April 1993
1ST ELECTION
May 3 - 2003

NORTH CAROLINA

HALIFAX COUNTY

THIS DECLARATION, made and entered into by Fredrick James Shearin of Halifax County, North Carolina, hereinafter called Developer.

W I T N E S S E T H:

WHEREAS, Developer is the owner, grantor or the successor in interest to the grantor of the current owners of the real property described in Article II of this declaration and desires to improve existing permanent parks, roads, open spaces, and other common facilities for the benefit of the said community; and

WHEREAS, Developer desires to provide for the maintenance of said parks, open spaces and other common facilities; and, to this end, desires to subject the real property described in Article II together with such additions as may hereafter be made thereto (as provided in Article II) to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, in past years Developer and Developer's predecessor in title have conveyed many lots with appurtenant easements for the use of lot no. 1 of Rochelle Cove Subdivision for recreational purposes only and the use of the roads on the Property and desires that such current owners of previously conveyed lots to have the opportunity to participate as members in this declaration; and

Rollings reviewed and agree.

WHEREAS, Developer has deemed it desirable, for the efficient preservation of the values and amenities in said community, to create an agency to which should be delegated and assigned the powers of owning, maintaining and administering the community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Developer will incorporate or cause to be incorporated under the laws of the State of North Carolina, as a nonprofit corporation, Rochelle Cove - Eagle Point Property Owners Association, for the purpose of exercising the functions aforesaid;

NOW THEREOF, the Developer and such of the lot owners as at this time desire to join in the execution of this instrument and desire to participate in the use of the improved facilities declare that the real property described in Article II, and such additions thereto as any hereafter be made pursuant to Article II hereof, shall be transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I

DEFINITIONS

Sections 1. The following words when used in this Declaration of any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

(a) "Association" shall mean and refer to the Rochelle Cove - Eagle Point Property Owners Association.

(b) "The Properties" shall man and refer to all such existing properties, and additions thereto, as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II, hereof.

2 parcels

(c) "Common Properties" shall mean and refer to those areas of land shown on any recorded subdivision plat of The Properties and intended to be devoted to the common use and enjoyment of the owners of The Properties.

(d) "Original Lot" shall mean and refer to any plot of land shown upon any original recorded subdivision map of The Properties with the exception of Common Properties as heretofore defined.

(e) "Owner" shall mean and refer to the equitable owner whether one or more persons or entitles holding any original lot, whether such ownership be in fee simple title or as land contract vender, not withstanding any applicable theory of the mortgage, shall not mean or refer to the mortgagee except if the mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

(f) "Member" shall mean and refer to all those owners who are members of the Association as provided in Article III, Section 1 hereof.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

ADDITIONS THERETO

Section 1. Existing Property. The real property which is, and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Littleton Township, Halifax County, North Carolina, and is more particularly described as follows:

All lots and land within the boundaries of Rochelle Cove Subdivision, as shown on plat recorded in Map Book 13, page 38, Halifax Public Registry, and Eagle Point Subdivision, as shown on plats recorded in Plat Cabinet 1, slide 330, and Plat Cabinet 4, slide 192, Halifax Public Registry.

Section 2. Additional Lands may become subject to this Declaration.

(a) The Developer, its successors and assigns, at any time prior to December 31, 1999, shall have the right to bring additional lands into the scheme of this Declaration. Such proposed additions it made shall become subject to assessment for their just share of Association expenses. The Common Properties with all such additions shall be devoted to the common use and enjoyment of all owners of properties which are subject to this Declaration. The Developer's rights to bring additional lands into the Declaration shall not be held to bind the Developer, its successors or assigns, to make to proposed additions or to adhere to the scheme in any subsequent development of the land described herein. The additional authorized under this and the succeeding sub-sections shall be made by filing of record a Supplementary

Declaration of Covenants and Restrictions with respect to the additional property which shall extend the scheme of the Covenants and Restrictions of this Declaration to such property. Such Supplementary Declarations may contain such complementary additions and modifications of the Covenants and Restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify or add to the Covenants Supplementary Declaration revoke, modify or add to the Covenants established by this Declaration within the existing property.

(b) Other additions. Upon approval in writing of the Association pursuant to a vote of its members as provided in its Articles of Incorporation, the owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction to the Association, may file of record a Supplementary Declaration of Covenants and Restrictions, as described in subsection (a) hereof.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership.

(a) Every person or entity who holds an equitable interest or an undivided equitable interest in any original lot whether as land contract vendor or fee holder being subject to these covenants and to assessments by the Association shall be a member of the Association provided that any such person or entity who

holds such interest merely as a security for the performance of an obligation shall not be a member, provided, however, that membership shall extend to the lots heretofore sold by Developer or Developer's predecessors in title only upon joinder of the lot owner in the execution of this Declaration or by subsequent instrument specifically indicating the intent of a lot owner to subject his or her lot to the terms of this declaration. All owners of lots conveyed by the Developer subsequent to the execution and recordation of this Declaration shall automatically become members and become subject to the terms of this Declaration.

(b) Persons not holding an interest in any lot may become non-voting members of the Association under terms and conditions prescribed by the Board of Directors.

Section 2. Voting Rights.

The Association shall have one class of voting membership. Voting members shall be all those members who hold the interests required for Membership in Article III in Section 1 (a) above. When more that one person hold such interest of interests in any original lot, all such persons shall be members and the vote for such lot be exercised as they among themselves determine. In no event shall more than one vote be cast with respect to any such Original Lot.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Article IV in Section 3, every member shall have a right an easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title to every Original Lot.

Section 2. Title to Common Properties. The Developer may retain the legal title to the Common Properties until such time as, in the opinion or the Developer, the Association is able to maintain the same and to meet any existing obligations which may be a lien thereon, notwithstanding any provisions herein, the Developer hereby covenants, for himself, his successors and assigns, that he shall convey the Common Properties to the Association not later than January 1, 1995.

Section 3. Extent of Member's Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Developer and of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties. The members' rights and easements in the Common Properties shall be subordinate to any mortgage given by the Developer or Association as security for funds borrowed for the said improvements. Any indebtedness which shall be created for the purpose of making improvements to the Common Properties shall be an obligation of the Association. In the

event of a default upon any such mortgage, the lender or mortgagee shall have all the rights offered under the mortgage or security agreement; and under the laws of the State of North Carolina, including the right after taking possession of The Properties, to charge admission and other fees as a condition to continued enjoyment by the members, and if necessary to open the enjoyment of such properties to wider public. If the mortgage indebtedness is satisfied and possession of the Properties returned to the Association, all rights off the members hereunder shall be restored; and

(b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosure, and

(c) The right of the Association, as provided in its Articles and By-Laws, to suspend the enjoyment rights of any member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations; and

(d) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments.

The Developer being the owner of all The Properties hereby covenants and each subsequent owner by acceptance of a conveyance therefore, whether or not it shall be expressed in any such deed

of conveyance, be deemed to covenant and agree to pay to the Association; (1) annual assessments or changes; (2) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall be a charge on the land and shall also be the personal obligation of the personal who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in The Properties and in particular for the improvement and maintenance of properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Properties and of the home situate upon The Properties, including but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof.

Section 3. Basis and Amount of Annual Assessments. The annual assessment shall be $50.00 per original lot. The Board of Directors of the Association may, after consideration of current

maintenance cost and future needs of the Association, fix the actual assessment for any year at a lesser amount.

Section 4. Special Assessment for Capital Improvements. In Addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto, provided any such assessment shall have the affirmative of two-thirds (2/3) of the votes of all voting members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Change in Basis and Maximum of Annual Assessments. Subject to the limitations of Section 3 hereof, and for the periods therein specified, the Association may change the maximum and basis of the assessments fixed by the Section 3 hereof prospectively for any such period provided that any such change shall have the assent of two-thirds (2/3) of the voting members who are voting in person or by proxy at a meeting duly called for this purpose written notice of which shall be sent to all members at least thirty (30) days in advance and shall set

forth the purpose of the meeting, provided further that the limitations of Section 3 hereof shall not apply to any change in the maximum and basis or the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation and under Article II, Section 2, hereof.

Section 6. Quorum for Any Action Authorized Under Sections 4 and 5. The Quorum required for any action authorized by Sections 4 and 5 hereof shall be as follows:

At first meeting called, as provided in Sections 4 and 5 hereof, the presence at the meeting of Members or of proxies, entitled to cast sixty (60) percent of all the votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, Subject to the notice requirement set forth in Sections 4 and 5, and the required quorum at any such subsequent meeting shall be one half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more that sixty (60) days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence on the first day of April, 1993. The assessment for each succeeding year shall become due and payable on the first day of June of each year. No adjustments or prorations of assessments assessment, assessments shall be considered as paid in advance and shall be levied against any property which is subject to

this Declaration or Supplementary Declarations. The due date of any special assessment under Section 4 hereof shall be fixed in the Resolution authorizing such assessment.

Section 8. Duties of the Board of Directors. The Board of Directors of the Association shall prepare a roster of the properties and assessments applicable thereto at least thirty (30) days in advance of such assessment due date. Such assessment roster shall be kept in the office of the Association and shall be open to inspection by any owner.

Written notice of the assessment shall be thereupon be sent to every owner subject thereto.

The Association shall upon demand at any time furnish to any owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner; The Lien; Remedies of Association. If the assessments are not paid on the date when due (being the dates specified in Section 7 hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon becoming a continuing lien on the property which shall bind such property in the hands of the then owner to

pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the due date, a penalty fee not to exceed $2.00 shall be added thereto and from that date interest at the rate of eight (8) percent per annum may be added to the delinquent balance and penalty and the Association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the property. There shall be added to such assessment, delinquent fee and interest, the cost of preparing and filing Complaint in such action and in the event that Judgment is obtained, such Judgment shall include interest on the total amount as above provided and reasonable attorney's fee to be fixed by the court together with the costs of the action.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for therein shall be subordinate to the lien of any mortgage or mortgage now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 11. Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, charge and lien created herein: (a) all properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use; (b) all Common Properties as defined in Article I, Section 1 hereof; (c) all properties exempted from taxation by the laws of the State of North Carolina, upon the terms and to the extent of such legal exemption; and (d) original lots retained for sale by the Developer until such time as they are conveyed.

Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges or liens.

ARTICLE VI

GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and blind the land and shall inure to the benefit of and be enforceable by the Association, or the owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty years from the date this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless on an instrument signed by the then owners of two-thirds of the original lots has been recorded, agreeing to change said

covenants and restrictions in whole or in part provided, however, that no such agreement to change shall be effective unless made and recorded three (3) years in advance of the effective unless made ~~and recorded three (3) years in advance of the effective date~~ of such change, and unless written notice of the effective date of such change, and unless written notice of the proposed agreement is sent to every owner at least ninety (90) days in advance of any action taken.

Section 2. Notices. Any notice required to be sent to any member or owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as a member or owner on the records of the Association at the time of such mailing.

Section 3. Enforcement. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restrictions, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Association or 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 4. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise effect any other provisions which shall remain in full force and effect.

IN WITNESS WHEREOF, the developer and other lot owners have hereunto set their hands and seals this the 16th day of ~~March~~ April, 1993.

DEVELOPER:

Fredrick James Shearin (SEAL)
Fredrick James Shearin

NORTH CAROLINA

COUNTY OF Halifax

I, Bradley A. Elliott, a Notary Public of said County and State do hereby certify that Fredrick James Shearin, personally appeared before me this date and acknowledged the due execution of the foregoing instrument.

Witness my hand and notarial seal this the 16 day of April, 1993.

Bradley A. Elliott
Notary Public

My commission expires: 2-21-1997

North Carolina, Halifax County
The foregoing certificate of
Bradley A. Elliott
a Notary Public of Halifax
County is certified to be
correct. This 19 day of April
1993 Recorded 1:15 P.M.
Book 1565 Page 102
Travis S. Uzzell By: Judy H. Evans, Asst.
Register of Deeds Halifax Co.