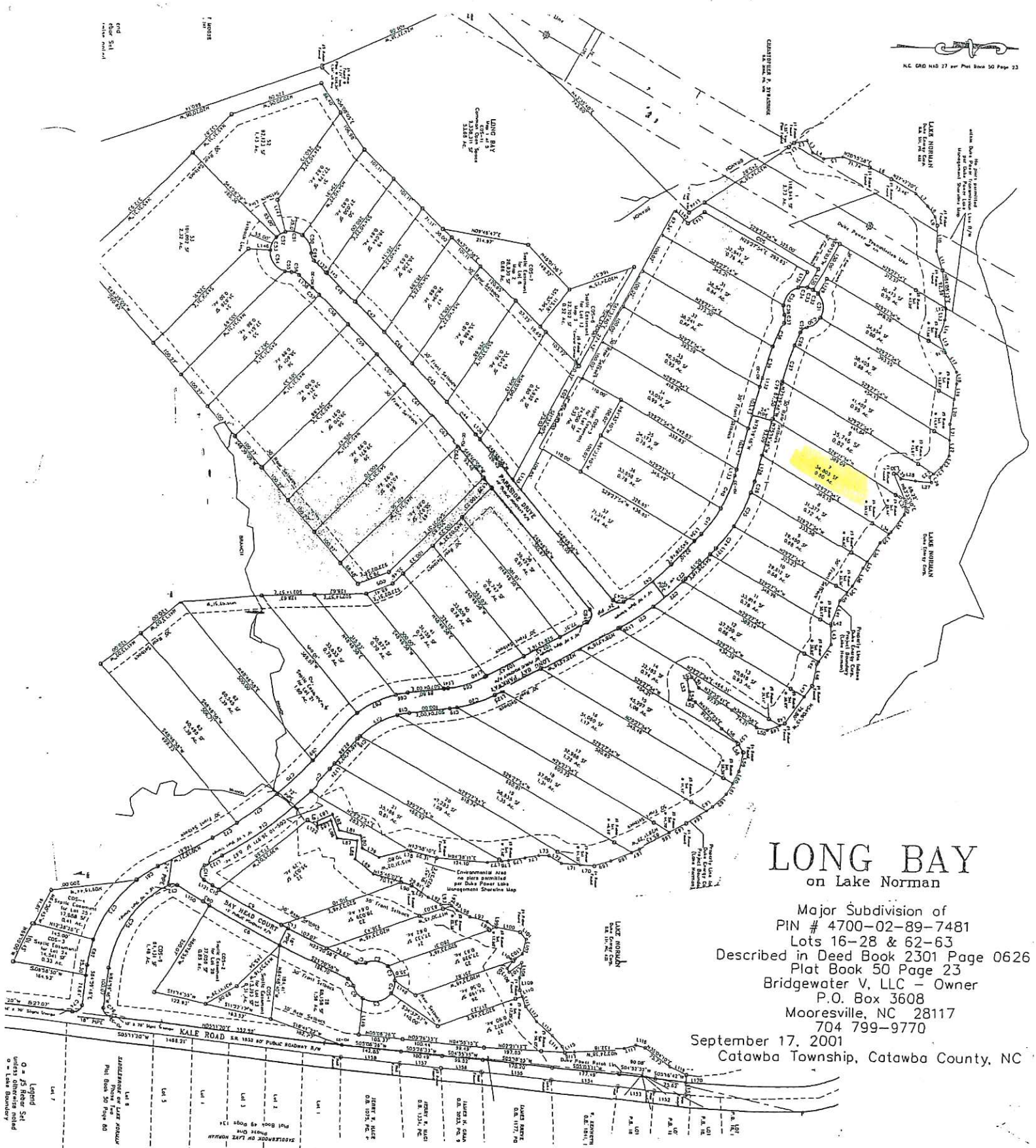
Permit Date APR 23 2011 EHS
Owner/Agent Septic Tank Installed By Date
EHS Well Installed By Well Grout Approval Date
Well Head Approval Date Date Sample Collected
Date of Results Results EHS
White - Office Blue - Building Inspection Operation Permit Yellow - Owner/Agent Green - Building Inspection Authorization to Construct

N

Selected Parcel Number: 4701-04-80-0884

Prepared for: D



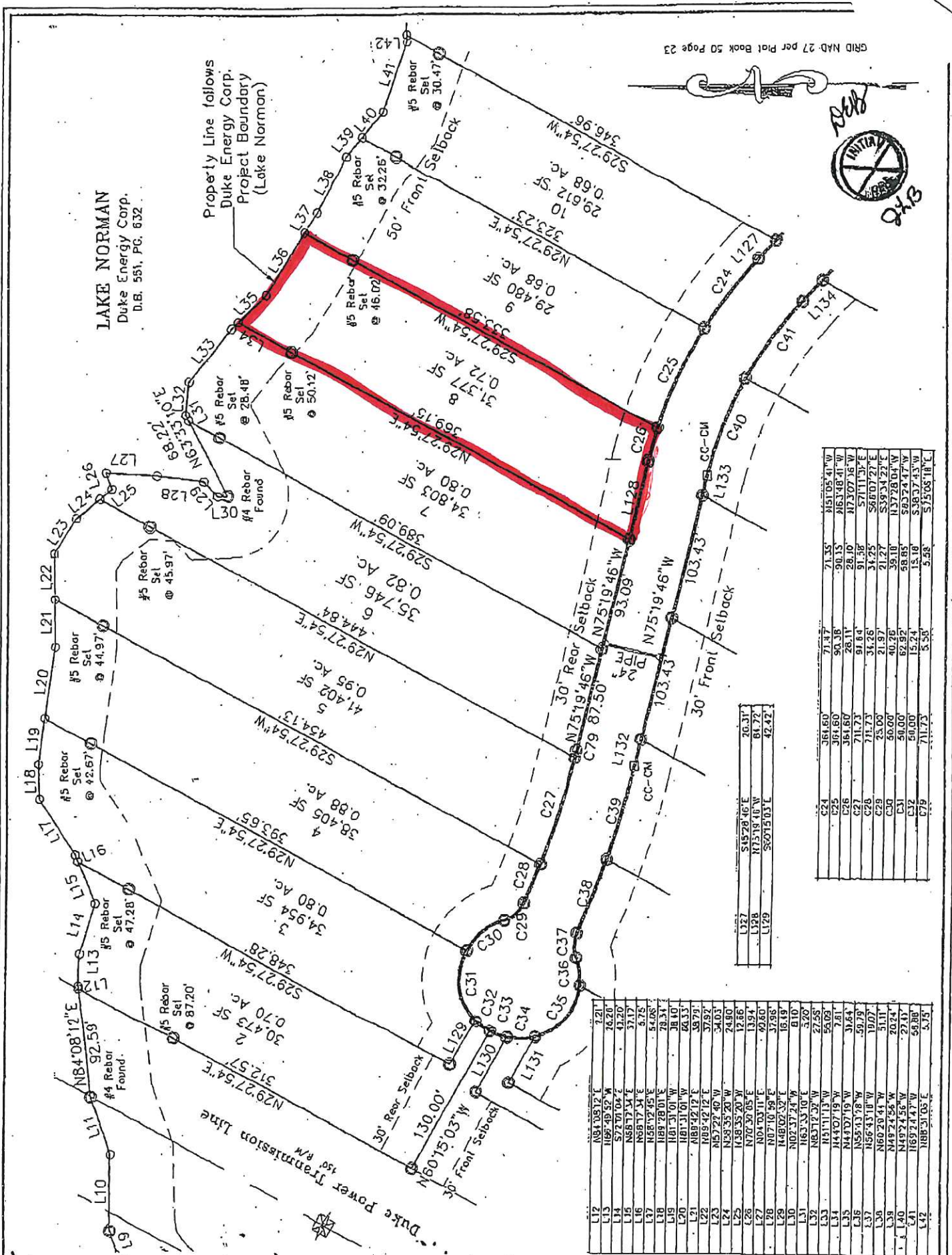


LONG BAY

on Lake Norman

Major Subdivision of
PIN # 4700-02-89-7481
Lots 16-28 & 62-63
Described in Deed Book 2301 Page 0626
Plat Book 50 Page 23
Bridgewater V, LLC - Owner
P.O. Box 3608
Mooresville, NC 28117
704 799-9770
September 17, 2001
Catawba Township, Catawba County, NC

Legend
O = Easement
S = Right of Way
- = Lake Boundary



319'

320'

277'

SETBACK

LOT #7

185'

LAKE NORMAN

760°

50'

DUKE POWER
Setback

LOT #8
.72 AC

369.15

15' SETBACK

15' SETBACK

333.58

HILL

Long Bay

FILED
 CATAWBA COUNTY
 DONNA HICKS SPENCER
 REGISTER OF DEEDS
 FILED Dec 29 2005
 AT 10:10:32 am
 BOOK 00716
 START PAGE 1018
 END PAGE 1800
 INSTRUMENT NO. 05040
 EXCISE TAX \$0.00
 Fee

Excise Tax \$ - 0 -

TITLE NOT EXAMINED

Recording Time, Book and Page

Tax Lot No. **4701-04-80-0884.000** Parcel Identifier No. _____
 Verified by _____ County on the _____ day of _____, 19____
 by _____

Mail after recording to A. Giordano, 319 S Sharon Amity Road, Suite 230, Charlotte, NC 28211
 This instrument was prepared by A. Giordano, Esq.

Brief Description for the index

Lot 8 LONG BAY

NORTH CAROLINA GENERAL WARRANTY DEED

THIS DEED is made this 29 day of November, 2005, by and between

GRANTOR

GRANTEE

David Eugene Brown and wife, Janet Louise Brown

D & J of Catawba County, LLC

P.O. Box 275
 Sherrills Ford, NC 28673

Enter in appropriate block for each party: name, address, and, if appropriate, character of entity, e.g., corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in the City of _____, _____ Township, Catawba County, North Carolina and more particularly described as follows:

BEING all of Lot 8 of LONG BAY SUBDIVISION recorded in Plat Book 54 at Page 56 in the Office of the Register of Deeds for Catawba County, North Carolina.

Br 2718 PG 1520

The property hereinabove described was acquired by Grantor by instrument recorded in Deed Book 2423, Page 1.

A map showing the above described property is recorded in _____.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated.

Title to the property hereinabove described is subject to the following exceptions:

Valid and enforceable easements and restrictions of record.

The lien of 2005 ad valorem real property taxes which the Grantee herein agrees and assumes to pay.

IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal, or if corporate, has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

(Corporate Name)

By: _____

President

ATTEST:

Secretary (Corporate Seal)

USE BLACK INK ONLY

David Eugene Brown (SEAL)
David Eugene Brown

Janet Louise Brown (SEAL)
Janet Louise Brown

(SEAL)

(SEAL)

USE BLACK INK

NORTH CAROLINA, Mecklenburg County.

I, the undersigned, a Notary Public of the County and State aforesaid, certify that David Eugene Brown and wife, Janet Louise Brown Grants, personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal on this 29 day of November, 2005.

My commission expires: 2/19/08

Connie L. Hodges Notary Public

SEAL-STAMP

SEAL-STAMP

ACK INK ONLY

NORTH CAROLINA, _____ County.

I, the undersigned, a Notary Public of the County and State aforesaid, certify that _____ personally came before me this day and acknowledged that he/she is _____ Secretary of _____, a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its _____ President, sealed with its corporate seal and attested by him/her as its _____ Secretary. Witness my hand and official stamp or seal on _____

REAL PROPERTY AUCTION PURCHASE AND SALE CONTRACT

THIS AGREEMENT made this 30th day of April, 2020, by and between

("Buyer"), and
D & J of Catawba County, LLC ("Seller").

WHEREAS at an auction conducted this day by United Country Real Estate - The McLemore Group ("Firm"), Buyer has become the high bidder, and for and in consideration of the mutual promises set forth herein, together with other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller has agreed to sell and convey, and Buyer has agreed to buy by becoming the high bidder, all of that plot, piece or parcel of land described below, together with all improvements located thereon, fixtures, and such personal property as listed below (collectively referred to as the "Property"), upon the following terms and conditions:

1. **REAL PROPERTY:** The Property shall include all that real estate described below together with all appurtenances thereto including the improvements located thereon and the fixtures and personal property listed in Paragraphs 2 and 3 below. NOTE: If the Property will include a manufactured (mobile) home(s), Buyer and Seller should consider including the Manufactured (Mobile) Home provision in the Additional Provisions Addendum (Standard Form 2A11-T) with this offer.

Street Address: 7728 Long Bay Pkwy
City: Catawba Zip 28609
County: Catawba, North Carolina

NOTE: Governmental authority over taxes, zoning, school districts, utilities and mail delivery may differ from address shown.

Legal Description: (Complete ALL applicable)

Plat Reference: Lot/Unit 8, Block/Section n/a, Subdivision/Condominium Long Bay
_____, as shown on Plat Book/Slide 54 at Page(s) 56

The PIN/PID or other identification number of the Property is: 470104800884 Acreage: .72

Other description: LOT 8 8 PL 54-56 LONG BAY PL 54-56

Some or all of the Property may be described in Deed Book 2718 at Page 1519

☐ ADDITIONAL PARCELS. If additional parcels of real property are the subject of this Agreement, any such parcels are described in an attached exhibit to this Agreement, and the term "Property" as used herein shall be deemed to refer to all such parcels.

Mineral rights ☒ are ☐ are not included.

Timber rights ☒ are ☐ are not included.

NOTE: Prior to signing this Real Property Auction Purchase and Sale Contract, Buyer is advised to review Restrictive Covenants, if any, which may limit the use of the Property, and to read the Declaration of Restrictive Covenants, Bylaws, Articles of Incorporation, Rules and Regulations, and other governing documents of the owners' association and/or the subdivision, if applicable. If the Property is subject to regulation by an owners' association, it is recommended that Buyer obtain a copy of a completed Owners' Association Disclosure And Addendum (standard form 2A12-T) prior to signing this Real Property Auction Purchase and Sale Contract, and include it as an addendum hereto.

2. FIXTURES:

(a) **Included Items:** The following items, if any, are deemed fixtures and are included in the Purchase Price free of liens:
n/a

All other items attached or affixed to the Property shall also be included in the Purchase Price unless excluded in subparagraph (b) below.

(b) **Excluded Items:** The following items, if any, which are attached or affixed to the Property are leased or not owned by Seller or otherwise are NOT included in the Purchase Price: n/a

3. **PERSONAL PROPERTY:** The following personal property shall be transferred to Buyer at no value at Closing:
None.



4. **PURCHASE PRICE:** The purchase price of the Property is \$ _____ and shall be paid in US dollars. Should any check or other funds paid by Buyer be dishonored, for any reason, by the institution upon which the payment is drawn, Buyer shall have one (1) banking day after written notice to deliver cash or immediately available funds to the payee. In the event Buyer does not timely deliver cash or immediately available funds, the Seller shall have the right to terminate this contract upon written notice to the Buyer. An earnest money deposit in the amount of \$ 5,000.00 by ☐ cash ☐ personal check ☐ official bank check ☒ wire transfer has this day been made to Firm. The earnest money deposit shall be applied as part payment of the purchase price of the Property at Closing or disbursed as otherwise provided under the provisions of this contract. Buyer shall pay the balance of the purchase price, in the amount of \$ _____, in full in legal tender to Seller at Closing. Firm will hold the earnest money in an escrow or trust account until it is conveyed to the closing attorney or its disposition is otherwise directed by the written agreement of the parties or the order of a court of competent jurisdiction. In the event of breach of this contract by Seller, upon Buyer's request, all earnest monies shall be returned to Buyer, but such return shall not affect any other remedies available to Buyer for such breach. In the event of breach of this contract by the Buyer, all earnest monies shall be forfeited to Seller, but such forfeiture shall not affect any other remedies available to Seller for such breach.

NOTE: In the event of a dispute between Seller and Buyer over there turn or forfeiture of the earnest money, Firm is required by state law to retain said earnest money in the Firm's trust or escrow account until a written release from the parties consenting to its disposition has been obtained or until disbursement is ordered by a court of competent jurisdiction. Alternatively, if a Firm is holding the earnest money, the Firm may deposit the disputed monies with the appropriate clerk of court in accordance with the provisions of N.C.G.S. §93A-12.

THE PARTIES AGREE THAT A REAL ESTATE BROKERAGE FIRM ACTING AS ESCROW AGENT MAY PLACE ANY EARNST MONIES DEPOSITED BY BUYER IN AN INTEREST BEARING TRUST ACCOUNT AND THAT ANY INTEREST EARNED THEREON SHALL BE DISBURSED TO THE ESCROW AGENT MONTHLY IN CONSIDERATION OF THE EXPENSES INCURRED BY MAINTAINING SUCH ACCOUNT AND RECORDS ASSOCIATED THEREWITH.

5. **NO FINANCING CONTINGENCIES OR INSPECTION RIGHTS:** THERE ARE NO FINANCING CONTINGENCIES OR INSPECTION RIGHTS FOR BUYER. SELLER IS NOT OBLIGATED TO MAKE ANY REPAIRS, CHANGES, IMPROVEMENTS OR OTHER MODIFICATIONS TO THE PROPERTY. PRIOR TO SUBMITTING THE HIGH BID FOR THE PROPERTY, BUYER DETERMINED THAT THE PROPERTY MEETS ALL LEGAL REQUIREMENTS FOR BUYER'S INTENDED USE OF THE PROPERTY AND IS NOT SUBJECT TO GOVERNMENTAL OR PRIVATE RESTRICTIONS THAT WILL INTERFERE WITH SUCH INTENDED USE, INCLUDING, BUT NOT LIMITED TO, ENVIRONMENTAL REGULATIONS, WETLAND QUALIFICATION, FLOOD HAZARD OR FLOOD PLAIN DESIGNATION AND SEPTIC SYSTEM SUITABILITY. THIS PROPERTY IS BEING SOLD "AS IS" IN ITS CURRENT CONDITION.

6. **REASONABLE ACCESS/RESTORATION AND INDEMNITY:** Seller will provide reasonable access to the Property through Closing for the purpose of evaluating the Property. Buyer shall, at Buyer's expense, promptly repair any damage to the Property resulting from any activities of Buyer and Buyer's agents and contractors. Buyer will indemnify and hold Seller harmless from all loss, damage, claims, suits or costs, which shall arise out of any contract, agreement, or injury to any person or property as a result of any activities of Buyer and Buyer's agents and contractors relating to the Property except for any loss, damage, claim, suit or cost arising out of pre-existing conditions of the Property and/or out of Seller's negligence or willful acts or omissions. This repair obligation and indemnity shall survive this contract and any termination hereof. Buyer may conduct a walk-through inspection of the Property prior to Closing.

7. **SPECIAL ASSESSMENTS:** If the Property is subject to any pending or confirmed governmental or owners' association special assessments, then they shall be the sole obligation of Buyer to pay.

8. **CLOSING:** The closing shall take place on 06/01/2020 (the "Closing Date") unless otherwise agreed in writing, at a time and place designated by Buyer. Closing is defined as the date and time of recording of the deed. The deed is to be made to _____. Absent agreement to the contrary in this Contract or any subsequent modification thereto, if a party is unable to complete Settlement by the Settlement Date but intends to complete the transaction and is acting in good faith and with reasonable diligence to proceed to Closing ("Delaying Party"), and if the other party is ready, willing and able to complete Closing on the Closing Date ("Non-Delaying Party") then the Delaying Party shall give as much notice as possible to the Non-Delaying Party and Closing Attorney and shall be entitled to a delay in Closing. If the parties fail to complete Closing within fourteen (14) days of the Closing Date (including any amended Closing Date agreed to in writing by the parties) or to otherwise extend the Closing Date by written agreement, then the Delaying Party shall be in breach and the Non-Delaying Party may terminate this Contract and shall be entitled to enforce any remedies available to such party under this Contract for the breach.

9. **POSSESSION:** Possession shall be delivered, subject to existing leases, ☒ at Closing OR ☐ on _____.

10. **PRORATIONS AND PAYMENT OF CLOSING EXPENSES:** Seller shall pay any real estate transfer or excise tax and the cost of deed preparation. Rental income from agricultural tenancies ☐ shall be prorated on a calendar year basis as of the date of Closing ☒ shall not be prorated. In the event that such income is not prorated, then the parties agree that ☐ Seller ☒ Buyer is entitled to any such income for the current year. Any other rental income from the Property, Property taxes for the current year, any deferred ad valorem taxes due as a result of the Closing (except deferred taxes for prior years, which are the Seller's sole responsibility) and Owners' association dues or other like charges shall be prorated on a calendar year basis as of the date of Closing. Buyer shall be responsible for all other expenses in connection with Buyer's purchase of the Property, including, but not limited to, the expense of any survey ordered by Buyer for the benefit of Buyer, compensation of the Closing Agent, recording fees and preparation fees for any other documents.

11. SELLER OBLIGATIONS:

(a) **Affidavit and Indemnification Agreement:** Seller shall furnish at Closing an affidavit(s) and indemnification agreement(s) in form satisfactory to Buyer and Buyer's title insurer, if any, executed by Seller and any person or entity who has performed or furnished labor, services, materials or rental equipment to the Property within 120 days prior to the date of Closing and who may be entitled to claim a lien against the Property as described in N.C.G.S. §44A-8 verifying that each such person or entity has been paid in full and agreeing to indemnify Buyer, Buyer's lender(s) and Buyer's title insurer against all loss from any cause or claim arising therefrom.

(b) **Designation of Lien Agent, Payment and Satisfaction of Liens:** If required by N.C.G.S. §44A-11.1, Seller shall have designated a Lien Agent, and Seller shall deliver to Buyer as soon as reasonably possible a copy of the appointment of Lien Agent. All deeds of trust, deferred ad valorem taxes, liens and other charges against the Property, not assumed by Buyer, must be paid and satisfied by Seller prior to or at Settlement such that cancellation may be promptly obtained following Closing. Seller shall remain obligated to obtain any such cancellations following Closing.

(c) **Good Title, Legal Access:** Seller shall execute and deliver a ☒ GENERAL WARRANTY DEED ☐ SPECIAL WARRANTY DEED ☐ NON-WARRANTY (QUITCLAIM) DEED ☐ OTHER (sheriff's deed, tax deed, trustee's deed, executor or administrator's deed, etc.) (describe): _____ for the Property in recordable form no later than Closing, which shall convey fee simple marketable and insurable title, without exception for mechanics' liens, and free of any other liens, encumbrances or defects, including those which would be revealed by a current and accurate survey of the Property, except: ad valorem taxes for the current year (prorated through the date of Settlement); utility easements and unviolated covenants, conditions or restrictions that do not materially affect the value of the Property; and such other liens, encumbrances or defects as may be assumed or specifically approved by Buyer in writing. The Property must have legal access to a public right of way.

12. **RISK OF LOSS:** Until Closing, the risk of loss or damage to the Property shall be borne by Seller, reasonable wear and tear excepted. In the event the Property is damaged so that the Property cannot be conveyed in substantially the same condition as of the time of the auction, Buyer may elect to terminate this contract and the earnest money shall be returned to Buyer.

13. OTHER PROVISIONS AND DISCLOSURES:

(a) **North Carolina Residential Property and Owners' Association Disclosure Statement (check only one):**

☐ Prior to submitting the high bid for the Property, Buyer received a signed copy of the N.C. Residential Property and Owners' Association Disclosure Statement.

OR

☒ The transaction is exempt from N.C. Residential Property Disclosure Act because (SEE GUIDELINES):

Land Only

(b) **Mineral and Oil and Gas Rights Mandatory Disclosure Statement (check only one):**

☒ Prior to submitting the high bid for the Property Buyer received a signed copy of the N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement.

OR

☐ The transaction is exempt from N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement because (SEE GUIDELINES): _____.

Buyer's receipt of a Mineral and Oil and Gas Rights Mandatory Disclosure Statement does not modify or limit the obligations of Seller under Paragraph 11(c) of this Contract and shall not constitute the assumption or approval by Buyer of any severance of mineral and/or oil and gas rights, except as may be assumed or specifically approved by Buyer in writing.

(NOTE: The parties are advised to consult with a NC attorney prior to signing this Contract if severance of mineral and/or oil and gas rights has occurred or is intended.)

(c) **Lead-Based Paint Disclosure** (check if applicable):

☐ The Property is residential and was built prior to 1978. (Lead-Based Paint and/or Lead-Based Paint Hazards Disclosure is attached).

(d) **Addenda** (itemize all addenda and attach hereto):

☐ Seller Financing Addendum (Form 2A5-T)

☐ Short Sale Addendum (Form 2A14-T)

☐
☐
☐
☐

(e) **Owners' Association(s) and Dues:** Seller authorizes and directs any owners' association, any management company of the owners' association, any insurance company and any attorney who has previously represented the Seller to release to Buyer, Buyer's agents, representative, or lender true and accurate copies of the following items affecting the Property, including any amendments:

- master insurance policy showing the coverage provided and the deductible amount
- Declaration and Restrictive Covenants
- Rules and Regulations
- Articles of Incorporation
- Bylaws of the owners' association
- current financial statement and budget of the owners' association
- parking restrictions and information
- architectural guidelines

The name, address and telephone number of the president of the owners' association or the association manager is:
Focus Management (704)494-0400

Owners' association website address, if any: _____

The name, address and telephone number of the president of the owners' association or the association manager is:

Owners' association website address, if any: _____

(f) **Primary Residence:** Seller represents that the Property ☐ is or ☒ is not Seller's primary residence.

(g) **Other:** None.

14. **ENTIRE AGREEMENT; NOTICE:** This contract constitutes the sole and entire agreement of the parties hereto and there are no representations, inducements or other provisions other than those expressed herein. No modification shall be binding unless in writing and signed by all parties hereto. Any notice or communication to be given to a party herein may be given to the party or to such party's agent. Any written notice or communication in connection with the transaction contemplated by this Contract may be given to a party's agent by sending or transmitting it to any mailing address, e-mail address or fax number set forth in the information section below.

15. **SURVIVAL OF REPRESENTATIONS AND WARRANTIES:** All representations, warranties, covenants and agreements herein made by the parties shall survive the Closing. Seller shall, at or within six (6) months after the Closing, and without further consideration, execute, acknowledge and deliver to Buyer such other documents and instruments and take such other action as Buyer may reasonably request or as maybe necessary to more effectively transfer to Buyer the Property described herein in accordance with this contract.

16. **TAX-DEFERRED EXCHANGE:** In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Seller and Buyer shall execute such additional documents, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

17. **APPLICABLE LAW:** This contract shall be construed under the laws of the State of North Carolina.

18. **ASSIGNMENT:** This Contract may be assigned by Buyer at Buyer's discretion. If assigned, this Contract shall be binding on the assignee and assignee's heirs and successors.

19. **PARTIES:** This contract shall be binding upon and shall inure to the benefit of the parties, *i.e.*, Buyer and Seller and their heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. MAKES NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

BUYER:

____ (SEAL)

Date: _____

____ (SEAL)

Date: _____

Entity Buyer:

(Name of LLC/Corporation/Partnership/Trust/etc.)

By: _____

Name: _____

Title: _____

Date: _____

SELLER:

____ (SEAL)

D & J of Catawba County, LLC

Date: _____

____ (SEAL)

Date: _____

Entity Seller:

D & J of Catawba County, LLC

(Name of LLC/Corporation/Partnership/Trust/etc.)

By: _____

Name: **Gene Brown**

Title: **Owner**

Date: _____

[THIS SPACE LEFT INTENTIONALLY BLANK]

Firm acknowledges receipt of the earnest money and agrees to hold and disburse the same in accordance with the terms hereof.

Date: _____

Firm: United Country RE - The McLemore Group

By: _____

(Signature)
Dan McLemore

SELLING AGENT INFORMATION:

Individual Selling Agent: _____ Real Estate License #: _____

☐ Acting as a Designated Dual Agent (check only if applicable)

Individual Selling Agent Phone #: _____ Fax #: _____ Email: _____

Firm Name: _____

Acting as ☐ Seller's (sub) Agent ☐ Buyer's Agent ☐ Dual Agent

Firm Mailing Address: _____

NCAL Firm License #: _____

LISTING AGENT INFORMATION:

Individual Listing Agent: Dan McLemore Real Estate License #: 174689

☐ Acting as a Designated Dual Agent (check only if applicable)

Individual Listing Agent Phone #: (704)564-0351 Fax #: 704-817-2544 Email: dan@themclemoregroup.com

Firm Name: United Country Real Estate -The McLemore Group

Acting as ☒ Seller's (sub) Agent ☐ Dual Agent

107B N Trade Street

Firm Mailing Address: Matthews, NC 28106

NCAL Firm License #: 10345

BID CALLER INFORMATION:

Auctioneer (Bid Caller) Name: Matthew Gallimore NCAL License #: 10250

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2001 OCT 23 PM 12 31

REGIST DEEDS
CATAWBA CO., N.C.

LONG BAY

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

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STATE OF NORTH CAROLINA

COUNTY OF CATAWBA

LONG BAY
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

Drawn by and mail to:
Joseph N. Tissue
Mitchell, Rallings & Tissue, PLLC
227 West Trade Street, Suite 1800
Charlotte, NC 28202
(704) 376-6574

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS made this the 3 day of October, 2001 by Bridgewater Company V, LLC which is seised of the fee simple estate in that real property located in Catawba County, North Carolina described in the following Article II, Section I;

WITNESSETH THAT

In order to (1) create a restricted, structured and high quality residential environment; (2) provide for high quality design of homes, site arrangements, and amenities; (3) assure a satisfactory integration of the Subdivision into the surrounding area; (4) enhance general development within the Subdivision; (5) enhance the value, marketability, and quality of all property within the Subdivision; (6) prevent construction of inappropriate Improvements; (7) provide for compliance with Applicable Laws concerning zoning, construction, safety, the public welfare and environment; (8) provide for an association of property owners within the Subdivision (which will own and maintain Common Area including Private Roads); and (9) provide the owners of Lots with the best possible value for their investment and to protect that investment; Bridgewater Company V, LLC, does hereby, for the use and benefit of itself and its successors and assigns, **DECLARE, RESERVE AND IMPOSE** upon the property described in the following Article II, Section I, the following conditions, covenants, reservations, easements and restrictions.

ARTICLE I
Definitions

Words or phrases defined in this Article I shall be interpreted in accordance with that defined meaning whenever those words or phrases are used in this Declaration.

- (a) **Additional Property** - Any real property subject to this Declaration in addition to that 129 acres (approximately) described in Article II, Section 1. The procedure for adding Additional Property is described in Article II, Section 3.
- (b) **Amenity Area** - Any area within the Property which Declarant may hereafter designate as Common Area for the purpose of erecting, at Declarant's cost, facilities or amenities for the common use of Owners, Occupants, and their invitees and guests. Such facilities may include play areas, dry boat parking, open areas and the like. Declarant has not committed to construct any specific facilities for any Amenity Area at the time of the Filing of this Declaration.

- (c) **Applicable Laws** - All enforceable laws, regulations and ordinances validly promulgated and placed into effect by the County of Catawba, the State of North Carolina, and the United States of America including all zoning regulations of those governmental entities having jurisdiction as well as sign, street, tree and floodway ordinances; land use, Lake Norman, environmental resources, hazardous materials laws; and such general laws of all appropriate jurisdictions as may effect the Subdivision.
- (d) **Architectural and Site Guidelines** - Those rules, regulations and guidelines promulgated from time to time by the Architectural Review Committee pursuant to the power set forth in Article VIII, Section 3. All Architectural and Site Guidelines, whenever promulgated shall have the same force and effect as if they were originally set forth in this Declaration as Restrictions.
- (e) **Association** - Long Bay Home Owners Association, Inc., a North Carolina not-for-profit corporation to be formed by Declarant.
- (f) **Buffer Area** - That portion of any Lot within fifty feet (50') of: [i] the 760' contour line of Lake Norman as defined by Duke Energy Corporation or its successors from time to time; or [ii] the land-ward side of any rip rap or other shore stabilization improvements installed in accordance with Applicable Laws and the approval of Duke Energy Corporation or its successors. This is a protected zone subject to strict limitations upon development, clearing and use as stated herein and in Applicable Laws.
- (g) **Bylaws** - Bylaws shall mean the Bylaws for the Association adopted by the initial Board of Directors of the Association.
- (h) **Committee** - The Architectural Review Committee established pursuant to Article VIII.
- (i) **Common Area or Common Areas** - Common Area or Common Areas shall mean any Amenity Area, Parking Area, Pier, Boatslips, Boat Launching Ramp, Entrance Monument, and any other property designated on the Map as "Common Area", "Common Open Space", "COS", "Common Open Space Septic", or "COS Septic", and any other property designated as Common Area in this Declaration or any amendment or supplement hereto. The Common Areas shall be owned by the Association (except as otherwise provided in this Declaration) for the common use, benefit and enjoyment of the Owners, or of only certain Owners to the exclusion of other Owners), as designated in this Declaration. The preceding listing and description of possible components of the Common Area is illustrative only. The Declarant reserves the right, but not the obligation, to provide additional Common Areas within the Subdivision. Lots owned by Declarant may be converted to Common Areas at Declarant's election and the Filing of an amended Map indicating such conversion.
- (j) **Declarant** - Bridgewater Company V, LLC or an assignee of the powers granted herein to Bridgewater Company V, LLC.
- (k) **Declaration** - This Declaration of Covenants, Conditions and Restrictions as executed by the Declarant and Filed.
- (l) **Entrance Monument** - Entrance Monument shall mean and refer to any monument and entrance sign located thereon, together with lighting, irrigation system, landscaping and other improvements which may be constructed as an entryway for the Subdivision.

- (m) **File** - Recording in the Office of the Register of Deeds for Catawba County, North Carolina.
- (n) **Half Story** - means a story which contains fifty percent (50%) or less Heated Living Area than the story in the house containing the most Heated Living Area.
- (o) **Heated Living Area** - as applied to a residential dwelling, excludes:
 - basement areas (defined as any level in which at least one perimeter wall is below, or partially below, grade), unless such basement areas have two or more perimeter walls above surrounding grade, and such basement areas are fully heated and air-conditioned and have interiors finished to a quality equal to the above grade levels of the dwelling;
 - vaulted ceilings areas;
 - attics;
 - unheated porches;
 - attached or detached garages;
 - porte-cocheres;
 - unheated storage areas;
 - decks; and
 - patios.
- (p) **Improvements** - All buildings, out buildings, underground installations, roads, driveways, parking areas, fences, screens, retaining walls, stairs, decks, windbreaks, plantings, poles, signs, piers, docks, cuts and fills, and all other structures or landscaping improvements of every variety and nature.
- (q) **Interior Lots** - Interior Lots shall mean those Lots in the Subdivision, if any, which are not Waterfront Lots.
- (r) **Lot** - Lot or Lots shall mean the separately numbered single-family lots depicted on the Map, including all Waterfront Lots and Interior Lots, but not including any Common Areas.
- (s) **Map** - Map shall mean (i) the plat of Long Bay recorded in Plat Book 54, Pages 55, 56, 57, 58 & 59, in the Office of the Catawba County Register of Deeds, North Carolina; (ii) any Filed plats of other portions of the Property described in Article II, Section 1, for the purpose of subdividing those lands into Lots, dedicating roadways, Common Area, or any other purpose; (iii) any Filed plats of Additional Property subjected to this Declaration, and (iv) any revisions of such Filed map or maps.
- (t) **Mortgage** - Any deed of trust, security interest, lien or other encumbrance resulting from a monetary obligation of an Owner or other party in interest, which attaches to any Lot and is perfected or Filed.
- (u) **Occupant** - Any party, whether or not an Owner, who is regularly present upon a Lot pursuant to either express or implied license or right.
- (v) **Offsite Septic Lot** - Offsite Septic Lot shall mean any Lot, to be designated as such on the Map, which shall have the right to utilize all or a portion of the Septic Easement Areas for its Septic System.

- (w) **Outbuilding.** A storage building, workshop, utility building, greenhouse or any similar buildings WHICH ARE SPECIFICALLY APPROVED BY THE COMMITTEE for construction upon any Lot. The Committee may exercise its discretion and may withhold approval of any such proposed structure which is not in keeping with the standard of construction and appearance of Long Bay.
- (x) **Owner** - Any person or entity other than Declarant who holds the fee simple title to any Lot individually or as a co-owner.
- (y) **Parking Area** - Parking Area shall mean any parking lot which may be constructed for the common use, benefit and enjoyment of some or all Owners, their families, guests and invitees.
- (z) **Private Road(s)** - Private Road(s) shall mean any roads, streets, cul-de-sacs and turnaround circles in the Subdivision, specifically including "Long Bay Parkway", Parkside Drive" and "Bayhead Court" (even though they have been offered for dedication to the public), which shall be maintained by the Association until such time as they are accepted for state or municipal maintenance.
- (aa) **Private Road Easement** - Private Road Easement shall mean the non-exclusive perpetual easements for any Private Roads which are granted to all Lots for the purpose of vehicular and pedestrian access, ingress and egress to and from all Lots. The Private Road Easements are also reserved unto the Declarant and the Association, their successors and assigns, for access, ingress and egress to the Lots, for the installation of Private Roads, and for the installation and maintenance of any utilities and drainage facilities.
- (bb) **Property** - All that real estate described in Article II, Section 1, plus such other real estate which may be additionally made subject to this Declaration as provided in Article II, Section 3.
- (cc) **Rear Setback** - The Setback Distance from a rear (opposite the street side) boundary line of a Lot which shall be at least 30' on all Lots with the additional limitation that the Rear Setback shall be 50' from the 760' contour line of Lake Norman.
- (dd) **Setback Distance** - The distance between either a Lot boundary line or the edge of a street right of way, to a line within the Lot and parallel to the boundary line or the right of way, and within which distance no improvements, as more specifically described in Article X, Section 5, are permitted. Setback distances shall be the larger of the setbacks (rear, side, or street) defined in this Declaration, or as noted on the Map for any specific Lot.
- (ee) **Septic Easement** - That easement burdening the designated Septic Easement Area, which shall permit the benefited dominant Offsite Septic Lot to install its Septic System and to discharge effluent from that Septic System.
- (ff) **Septic Easement Areas** - Septic Easement Areas shall mean those areas burdened by the Septic Easements which will be identified on the Map as a "Septic Easement for Lot **", "COS Septic", or similar identifying nomenclature.
- (gg) **Septic System** - Septic System shall mean any and all piping, lines, pumps, equipment or other systems used to transport sewage from the offsite Septic Lots to the Septic Easement Areas, including any drainage field and equipment actually installed on the Septic Easement Areas.
- (hh) **Side Setback** - The Setback Distance from a side boundary line of a Lot which shall be not less than 15'.

- (ii) **Story** - shall mean a finished horizontal division of Heated Living Area in a dwelling extending from the floor of such division to the ceiling above it.
- (jj) **Street Setback** - The Setback Distance from the edge of a street right of way (whether a public right of way or a Private Road) which shall be not less than 30'.
- (kk) **Subdivision** - All property described in Article II, Section 1, any Additional Property added and made subject to this Declaration as provided in Article II, Section 3, and such residential lots, streets, Amenities, and Improvements as shall come to be constructed therein, also known as "Long Bay".
- (ll) **Utilities** - Those lines and services in the nature of electric, telephone, catv, water, sewer and natural gas which may be laid or distributed throughout the Subdivision.
- (mm) **Waterfront Lot** - Waterfront Lot shall mean any Lot having at least 75' of shoreline on Lake Norman at the 760' elevation line.

ARTICLE II Property

Section 1. Description. The real property initially subjected to this Declaration is that 134.284 acres (more or less) shown on a plat entitled "Property Owned by Carolina Centers, LLC—Cowans Ford Development", dated March 01, 2000, and recorded in Plat Book 50 at Page 23 in the Office of the Register of Deeds for Catawba County, and being the same lands conveyed to Bridgewater Company V, LLC, by Special Warranty Deed of Crescent Resources, LLC, Filed in Book 2301, Page 0626, in the Catawba County Registry, LESS AND EXCEPT approximately five acres located between Long Island Road (SR # 1833) and the northern right of way edge of a 60' easement shown on the Map as "60' EASEMENT BOOK 2198, PAGE 0429" (the "Future Commercial Site").

Section 2. Subdivision Name. The Property, the homes constructed therein and the amenities and infrastructure of the Subdivision shall henceforth, collectively, be known as "Long Bay".

Section 3. Additions. At any time hereafter, Declarant may add additional real estate to the Property, which additional real estate shall be subject to this Declaration upon the Filing of amended or supplementary declarations. Upon the Filing of such amended or supplementary declaration, the real estate added to the Property shall be subject to and entitled to the benefit of this Declaration and all terms of the subsequent supplementary or amended declarations.

Section 4. Form of Amendment. Each amendment or supplementary declaration as referred to immediately above shall contain the following provisions:

- (a) Reference to this Declaration and the date, book and page of its Filing in Catawba County, North Carolina;
- (b) A precise legal description of the additional real estate (if any);
- (c) Language subjecting the additional real estate (if any) to this Declaration and its subsequent amendments or supplementary declarations; and

- (d) Such other covenants, restrictions or easements as Declarant shall, in its discretion, additionally impose upon the subject real estate.

Section 5. Adjacent Property Not Specifically Described. From time to time, Declarant, its predecessors or successors, may hold title or other interests in real estate adjacent to the Property. Unless such adjacent property is specifically described or included in Article II, Section 1 or the legal description of future supplementary or amended declarations, such adjacent real estate shall not be deemed a part of the Property or the Subdivision.

ARTICLE III Declaration

The Property shall hereafter be held, sold, leased, transferred, conveyed and encumbered subject to the herein contained covenants, conditions, restrictions, reservations, and easements which: (1) are made for the direct, mutual and reciprocal benefit of each and every portion of the Property and shall create mutual, equitable servitudes upon each part of the Property in favor of every other part of the Property; (2) create reciprocal rights and obligations between the respective Owners and privity of estate between all grantees of portions of the Property, their successors and assigns; (3) shall operate as covenants running with the land; and (4) shall inure to the benefit of Declarant and each Owner. By acceptance of any deed conveying title to a portion of the Property, execution of a contract of purchase or acceptance of a lease or license concerning any portion of the Property or by taking possession of any portion of the Property; whether from Declarant or a subsequent owner or lessee, any future owner, lessee, licensee or occupant shall accept such deed, contract, lease, license or possession upon and subject to each and all of the covenants, conditions, restrictions, reservations and easements set forth herein. Each person or entity who hereafter owns or acquires any right, title or interest in or to any portion of the Property shall be conclusively deemed to have consented and agreed to the covenants, conditions, restrictions, reservations and easements set forth herein, and in all future supplementary or amended Declarations, whether or not any reference thereto is contained in the instrument by which such person or entity acquires an interest in the Property.

ARTICLE IV Common Area

Section 1. Ownership of Common Areas. Declarant shall, not later than the date when 85% of all Lots have been sold to Owners, convey to the Association any Common Areas which are to be owned and maintained by the Association. The Declarant reserves the right to construct: (i) Parking Areas (ii) an Entrance Monument to be located at the entrance to the Subdivision; (iii) Private Roads; (iv) Septic Systems; (v) a septic system including a drainage field for the benefit of the Future Commercial Site; and (vi) one or more Amenity Areas for the use and enjoyment of the Owners who are entitled to the use of such Common Areas as provided in this Declaration. Common Areas may be subject to Septic Easements and may also be used for burial of stumps (not within Septic Easement Areas) by Declarant during initial construction of the Subdivision provided all such uses are done in compliance with Applicable Laws. All Common Areas shall remain private property and shall not be dedicated to the use and enjoyment of the general public.

Section 2. Owner's Rights to Use and Enjoy Common Areas. Each Owner shall have the non-exclusive easement and right to use and enjoy the Common Areas, and such right shall be appurtenant to and conveyed with title to such Owner's Lot, subject to the following:

- (a) The right of the Association to promulgate and enforce regulations to insure reasonable availability of the right to use the Common Areas to the Owners and the safety of Owners on the Common Areas;
- (b) The right of the Association to suspend the voting rights of an Owner in the Association and the right of the Association to suspend the right to use certain or all of the Common Areas by an Owner for any period during which any assessment against the Owner's Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- (c) The right of the Declarant or the Association to grant utility, drainage, septic and other easements across the Common Areas; and
- (d) The right of the Declarant or the Association to restrict the use of certain Common Areas to specific designated Owners as described in this Declaration.

Section 3. Delegation of Use. Any Owner may delegate, subject to the rules promulgated by the Association, the Owner's right of enjoyment to certain Common Areas and facilities located thereon to the members of the Owner's family, guests or invitees.

Section 4. Rights in the Private Roads. Each Owner, the Declarant, and the Association, their successors and assigns, are hereby granted the perpetual, non-exclusive right to use the Private Roads within the Private Road Easements for the purpose of pedestrian and vehicular access, ingress, egress and regress to and from each Lot and the Common Areas, and for installation and maintenance of drainage facilities and other utilities facilities to serve the Lots. The private easements granted herein shall terminate at such time as any Private Roads are accepted for maintenance by state or municipal authorities, at which time, the Private Roads shall become publicly maintained roads which shall no longer be maintained by the Association.

ARTICLE V

Property Owner's Association

Section 1. Membership. Every Owner shall be a Member of the Association. Membership is appurtenant to the ownership of each Lot and is only available to Declarant and Owners. Membership shall be extinguished upon the complete transfer of all Property held by any Member.

Section 2. Classes of Membership.

- (a) **Owners Class Membership.** The Owners Class Members shall consist of all Owners, but will exclude Declarant prior to its termination of its Founders Class Membership. If at any time, Declarant owns one or more Lots subsequent to the termination of its Founders Class Membership, Declarant shall then be an Owners Class Member.
- (b) **Founders Class Membership.** The Declarant or its successor or assign only, shall be the sole Founders Class Member. The Founders Class Membership shall terminate at such time as Declarant has conveyed all of its interest in the Property (including any Additional Property).

Section 3. Duties. The Association will maintain in its files up-to-date copies of its organizational documents, the Declaration, rules concerning use of the Common Areas, financial records, records of the

current ownership of the Lots, and such other documentation and records as are necessary for its management and oversight functions. All documentation maintained by the Association shall be available to the Owners for inspection during Association business hours upon reasonable notice. The Association may employ an individual or business entity to act as managing agent. The length of engagement and the compensation to be paid to such managing agent shall be determined by the Board of Directors of the Association.

Beginning on a date selected by the Association which shall not be earlier than January 01, 2002, (the "Assessment Start Date") the Association may begin collection of annual assessments from each Owner for maintenance of any Common Areas.

Prior to the Assessment Start Date, the Common Areas shall be maintained by the Declarant, but after such date, the Common Areas shall be maintained by the Association, except that Declarant reserves the right, at Declarant's discretion, to repair or maintain any portion of the Common Areas which Declarant, in good faith, determines is not maintained to acceptable standards and shall be reimbursed for such maintenance by the Association.

Common Area Maintenance, which shall be the duty of the Association, shall include the following:

- (a) Maintenance of any Entrance Monument, to include irrigation, plantings of both permanent and seasonal nature, lighting, mowing, weeding, other landscaping, utility charges for irrigation and lighting, maintenance of signage;
- (b) Liability insurance shall be maintained upon all portions of the Common Areas, with such companies and in such coverage amounts as the Board of Directors may deem appropriate;
- (c) The Common Areas, including any Private Roads, open areas, playgrounds and Amenities (if any), shall be kept in a clean and orderly condition, neatly mowed and landscaped with appropriate irrigation. Utility bills for lighting and irrigation and the cost of maintenance and repair of any pathways, facilities, and the like, shall be appropriate expenditures for the Association; and
- (d) Private Roads shall be maintained by the Association in a state of good repair and maintenance such that the roads will qualify for acceptance for maintenance by the state or appropriate municipality upon fulfillment of any other conditions.

The Association is charged with the duty to establish and maintain adequate reserve funds for periodic repair, reconstruction or replacement of portions of the Common Area which may occur on an irregular basis.

ARTICLE VI

Voting

Section 1. Owners Class. The Owners of each Owners Class Lot shall be entitled to one (1) vote for each Lot owned. The vote for any one Lot owned by more than one person or entity shall be exercised as they among themselves shall determine, but in no event shall the vote or votes with respect to any jointly owned Lot be split or cast separately.

Section 2. Founders Class. The Declarant shall be entitled to four (4) votes for each Lot owned by the Declarant.

Section 3. Actions. Special Assessments may only be assessed upon receiving seventy-five percent (75%) of a vote.

ARTICLE VII Assessments

Section 1. Creation of Lien and Personal Obligation of Assessments. Each Owner of any Lot shall, by acceptance of a conveyance thereof, whether or not it is so expressed in any conveyance, be deemed to covenant and agree to all the terms and provisions of this Declaration specifically including the duty to pay to the Association both Annual and Special Assessments ("Annual Assessments" and "Special Assessments") and charges as hereinafter provided. The Annual and Special Assessments and charges, together with such interest thereon and costs of collection as are hereinafter provided, shall be a charge and continuing lien upon the Lot against which assessment is made as of the effective date of said assessment. Each assessment, together with interest thereon and any costs of collection, shall also be the personal obligation of the person or entity who was Owner of such Lot at the time when the assessment became due. In the case of co-ownership of a Lot, all of such co-owners shall be jointly and severally liable for the entire amount of any assessment.

Section 2. Purpose of Annual Assessments. The Annual Assessments levied by the Association shall be used for the improvement, maintenance, operation, repair, replacement of and additions to the Common Area, including, but not limited to, the payment of taxes and insurance thereon, the payment of utility charges related thereto (including water for any sprinkler or irrigation systems), maintaining, operating and improving (but not initial construction) of Private Roads and other Common Area facilities and amenities, collection and disposal of garbage, rubbish and the like, employing security service, maintenance personnel, and for the cost of labor, equipment, materials, and the management and supervision thereof. Declarant may employ a related entity or entities to manage the maintenance, operation and repair of the Common Area. In addition, the Association may use Annual Assessments for the purpose of doing any other things necessary or desirable, in the discretion of the Association, to keep Common Area facilities and amenities in neat and good order, to provide for the health, welfare and safety of the Owners and Occupants of the Property, to advance or maintain the general appearance and function of the Subdivision, and to carry out the goals described in the preliminary statement of this Declaration.

Without limiting the general statements set forth in the immediately preceding paragraph, Annual Assessments shall specifically be used as follows:

- (a) to repair, maintain, reconstruct (when necessary), keep clean and free from debris, the Common Areas (see Article V, Section 3 concerning Common Area Maintenance) and any amenities and Improvements located thereon, including but not limited to the Private Roads, Entrance Monument and Septic Easement Areas, and to maintain the landscaping thereon in accordance with the highest standards for private parks, including any necessary removal or replacement of landscaping;
- (b) to maintain and repair the Private Roads to the standards of the maintenance (if one is ascertainable) which would be required by the North Carolina Department of Transportation for acceptance for state maintenance;
- (c) to pay all costs except initial construction and installation, associated with any street lights, Entrance Monument, or similar Common Area amenities, including but not limited to, lease payments and utility costs;

- (d) to pay all ad valorem taxes levied against the Common Areas and any other property owned by the Association;
- (e) to pay the premiums on all insurance carried by the Association pursuant hereto or pursuant to the Bylaws;
- (f) to pay all legal, accounting, and other professional fees incurred by the Association in carrying out its duties as set forth herein or in the Bylaws; and
- (g) to maintain contingency reserves as to the amounts described in subsections (a) and (b) above for the purposes set forth in this Section 2 in amounts determined by the Board of Directors of the Association.

By acceptance of any conveyance of any Lot, each Owner acknowledges that neither the precise location, acreage or dimensions of the Common Area, nor the type of amenities, Improvements and structures to be located within the Common Area (if any) will be specifically defined until the sale of the last Lot within the Subdivision.

Section 3. Maximum Annual Assessment. The initial maximum Annual Assessment shall be Two Hundred Fifty Dollars (\$250.00) for each Lot, with fractions of the calendar year to be computed and prorated equitably. For each calendar year after the initial year, the maximum Annual Assessment may be increased by the Association at the rate of up to ten percent (10%) of the prior year's assessment. In the event the Annual Assessment is not increased by the maximum amount permitted during any calendar years, the difference between any actual increase in the maximum permitted increase for such years shall be computed, and the Annual Assessment may be increased by that amount in a future year, in addition to the maximum increase otherwise permitted. The ten percent (10%) limit on annual increases may be increased for one or more years, but only by a vote of no less than two-thirds (2/3) of the Lot Owners with the approval of the Declarant.

Section 4. Supplemental Annual Assessment. In the event the Association fixes the Annual Assessment in an amount less than the permitted maximum Annual Assessment, the Association shall have the right to later increase (the increase being a "Supplemental Annual Assessment") the total Annual Assessment for such calendar year if the Board of Directors determines that the required duties and functions of the Association cannot be funded by the originally determined Annual Assessment. The Association shall set the due date for such Supplemental Annual Assessment which shall not be less than 45 days following after the mailing of notice to the Owners of such Supplemental Annual Assessment. The original Annual Assessment and the Supplemental Annual Assessment shall not, under any circumstance, exceed the permitted maximum Annual Assessment for the subject calendar year.

Section 5. Special Assessments. In addition to the Annual Assessments hereinabove authorized, the Association may levy Special Assessments ("Special Assessments") for the purpose of defraying, in whole or in part, the cost of any reconstruction, unexpected repair or replacement of the Common Area including the Private Roads.

Section 6. Commencement. Assessments shall commence on the date fixed by the Association, as the Assessment Start Date or upon purchase of a Lot from Declarant, whichever later occurs. Assessments shall be billed on a calendar year basis with appropriate prorations.

Section 7. Due Date. Unless otherwise provided herein, assessments shall be due and payable in full within 30 days after they are billed to an Owner.

Section 8. Effect of Non-Payment of Assessment. If any assessment is not paid on the date when due, then such assessment shall be delinquent and shall accrue interest thereon at the "prime rate" of interest announced from time to time by The Wall Street Journal, plus two percent (2%) per annum (such rate to change from time to time as The Wall Street Journal prime rate changes) never to exceed a maximum of 18% per annum, unless a lesser rate is required under Applicable Law in which event interest will accrue at the maximum required lesser rate. If such assessment is not paid within ten (10) days after the due date, then the Association may bring an action at law against the Owner directly and/or foreclose the lien against the Lot, and there shall be added to the amount of such assessments all reasonable attorneys' fees and costs incurred by the Association in such action, and in the event a judgment is obtained, such judgment shall include interest on the Assessments as indicated above.

Section 9. Contribution by Declarant. Declarant agrees to contribute to the Association such funds as may be required to maintain the Common Area, to the extent that the maximum Annual Assessments are insufficient to pay the cost thereof, through December 31, 2002.

Section 10. Assessment Rate.

- (a) Except as set forth in subsection (b) below, general Annual Assessments, Supplemental Annual Assessments and Special Assessments must be fixed at a uniform rate for all Lots;
- (b) General Annual Assessments, Supplemental Assessments, and Special Assessments for each Lot owned by Declarant shall be one-third (1/3) of the Annual Assessments, Supplemental Assessments and Special Assessments for each other Lot in the Subdivision not owned by Declarant.

ARTICLE VIII
Architectural Review Committee

Section 1. Membership. There is hereby established an Architectural Review Committee whose members will be appointed by the Declarant. The Committee will consist of three (3) members. One of the members must be selected from the following groups: licensed architects, engineers, landscape architects and persons with building construction experience. The second and third members need not have any specific professional certification and may be representatives of the Declarant. Declarant will select the initial membership of the Committee. In the event of future vacancies upon the committee, Declarant shall appoint successor members. Declarant may also appoint members to terms of limited duration or replace any or all members at intervals. By written notice to the Association, Declarant may delegate its power to appoint members of the Committee to the Association.

Section 2. Duties and Powers. The Committee shall: (1) review and act upon proposals and plans submitted to it by Owners pursuant to the terms of this Declaration, (2) adopt Architectural and Site Guidelines, and (3) perform all other duties delegated to and imposed upon it by this Declaration.

Section 3. Architectural and Site Guidelines. The Committee may promulgate certain rules, guidelines and statements of policy which will be known as the "Architectural and Site Guidelines." At all times, the Committee shall maintain copies of the most recently adopted Architectural and Site Guidelines in writing so that copies are available, upon request, to all Owners. Said Guidelines may interpret and implement the provisions of this Declaration by detailing the standards and procedures for review, guidelines for building and site design, landscaping, lighting, parking, exterior materials which may be used, or are required,

within the Subdivision. Such guidelines may be interpretations and expansions of, but not in contradiction to, the terms of this Declaration.

Any Architectural and Site Guidelines as well as all such rules, guidelines and statements of policy as may be approved and adopted, from time to time, by the Committee as Architectural and Site Guidelines shall be deemed incorporated as a part of this Declaration.

Section 4. Right of Inspection. Members and agents of the Architectural Review Committee, and the Declarant and its agents may, at any reasonable and safe time enter upon the Lot of an Owner for the purpose of inspecting the Improvements and site development and their compliance with the Architectural and Site Guidelines.

Section 5. Variances. The Committee is hereby authorized and empowered to grant reasonable variances from the provisions of this Declaration or the Architectural and Site Guidelines in order to overcome specific development problems or hardship caused by strict application of the provisions of either this Declaration or the Architectural and Site Guidelines. Such variances, however, must not materially injure any of the Property, amenities or Improvements in the Subdivision and must be made in furtherance of the spirit and purpose of this Declaration. The committee is specifically empowered to, at its sole discretion, grant variances of setback requirements up to ten percent (10%) of the total Setback Distance required. The Committee will not, however, grant any variance for setbacks less than those required by applicable zoning ordinances unless the Owner also obtains a variance from the appropriate governmental authority empowered to grant such variances.

Section 6. Limitation of Scope of Approval. Approval by the Committee of any Improvement or use for a designated Lot shall not be a waiver of the Committee's right to reject a similar or identical Improvement or use upon another Lot (or the same Lot at another time) if such Improvement or use is of a nature that it may be rejected under the terms of this Declaration or the Architectural and Site Guidelines. Similarly, in light of the purpose of this Declaration, approval by the Committee of any specific set of plans does not bind the Committee to approve an identical set of plans submitted at another time.

ARTICLE IX Review Procedures

Section 1. Meeting. The Committee may meet informally, by meeting, telephone, written communication, facsimile transmissions or such other means as the members may agree upon and as may be sufficient to conscientiously, and fully, perform its duties.

Section 2. Materials to be Submitted for Site Plan Approval. Before initiating any construction, alteration of existing Improvements, grading or any site or structural work upon any Lot, the Owner must first submit construction, site and landscape plans plus such other materials as the Committee may request. At a minimum, the plans shall show in detail:

- (a) The grading work to be performed on the Lot;
- (b) The nature, materials and location of all Improvements including buildings, paving, wells, septic fields, plantings and screening;
- (c) Setback Distances; and

- (d) The location of Improvements on adjoining Lots.

The plans shall provide specific detailed information concerning (1) landscaping for the Lot, (2) exterior lighting and (3) a building elevation plan showing dimensions, materials and exterior color scheme.

Section 3. Filing Fee. In order to defray the expense of the Committee, the Committee will require a reasonable fee for review of plans. The initial filing fee shall be Two Hundred Fifty Dollars (\$250.00). The filing fee may only be increased to defray actual out-of-pocket costs to the Declarant, such as attendance fees or travel reimbursements to the Committee Members, and in no event may the fee exceed Three Hundred and Fifty Dollars (\$350.00).

Section 4. Approval Criteria. The Committee shall have the right to disapprove plans, specifications or details submitted to it for any of the following reasons:

- (a) The submission fails to comply with the terms of this Declaration or the Architectural and Site Guidelines (including payment of the review fee);
- (b) Insufficient information or failure to provide detail reasonably requested by the Committee;
- (c) The submission fails to comply with the appropriate zoning ordinance or other Applicable Laws that may be in effect from time to time;
- (d) Objection to the grading plan for any portion of the Lot;
- (e) Objection to the color scheme, finish, proportions, style, height, bulk or appropriateness of any structures; or
- (f) The plans are not prepared by licensed architects, engineers or landscape architects.

Section 5. Time for Review. Upon submission of all detail reasonably requested by the Committee (received in the office of Declarant or other office as designated by Declarant), the submitting Owner shall receive, in writing, the decision of the Committee within thirty (30) business days. Failure of the Committee to render a written decision within thirty (30) business days shall be deemed approval of the submission.

Section 6. Certification of Approval. Upon the request of Owner, the Committee shall confirm its approval of the Owner's plans by issuing a written certificate describing the specific Lot and plans which have been approved.

Section 7. Approval is not a Warranty. Approval of the plans submitted by any Owner or other party to the Committee shall not be construed as a certification or warranty, by either Declarant or the Committee, that (1) the plans meet with any minimum standards of suitability for use, (2) are acceptable under any Applicable Laws, (3) conform to any other standards of quality or safety or (4) describe Structures or development which would be safe, prudent or feasible. Neither Declarant, the Committee, nor any member thereof shall be liable for any damage, loss or prejudice suffered or claimed by any person on account of the approval or disapproval of any preliminary plans, plans, drawings or specifications, construction or performance of any work or the development of any Property within the Subdivision.

Section 8. Commencement of Work. Beginning with the approval of the Committee as described in this Article IX, the Owner or other parties submitting plans shall, as soon as practical, satisfy all conditions of

the Committee and proceed with all approved work described in the plans and such other work as may be necessary for improvement of the Lot in accordance with this Declaration. Commencement of Construction must begin within one hundred eighty (180) days from the date of such approval or, the approval of the Committee shall lapse. The Committee may, at its discretion and upon the request of Owner, extend the one hundred eighty (180) day period for Commencement of Construction in the event that good cause is shown for such extension.

Section 9. Completion of Work. All Improvements upon the Lot, including alteration, construction and landscaping shall be completed within twelve (12) months after the Commencement of Construction upon the Lot. This time period may be extended in the event that work or completion is rendered impossible due to strikes, fires, national emergencies, force majeure or other supervening forces beyond the control of Owner, lessee, licensee, Occupant or their agents. Installation of large items of shrubbery or trees may be delayed beyond the 12 month completion period in order to plant during the best seasons for such plantings. Installation of sod and seeding of rear yards shall, however, be completed within the 12 month period. See also Article X, Section 19.

Section 10. Construction Deposit. Prior to grading or commencement of any construction activity upon a Lot, an Owner shall deposit with the Declarant or the Association (as instructed by Declarant) the sum of Five Hundred Dollars (\$500.00) per Lot. This "Construction Deposit" will be held until the completion of construction activity upon the Lot. During the construction period, the Construction Deposit may be applied toward the repair of any damage caused by construction (e.g. broken curbing, damaged street shoulder or pavement, and the like), street cleaning or storm water culvert clean out necessitated by silt or grading runoff from the Owner's Lot, or other repairs or clean-up necessitated by acts of the Owner or his agents.

Section 11. Special Watershed Development Restrictions. The Property shall be subject to the following special development requirements.

- a. No portion of a Lot greater than two thousand (2000) square feet shall be: (i) denuded of ground cover or topsoil, (ii) graded, (iii) excavated or (iv) covered with earth or other natural or man-made fill material, unless all required building, grading and erosion control permits have been issued by the applicable municipal authorities.
- b. All denuded, graded, excavated or filled areas upon any Lot shall be stabilized and replanted on or before: (i) the thirtieth (30th) day following the initial denuding, grading, excavation, or filling (unless footings and foundations are being installed upon the disturbed area and construction is being diligently and continuously pursued upon such area); or (ii) such time as construction is completed or interrupted for a period of thirty (30) continuous days. In addition to, or in the absence of local or state government regulations on such land disturbance, none of the activities described in (i) through (iv) in Article IX, Section 11 a., above shall be allowed to commence without compliance with the following requirements:
 - i. The surveying and flagging of the Buffer Area and any portion of the Buffer Area that may be disturbed as a result of any activities permitted hereunder:
 - ii. The flagging of all trees in the Buffer Area that equal or exceed six (6) inches in diameter, measured four and one-half feet (4.5') from the base of the tree, as is reasonably necessary to prevent the unintentional violation of these restrictions by parties performing work upon the Lot.

- iii. The proper installation (in accordance with manufacturer's instructions) of construction silt fencing on the lower perimeters of all areas within the Lot to be disturbed, and any other areas which may be impacted by silt runoff from the Lot.
- c. Except as expressly permitted by this Declaration, no portion of any Buffer Area may be disturbed in any way, including any disturbance or removal of topsoil, trees and other natural growth. The following activities are permitted within the Buffer Area:
 - i. Trees which are less than six (6) inches in diameter, measured four and one-half feet (4.5') from the base of the tree may be removed. Any tree removal shall be performed using hand held gas or electric chain saws and/or manual handsaws. No other mechanical equipment or vehicles may be used in removing any trees. Additionally, trees having a greater diameter than that set forth above that have become diseased or damaged through natural processes may be removed in the same manner.
 - ii. Underbrush (defined as nuisance shrubs, vines and similar plant growth beneath the tree canopy, and generally growing less than six feet (6') in height) may be removed; and
 - iii. Pruning and trimming of trees is permitted, provided that pruning is limited to tree branches beginning with the lowest to the ground and extending up the tree trunk no more than one-half of the total height of the tree. Trimming may also be performed on any limbs or branches that are diseased or naturally damaged.
 - iv. The use of rip-rap, bulkheading or other shoreline stabilization methods or materials may be initiated with the prior written approval by Duke Energy Corporation and any shoreline stabilization shall be performed in compliance with Duke Energy Corporation's Shoreline Management Guidelines which are in effect at the time such stabilization occurs. Generally, Duke Energy Corporation allows structural stabilization to extend only to a height five feet above the Contour Line of the Lake. If Duke Energy Corporation authorizes Grantee to perform certain shoreline stabilization, then at all points where shoreline stabilization occurs, the inner boundary line of the Buffer Area (i.e. the boundary line opposite the Contour Line of the Lake) shall be adjusted inward (i.e. away from the Contour Line of the Lake) by the same distance that the stabilization activity extends from the Contour Line of the Lake into the Lot.

Owners are reminded that development in the Lake Norman watershed area is regulated by state and local laws and ordinances which tend to be more restrictive in nature than those outside the watershed. Owners should pay particular attention to such laws and ordinances concerning vegetative buffers between developed areas of a Lot and the shoreline which may be more restrictive than those imposed by this Declaration.

ARTICLE X

Improvements, Uses and Restrictions

Section 1. Land Use, Building Type and Residential Restrictions. All Lots in the Subdivision shall be used only for Common Area or private residential and recreational purposes.

No structure shall be erected or permitted to remain on any Lot other than one single family residential dwelling not exceeding 2-1/2 Stories in height and those other structures expressly listed in this Article X.

No mobile home, modular home or shell home may be erected or permitted to remain on any Lot. No condominium, townhouse, duplex, apartment, bed and breakfast facility or any other multi-family residential uses are permitted on any Lot. No camper, trailer, motor home, boat (including, without limitation, any boat docked adjacent to the Property), recreational vehicle, or similar habitable or transportable unit or structure shall be allowed to remain on or adjacent to any Lot as a place of residence

A private garage (not exceeding three [3] car capacity), Outbuildings, fixed piers and floating boat dock facilities incidental to the residential use of a Waterfront Lot are expressly permitted upon the condition that they are not rented or used for commercial purposes. No enclosed boathouse or two-level piers are permitted. Piers, docks, and boathouses shall be subject to approval by Duke Energy Corporation and/or any governmental entity having jurisdiction at the time such Improvements are made.

Detached garages and Outbuildings may not exceed fourteen feet (14') in height and the total square footage contained within all such buildings combined on any one Lot shall not exceed two thousand (2000) square feet. Outbuildings shall be permanently affixed to the Lot and shall only be covered with the approved exterior materials permitted for a primary residence (see Article X, Section 3 below). No detached garage or any Outbuilding shall be located wholly or partially within any Buffer Area.

Recreational structures, including decking, gazebos, covered patios, playhouses, barbecue pits and similar structures may be constructed upon a Lot. The total square footage contained within such structures when combined shall not exceed one thousand (1000) square feet in area on any one Lot. No such recreational structure shall be located wholly or partially within any Buffer Area.

The following activities are prohibited in the Subdivision:

- a. Raising, breeding, or keeping of animals, livestock or poultry of any kind, except that dogs, cats, or other usual and common household pets (which are registered, licensed and inoculated as required by law – not to exceed four per household) are permitted;
- b. Any activity which violates Applicable Laws;
- c. Institutional uses, including but not limited to day care centers, churches, temples or shrines, rest homes, schools, medical care facilities, lodges, inns, beds and breakfasts; and

- d. Any business or trade, except that an Owner or Occupant residing on a Lot may conduct business activities upon that Lot so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the residence; (ii) the business activity conforms to all zoning requirements; (iii) the business activity does not involve regular visitation of the Lot by clients, customers, suppliers, or other business invitees; (iv) the business activity does not involve any service or delivery business in which more than one vehicle used in such business would be parked overnight on the Lot, or for which any material amount of parts, equipment, supplies, raw materials, components or tools are stored on the Lot and (v) the business activity is consistent with the residential character of Long Bay and does not constitute an unreasonable disturbance to other Owners and Occupants, a nuisance, or a hazardous or offensive use. The foregoing shall not preclude occasional garage sales, moving sales, rummage sales, or similar activities provided that such activities are not held on a Lot more than once in any six-month period. The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time, (ii) such activity is intended to or does generate a profit, or (iii) a license is required. The leasing of any Lot for single-family residential use shall not be considered a business or trade within the meaning of this subsection.
- e. Camping on any unimproved Lot.

Declarant may convert any Lot owned by Declarant to a Common Area designation and use.

Section 2. Dwelling Size. Within Long Bay, each single family residential dwelling shall comply with the following size requirements:

- a. One Story dwellings on Water Front Lots shall not contain less than 1,600 square feet of Heated Living Area and One Story dwellings on Interior Lots shall not contain less than 1,400 square feet of Heated Living Area;
- b. One and a Half Story dwellings shall not contain less than 1,450 square feet of Heated Living Area;
- c. Two (or more) Story dwellings shall not be less than 2,200 square feet of Heated Living Area with at least 1,400 square feet of Heated Living Area on the ground Story.

Section 3. Building Construction and Quality. All buildings and outbuildings erected upon any Lot shall be constructed of new material of good grade, quality and appearance and shall be constructed in a high quality, workmanlike manner. No building shall be erected unless it is completely underpinned with a solid brick, or stucco, brick or stone-covered foundation.

The exterior surfaces of all dwellings and accessory structures shall be covered only in brick, stone, hard stucco (synthetic stucco is not permitted), wood, or siding (no logs or siding with a log appearance) consisting of wood, composite or vinyl material; provided, that any horizontal siding must be completely back supported to maintain a straight and even outer surface and must be fully and properly finished. The exterior surface of any garage or Outbuilding erected on any Lot shall be architecturally compatible with, and of material and construction comparable in cost and design to, the exterior surface of the dwelling located on said Lot.

All dwellings, garages and Outbuildings shall have roofs (except for dormers, porches and bay windows) of not less than 6 in 12 pitch and not less than 12 inch overhang, covered with slate, cedar shakes, terra cotta tile, copper sheathing, or architectural fiberglass shingles.

Section 4. Temporary Structures. No residence or building of a temporary nature shall be erected or allowed to remain on any Lot, except that nothing herein shall prohibit Declarant from erecting or moving temporary buildings onto the Lots owned by Declarant, to be used for storage or construction or sales offices.

Section 5. Building Setback Lines. No building on any Lot (including any stoops, porches, or decks) shall be erected or permitted to remain within any Side Setback or Street Setback as defined in this Declaration or as noted on the Map. Notwithstanding any Rear Setback restrictions noted on the Map, no building, including stoops, porches or decks (whether attached or unattached) shall be erected or permitted to remain in a Buffer Area. A limited portion of a pier may be constructed within the Buffer Area and such Pier and any attached boatdocks are exempt from the Rear Setback and the Buffer Area restrictions. In the event any zoning or subdivision ordinance, floodway regulation or other ordinance, law or regulation applicable to a Lot shall prescribe greater setbacks, then all buildings erected during the pendency of that zoning or subdivision ordinance, floodway regulations or other ordinance, law or regulation shall conform to said requirements.

No masonry mailboxes or other Improvements may be constructed or placed within any Private Road Easement or public road right of way.

Section 6. Minor Setback Violations. In the event of the unintentional violation of any of the building setback covenants set forth above in the amount of ten percent (10%) or less, Declarant reserves the right, which right shall be vested in and may be exercised by the Association after Declarant's Founder's Class Membership in the Association has converted to Owner's Class Membership, but is not obligated, to waive in writing such violation of the setback covenants upon agreement of the Owner of the Lot upon which the violation occurs and the Owner of any Lot adjoining the violated setback, provided that such change is not in violation of any zoning or subdivision ordinance or other applicable law or regulation, or, if in violation, provided that a variance or other similar approval has been received from the appropriate governmental authority.

Section 7. Combination or Subdivision of Lots. Except as otherwise set forth herein, no Lot shall be subdivided by sale or otherwise so as to reduce the Lot area shown on the Map. However, a Lot Owner may combine with a portion or all of another contiguous Lot so long as the parcel or parcels which result from such combination do not violate any zoning ordinance or other Applicable Law. In the event that two or more Lots are completely combined so as to create one parcel, the resulting parcel shall be considered as one Lot for the purposes of this Article X, but shall continue to be considered as two Lots for all other purposes (including voting and assessments). Furthermore, the Owner of any Lot which combines with all or a portion of a contiguous Lot shall be solely responsible for any costs which may result from such combination, including the costs of relocating any existing easements. Notwithstanding the foregoing, Declarant reserves the right to change the boundaries or dimensions of any Lots still owned by Declarant as may be needed to meet Septic System requirements or for any other reason.

Section 8. Utility Easements. Declarant hereby reserves easements for the installation and maintenance of utilities (electricity, sewer (including private septic lines), water, gas, telephone, catv, street lights, etc.) and drainage facilities over the front and rear ten (10) feet of each Lot [with the exception of the Lots along the waters of Lake Norman, which will not have a ten (10) foot easement over the rear of each such lot (i.e. the Lake Norman side)] and fifteen (15) feet in width along each side lot line of each Lot. This reserved utility easement shall also run for the benefit of Crescent Resources, LLC, a Georgia limited liability company. Additional drainage easements and utility easements are reserved as more particularly shown and delineated on the Map and in other recorded easement documents. Within such easements, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the construction and maintenance of utilities or which may interfere with drainage and the flow of water within the easement areas. The Owner of each Lot shall maintain that portion of the Lot lying within the easement areas as defined herein and shall maintain any Improvements located thereon, except those Improvements installed and maintained by a public authority or utility company.

Declarant additionally imposes an easement over and upon all Common Area for the installation, maintenance and repair of the Septic System piping, lines, pumps and equipment installed by Declarant and used to transport sewage from any Offsite Septic Lot to its Appurtenant Septic Easement Area.

Declarant reserves the right to create and impose additional easements over any unsold Lot or Lots for driveways, road drainage, utility and entry signage installation purposes by the recording of appropriate instruments and such easements shall not be construed to invalidate any of these covenants.

Declarant reserves and imposes a Septic Easement for the benefit of the Future Commercial Site (the "Commercial Septic Easement") upon all areas of the Common Area which are not otherwise identified as a Septic Easement Area for a specific Offsite Septic Lot, a Roadway, or other exclusive use. The Commercial Septic Easement shall run for the benefit of the Future Commercial Site and expressly permits: [i] the installation, maintenance and repair of such Septic System components as are necessary to provide lawful septic service for such facilities and businesses as may be developed in the Future Commercial Site, including transport lines and discharge drainage fields; and [ii] the discharge of effluent. The boundaries of any drainage field installed for use in the Commercial Septic Easement shall be surveyed and a copy of the survey plat Filed. Any Septic System components installed in the Commercial Septic Easement shall be maintained at the sole cost and expense of Declarant or its successors in interest to the Future Commercial Site. Installation of Septic System components by Declarant (or its successors) within the Commercial Septic Easement may be undertaken with no approval required by the Committee, but such installation shall comply with Applicable Laws. The use described in this paragraph shall not be deemed a violation of any other restriction or term stated in this Declaration.

Section 9. Entrance Monument Easement. Declarant hereby grants, establishes and reserves, for the benefit of Declarant and the Association, and their successors and assigns, a non-exclusive perpetual easement (the "Entrance Monument Easement") for the purpose of erecting and maintaining the Entrance Monument for the Subdivision over any portion of the Subdivision identified as "Entrance Monument Easement" (or similar identifying language) on the Map.

Declarant or the Association shall have the right to enter, landscape and maintain the Entrance Monument Easement as an entryway to the Subdivision. Further, Declarant or the Association may erect and maintain one or more monuments, with an entrance sign thereon and may erect and maintain lighting, planters and other Improvements typically used for an entryway.

Section 10. Stormwater Drainage Easement. Declarant hereby establishes and reserves over all Common Areas an easement for drainage of stormwater runoff from the Lots and roadways within the Subdivision.

Section 11. Flood Easement. Duke Energy Corporation has reserved easements and rights with respect to the Subdivision for the right to clear and flood property up to the elevation of 770 feet above mean sea level, USGS Datum, in connection with the operation of its power facility. The clear and flood easements may affect building plans for the Lots.

Section 12. Fences and Walls. No fence or freestanding wall, may be erected nearer the front lot line of a Lot than the front face of the dwelling located on such Lot. In the case of a corner Lot, no side yard fence shall be located nearer than the side of the house facing the side street line. No fences or walls, greater than four (4) feet in height are permitted. Chain link or metal fencing is not permitted, except that decorative wrought iron or high quality aluminum or vinyl-clad fencing made with the appearance of wrought iron is permitted. Split rail wooden fencing is expressly permitted. Perimeter fencing shall not have more than fifty (50) percent of any of its surface closed as viewed from a point on a line of sight perpendicular to the line of the fence. A wall constructed of brick or stone and used in lieu of a fence is exempt from the openness test. The restrictions described in this Section 12 shall not apply to any Improvements originally installed by Declarant on any Common Area.

Section 13. Signs. No signs may be erected or displayed on any Lot except for the following, which may not exceed six (6) square feet in size: (a) one sign on the Lot only advertising the Lot for sale or rent; (b) one sign on the Lot only used by a builder to advertise the Lot during the construction and sales period (such sign may list subcontractors, suppliers, lenders, architects, engineers and like parties involved in the construction of Improvements on the Lot but all such parties are limited to being listed together on one sign, not separate signs); and (c) political, yard-sale or similar temporary signs. Strictly prohibited during the period of construction on a Lot are the following: (a) separate signage listing subcontractors; (b) signage advertising services or goods for sale, specifically including construction services; and (c) general advertising in the nature of handbills.

These restrictions do not apply to the Entrance Monument, to temporary entry signs or advertising by Declarant, or "for sale" signs installed by Declarant or its agents prior to the sellout of the Subdivision. Declarant reserves the right to erect and maintain such signs designating streets, Amenity Areas, and such other signs that will aid in the development of the Subdivision.

Use of unapproved signage shall be violation of this Declaration and the Declarant or the Association may levy a fine of not more than One Hundred Fifty Dollars (\$150.00) per day for such violation. Such fines shall be assessments and shall constitute a lien upon the Owners Lot when a claim of lien is filed of record in the office of the Clerk of Superior Court of Catawba County. Owners are strictly responsible for all signage erected by their agents, contractors, subcontractors, suppliers, and any other parties employed directly or indirectly by Owner, or who provide services or materials to the Owners Lot. Declarant or the Association may enter onto a Lot at any time to remove signage which is in violation of this Article X, Section 13.

Section 14. Antennas; Satellite Dishes or Discs. Except as hereinafter provided, no transmission or reception towers, antenna, dishes or discs shall be erected or maintained on any Lot. The following are specifically permitted:

1. Any antenna designed to receive direct broadcast satellite service, including direct-to-home satellite service, of one meter or less in diameter;
2. An antenna designed to receive video programming services via multi-point distribution services, including multi-channel, multi-point distribution services, instructional television fixed services, or local multi-point distribution services, of one meter or less in diameter or diagonal measurement; or

3. An antenna designed to receive television broadcast signals.

A roof-mounted antenna may be mounted on the roof of the house; provided, however, no antenna or related structures may be mounted on masts exceeding ten (10) feet in height above the highest roof line ridge of the house. Any dish, disc, or antenna (with associated mast if any) shall be screened from view from Lake Norman and the street, and shall not be located in the area between the street right-of-way line and the front of any house or within the building setback lines applicable to the Lot. No antenna, discs or like transmission or reception device shall be mounted on a free standing tower without the express consent of the committee.

Section 15. Lot Maintenance; Trash Disposal. Each Owner shall keep his Lot in a clean and orderly condition and shall keep the Improvements thereon in a suitable state of painting and repair, promptly repairing any damage thereto by fire or other casualty. No Lot shall be used in whole or in part for storage of trash of any character whatsoever and no trash, rubbish, stored materials or similar unsightly items shall be allowed to remain on any Lot outside of an enclosed structure, except when temporarily placed in closed, sanitary containers pending collection by trash collection authorities or companies. Structures, equipment or other items which are visible from any road or adjacent property which have become rusty, dilapidated, or otherwise fallen into disrepair, shall not be kept on any Lot. Owners shall not allow trash cans to remain at the curb for more than 24 hours for each pick up date.

Section 16. Off-Road Parking; Off-Water Boat Storage. The residence on each Lot shall be served by a driveway constructed of concrete, asphalt, brick or other hard finished surface approved by the Committee. If any driveway crosses a drainage ditch or swale, the Owner is required to install, at the Owner's expense, any necessary piping or culverts before the commencement of any other construction or grading on the Lot. Specifications for any such piping or culvert must be approved by the Committee and installed in accordance with the approved specifications.

No truck or commercial vehicle in excess of one-ton load capacity, any truck of more than two axles, any vehicle under repair, or wrecked or junked motor vehicle shall be parked upon or permitted to remain on any Lot, the Amenity Area, Parking Area, or any other Common Area. No boat or boat trailer may be parked, left or stored on an Amenity Area or Parking Area unless such Amenity Area is a designated dry storage area for boats and trailers. No trailer, motor home, recreational vehicle or camper shall be used as a residence, either temporarily or permanently, or be parked upon or be permitted to remain on any Lot for a period exceeding 24 hours unless it is parked off the street and not within the front or side setbacks of the Lot. All trucks, trailers, campers, motor homes and recreational vehicles must have a current license plate affixed. All automobiles must have a current license plate affixed and must be parked in a carport, enclosed garage, or driveway.

Other than incidental street parking for not more than twenty four (24) hours at a time, all automobiles and other vehicles must be parked in a carport, enclosed garage, or driveway. From time to time guests, however, may park automobiles in the streets when an Owner conducts social functions and the like. This limited right of street parking may be restricted by reasonable rules adopted by the Committee if such parking creates a bona-fide nuisance or safety hazard.

Unless parked within an enclosed garage, no "large" boat and/or boat trailer (over 28 feet in length), shall be kept upon any Lot. Boats or boat trailers less than 28 feet in length, not stored within an enclosed garage, must be stored to the rear of the house, but not within any Side Setback.

Section 17. Sewage Disposal and Individual Wells. Every dwelling unit erected on any Lot shall be served by an approved Septic system for the disposal of sewage, or connected to a private or public sewage disposal system. All well water and all Septic Systems or other private sewage disposal systems shall be

approved by, and constructed and maintained in accordance with, all the regulations and requirements of all governmental authorities and regulatory agencies having jurisdiction. Owners shall construct a well only at the site identified in the improvement permit provided to the Owner by Declarant. Deviations on the permitted location of well sites may only be made with the written consent of Declarant because the location of a well on one Lot affects the permissible location of septic fields on that Lot and other Lots.

Declarant hereby reserves and grants unto itself, its successors in interest, and assigns, a right and easement benefiting Declarant and burdening each Lot for the purpose of permitting Declarant to modify and reassign the permissible construction envelope for wells and Septic Systems. Declarant reserves this right and easement in order to address problems caused by Lot Owners encountering non-porous rock or other conditions making a well in the originally designated location (or approved alternate locations) impossible or uneconomic. If a third party Owner has expended money to install part or all of a well on a Lot where Declarant desires to realign the permissible well or Septic System location, the Declarant shall install a comparable well system in the new location, pay any applicable governmental fees, and arrange for the switch in hookup to the residence, all at Declarant's sole cost and expense.

Owners are advised that grading or other alteration to the designated Septic Field Area may void existing improvement permits and no such alteration should be performed without the consent of the applicable health department.

Section 18. Nuisances. No noxious or offensive trade or activity shall be carried on upon any Lot or in any residential dwelling or outbuilding, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No substance, thing or material shall be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will disturb the peace and quiet of the Owners or Occupants of the surrounding Lots

Section 19. Diligent Construction, Construction Site Hygiene. All construction, landscaping or other work which has been commenced on any Lot must be continued with reasonable diligence to completion and no partially completed houses or other Improvements shall be permitted to exist on any Lot or Common Area, except during such reasonable time period as is necessary for completion. (See Article IX, Section 9)

No construction materials of any kind may be stored within five (5) feet of any Private Road or public road curbs on any Lot.

Any damage to any street, curb, shoulder, side ditch, street planting, or any part of any Common Area or any utility system caused by Declarant, an Owner or any builder shall be repaired by such responsible party. If such responsible party fails to repair such damage, Declarant or the Association may make or provide for such repairs, and the responsible party shall immediately reimburse the repairing party for its out of pocket expenses in making such repairs.

In the event that a responsible Owner fails to reimburse the repairing party, the Declarant or Association may take reimbursement from the Construction Deposit posted by the Owner. The Owner shall thereafter immediately deposit an additional sum to the Construction Deposit so that the balance is not less than \$500.00.

The Owner of each Lot and any builders shall at all times keep contiguous public and private areas free from any dirt, mud, garbage, trash or other debris which is occasioned by construction of Improvements on the Lot or Common Area. Declarant or the Association may provide for the cleaning of public and private areas due to the activities of the responsible party and may assess the responsible party a reasonable charge not to exceed the actual cost for such cleaning. All Owners and builders shall, consistent with standard

construction practices: (i) keep all portions of the Lots and Common Areas free of unsightly construction debris; (ii) shall at all times during construction provide dumpsters for the containment of garbage, trash or other debris which is occasioned by construction of Improvements on a Lot or Common Areas; (iii) keep the Lot and all Common Areas free of such garbage, trash, or other debris; and (iv) provide a port-a-john on the construction site maintained in a sanitary manner. Each Owner and any Owner's builder shall be responsible for erosion control protection during any earth-disturbing operation.

Section 20. Removal of Trees and Other Vegetation - Enforcement. Declarant and/or the Association shall have the authority, but not the obligation, in their sole discretion, to assess a fine against an Owner who cuts, damages, or removes any trees, shrubs or other vegetation on any part of the Common Areas, its Lot or any other Lot or Common Area contrary to the provisions of this Declaration.

Section 21. Docks and Piers. Duke Energy Corporation manages access to, use of, and water levels in Lake Norman. Any Owner, the Declarant and the Association must receive permission from Duke Energy Corporation (or a successor manager of Lake Norman under authority from FERC) prior to placing or constructing any pier or other Improvement within or upon, or conducting any activity altering the topography of Lake Norman. Declarant makes no oral, express or implied representation or commitment as to the likelihood of any Owner obtaining such permission, nor as to the continued existing purity, depth or levels (including clearance of over-water bridges or trestles) of water in Lake Norman, and Declarant shall have no liability with respect to these matters.

Any waterfront Improvement shall have an open design to minimize obstruction of neighbors' views. Enclosed or multi-level docks or boat houses will not be allowed.

The placement, construction, or use of the Pier, Boatslips, and of any other pier, dock, boatslip structures or other Improvements within or upon, or the conducting of any activity altering the topography of Lake Norman, is and shall be subject to each of the following:

- (a) easements, restrictions, rules and regulations for construction and use promulgated by the Association;
- (b) all laws, statutes, ordinances and regulations of all Federal, State and local governmental bodies having jurisdiction thereof, including, without limitation, FERC;
- (c) rules and regulations, privileges, and easements affecting the Property and the waters and submerged land of Lake Norman established by Duke Energy Corporation, its successors and assigns. Duke Energy Corporation is the manager of Lake Norman under authority granted by FERC; its current management plan runs through August 31, 2008. As manager of Lake Norman, Duke Energy Corporation controls access to, and the use and level of, the waters of Lake Norman; and

Section 22. Boat Ramps. No private boat ramps of any kind shall be permitted on any Lot. Declarant may, but is not required to, construct a common boat ramp as an Amenity for the Subdivision. All Owners shall have a right to use any such Common Area boat ramp.

Section 23. Grading Rights. Until such time as the Owner's plans have been approved by the Committee, Declarant may make cuts and fills upon any Lot or other portion of the Subdivision and do such grading, panning and earth moving, as in its sole reasonable discretion, may be necessary to improve or maintain the streets within the Subdivision or to drain surface waters therefrom.

Section 24. Violations. In the event that any Lot is developed other than in strict conformity with this Declaration and the approval of the Committee, such development must be removed or altered so as to be in compliance. Any unauthorized use of the Lot must be ended so as to extinguish any violations of this Declaration or the approval granted by the Committee. At any time a violation of this Declaration or the approval granted by the Committee may be found to exist, regardless of the length of time of such violation, the Declarant or the Committee may deliver written notice of such violation to the Owner of the Lot in violation and any other responsible parties. If reasonable measures have not been taken by the Owner or other responsible parties to terminate the violation within ten (10) business days, the Declarant or Committee may, through agents or employees, enter onto the Lot and take such measures as may reasonably be necessary to abate the violation. Such entry shall not be deemed a trespass and those parties entering on behalf of Declarant or the Committee shall have no liability to the Owner or other parties having an interest in the Lot for any entry taken in connection with the abatement of a violation. All costs and expenses, including legal fees, permits, mobilization costs and insurance plus a fifteen percent (15%) allowance for general overhead and intangible costs, shall be a binding obligation of the Owner of the Lot in violation. In addition, all costs shall be a lien upon the Lot, enforceable in the same manner as an assessment made upon the Lot.

Section 25. Construction. Construction of all Improvements and other development upon the Lot shall be the responsibility of the Owner. Neither Declarant nor the Committee shall have any responsibility whatsoever for monitoring or control of construction.

There shall be no occupancy of any residence until such time as the residence and all other completed Improvements and work upon the Lot (including any off site Septic Easement Area) are inspected and approved by the Committee as being in accordance with the plans approved by the Committee. Upon written notice of the completion of a residence, the Committee shall have ten (10) days to make such reasonable inspections as it deems necessary. In the event that the Committee discovers that Improvements or other work upon the Lot have been done other than in accordance with the plans approved, the Committee shall give Owner written notice of such violations. In the event that the Committee finds that all Improvements and work upon the Lot have been accomplished in accordance with the plans approved, then, the Committee may, upon request of the Owner, issue a certificate of compliance to the Owner.

Section 26. General Repair and Maintenance. It shall be the duty of Owner to keep and maintain all of the Lot, except as expressly stated otherwise herein, including those areas within "Setback" and "easements". The Owner shall keep the entire Lot safe, neat, free of hazards and shall comply with all fire, zoning, health, environmental and other requirements as may legally apply to the Lot. Owner shall keep the Lot clear, clean and free of all unsightly scrap, rubbish or other materials at all times, including the construction period.

Section 27. Utility Lines. No above ground utility service lines shall be constructed within the Subdivision. Only distribution lines supplying service to the entire site of the Subdivision may be located above ground.

Section 28. Non-Waiver. No delay or failure on the part of an aggrieved party to invoke an available remedy in respect to a violation of any provision contained herein or referred to herein shall be held to be a waiver by that party of any right available to the party upon the recurrence or continuance of said violation or the occurrence of a different violation.

Section 29. Rights of Duke Energy Corporation. Duke Energy Corporation has certain privileges and easements affecting the Subdivision which include the right to enforce certain restrictive covenants, and the right, privilege and easement of backing, ponding, raising, flooding, or diverting the waters of Lake Norman and its tributaries upon and over the Subdivision, as more specifically described in the Deed from

Crescent Resources, LLC to the Declarant recorded in Book 2301, Page 0626, of the Register of Deeds Office in Catawba County.

Section 30. Private Road Easement. Declarant specifically establishes, reserves, and grants to the Owners of the Lots, the Association and Declarant, their heirs, successors and assigns, non-exclusive, perpetual easements over the Private Roads, in the widths and in the locations shown on the Map, for the purpose of pedestrian and vehicular access, ingress and egress to the Lots and Common Areas, and for the installation and maintenance of paved roadways and of utilities and drainage facilities. Within the Private Roads, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of the roadways located therein or the other utilities or drainage facilities installed therein.

Section 31. Mailboxes. Mailboxes shall be of a consistent design, color and material designated by the Declarant or, if the Declarant so delegates, by the Committee, and may not violate North Carolina Department of Transportation standards.

Section 32. Driveways. All connections of private driveways to the Long Bay road system, and all connections of private easements and right-of-ways to that road system shall be constructed and maintained in accordance with all Applicable Laws and the rules, regulations and specifications as approved from time to time by the Committee.

Section 33. House Numbers. House numbers are to be displayed in compliance with all Catawba County ordinances.

ARTICLE XI **Environmental Hygiene**

Underground storage tanks for petroleum products, chemicals, or other substances having the potential to cause damage by accidental discharge into the soil, are prohibited in the Subdivision.

ARTICLE XII **Duration, Modification and Termination**

Section 1. Amendment. The covenants, conditions and restrictions of this Declaration may be amended at any time and from time to time by an agreement signed by Owners holding a majority of votes appurtenant to the Lots which are then subject to this Declaration; provided, however, that such amendment must be consented to by Declarant so long as Declarant is the Owner of any Lot in the Subdivision including any Additional Property. It is further provided that any amendment affecting the Pier and Boatslips and any Improvements located thereon must be approved by a vote of a majority of the Votes appurtenant to the Boat slip Lots and must be consented to by Declarant so long as Declarant is the Owner of any Lot in the Subdivision. Any such amendment shall not become effective until the instrument evidencing such change has been Filed. The consent of a majority of the Owners of Lots, plus the written consent of Declarant shall be required to withdraw any portion of the Property from the requirements of this Declaration.

Notwithstanding anything in this Article XII, Section 1 to the contrary, Declarant may, at Declarant's option, amend this Declaration without obtaining the consent or approval of any other person or entity if such amendment is necessary to cause this Declaration to comply with the requirements of FHA, VA, the Federal National Mortgage Association, or other similar agency. Declarant, without obtaining the approval of any other person or entity, may also make amendments or modifications hereto which are correctional in nature only and do not involve a change which materially adversely affects the rights, duties or obligations specified herein.

Section 2. Term. The covenants and restrictions of this Declaration are to run with the land and shall be binding upon all parties and all persons claiming under them for a period of twenty-five (25) years from the date this Declaration is originally Filed; after which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument signed by Owners holding a majority of the votes appurtenant to the Lots, plus Declarant, if Declarant then owns any Lot, has been recorded, agreeing to terminate or modify said covenants and restrictions in whole or in part. Provided, however, that the residential use restrictions set forth in Article X Section 1 of this Declaration shall run with the land and shall be binding upon all parties and persons claiming under them in perpetuity.

ARTICLE XIII

Enforcement

Any violation of this Declaration, whether in whole or in part, is hereby declared to be a nuisance and, without limitation, any party empowered to enforce this Declaration may avail itself of all remedies available under Applicable Laws for the abatement of a nuisance in addition to all other rights and remedies set forth hereunder or otherwise available at law. This Declaration may be enforced by Declarant, its successors and assigns (including without limitation the Association after the termination of Founders Class Membership), by proceedings at law or in equity against the person or entity violating or attempting to violate any covenant or restriction, either to restrain the violation thereof, abate or remediate damage caused by the violation, or to recover damages, all together with reasonable attorney's fees and court costs. Further, after the termination of Declarant's Founder Class membership in the Association, in the event the Association fails to act to enforce any covenant or restriction herein, any Owner of any Lot may enforce these covenants and restrictions as aforesaid against any other Owner.

ARTICLE XIV

Easements and Retained Rights

Section 1. Assignability of Rights. All rights, powers and reservations of Declarant stated herein may be assigned. If at any time Declarant ceases to exist and has not previously made an assignment of its rights, a successor Declarant may be appointed by the written vote of a majority of the Owners. Any assignment made pursuant to the terms of this section shall be Filed in Catawba County, North Carolina.

Section 2. Exoneration of Declarant. It is agreed by all Owners and by any other party having an interest in any Lot that Declarant has no duty to enforce any of the covenants and restrictions contained herein. Declarant shall not be subject to liability to any party by reason of its failure to enforce any covenant, condition or restriction herein.

Section 3. Septic Easements. Non-exclusive easements for septic service and septic drainage fields (the "Septic Easements") are reserved and granted, over, across and under the Septic Easement Areas, to the Declarant and any Offsite Septic Lot Owners. After transfer from the Declarant, the Association shall hold title to the Septic Easement Area subject to any and all Septic Easements. As long as the Subdivision is not serviced by a public or private sewer line, the Association shall not transfer, mortgage, encumber or otherwise convey any Septic Easement Area or any portion thereof to any other party.

Each Septic Easement shall be appurtenant to the Offsite Septic Lot to which it is servient. Any deed, deed of trust, mortgage, transfer or other conveyance of any Offsite Septic Lot shall also transfer or convey the Septic Easement appurtenant to the Offsite Septic Lot, even if not expressly stated in the instrument of transfer.

Each Septic Easement herein reserved and granted shall include the right, at the sole expense of the Owner of the Offsite Septic Lot, to construct, maintain, operate, remove and reinstall a Septic System in and upon the appurtenant Septic Easement Area and to clear (and continue to clear as necessary) trees, brush and other plants for the proper construction, installation and maintenance of said system. The Owner of the Offsite Septic Lot shall immediately restore the surface of the Septic Easement Area disturbed by installation or maintenance of a Septic System to a stable, reasonably compact and safe grade, seeded (with the seeding covered with hay or other appropriate material) or planted and maintained substantially similar to that condition existing prior to the Owner's work. Failure to completely fulfill the requirements of the preceding sentence, including seeding, shall result in a charge of Five Hundred Dollars (\$500.00) for each violation which charge shall be a lien upon the Owner's Lot. If an Owner's attempted seeding does not "take", the Owner is required to repeat the process until a stable grass cover, sufficient to prevent erosion and washing is obtained. Should the Owner of such Lot fail to restore the surface of the Septic Easement Area, in the sole judgment of the Declarant or the Board of Directors, then the Board of Directors shall have the power to specially assess such Owner for any costs of restoration in excess of the Five Hundred Dollar (\$500.00) initial charge. The Declarant or the Association may extract the Five Hundred Dollar (\$500.00) charge or any excess costs of restoration from the Owner's Construction Deposit. No Owner shall occupy the residence on his or her Offsite Septic Lot until the restored surface of the Septic Easement Area meets the requirements of this paragraph.

Owners of each of the Offsite Septic Lots and their agents are granted the right of ingress, egress and regress over and across such portions of the Septic Easement Areas as may be necessary to access the Septic Easement Area appurtenant to such Owner's Offsite Septic Lot.

The Owner of the Lot for which a Septic System is being installed shall be responsible for obtaining all permits for the use of said Septic System and shall hold the Declarant and the Association, its successors and assigns, harmless from any loss, damage or liability relating thereto, except to the extent that such loss, damage or liability results from the negligent or willful act of the Declarant or the Association. Prior to the installation of a Septic System within the Septic Easement Area, the Owner of the Offsite Septic Lot for which the Septic System is being installed shall have the proposed location of such Septic System staked and approved by the appropriate authorities, and such Septic System shall be approved by, and constructed and maintained in accordance with all regulations and requirements of all governmental authorities and agencies having jurisdiction. The Owner of the Offsite Septic Lot to which a Septic System Easement Area is appurtenant shall be responsible to operate and maintain the Septic System located thereon at such Owner's sole cost and expense.

The Septic Easements hereby granted and reserved shall run with the title to the Offsite Septic Lots to which they are appurtenant. At such time as any Offsite Septic Lot is connected to a public or private sewer line and is serviced thereby, then the Septic Easement reserved and granted for the benefit of that Offsite Septic Lot shall terminate.

Declarant hereby reserves and grants unto itself, its successors in interest, and assigns, a right and easement benefiting Declarant and burdening each Offsite Septic Lot for the purpose of connecting any residence(s) upon such Lot(s) to any public or private sewer line providing service accessible to such Lots, including access across the Lots and the right to install any pipes and apparatus as may be necessary to connect any such residence(s) to such sewer line (the "Sewer Connection Easement"). By reserving the Sewer Connection Easement, Declarant has not obligated itself or its successors or assigns to connect any public or private sewer line to the above-described Lots or to make any sewer service available to such Lots. The exercise of such rights and the Sewer Connection Easement shall be at the sole discretion of Declarant, its successors in interest and assigns.

Declarant hereby further reserves unto itself and its successors in interest, a right and easement benefiting Declarant and burdening each Offsite Septic Lot. Declarant may, in its discretion, replace the original Septic Easement Area appurtenant to an Offsite Septic Lot with another Septic Easement Area which shall thereafter be appurtenant to that Offsite Septic Lot. The replacement shall be evidenced by a Filed revision of that portion of the Map showing the Offsite Septic Lot and the appurtenant Septic Easement Area if the Offsite Septic Lot is then still owned by Declarant. In the event that the Offsite Septic Lot is then owned by a third party Owner, such Owner shall cooperate with Declarant by executing such title transfer documents as are necessary to consummate the replacement of the original Septic Easement Area with a replacement Septic Easement Area. If the third party owner has expended money to install part or all of a septic system in the original Septic Easement Area, Declarant shall install a comparable system in the new Septic Easement Area, pay any applicable governmental fees, and arrange for the switch in service, all at Declarant's sole cost and expense.

Portions of septic connector lines from multiple Offsite Septic Lots may be buried in one or more common trenches to connect Offsite Septic Lots with the percolation field area of the Septic Easement Areas appurtenant to those Lots. The Septic Easement Areas of multiple Offsite Septic Lots will overlap in the area of such trenches. In the event of damage to, or leakage from, the portion of any septic connector line which is: (i) buried in a common trench; and (ii) located between the Lot line of an Offsite Septic Lot and the percolation field of that Lot's appurtenant Septic Easement Area; the repair of such septic connector line shall be the responsibility of the Association and all costs shall be deemed an expense for Common Area maintenance. This allocation of repair duty and expense is made so that the Association may control and monitor all work in the common trench area where use of contractors unfamiliar with the installation could result in errors and damage with resulting loss of septic function to multiple Owners. The Association shall promptly act to repair any damage or leakage and will seek expeditious repair when any affected Owner might otherwise be without a functional Septic System. The Association shall, by subrogation, succeed to the rights of any affected Owner against any parties who caused damage to such septic connector lines.

Section 3. Temporary Construction Easements. Declarant reserves for itself and its agents the right and easement to, from time to time, go over and upon (including trucks, equipment and the like) any Lot for the purpose of installing wells, septic systems, infrastructure or other work necessary in the Subdivision, whether the work benefits the Lot over which access is made or other Lots. Declarant will repair any material damage to the Lot over which access is made and will exercise care to minimize the time of such work and the damage made by the work or access.

Section 4. Limited Withdrawal of land from this Declaration. Notwithstanding anything to the contrary stated in this Declaration, Declarant shall have the unqualified right, in its sole discretion, to release up to ten (10) contiguous acres of the Common Area from the burden and effect of this Declaration. No portion of the Released Area may consist of a portion of a Lot or an identified Septic Easement Area which serves a Lot.

ARTICLE XV

Partial Taking and Abandonment of Adjoining Public Rights of Way

In the event that any portion of the Subdivision is taken or purchased in any manner in the nature of a condemnation or other governmental taking, such taking will not render invalid any provision contained in this Declaration.

ARTICLE XVI

General

Section 1. Mortgagees' Protection. Violation of this Declaration shall not defeat the lien of any Mortgage made in good faith and for value upon any portion of the Property. Any lien created hereunder shall be subordinate to any such Mortgage unless a lis pendens or notice of the lien shall have been Filed prior to the recordation of such Mortgage; provided, however, that any Mortgagee in actual possession or any purchaser at any trustee's, mortgagee's or foreclosure sale shall be bound by and be subject to this Declaration as fully as any other Owner.

Section 2. Chain of Title. Each grantee, lessee or other person in interest or occupancy accepting a conveyance of a fee or lessor interest, the demise of a leasehold interest, or a license, in any Lot, whether or not the instrument of conveyance refers to this Declaration, covenants for himself, his heirs, successors and assigns to observe and perform and be bound by this Declaration and to incorporate this Declaration by reference in any conveyance, demise of a leasehold estate, or the grant of a license, of all or any portion of his interest in any real property subject hereto.

Section 3. Ambiguities. If any discrepancy, conflict or ambiguity is found to exist with respect to any matters set forth in this Declaration, such ambiguity, conflict or discrepancy shall be resolved and determined by Declarant in its sole discretion. Declarant shall have the right to interpret the provisions of this Declaration and, in the absence of an adjudication by a court of competent jurisdiction to the contrary, its construction or interpretation shall be final and binding as to all parties or property benefited or bound by the provisions hereof. Any conflict between any construction or interpretation of Declarant and that of any other person or entity entitled to enforce any of the provisions hereof shall be resolved in favor of the construction or interpretation of Declarant.

Section 4. No Reversionary Interest. This Declaration shall not be construed as creating conditions subsequent, or as creating a possibility of reverter.

Section 5. Zoning Requirements. This Declaration shall not be interpreted as permitting any action or thing prohibited by applicable zoning laws, or any other Applicable Laws, or by specific restrictions imposed by any deed or other conveyance. In the event of any conflicts, the most restrictive provision among the conflicting terms shall be taken to govern and control.

Section 6. Effect of Invalidation. If any provision of this Declaration is held to be invalid by any court or other body of competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions of this Declaration and all remaining restrictions, covenants, reservations, easements and agreements contained herein shall continue in full force and effect.

Section 7. Gender. All pronouns used herein shall be deemed to be singular, plural, masculine, feminine or neuter as application to specific circumstances may require.

Section 8. Liability Limitations. Neither Declarant, nor any Owner nor any officers, directors, agents or employees of any of them shall be personally liable for debts contracted for or otherwise incurred by the Association. Neither Declarant, nor the Association, nor their directors, officers, agents or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, Improvements or portions thereof or for failure to repair or maintain the same. Declarant, the Association or any other person, firm or association making such repairs or maintenance shall not be liable for any personal injury or other incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any premises, Improvements or portions thereof. The Association shall, to the extent permitted by applicable law, indemnify and defend all members of the Board, its officers, employees and

agents from and against any and all loss, cost, expense, damage, liability, claim, action or cause of action arising from or relating to the performance by the Board of its duties and obligations, except for such resulting from the gross negligence or willful misconduct of the person(s) to be indemnified. The Association may maintain liability insurance for members of its Board, its officers, employees and agents.

All Owners acknowledge that they and their invitees will use any golfcart paths or lanes constructed by Declarant at their own risk and do hereby release and agree to hold harmless and indemnify Declarant and the Association from liability for any property damage or injury suffered through such use.

IN WITNESS WHEREOF, Declarant has executed and sealed this Declaration the day and year first written above.

BRIDGEWATER COMPANY V, LLC

by: [Signature]
Jeffrey Cernuto, LLC ~~Administrator~~ Member Manager

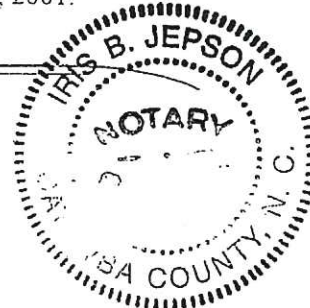
STATE OF NORTH CAROLINA
COUNTY OF Catawba

I, Iris B. Jepson ~~member manager~~ a Notary Public for said County and State, do hereby certify that Jeffrey Cernuto, the LLC ~~Administrator~~ of Bridgewater Company V, LLC, a North Carolina limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

WITNESS my hand and official seal, this the 13 day of Oct, 2001.

[Signature]
Notary Public

My Commission Expires: 29 Dec 2003



THIS JOINDER AND CONSENT is made this 4th day of October, 2001, by Peoples Bank, a North Carolina corporation ("Beneficiary"); and Lance A. Sellers, ("Trustee") a resident of North Carolina, Trustee under that certain Deed of Trust and Security Agreement recorded in Book 2301 at page 0636 in the Catawba County Public Registry (the "Deed of Trust").

The undersigned Beneficiary and the Trustee do hereby consent to, and join in, the conditions, covenants, reservations, easements and restrictions that are herein declared, reserved and imposed upon the Property and additions to the Property. The undersigned Beneficiary and Trustee hereby subordinate the Deed of Trust to this Declaration of Covenants, Conditions and Restrictions (including future amendments and supplementary declarations) so that any foreclosure or other conveyance of the Property subject to this Declaration pursuant to the deed of trust, shall not cut off, invalidate or otherwise affect the covenants, conditions, restrictions, easements and other terms of this Declaration.

IN WITNESS WHEREOF, the Beneficiary and the Trustee have caused this Release to be duly executed under seal, this the 4th day of October, 2001.

BENEFICIARY:

PEOPLES BANK

By: [Signature]
Title: v.p.

TRUSTEE:

[Signature] (SEAL)
Lance A. Sellers, Trustee

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

This 4th day of October, 2001, personally came before me, Mark Simon, who being by me duly sworn, says that she/he is Vice, President of PEOPLES BANK; and that said writing was signed by her/him on behalf of said corporation. And the said Vice, President acknowledged the said writing to be the act and deed of said corporation.

WITNESS my hand and notarial seal, this the 4th day of October, 2001.

Rhonda K. Fleming
Notary Public

My commission expires: 4/10/2004

(Notarial Seal)

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

I, Kristina O. Price, a Notary Public for said County and State, do hereby certify that Lance A. Sellers, Trustee, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal, this the 4th day of October, 2001.

Kristina O. Price
Notary Public

My commission expires: 2/17/2002



Long Bay on Lake Norman

704 799 3702

* * * * * Summary of Protective Covenants * * * * *

1. **Land Use and Building Type:**
 - a. Single-family residential dwelling;
 - b. Only one single-family residential dwelling not exceeding 2 ½ stories in height above the ground;
 - c. No mobile home, modular home, shell home or log home may be erected or permitted to remain on any lot;
 - d. Private garage (not exceeding three-car capacity), outbuildings, fixed piers and floating boat dock facilities incidental to the residential use of the lot are expressly permitted.
2. **Dwelling Size:**
 - a. Any one-story dwelling not less than 1600 sq. feet for waterfront lots, 1400 sq. feet for off-water lots;
 - b. Any multi-level home not less than 2200 square feet with 1400 square feet minimum on ground level;
 - c. Unfinished basement square footage does not apply toward square footage minimum.
3. **Building Construction and Quality:**
 - a. No building shall be erected unless it is completely underpinned with solid brick, brick or stone-covered block or stucco foundation;
 - b. Roofs (except dormers) of not less than 6 in 12 pitch and not less than 12-inch over-hang;
 - c. Exterior of all houses and other structures must be completed within one (1) year after the commencement of construction;
 - d. The exterior surface of any building shall not be of asbestos shingle siding, aluminum siding, imitation brick or stoneroll siding, exposed concrete or cement blocks or logs;
4. **Temporary Structures; Structure Materials:**
 - a. No residence or building of a temporary nature shall be erected or allowed to remain on any lot.
5. **Building Setback lines:**
 - a. Setbacks from Lake Norman are 50 feet, and from roadway 30 feet;
 - b. Side lot setbacks are 15 feet
 - c. Setbacks to be shown on final plat.
6. **Combination or Subdivision of Lots:**
 - a. No lot shall be subdivided by sale or otherwise as to reduce the lot area shown on map.
7. **Antennas, Satellite Dishes or Discs:**
 - a. Satellite dishes must be one (1) meter or less, and screened from road and lake;
 - b. No freestanding radio or television towers or antennas.
8. **Sewage Disposal, Wells and Utilities:**
 - a. Sewage disposal system shall be approved by Catawba County;
 - b. Water will be individual wells and approved by Catawba County;
 - c. Electricity will be Duke Power.
 - d. Lot #6, 13, 14, 23, 24, 25 & 26 will have off-site septic systems.
9. **Boats, Campers, Trailer, Motor Homes:**
 - a. Must be parked off the street and not within the front, side or waterfront setbacks.
10. **Piers and Docks:**
 - a. Individual piers and docks may be installed on specified lots in accordance with the guidelines of Duke Power's Lake Management and Catawba County.
 - b. Covered docks allowed on approved lots only in accordance with CCR's.
 - c. Duke Energy manages access to, use of, and water levels of Lake Norman. Bridgewater V and Newport Property make no oral, expressed or implied representation of purity, depth or levels of water and/or bridge clearance at Lake Norman.
11. **Architectural Review Committee**
 - a. Will review all plans and grant final approval. Cost shall be \$300 for house plan review.
 - b. A \$500 construction deposit (road bond) shall be paid prior to construction.
12. **Homeowners Association**
 - a. Proposed dues \$275

Bridgewater V Community

PO Box 3608, Mooresville, NC 28117

* This summary of protective covenants is preliminary and subject to change.
* * Please note that a complete set of Protective Covenants should be reviewed prior to making an offer.

12/27/05