

NORTH CAROLINA
CATAWBA COUNTY

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

8516

BOOK 1250 PAGE 235

THIS DECLARATION and the exhibits which are attached hereto and made a part hereof by this reference, are made and executed this 14th day of March, 1984, by HUNTINGTON WOODS DEVELOPMENT CORPORATION, a North Carolina corporation, hereinafter referred to as the "Declarant," for itself, its successors, grantees, and assigns.

W I T N E S S E T H:

WHEREAS, the Declarant is the owner of certain real property situate in the City of Hickory, County of Catawba, State of North Carolina, which is shown on plat of "Huntington Woods Townhouses, Phase 1" recorded in Plat Book 18 at Page 398 in the office of the Register of Deeds of Catawba County, North Carolina, which real property is more particularly described and defined on Exhibit "A" attached hereto and incorporated herein by reference; and

WHEREAS, the Declarant owns additional real property adjacent to the real property described on Exhibit "A" attached hereto, which additional real property is shown as "Reserved by Declarant" on the plat of "Huntington Woods Townhouses" recorded in Plat Book 18 at Page 399 in the office of the Register of Deeds of Catawba County, North Carolina, which additional real property is more particularly described on Exhibit "B" attached hereto and incorporated herein by reference and which may be annexed by the Declarant in its discretion as herein provided; and

WHEREAS, the Declarant is the owner of a certain multi-unit building and certain other improvements heretofore constructed on the real property described on Exhibit "A" attached hereto, and it is the desire and intention of the Declarant to sell the same to various purchasers subject to the covenants, conditions, obligations, and restrictions herein reserved to be kept and observed;

NOW, THEREFORE, the Declarant does hereby publish and declare that all of the real property described on Exhibit "A" attached hereto, together with such portion or portions of the real property described on Exhibit "B" attached hereto which may be annexed by the Declarant in its discretion as herein provided, is held, and shall be held, conveyed, hypothecated, encumbered, used, occupied, and improved subject to the following restrictions, covenants, conditions, uses, limitations, and obligations, all of which are declared and agreed to be in furtherance of the plan for the improvement and development of such property and shall be deemed to run with the land and shall be a burden and benefit to the Declarant, its successors and assigns, and any person acquiring and owning an interest in the real property and improvements, their grantees, successors, heirs, administrators, devisees, and assigns. Every grantee of an interest in such property by the acceptance of a deed or other conveyance of such interest, whether or not such deed or other conveyance of such interest shall be signed by the grantee or whether or not such person shall otherwise consent in writing, shall take subject to the provisions of this Declaration or Supplementary Declarations, and shall be deemed to have assented to the same.

ARTICLE I

DEFINITIONS

Section 1. The following words, when used in this Declaration or any supplement or amendment thereto, unless the context requires otherwise, shall have the following meaning:

(a) "Assessment" means an Owner's share of the common expenses assessed against such Owner and his Lot from time to time by the Association in the manner hereinafter provided.

(b) "Association" means and refers to Huntington Woods Homeowners Association of Hickory, Inc., its successors and assigns.

(c) "Board" or "Board of Directors" means the Board of Directors of the Association.

(d) "By-Laws" means the By-Laws of the Association, attached hereto and incorporated herein by reference.

(e) "Common Area" means all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is briefly described as: All that certain piece, parcel or tract of land designated as "Common Area" and shown on the plat of "Huntington Woods Townhouses, Phase 1" recorded in Plat Book 18 at Page 378 in the office of the Register of Deeds of Catawba County, North Carolina, and being more particularly described on Exhibit "C" attached hereto and incorporated herein by reference.

(f) "Common Expenses" means all or any of:

(1) All expenses incident to the administration, maintenance, and repair or replacement of the Common Area and the improvements thereon.

(2) Expenses determined by the Association to be Common Expenses and which are lawfully assessed against the Owners.

(3) All sums lawfully assessed against the Owners by the Association.

(g) "Declarant" means and refers to Huntington Woods Development Corporation, a North Carolina corporation, or its successor in fee ownership of all remaining Lots (more than one Lot) unsold to purchasers for use as residences. At no point in time may there be more than one Declarant.

(h) "Declaration" means this Declaration of Covenants, Conditions and Restrictions.

(i) "Lot" means and refers to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

(j) "Member" means an Owner.

(k) "Mortgage" means any deed of trust, mortgage, security agreement, and financing statement or any and all other similar instruments given to secure the payment of a debt, by granting a security interest in a Lot or the improvements thereon or the fixtures and contents thereon.

(l) "Owner" means the record legal fee Owner or Owners of a Lot, excluding any lender, trustee, or creditor whose interest in the Lot is merely as security for the performance of an obligation.

(m) "Person" means any individual, corporation, partnership, association, trustee, fiduciary, or other legal entity, and shall mean the plural or combination of the same where applicable.

(n) "Properties" means and refers to that certain real property described on Exhibit "A" attached hereto and such additions thereto as may be hereafter annexed and brought within the jurisdiction of the Association.

(o) "Supplementary Declaration" means the document filed to include one or more parcels of real property shown on Exhibit "B" attached hereto within the Properties and within the jurisdiction of the Association.

ARTICLE II

PROPERTY RIGHTS

Section 1. Nature of Ownership. Every Lot shall for all purposes be, and it hereby is declared to be and to constitute, a separate parcel of real estate and the Owner thereof shall be entitled to the exclusive ownership and possession thereof, subject only to the covenants, conditions, restrictions, and easements contained herein and the By-Laws, rules and regulations, resolutions, and decisions adopted pursuant hereto and as may be contained in the By-Laws and the minutes of the Board of Directors of the Association.

Section 2. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty

(60) days for any infraction of its published rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3rds) of each class of members agreeing to such dedication or transfer has been recorded.

The right and easement of enjoyment in and to the Common Area shall not be separate from the Lot to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with such Lot even though such right and easement is not expressly mentioned or described in the conveyance or other instrument.

An Owner shall automatically become a Member of the Association, and shall remain a Member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically pass to his successor in interest.

By acceptance of a deed of or for a Lot, the Owner thereof agrees to abide by this Declaration, the By-Laws of the Association, and all duly adopted rules and regulations of the Association, and to pay all assessments duly levied by the Association or the Board of Directors.

Section 3. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area facilities to the members of his family, his tenants, or contract purchasers who reside in the residence located on such Owner's Lot.

Section 4. Parking Rights. Ownership of each Lot shall entitle the Owner or Owners thereof to the use of not more than two (2) automobile parking spaces, in the portion of Common Area devoted to parking which shall be as near and convenient to each Lot as reasonably possible, together with the right of ingress and egress in and upon said parking areas. The Association may, if it deems necessary or desirable, at any time, permanently assign one or two vehicle parking spaces for each dwelling.

Section 5. Easement for Maintenance of Heating and Air Conditioning Apparatus. Every Owner shall have a perpetual right and easement to maintain, repair, and replace from time to time, the heating and air conditioning apparatus which serves such Owner's Lot and which has been or may be installed by the Declarant on the Common Area. Each Owner and his invitees and premittees shall also have an easement to go on the Common Area for the purpose of maintaining, repairing, and replacing such apparatus from time to time. Nothing contained herein shall be construed to impose any duty upon the Association to make any such repairs or replacements or to repair any Owner's heating and air conditioning apparatus in any way, such apparatus being declared hereby to be the sole property of the Owner of the Lot served thereby.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

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

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned by it in Huntington Woods Townhouses, Phase I. The Declarant shall also be entitled to three (3) votes for each Lot owned by it in the additional property owned by Declarant and described on Exhibit "B" attached hereto which may be added to the Properties from time to time immediately upon the recording of a plat showing the additional Lots, together with an amendment

to the Declaration submitting the additional property to the Declaration. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) December 31, 1988.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned by it within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. Any such annual or special assessment, together with interest thereon and court costs and reasonable attorney's fees incurred in the enforcement and collection thereof, shall be a charge on the Lot against which such assessment is made and shall be a continuing lien upon such Lot until paid. Each such assessment, together with interest thereon and court costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to such person's successors in title unless expressly assumed by such successors.

Section 2. Purpose of Assessments. The annual and special assessments fixed and collected pursuant to this Article shall be used to pay the Common Expenses including, but not limited to, all expenses, costs, and charges incurred by the Association in connection with the administration, management, and operation of the Properties; the costs of maintenance, repair, replacement and restoration of the exteriors

of the homes situated upon the Properties and the improvements, including recreational facilities, situated or to be situated upon the Common Area or any part thereof and reasonable reserves for items expended on at least an annual basis; the costs of all insurance obtained by the Board; the payment of taxes assessed against the Common Area; the procurement and maintenance of insurance in accordance with the By-Laws; the cost of employing attorneys to represent the Association when necessary; and any and all other expenses, costs, or charges agreed upon as Common Expenses by the Association or declared to be Common Expenses by the provision of this Declaration.

Section 3. Maximum Annual Assessment. Until December 31, 1984, the maximum annual assessment shall be \$600.00 per Lot.

(a) From and after January 1, 1985, the maximum annual assessment may be increased each year not more than 10 percent (10%) above the maximum assessment for the previous year by the Board of Directors without a vote of the membership of the Association.

(b) From and after January 1, 1985, the maximum annual assessment may be increased by more than 10 percent (10%) above the maximum annual assessment for the previous year by a vote of two-thirds (2/3rds) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the then maximum annual assessment.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any calendar year, special assessments for the purpose of supplementing the annual assessments if the same are inadequate to pay the Common Expenses and of defraying in whole or in part, the cost of any construction or reconstruction, repair, or replacement of a capital improvement, including recreational facilities, upon the Common Area, including the necessary fixtures and personal property related thereto; provided, however, that any such special assessment shall have the assent of two-thirds (2/3rds) of

the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose. The period of the assessment and manner of payment shall be determined by the Association.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eight percent (8%) per annum or the maximum interest rate permitted to be legally charged under the laws of the State of North Carolina at the time of such delinquency, provided, however, that the interest charged hereunder shall not exceed ten percent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property in the same manner as prescribed for the foreclosure of deeds of trust in North Carolina. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Exempt Property. All properties dedicated to, and accepted by a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made, nor shall any planting of any trees, bushes, or

shrubs be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures, landscaping, and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VI

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent

or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

ARTICLE VII

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces. In order to enable the Association to accomplish the foregoing, there is hereby reserved to the Association the right to unobstructed access over and upon each Lot at all reasonable times to perform maintenance as provided in this Article.

In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family, or guests, or invitees, the cost of such maintenance of repairs shall be added to and become a part of the assessment to which such Lot is subject.

ARTICLE VIII

RESTRICTIVE COVENANTS

Section 1. Residential. Each of the buildings constructed or to be constructed upon the Properties shall be, and the same hereby are, restricted exclusively to single family residential use, and shall be occupied only by a single family, its servants and guests. No structures of a temporary character, or any trailer, basement, tent, shack, carport, garage, barn

or other outbuilding shall be erected, placed, or allowed to remain on any portion of the Lots or Common Area of the Properties at any time.

Section 2. Construction and Sale. Anything contained herein to the contrary notwithstanding, it shall be permissible for the Declarant to maintain, during the period of construction and sale of residences and Lots, upon such portion of the Properties as the Declarant may deem necessary, such facilities as in the sole discretion of the Declarant may be reasonably required, convenient or incidental to the construction and sale of buildings, including, but without limitation, a business office, storage area, construction yards, signs, model units and sales office.

Section 3. Business Activities. No business activities shall be conducted on any portion of the Properties provided however the foregoing restrictions shall not apply to the Declarant as provided above; provided further, private offices may be maintained on a Lot so long as such use is incidental to the primary residential use of the Lot and is approved by the Board of Directors.

Section 4. Motor Vehicles. No motor vehicles (other than private passenger vehicles), boat, boat trailer, mobile home, motor home, trailer, or any similar items shall be stored in or upon the Common Area unless placed upon a portion of the Common Area which may be designated from time to time by the Board of Directors for the storage of such items.

Section 5. Signs. No signs or advertising devices shall be displayed which are visible from the exterior of any building on any Lot or on the Common Area including "For Sale" signs, without the written permission of the Board; except that the Declarant is exempt from this provision as provided above.

Section 6. Prohibitions in Use of Common Area. Except on specific approval of the Board, the Common Area shall not be used for temporary or permanent storage of supplies, personal property, trash, or refuse of any kind, except in common trash receptacles placed at the discretion of the

Board nor shall they be used in any way for the drying or airing of clothing, rugs, or other fabrics. In general, no activity shall be carried on nor condition maintained by any Owner either in his residence or upon the Common Area if such activities should despoil or tend to despoil, the appearance of the Properties. It is expressly acknowledged and agreed by all parties concerned that this section is for the mutual benefit of all Owners and is necessary for the protection of the Owners and is enforceable by the Board or any one or more Owners.

Section 7. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of the Properties, except that dogs, cats or other household pets may be kept by the respective Owners on their respective Lots provided that they are not kept, bred or maintained for any commercial purpose and do not endanger the health or, in the sole discretion of the Board of Directors, unreasonably disturb the Owner of any Lot or resident thereof.

Section 8. Clotheslines, etc. No outside clothesline shall be permitted, and all garbage cans and similar items shall be kept screened so as to conceal them from view of neighboring Lots.

Section 9. Antennas. No exterior television or radio antennas shall be placed on any improvements without prior written approval of the Board of Directors.

Section 10. Utility Easement. There is hereby granted to the Association a blanket easement upon, across, over and under all of the Properties for ingress, egress, installation, replacing, repairing, and maintaining a master television antenna system and all utilities, including but not limited to, water, gas, sewers, telephones and electricity. Such easements grant to the Association and appropriate utility companies the right to erect and maintain the necessary poles and other necessary equipment on the Properties and to affix and maintain utility wires, circuits, and conduits on, above, across and under the Lots and roofs and exterior walls of the townhouses.

Section 11. Nuisances. No nuisances shall be allowed upon the Properties and no person shall engage in any use, practice, or activity upon the Properties which is noxious, offensive, or a source of annoyance to Owners or which reasonably interferes with the peaceful possession and proper use of any Lot by any Owner. All parts of all Lots shall be kept in a clean and sanitary condition; and no rubbish, refuse, or garbage shall be allowed to accumulate and no fire hazard shall be allowed to exist thereon. Any Owner (or his family, tenants, guests, or agents) who shall dump or place any trash or debris upon any portion of the Properties shall be liable to the Association for the actual cost of removal thereof, and the same shall be added to and become a part of the assessment next coming due to which the Owner is subject.

Section 12. Lawful Use. No immoral, improper, or unlawful use shall be made of any Lot. All valid laws, zoning ordinances, and regulations of governmental bodies having jurisdiction shall be observed.

Section 13. Rules and Regulations. The Board of Directors may from time to time promulgate reasonable rules and regulations respecting the restrictive covenants set out in this Article VIII, but such rules and regulations shall be consistent with these restrictions and not in derogation or intended as an amendment thereof.

Section 14. Reservation. A non-exclusive easement for egress and ingress is reserved by the Declarant and its successors and assigns in and to all roads in and about the Properties now existing or hereafter constructed. The Declarant expressly reserves the right to develop property appurtenant to the property, as described herein on Exhibit "B" in such manner as it may deem necessary or advisable in its absolute discretion and reserves a blanket easement for access for ingress and egress from said appurtenant properties over all ways, public or private, in and about the Properties for itself and its successors and assigns.

ARTICLE IX

BOOK 1350 PAGE 310

INSURANCE

Each Owner shall secure and maintain in full force and effect at such Owner's expense, one or more insurance policies insuring Owner's Lot and the improvements thereon for the full replacement value thereof against loss or damage from all hazards and risks normally covered by a standard "Extended Coverage" insurance policy, including fire and lightning, vandalism and malicious mischief.

Each Owner, at Owner's expense, shall secure and maintain in full force and effect comprehensive personal liability insurance for damage to person or property of others occurring on Owner's Lot, not less than the amount designated by the Association. Owner shall provide the Association with satisfactory evidence that such insurance as herein required is in full force and effect and the Association will be given thirty (30) days notice prior to the expiration or cancellation of any Owner's insurance coverage. In the event Owner fails or refuses to maintain such insurance coverage as herein required, the Association may, but shall not be obligated to, through its agent or representative, secure and maintain such insurance coverage for Owner's benefit, and cost or expense thereof shall be deemed a special assessment levied by the Association against Owner and Owner's Lot in accordance with the other provisions of this Declaration, and Owner covenants and agrees to pay to the Association such special assessment upon demand.

This insurance provision may be modified or amended to substitute one comprehensive insurance policy covering all units provided the approval of a majority of the unit Owners is obtained and approval by 75 percent of the Owners and holders of first deeds of trust on the Lots is obtained. Such approvals shall be in writing but need not be acknowledged and shall be attached to an amendment to this Declaration which amendment shall be executed only by the Association and recorded in the Catawba County Public Registry.

GENERAL PROVISIONS

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

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 4. Annexation.

(a) Additional residential property and Common Areas may be annexed to the Properties with the consent of two-thirds (2/3rds) of each class of members.

(b) A portion or portions of the land being appurtenant to the property described herein and being more particularly described in Exhibit "B" and shown on the plat of Huntington Woods Townhouses as "Reserved by Declarant," attached hereto and incorporated herein by reference, may be annexed from time to time in phases by the Declarant in its discretion without the consent of the Lot Owners at any time within ten (10) years of the date of this instrument.

Section 5. Manner of Annexation. The annexations referred to in Section 4 shall be effected by the recording of a plat

of the real property to be annexed along with a Supplemental Declaration which shall describe the real property being annexed, convey the designated Common Areas and declare that such annexed property is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the provisions of this Declaration. Upon the recording of such plat and Supplemental Declaration, the annexed area shall become a part of the within Planned Unit Development and the Lot Owners therein shall be members of the Association with full rights of enjoyment in and into the Common Areas, as fully as if such area or areas were part of the Planned Unit Development on the date of recording of this Declaration.

ARTICLE XI

SPECIAL PROVISIONS CONCERNING VETERAN'S ADMINISTRATION,
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
FEDERAL HOME LOAN MORTGAGE CORPORATION AND
FEDERAL NATIONAL MORTGAGE ASSOCIATION

In the event the Declarant shall seek to obtain approval of this Declaration and the plan of development of its property in order that the Lots will be eligible for loans approved, guaranteed or insured by the Veteran's Administration ("VA"), the Department of Housing and Urban Development ("HUD"), the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal National Mortgage Association ("FNMA") or other governmental agency, it is possible that such agency or agencies will require changes in this Declaration in order to make the Lots eligible for such loans. In such event, Declarant, without the consent or approval of any other Owner, shall have the right to amend this Declaration, and the amendment shall become effective upon recordation of the amendment, along with attached evidence of approval by the appropriate governmental agency, in the office of the Register of Deeds of Catawba County, North Carolina. A letter from an official, or a current published regulation, guideline or statement of policy, of the VA, HUD, FHLMC, FNMA or such other agency shall be deemed conclusive evidence for all purposes of such agency's requirement of changes. Each Owner and his respective

mortgagees, by acceptance of a deed conveying a Unit or a mortgage encumbering such Unit, as the case may be, hereby irrevocably appoint Declarant his or their Attorney-in-Fact, such power of attorney being coupled with an interest, and authorize, direct and empower Declarant, in the event that Declarant exercises the rights reserved in this Article XI, to amend this Declaration as provided herein, to execute, acknowledge and record for and in the name of such Owner and any such mortgagee an amendment for such purpose, and for and in the name of such respective mortgagees to execute a consent and joinder to such amendment or amendments; provided, however, that all such amendments must uniformly affect all Units and all mortgagees.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused the within instrument to be executed by its President and its corporate seal affixed by its Secretary this 14th day of March, 1984.

HUNTINGTON WOODS DEVELOPMENT CORPORATION

By: Nancy L. Henkin
President



Donald R. Fuller, Jr.
Secretary

NORTH CAROLINA
CATAWBA COUNTY

I, a Notary Public of the County and State aforesaid, certify that Donald R. Fuller, Jr. personally came before me this day and acknowledged that he is Secretary of HUNTINGTON WOODS DEVELOPMENT CORPORATION, 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 as its Secretary.

Witness my hand and official stamp or seal, this 14th day of March, 1984.



Wendy E. Moore
Notary Public
My Commission Expires: May 7, 1984

Exhibit "A"

All that certain piece, parcel, or tract of land situate, lying and being in the City of Hickory, Catawba County, North Carolina, and being shown on the plat of "Huntington Woods Townhouses, Phase 1" prepared by Miller Surveying, Inc., dated February 10, 1984, and recorded in Plat Book 19 at Page 398 in the office of the Register of Deeds of Catawba County, North Carolina, and according to said plat having the following metes and bounds:

BEGINNING at an iron pin set South 84° 55' 44" East 5.00 feet from another iron pin marking the southeast corner of Lot 31 in Section I of Huntington Woods Subdivision, a plat of which is recorded in Plat Book 14 at Page 35, Catawba County Registry; and proceeding from said beginning point South 84° 55' 44" East 40.00 feet to an iron pin; thence South 5° 04' 20" West 62.54 feet to an iron pin; thence South 8° 54' 40" East 115.89 feet to an iron pin; thence North 84° 55' 40" West 136.45 feet to an iron pin; thence South 5° 33' West 102.75 feet to an iron pin; thence North 84° 27' West 147.91 feet to an iron pin; thence North 5° 33' East 141.52 feet to an iron pin; thence South 84° 55' 40" East 232.90 feet to an iron pin; thence North 8° 54' 40" West 69.63 feet to an iron pin; thence North 5° 04' 20" East 67.44 feet to the Beginning, and containing 0.73 acres, more or less.

Exhibit "A"

All that certain piece, parcel, or tract of land situate, lying and being in the City of Hickory, Catawba County, North Carolina, and being shown on the plat of "Huntington Woods Townhouses, Phase 1" prepared by Miller Surveying, Inc., dated February 10, 1984, and recorded in Plat Book 19 at Page 398 in the office of the Register of Deeds of Catawba County, North Carolina, and according to said plat having the following mates and bounds:

BEGINNING at an iron pin set South $84^{\circ} 55' 44''$ East 5.00 feet from another iron pin marking the southeast corner of Lot 31 in Section I of Huntington Woods Subdivision, a plat of which is recorded in Plat Book 14 at Page 35, Catawba County Registry; and proceeding from said beginning point South $84^{\circ} 55' 44''$ East 40.00 feet to an iron pin; thence South $5^{\circ} 04' 20''$ West 62.54 feet to an iron pin; thence South $8^{\circ} 54' 40''$ East 115.89 feet to an iron pin; thence North $84^{\circ} 55' 40''$ West 136.45 feet to an iron pin; thence South $5^{\circ} 33'$ West 102.75 feet to an iron pin; thence North $84^{\circ} 27'$ West 147.91 feet to an iron pin; thence North $5^{\circ} 33'$ East 141.32 feet to an iron pin; thence South $84^{\circ} 55' 40''$ East 232.90 feet to an iron pin; thence North $8^{\circ} 54' 40''$ West 69.63 feet to an iron pin; thence North $5^{\circ} 04' 20''$ East 67.44 feet to the Beginning, and containing 0.73 acres, more or less.

mortgagees, by acceptance of a deed conveying a Unit or a mortgage encumbering such Unit, as the case may be, hereby irrevocably appoint Declarant his or their Attorney-in-Fact, such power of attorney being coupled with an interest, and authorize, direct and empower Declarant, in the event that Declarant exercises the rights reserved in this Article XI, to amend this Declaration as provided herein, to execute, acknowledge and record for and in the name of such Owner and any such mortgagee an amendment for such purpose, and for and in the name of such respective mortgagees to execute a consent and joinder to such amendment or amendments; provided, however, that all such amendments must uniformly affect all Units and all mortgagees.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused the within instrument to be executed by its President and its corporate seal affixed by its Secretary this 14th day of March, 1984.

HUNTINGTON WOODS DEVELOPMENT CORPORATION

By: Nancy L. Stealin
President



Donald R. Fuller, Jr.
Secretary

NORTH CAROLINA
CATAWBA COUNTY

I, a Notary Public of the County and State aforesaid, certify that Donald R. Fuller, Jr. personally came before me this day and acknowledged that he is Secretary of HUNTINGTON WOODS DEVELOPMENT CORPORATION, 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 Nancy L. Stealin President, sealed with its corporate seal and attested by him as its Secretary.

Witness my hand and official stamp or seal, this 14th day of March, 1984.



W. Henry E. Moore
Notary Public

My Commission Expires: May 7, 1984