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2004033113

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

**DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR SYCAMORE GROVE**

DRAWN BY AND MAIL TO:

Cheryl D. Steele, Esq.

Horack Talley Pharr & Lowndes, P.A. (RD Box #194)

301 South College Street, Ste. 2600

Charlotte, North Carolina 28202-6038

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
SYCAMORE GROVE**

THIS DECLARATION is made as of this 4 day of February, 2004, by KNOTTS-IDLEWILD, LLC, a North Carolina limited liability company, referred to in this instrument as "Declarant".

STATEMENT OF PURPOSE

Declarant is the owner of that certain parcel of land which are known as Sycamore Grove more particularly described on that plat of survey prepared by Hugh E. White, Jr., and recorded in Map Book 40 at Page 941, in the Mecklenburg County Public Registry (the "Submitted Property").

It is in the best interest of Declarant as well as to the benefit, interest and advantage of each person or other entity later acquiring any property in Sycamore Grove, that certain covenants, conditions, easements, assessments, liens and restrictions governing and regulating the use and occupancy of the same be established, fixed and set forth and declared to be covenants running with the land.

Declarant desires to provide for the preservation of the values and amenities and the desirability and attractiveness of the real property in Sycamore Grove and for the continued maintenance and operation of common elements as may be provided.

DECLARATION

In consideration of the premises and for the purposes stated, Declarant hereby declares that all of the Submitted Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions (all of which are collectively referred to in this instrument as "restrictions"), which restrictions shall be construed as covenants running with the land and shall be binding on all parties having any right, title or interest in the described real property or any part thereof, and their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

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ARTICLE I: DEFINITIONS

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

(1.1) "Association" shall mean Sycamore Grove Homeowners Association, Inc., a non-profit corporation organized and existing under the laws of the State of North Carolina and its successors and assigns.

(1.2) "Builder" or "Builders" shall mean Don Galloway Homes, LLC and the record owner of a fee simple title to two or more Lots whose sole purpose in owning such Lots is to construct a residential dwelling upon each Lot and sell such dwelling to a third party.

(1.3) "Common Elements" shall mean all real property and/or easements over real property acquired by the Association in Sycamore Grove for the common use and enjoyment of members of the Association lying within the boundaries of the Properties.

(1.4) "Declarant" shall mean and refer to Knotts-Idlewild, LLC and its successors and assigns.

(1.5) "Executive Board" shall mean the Board of Directors of the Association.

(1.6) "FHA and VA" shall mean and refer to the Federal Housing Administration, U.S. Department of Housing and Urban Development, and the Veteran's Administration, respectively. If either or both of these federal agencies shall hereafter cease to exist or perform the same or similar functions they now serve, references hereto to FHA or VA shall be deemed to mean and refer to such agency or agencies as may succeed to the duties and services now performed by either or both of these departments.

(1.7) "Lot" shall mean any numbered plot of land to be used for residential purposes shown upon any recorded subdivision plat of the Properties subject to this Declaration designated for separate ownership or occupancy by a Lot Owner.

(1.8) "Lot Owner" shall mean the Declarant or other record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of Sycamore Grove but excluding those having such interest merely as security for the performance of an obligation.

(1.9) "Member" and "member" shall mean a Lot Owner who is a member of the Association.

(1.10) "Person" shall mean a natural person, as well as a corporation, partnership, joint venture, association, trust, business trust, estate, government, governmental

subdivision agency or other legal entity. The use of the masculine pronoun shall include the neuter and feminine, and the use of the singular shall include the plural where the context so requires.

(1.11) "Property" and "Properties" shall mean the Submitted Property and such real property as may subsequently be brought within the jurisdiction of the Association an subjected to this Declaration.

(1.12) "Sycamore Grove" shall mean the Submitted Property, together with such additions thereto as may from time to time be designated by Declarant in accordance with Article II hereof, whether or not such additions are contiguous with or adjoin the boundary lines of the Submitted Property.

ARTICLE II: PROPERTY SUBJECT TO THIS DECLARATION

(2.1) The Submitted Property shall be held, transferred, sold, conveyed and occupied subject to this Declaration. Only the Submitted Property is hereby made subject to this Declaration; provided, however, Declarant shall have the right to subject other real property to these restrictions as provided in Section 2.2 and Section 2.4.

(2.2) Without further assent or permit, Declarant hereby shall have the right within seven (7) years from the date of recording of this Declaration, exercisable from time to time, to subject other real property within a one (1) mile radius of the Submitted Property in order to extend the scheme of this Declaration to other property to be developed as part of Sycamore Grove and thereby bring such additional properties within the jurisdiction of the Association.

(2.3) Any addition of real property shall be made by filing of record one or more Supplemental Declarations in respect to the property to be then made subject to this Declaration, and the jurisdiction of the Association shall thereby then extend to such property and subject such addition to the assessments provided in this instrument for a just and proportionate share of the Association's expenses. Each Supplemental Declaration may contain such complementary additions and modifications of the covenants, conditions and restrictions contained herein as may be necessary to reflect the different character of the added properties and as are not inconsistent with the provisions of this Declaration.

ARTICLE III: PROPERTY RIGHTS

(3.1) Owner's Easements of Enjoyment. Every Lot Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Elements which shall be appurtenant to and shall pass with the title to every Lot subject to the provisions of this Declaration, including but not limited to the following:

(a) The right of the Association to limit the use of the Common Elements to Lot Owners, their families and guests;

(b) The right of the Association, after notice and opportunity to be heard, to suspend the voting rights of a Lot Owner for any period during which any assessment against his Lot remains unpaid, or for any infraction of the Association's published rules and regulations, if any;

(c) The right of the Association to dedicate, transfer, convey or subject to security interest, all or any part of the Common Elements to any person or entity for such purposes and subject to such conditions as may be agreed to by the Association members. No such dedication, transfer, conveyance or subjection to a security interest shall be effective unless the Lot Owners entitled to at least eighty percent (80%) of the votes in the Association agree to such dedication, transfer, conveyance or subjection to a security interest and signify their agreement by a signed written document, provided that this paragraph shall not preclude the Executive Board of the Association from granting easements for the installation and maintenance of electrical, telephone, cablevision, water and sewerage utilities and drainage facilities upon, over, under and across the Common Elements without the assent of the membership if such easements are requisite for the convenient use and enjoyment of the Properties.

(3.2) Delegation and Use. The right and easement of enjoyment granted to every Lot Owner in Section 3.1 of this Article may be exercised by members of Lot Owner's family and guests thereof. A Lot Owner may delegate to his tenants his rights of enjoyment in and to the Common Elements and such facilities thereon as may be provided, in accordance with the Association's Bylaws and rules and regulations, if any.

ARTICLE IV: MEMBERSHIP AND VOTING RIGHTS

(4.1) Membership. Every Lot 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.

(4.2) Voting and Voting Rights. The Association shall have two classes of voting membership:

(a) Class A. Class A Members shall be all Lot Owners with the exception of Declarant and shall be entitled to one vote for each Lot owned as provided in the Bylaws. 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 or as set out in NCGS §47F-3-110, but in no event shall more than one vote be cast with respect to any Lot.

(b) **Class B.** The Class B Member shall be Declarant and shall be entitled to four (4) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever first occurs:

(i) When the total votes outstanding in the Class A membership equal the total votes outstanding in Class B membership; or

(ii) Seven (7) years from the date of recording of this Declaration; or

(iii) When the Declarant voluntarily relinquishes majority control of the Association by a duly recorded instrument.

(4.3) **Suspension of Rights.** During any period in which a Member shall be in default in the payment of any annual, special or other periodic assessment levied by the Association, the voting rights of such Member may be suspended after a hearing by the Executive Board, until such assessment is paid. In the event of violation by a Member of any rules or regulations established by the Executive Board, such Member's voting rights may be suspended by the Executive Board after a hearing. Such hearings shall only be held by the Executive Board or an adjudicatory panel appointed by the Executive Board. The procedure for this hearing shall be as per NCGS §47-3-107.1.

ARTICLE V: COVENANT FOR COMMON EXPENSE ASSESSMENTS

(5.1) **Purpose of Assessment.** The common expense assessments levied by the Association shall be used: (a) to provide funds for maintenance, upkeep, landscaping and beautification of the Common Elements in Sycamore Grove; (b) to provide services for the Association members to promote the health, safety and welfare of the residents of Sycamore Grove, and in particular for the acquisition, improvement and maintenance of properties, services and facilities related to the use and enjoyment of the Common Elements, including but not limited to the cost of repair, replacement and additions thereto; (c) for the payment of taxes assessed against the Common Elements, for insurance related to the Common Elements, Fidelity Insurance for the Executive Board, for the employment of attorneys, accountants and other professionals to represent the Association when necessary or useful, and for the employment of security personnel; (d) the provision of any service which is not readily available from any governmental authority related to the use, occupancy and enjoyment of the properties and which the Association shall decide to provide; (e) for the payment of monthly electric and water bills and other expenses resulting from the maintenance or beautification of entrance monuments, signs, and landscaping; and (f) for the payment of any other expenses related to the maintenance, repair and replacement of the Common Elements.

(5.2) **Creation of the Lien and Personal Obligation of Assessments.** The Declarant, for each Lot owned within the Property, hereby covenants, and each Lot

Owner of any Lot by acceptance of a Deed therefor, whether or not it shall be so expressed in said Deed, is deemed to covenant and agree to pay to the Association;

(a) Annual common expense assessments ("Annual Common Expense Assessments") for the purposes specified in Section 5.1 in the amount hereinafter set forth; and

(b) Special common expense assessments ("Special Common Expense Assessments") for the purposes specified in Section 5.1 as may be approved by the members, to be established, and collected as provided herein; and

(c) Specific assessments ("Specific Assessments") for purposes approved by the Executive Board. The Executive Board shall have the power to levy specific assessments as, in its discretion, it shall deem appropriate. Failure of the Executive Board to exercise its authority under this Section shall not be grounds for any action against the Association and shall not constitute a waiver of the Executive Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense which the Executive Board has not previously exercised its authority under this Section. Fines levied pursuant to this Declaration and the cost of maintenance performed by the Association for which the Lot Owner is responsible shall be Specific Assessments:

(a) expenses of the Association which benefit less than all the Lots may be specifically assessed equitably among all of the Lots which are benefitted according to the benefit received; and

(b) expenses of the Association which benefit all Lots, but which do not provide an equal benefit to all Lots.

In order to secure payment of the Annual and Special Common Expense Assessments and Specific Assessment, such charges as may be levied by the Association against any Lot, together with interest, costs of collection and reasonable attorney's fees, shall be a continuing lien upon the Lot against which each such assessment or charge is made. This lien may be perfected and foreclosed as provided in NCGS §47-3-116. Each such assessment, together with interest and late charges, costs of collection and reasonable attorney's fees shall also be the personal obligation of the person who is the Lot Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to an Lot Owner's successor in title unless expressly assumed by them. Such assumption shall not relieve an Lot Owner of his obligation.

(5.3) Exempt Property. The assessments, charges and liens created under this Article shall not apply to the Common Elements, nor shall they apply to any Lot the title to which is vested either in any first mortgagee subsequent to foreclosure or in the

Secretary of Housing and Urban Development or the Administrator of Veterans Affairs or any other state or federal governmental agency which acquires title by reason of such agency's guarantee or insurance of a foreclosed mortgage loan; provided, however, that upon the resale of such property by such first mortgagee or such governmental agency the assessments shall again accrue on such Lot. Any Lot which Declarant may hereafter designate for common use as part of the Common Elements shall also be exempt, and all land granted to or used by a utility company shall be exempt from the assessments created herein.

(5.4) Annual Common Expense Assessments. The Annual Common Expense Assessment shall be determined by the Executive Board.

(5.5) Special Assessments. In addition to the Annual Common Expense Assessment authorized above, the Association may levy, in any assessment year, a Special Common Expense Assessment applicable to that year only provided that any such assessment shall have the assent of sixty-seven percent (67%) of the votes of the Association Members who are voting in person or by proxy at a meeting duly called for this purpose.

(5.6) Notice and Quorum for Any Action Authorized Under Sections 5.4 and 5.5. Written notice of any meeting called for the purpose of taking any action authorized under Sections 5.4 and 5.5 of this Article shall be sent to all members not less than ten (10) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence in person or by proxy of members entitled to cast ten percent (10%) of all the votes of the Association Members 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 of the required quorum applicable to the meeting adjourned for lack of quorum. The quorum requirement shall continue to be reduced by fifty percent (50%) from that required at the previous meeting, as previously reduced, until such time as a quorum is present and business can be conducted.

(5.7) Date of Commencement of Annual Common Expense Assessments; Due Dates; Certificate of Payment. The Annual Common Expense Assessments shall commence as to all Lots when activated by the Declarant. From the date on which the Annual Common Expense Assessments commence on a Lot until the date on which the Lot is sold by the Declarant or Builder to a purchaser, the Declarant and Builder shall be liable for Annual Common Expense Assessments at a rate which is one-third of the rate otherwise payable except that Declarant shall not be liable for Annual Common Expense Assessments on any Lots if the Association is operating without a deficit. Notwithstanding anything to the contrary herein, the Declarant may contribute assessments due from them in services or materials or a combination of materials and services rather than in money (hereinafter "in kind contribution"). The amount by which monetary assessments shall be decreased as a result of any in kind contribution shall be

the fair market value of the contribution as determined by the Declarant. The first Annual Common Expense Assessment shall be adjusted according to the number of months remaining in the calendar year when filed. At least thirty (30) days before January 1 of each year, the Executive Board shall fix the amount of the Annual Common Expense Assessment against each Lot and in the event the Board elects not to fix such assessment rate as herein provided, the amount of the prior year's Annual Common Expense Assessment shall be the fixed amount. The Executive Board shall send each Lot Owner a summary of the budget and a notice of meeting to ratify the budget pursuant to N.C.G.S. § 47F-3-103(c). The budget shall be ratified by the Lot Owners at the meeting pursuant to N.C.G.S. § 47F-3-103(c). The Annual Common Expense Assessments shall be due and payable in advance on January 1 of each year unless the Executive Board votes to collect such assessments on a monthly or quarterly basis and the due dates for the payment of Special Common Expense Assessments shall be established by the Executive Board. 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 to date.

(5.8) Effect of Non-Payment of Assessment: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall be assessed a late charge as determined by the Executive Board and bear interest from the due date at an annual rate of eighteen percent (18%) but in no event above the then maximum legal rate, and to the extent allowed by law. The Association, or its agent or representative, may bring an action at law against the Lot Owner personally obligated to pay the same or pursuant to NCGS §47-3-116 to foreclose the lien against the Lot to which the assessment relates, and interest, costs and reasonable attorney's fees for such action or foreclosure shall be added to the amount of such assessment to the extent allowed by law. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his Lot. Each Owner, by acceptance of a Deed or as the party to any other type of a conveyance, vests in the Association or its agents, the right and power to bring all actions against him or her, personally, for the collection of such charges as a debt or to foreclose the aforesaid lien in the same manner as a mortgage on real estate under power of sale under Article 2A of Chapter 45 of the General Statutes. The lien provided for in this Article shall be in favor of the Association and shall be for benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the power to bid on the Lot at any foreclosure sale or to acquire, hold, lease, mortgage or convey the same. If any such sums are not paid within thirty (30) days after the due date, the Association may, after notice and an opportunity to be heard, suspend the membership rights of the delinquent Owner, including the right to vote, the right of enjoyment in and to the common property and recreational facilities, if any, maintained by the Association, and the right to receive and enjoy such servicing and other benefits as may then be provided by the Association. Any such suspension shall not effect such member's obligation to pay assessments coming due during the period of such suspension and shall not affect any lien on such property in favor of the Association.

(5.9) Subordination of the Lien to First Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first priority deed of trust or first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any first mortgage pursuant to a foreclosure thereof or under a power of sale or any proceeding in lieu of foreclosure thereof shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof.

(5.10) Collection Upon Sale by Declarant. Upon the sale of a Lot by Declarant, the purchaser shall pay to the Association at the closing of the sale that amount of money that is equal to that portion of the Annual Common Expense Assessment attributable to the balance of the year in which the closing takes place. After receipt of said payment, any amounts prepaid by the Declarant or Builder shall be refunded by the Association. Any Special Common Expense Assessment made before, but falling due after, the date of closing of the sale of a Lot by Declarant or Builder shall be paid in full to the Association by the purchaser at the closing of the sale. In addition, each purchaser of a Lot containing a residential dwelling shall pay an amount equal to the Annual Common Expense Assessment as a contribution to the Working Capital Fund of the Association.

ARTICLE VI: ARCHITECTURAL, MAINTENANCE AND USE RESTRICTIONS

(6.1) Architectural Control Committee. Declarant shall appoint an Architectural Control Committee consisting of not less than three members to serve as representatives of the Association's Executive Board and enforce the restrictions hereafter set forth.

Prior to the formation of said Committee, Declarant shall have the responsibility of enforcing the restrictions set forth in this Article. Upon the later of the following two dates, the Architectural Control Committee shall be appointed by the Executive Board: (1) Upon the termination of the Class B membership; or (2) seven (7) years following the date of recording of this Declaration. Reference herein to the Committee shall mean the Declarant until such Committee is appointed. The following architectural, maintenance and use restrictions shall apply to each and every Lot now or hereafter subject to this Declaration.

(6.2) Approval of Plans and Architectural Control Committee. After the initial construction of the dwelling on a Lot has been completed by Declarant or Builder, no construction, reconstruction, remodeling, alteration, roofing or addition to any structure, building, fence, wall, drive or walkway, or exterior color change, shall be commenced or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein be made after completion of construction of said dwelling, unless and until the plans and specifications showing the nature, kind, shape, height, color, material and location of the same shall have been mailed to the Architectural Control Committee by certified mail

with return receipt requested and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Control Committee. If the Architectural Control Committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications shall have been submitted to it, further approval will not be required and this Article will be deemed to have been fully complied with. Upon giving approval to such plans and specifications, construction shall be started and prosecuted to completion promptly and in strict conformity with such plans as have been previously approved by the Architectural Control Committee. The Architectural Control Committee or the Executive Board of the Association shall be entitled to stop any construction in violation of these restrictions.

(6.3) Residential Use. All Lots shall be used for residential purposes only.

(6.4) Building Line Requirements. No building shall be located nearer to the front property line than the front building setback line as shown on the recorded maps of the Property, and no building shall be located nearer to the side street line than the side street setback line shown on the recorded maps of the Property. It is provided, however, that eaves, steps, stoops, porches and chimneys shall not be considered a part of the building for purposes of interpreting this paragraph of this Declaration. Minimum setback lines which may be shown on any recorded plat of the Properties are not necessarily intended to create uniformity of setbacks; they are meant primarily to avoid overcrowding and monotony. It is intended that setbacks may be staggered where appropriate so as to preserve the trees and other natural vegetation, and to insure each Lot Owner the greatest benefit and enjoyment of his/her Lot. Any deviation from the building line requirements not in excess of ten (10) percent thereof shall not be construed as a violation of the building line requirements.

(6.5) Building Requirements. No dwelling shall be erected or placed on any Lot having a heated living area (exclusive of uncovered porches, stoops, terraces, attached garages or carports) of less than 1,200 square feet and all dwellings shall have a minimum roof pitch of 6 to 12 for the majority of the roof areas.

(6.6) Walls, Fences and Hedges. No fence, hedge or wall of any type or kind shall be erected or maintained on a Lot except such fences, hedges or walls as may be installed, constructed or erected with the initial construction of the main dwelling located on said Lot, or as may later be approved by the Architectural Control Committee as described in Paragraph (6.2) above. No metal fences, except for a 2 x 4 wire mesh inside of an approved wooden fence to contain pets in the rear yard which is not visible from the street in front of such dwelling shall be permitted upon a Lot. Privacy fences are permitted in the rear yard of a Lot provided such fence does not exceed six (6) feet and is constructed of materials approved by the Architectural Control Committee and placed in a location approved the Architectural Control Committee..

(6.7) Use of Outbuildings and Similar Structures. No structure of a temporary nature shall be erected or allowed to remain on any Lot, and no trailer, shed, tent, garage, carport, or any other structure of a similar nature shall be used as a residence either temporarily or permanently. Provided, however, this paragraph shall not be construed to prevent the Declarant or Builder from using sheds or other temporary structures during construction for such purposes as Declarant or Builder deems necessary or later approved by the Association. No television satellite dishes shall be erected on any Lot, except that a television satellite dish not exceeding 18 inches in diameter which is attached to the house and is not visible from the street shall be permitted. No radio or television antenna shall be allowed on the roof of any house or structure located on a Lot which is visible from the street in front of such dwelling and no separate towers for antenna shall be erected on any Lot unless approved by the Architectural Control Committee. No solar panels, solar collectors or other solar power apparatus shall be allowed on any Lot. No metal storage buildings, metal sheds, metal trailers or metal garages shall be permitted on any Lot. All other types of storage buildings, sheds, trailers or garages shall not be allowed on a Lot unless approved by the Architectural Control Committee as described in Paragraph (6.2) above.

(6.8) Animals and Pets. No animals, livestock or poultry of any kind shall be raised, bred, pastured, or maintained on any Lot, except household pets which may be kept thereon in reasonable numbers as pets for the sole pleasure and use of the occupants, but not for any commercial use or purpose. All household pets shall be kept under Lot Owner's control so as not to be a nuisance to other Lot Owners and must be on leashes while on the Common Elements. Birds shall be confined in cages.

(6.9) Signs. No advertising signs of any type or kind shall be erected, placed or permitted to remain upon or above any Lot or Common Elements with the exception of a single sign "For Rent" or "For Sale," which sign shall not exceed two feet by two feet in dimension and shall refer only to the premises on which displayed, there being only one sign to a Lot. Notwithstanding the above, the Declarant or Builder may erect and place permanent and temporary signs on or above any unsold Lot. Declarant or Builder shall also have the right of ingress, egress and regress over the aforesaid Lots in order to maintain and replace any such signs until 100% of the Lots have been sold.

(6.10) Nuisances. No offensive or illegal activity shall be carried on upon any Lot, nor shall anything be done thereof which is or may become an annoyance or nuisance to any other Lot Owner. No Lot shall be used in whole or in part for storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such Lot to appear in any unclean or untidy condition or that is unsightly; nor shall any substance, thing or material be kept upon any Lot that will emit a foul odor or that will cause any noise that will or might disturb the peace and quiet of the occupants of surrounding Lots. No trash, rubbish, stored materials, wrecked, unlicensed or inoperable vehicles, boats and/or trailers, recreational vehicles or similar unsightly items shall be allowed to remain on any Lot outside an enclosed structure. However, the foregoing

shall not be construed to prohibit temporary deposits of trash, rubbish and other such debris for pick up by governmental and other similar garbage and trash removal service units on the day of pickup. In the event any Lot Owner fails or refuses to keep his Lot free from unsightly objects, weeds or underbrush in a manner satisfactory to a majority of the Association Executive Board, the Association may, through its agent or representative, five days after posting a notice on such Lot or mailing a notice to the Lot Owner thereof at his property requesting the Lot Owner to comply with the requirements of this paragraph, enter and remove all such unsightly objects, debris or other vegetation at Lot Owner's expense and Lot Owner, by acquiring any Lot subject to this Declaration, agrees to pay such costs incurred by the Association in the enforcement of this paragraph promptly upon demand. No such entry as provided herein shall be deemed a trespass. The foregoing provisions shall not apply to the Declarant or Builder while constructing residences upon any Lots.

(6.11) Clotheslines, Garbage Cans, Etc. All clotheslines, garbage cans, lawnmowers and similar equipment shall be kept, in an enclosed structure or screened by adequate planting or fencing so as to conceal same from the view of neighboring Lot Owner and streets. Incinerators for garbage, trash or other refuse shall not be used nor permitted to be erected or placed on any Lot.

(6.12) Use of Common Elements. No planting or gardening by individual Lot Owners shall be done upon any Common Elements. Except for the right of easement of enjoyment in and to the Common Elements herein given to each Lot Owner, Lot Owners are hereby prohibited and restricted from using any of the Common Elements except as may be allowed and prescribed by the Association's Executive Board or as expressly provided for herein. It is Declarant's intent that this paragraph inure to the mutual benefit of all Lot Owners within the Properties.

(6.13) Maintenance.

(a) Exterior maintenance, upkeep and repair to the main dwelling on each Lot, yard, fence, walkway and shrubbery shall be the sole responsibility and expense of the Lot Owner of the Lot subject to such reasonable requirements as may from time to time be established by the Architectural Control Committee to insure the continuity and harmony of exterior design of Sycamore Grove. Should a majority of the Association Executive Board determine that any Lot Owner has failed or refused to discharge properly his obligations with respect to such maintenance, upkeep and repairs, the Association, through its agent or representative, may provide same as it may deem necessary and proper.

(b) All Lots, together with the exterior of all improvements thereon, shall be maintained in a neat and attractive condition by their respective Lot Owners. Such maintenance shall include, but shall not be limited to, painting, repairing, replacing or caring for roofs, gutters, downspouts, building surfaces, trees, shrubs, walks or other

exterior improvements. In the event an Lot Owner shall fail to maintain the premises and the improvements thereon in a manner satisfactory to the Association Executive Board, the Association may, through its agent or representative, after approval by majority vote of the Board, have the right to enter upon said Lot and repair, maintain and restore the Lot and the exterior of the buildings and any other improvements thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject and the Lot Owner shall be personally liable to the Association for the costs of such maintenance, and the cost, until paid, shall be a permanent charge and lien upon such Lot, enforceable to the same extent and collectible as provided for in Article V. Such entry as provided herein shall not be a trespass, nor shall the Association be liable for doing anything reasonably necessary or appropriate in connection with carrying out those provisions, provided such entry shall be at reasonable times and places so as not to interfere with the right of quiet enjoyment of the individual Lot Owner.

(6.14) Above Ground Swimming Pools. No above ground swimming pools, except for small wading pools, are permitted on any Lot.

(6.15) Decorative Structures. No decorative statues, birdbaths, fountains, ornaments, figurines, or any other decorative structures or items are permitted in the front or side yards of any Lot.

(6.16) Boats, Commercial Vehicles and Recreational Vehicles. No boats, boat trailers, commercial vehicles (as determined by the Executive Board), or recreational vehicles shall be permitted on any Lot except in an enclosed garage or upon a paved surface. All parking shall be subject to such rules and regulations as the Executive Board shall adopt.

(6.17) Mailboxes. Mailboxes on each Lot shall conform to specifics set forth by the Architectural Control Committee.

(6.18) Leasing. All Lot Owners are prohibited from leasing the house on their Lot for a period of less than six (6) months with the following exception. Builder shall have the right to construct houses on three (3) Lots and enter into leases with options to purchase with a tenant for each of the three (3) Lots and houses. Provided, however, that when Builder conveys a Lot and house to tenant pursuant to the lease with option to purchase, that tenant and all future Lot Owners of that particular Lot and house shall be prohibited from leasing the house and Lot for a period of less than six (6) months.

ARTICLE VII: EASEMENTS

(7.1) General. Each Lot now or hereafter subjected to this Declaration shall be subject to all easements shown or set forth on the recorded plat or plats of survey upon which such Lot is shown. No structure of any type shall be erected or placed upon any

part of a Lot or the Common Elements which will interfere with rights and use of any and all easements shown on said recorded plat.

(7.2) Utility and Drainage. An easement on each Lot is hereby reserved by Declarant for itself and its successors and assigns along, over, under and upon a strip of land ten feet (10') in width parallel and contiguous to the rear or back Lot line of each Lot and easements five feet (5') in width over, under and along the side lot lines of each Lot, in addition to such other easements as may appear on a recorded subdivision plat for Sycamore Grove. The purpose of these easements shall be to provide, install, maintain, construct and operate drainage facilities now or in the future and utility service lines to, from or for each of the Lots. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities, or which may change the direction or flow of drainage channels in the easements without approval of the Architectural Control Committee. The easement area of each and all improvements in it shall be maintained continuously by Lot Owner, except for those improvements for which a public authority or utility company is responsible. With ten (10) days prior written notice to Lot Owner, Declarant or Builder may exercise the right to remove obstructions in such easements upon Lot Owner's failure to do so. For the purpose of this covenant, Declarant and Builder reserves the right to modify or extinguish the herein reserved easements along any Lot lines when in its sole discretion adequate reserved easements are otherwise available for the installation of drainage facilities and/or utility service lines. For the duration of these restrictions, no such utilities shall be permitted to occupy or otherwise encroach upon any of the easement areas reserved without first obtaining the prior written consent of Declarant; provided, however, local service from utilities within easement areas to residences constructed upon any such Lots may be established without first obtaining separate consents therefor from Declarant. The Association may likewise reserve and grant easements for the installation and maintenance of sewerage, utility and drainage facilities in, across, under and over the Common Elements.

(7.3) Emergency. There is hereby reserved without further assent or permit and to the extent allowed by law, a general easement to all firemen, ambulance personnel, policemen and security guards employed by Declarant and all similar persons to enter upon the Properties or any portion thereof, in the performance of their respective duties.

(7.4) Entry Monuments, Signs and Landscaping Easements. Declarant hereby grants the Association perpetual easements over the portion of those Lots on which Declarant installs entry monuments, walls, signs and landscaping. Easements over these areas shall be for the purpose of the installation, maintenance and repair of the Sycamore Grove entry monuments, walls, signs and landscaping, and the Association is also granted a perpetual easement for ingress, egress and regress over these Lots to fulfill these purposes.

ARTICLE VIII: GENERAL PROVISIONS

(8.1) Covenants Running with the Land. All provisions of this Declaration shall be construed to be covenants running with the land, and with every part thereof and interest therein, and every Lot Owner or any other person or legal entity claiming an interest in any Lot, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of this Declaration.

(8.2) Duration. The covenants, conditions and restrictions of this Declaration shall be binding for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive and additional periods of ten (10) years each.

(8.3) Amendments and Termination. This Declaration may be terminated only by agreement of Lot Owners to which at least eight percent (80%) of the votes in the Association are allocated. This Declaration may be amended upon the affirmative vote or written agreement signed by Lot Owners to which at least sixty-seven percent (67%) of the votes of the Association are allocated and the consent of the Declarant; provided, however, that the Declarant may amend this Declaration to correct minor and clerical errors, as determined by the Declarant, without approval of Lot Owners and should the FHA, VA, Federal National Mortgage Association (FNMA) or the Federal Home Loan Mortgage Corporation (FHLMC) subsequently require certain provisions or delete any of their requirements which necessitate certain provisions of this Declaration or make any such requirements less stringent, the Declarant, without approval of Lot Owners may amend this Declaration to reflect such changes. Any such amendment or termination shall not be effective until an instrument evidencing such change has been filed of record in the Mecklenburg County Public Registry.

(8.4) Enforcement. If any Lot Owner shall violate or attempt to violate any of these restrictions, failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief, or both, maintainable by the Executive Board on behalf of the Association, or, in proper case, by an aggrieved Lot Owner. Any failure by Association or any other Lot Owner to enforce any of the foregoing restrictions or other provisions shall in no event be deemed a waiver of their right to do so thereafter. Invalidation of any covenant, condition or restriction or other provision of this Declaration shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

(8.5) Headings. Headings are inserted only for convenience and are in no way to be constructed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer.

(8.6) Unintentional Violation of Restrictions. In the event of unintentional violation of any of the foregoing restrictions with respect to any Lot, the Declarant or its

successors reserves the right (by and with the mutual written consent of the then Lot Owner or Lot Owners of such Lot) to change, amend, or release any of the foregoing restrictions as the same may apply to that particular Lot.

(8.7) Severability. The provisions of this Declaration are severable and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder hereof.

(8.8) Special Declarant Rights. Declarant reserves all Special Declarant Rights defined in NCGS §47F-1-103(28).

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed under its seal on the day and year first above written.

KNOTTS-IDLEWILD, LLC,
a North Carolina limited liability company

By: [Signature]
Manager

STATE OF NORTH CAROLINA

COUNTY OF Mecklenburg

I, Julie R. Hobbs, a Notary Public in and for the County and State aforesaid, do hereby certify that on this 4th day of February, 2007, Karla Hammer Knotts personally appeared before me and, being by me duly sworn, said that s/he is a manager of Knotts-Idlewild, LLC, a North Carolina limited liability company, that the statements contained in the foregoing instrument are true, and s/he acknowledged said instrument to be the duly authorized act and deed of said company.

WITNESS my hand and notarial stamp or seal.

[Signature]

My Commission Expires:

5-31-04



CONSENT AND JOINDER

WHEREAS, Branch Banking and Trust Company, a North Carolina banking corporation, (hereinafter referred to as "Beneficiary"), is the owner and holder of certain obligations secured by Deed of Trust recorded in Book 14910 at Page 297 in the Mecklenburg County Public Registry and BB&T Collateral Services Corporation is Trustee under said Deed of Trust (hereinafter referred to a "Trustee");

WHEREAS, Trustee and Beneficiary have agreed, at the request of Knotts-Idlewild, LLC, a North Carolina limited liability company to consent to the provisions of the attached Declaration of Covenants, Conditions and Restrictions for Sycamore Grove (hereinafter referred to as the "Declaration").

NOW, THEREFORE, Trustee and Beneficiary, by joining herein, hereby:

- (1) Consent to the execution, delivery and recordation of the Declaration;
- (2)
- (3) Subordinate the lien of the aforesaid Deed of Trust to the provisions of the Declaration with the same effect as if the Declaration had been executed, delivered and recorded prior to the execution, delivery and recordation of the Deed of Trust; and
- (4)
- (5) Agree, notwithstanding the foreclosure of the Deed of Trust (or a conveyance in lieu thereof), that the Declaration and all rights therein described shall continue unabated and in full force and effect.
- (6)
- (7) **IN WITNESS WHEREOF**, the Beneficiary and the Trustee have hereunto set their hands and seals as of this 4 day of February, ~~2003~~ 2004
- (8)

TRUSTEE:

**BB&T COLLATERAL SERVICES
CORPORATION**

By: 

Name: John L. Kraynik

Office: Vice President

BENEFICIARY:

BRANCH BANKING AND TRUST
COMPANY

By: Michael G. Carle
Name: Michael G. Carle
Office: Vice President

STATE OF NORTH CAROLINA

COUNTY OF Mecklenburg

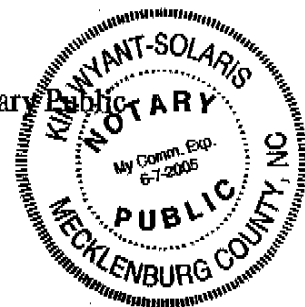
This 4 day of February, ~~2003~~ ²⁰⁰⁴, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came John L. Kraynik, who, being duly sworn, says that he is Vice Pres of BB&T COLLATERAL SERVICES CORPORATION, and that he signed said instrument on behalf of said corporation by its authority duly given.

WITNESS my hand and notarial stamp or seal this 4 day of February, ~~2003~~ ²⁰⁰⁴.

K. W. Sant-Solais

Notary Public

My Commission Expires: 06-07-2005



STATE OF NORTH CAROLINA

COUNTY OF UNION

This 4 day of February, ~~2003~~ ²⁰⁰⁴, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came Michael G. Carle, who, being duly sworn, says that he is Vice President of BRANCH BANKING AND TRUST COMPANY, and that he signed said instrument on behalf of said corporation by its authority duly given.

WITNESS my hand and notarial stamp or seal this 4 day of February, ~~2003~~ ²⁰⁰⁴.

Judith A. Bacon

Notary Public

My Commission Expires: 4-10-2005





JUDITH A. GIBSON
 REGISTER OF DEEDS, MECKLENBURG
 COUNTY & COURTS OFFICE BUILDING
 720 EAST FOURTH STREET
 CHARLOTTE, NC 28202

 Filed For Registration: 02/12/2004 10:22 AM
 Book: RE 16772 Page: 968-987
 Document No.: 2004033113
 RESTR 20 PGS \$68.00
 Recorder: LYVANH PHETSARATH

 State of North Carolina, County of Mecklenburg

The foregoing certificate of JULIE R HOBBS , KIM WYANT-SOLARIS , JUDITH J BAUCOM Notaries are certified to be correct. This 12TH of February 2004

JUDITH A. GIBSON, REGISTER OF DEEDS By: _____
 Deputy/Assistant Register of Deeds

Nalerie F. White



2004033113