

FILED Feb 10, 2009
AT 01:53:32 pm
BOOK 00883
START PAGE 0001
END PAGE 0043
INSTRUMENT # 00284

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REVISED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR ROANOKE RESERVE SUBDIVISION

THIS DECLARATION, made this 4th day of February, 2009, by Roanoke Reserve,
LLC, 104 Clark Lake Road, Durham, NC, 27707, hereinafter referred to as "Declarant".

W I T N E S S E T H :

WHEREAS, Declarant is the owner of certain property located in Warren County, State of North Carolina known as Roanoke Reserve Subdivision ("Subdivision"), which property is more particularly described herein and which said property is shown and delineated by survey and plat thereof recorded in Plat Cabinet 1, Slide 263A, Plats 2 and 3, and as revised in Plat Cabinet 1, Slide 264A, Plats 4 and 5, all of the Warren County Registry ("Properties"); and

WHEREAS, it is in the best interest of Declarant, as well as to the benefit, interest and advantage of each and every person or other entity hereafter acquiring any of the within described property 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;

WHEREAS, Declarant desires to provide for the preservation of the values and amenities and the desirability and attractiveness of the real property in said Subdivision and for the continued maintenance and operation of such recreational and common areas as may be provided; and

WHEREAS, Declarant has heretofore recorded restrictive and protective covenants in Book 870, Page 218, Warren County Registry, which document the Declarant desires herein to amend and restate.

NOW, THEREFORE, Declarant declares that all of the Properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described Properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to Roanoke Reserve Homeowners' Association, Inc., a non-profit corporation organized and existing under the laws of the State of North Carolina, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties described above and on Exhibit A hereof, including contract sellers, but excluding those having interest merely as security for the performance of an obligation, and shall further include the record owner of a fee simple title to any Lot which is shown upon any subdivision map for any property hereafter subjected to the terms, provisions and conditions of this Declaration in accordance with the provisions therefore hereinafter provided.

Section 3. "Properties" shall mean and refer to that certain real property described in Exhibit A, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property over which the Association owns or has an easement and which is more particularly described in Exhibit B for the common use and enjoyment of the Owners subject to the Declaration and the Association Bylaws. The Common Area to which an easement shall be granted or shall be conveyed and which shall be

maintained by the Association at the time of the conveyance of the first Lot is more particularly described in Exhibit B attached hereto and by reference made a part hereof. The uses of the Common Areas shall be limited by subsequent provision contained in these Declarations and/or the Homeowners' Association documents. The Common Areas maintained by the Association shall include, but may not be limited to, the entrance and entrance sign to the development, road signs, the private roads located within the Subdivision, and drainage easements.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to Roanoke Reserve, LLC, their successors and assigns if such successors or assigns should acquire more than three (3) undeveloped Lots from the Declarant for the purpose of development, together with an assignment of rights as Declarant hereunder.

Section 7. "Eligible Mortgage Holder" shall mean those holders of a first mortgage on a Lot who have requested the Association to notify them on any proposed action that requires the consent of fifty-one percent (51%) of Eligible Mortgage Holders.

Section 8. "Mobile Home" shall mean any home primarily manufactured off the premises and constructed or positioned so as to be movable on wheels, regardless of whether the wheels are attached to the structure; the term shall also include manufactured homes which are over fourteen (14) feet wide transported in sections.

Section 9. "Cabana" shall mean a structure which may or may not be enclosed and may or may not include plumbing, most often associated with a swimming pool or in this case, close proximity to Lake Gaston water's edge.

ARTICLE II

PROPERTIES SUBJECT TO THIS DECLARATION

Section 1. Properties Subject. The property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Warren County, State of North Carolina, and is more particularly described above and in Exhibit A attached hereto and by reference made a part hereof. Only the above-described property is hereby made subject to this Declaration, provided, however, Declarant reserves the right to subject other real property to the restrictions set forth herein as provided below.

Section 2. Annexation of Additional Properties. At any time during the effective term of this Declaration, Declarant shall have the unilateral right, in its sole discretion, to annex additional properties ("Additional Property") which have been or will be developed as part of the general plan of development for Roanoke Reserve Subdivision. In addition, upon the recording of a document annexing additional property(ies), Declarant shall have the unilateral right to extend any and all of the road rights of way located within the subject Property to and through the annexed properties for the purpose of access, ingress and egress and the installation and maintenance of utilities to the annexed properties. Annexation of additional properties and/or the extension of the road rights of way shall not require the consent or signature of any of the Lot Owners in Roanoke Reserve Subdivision. The utilization and assignment of rights in said roadway shall not however be limited to the Declarant and it is anticipated that additional third parties may utilize said roadway.

Section 3. Supplementary Declarations. Each addition herein authorized shall be made by filing of record one (1) or more Supplementary Declarations with respect to the property to be

then made subject to this Declaration and thereby extend the jurisdiction of the Association to such property and subject such addition to the assessments herein provided for a just and proportionate share of the Association's expenses. Each Supplementary Declaration may contain such complimentary additions and modifications of the covenants, conditions and restrictions contained herein as may be necessary to reflect the different character of the added Properties, provided, however, any such Supplemental Declaration or any such other Declaration shall not revoke or otherwise amend the provisions of this Declaration as pertained to the Properties subject thereto. Declarant reserves the unilateral right to draft and execute said Supplementary Declaration(s), which shall not require the consent or signature of any of the Lot Owners in Roanoke Reserve Subdivision.

ARTICLE III

PROPERTY RIGHTS

Section 1. 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 suspend the voting rights and right to use of the Common Areas by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations;

Section 2. Delegation of Use. Any owner may delegate, in accordance with the Bylaws (copy attached hereto as Exhibit C), his right or enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchaser who reside on the property.

Section 3. Title to the Common Area. The Declarant hereby covenants for itself, its heirs and assigns that it will convey an easement or a deed to the Common Area to the Association, free and clear of all encumbrances and liens, except street rights of way, easements for driveways, walkways, parking and utility easements prior to the conveyance of the first Lot. Declarant, for itself, its successors and assigns, hereby reserves to itself the right to substitute a modified legal description of Common Area earlier conveyed to the Association. Such modified legal description shall be based on a survey of the Common Area after all improvements are in place. The Association hereby irrevocably appoints and constitutes Declarant as its attorney-in-fact with the power to substitute the aforesaid modified legal description so that there are no discrepancies or encroachments between any Lots or other Properties and the Common Area. This power of attorney is reserved and granted pursuant to N.C.G.S. 32A and shall be appurtenant to and run with the land.

Section 4. Physical access to Common Areas by vehicle shall be limited to road rights of way as shown on recorded plats. Any walking or recreation easements for the Subdivision on any part of the Properties shall be described in recorded deeds, plats or other recorded agreements. No vehicles shall be allowed on the walking or recreation easements, except for authorized maintenance purposes.

Section 5. There shall be no community access to any easements lying within any Lot unless the Association has assumed all practical and legal liability for persons and property using such easements; and it is hereby agreed that the Association shall maintain insurance adequate to provide reasonable liability protection for Common Areas and easements held.

Section 6. In the event of bodily injury, death or property damage suffered on or in connection with the Common Area, the parties involved shall first seek to resolve such matter or dispute by negotiation or by voluntary arbitration, prior to seeking relief in any court. To the extent provided by law, all Owners and residents of a Lot, for themselves, their agents, guests, assigns and invitees hereby release and shall be deemed hereafter to automatically release the Association, the Declarant, Richard A. Hartley, Anne L. Hartley, Samuel H. Moseley, Jr., Sarah N. Moseley, Elizabeth H. Moseley, their heirs and assigns from any claims or damages suffered by reason of any bodily injury, death or property damage which may occur on or in connection with the use of the Common Area.

ARTICLE IV

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 (2) 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 (1) 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(s) shall be the Declarant and shall be entitled to two (2) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever first occurs earlier:

(a) when the total votes outstanding in Class A membership equals the total votes outstanding in Class B membership, but provided that the Class B membership shall be reinstated if thereafter, such Additional Property is annexed to the Properties such that the total votes outstanding in Class B membership again exceeds the total votes outstanding in Class A membership.

(b) on January 12, 2012.

Section 3. The right of any Member to vote may be suspended by the Board of Directors for just cause pursuant to its rules and regulations and pursuant to the provisions of Article III, Section 1(a).

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so 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. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the Owner of each Lot, and such personal obligation for assessments made for the period

during which time the Owner was the record owner of such Lot shall remain the personal obligation of such Owner and shall not pass to any successor in title unless expressly assumed by him.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used, not by way of limitation, for the purpose of promoting recreation and the improvement, insurance, repair, replacement and maintenance of the Common Areas and all improvements located thereon, legal defenses against condemnation and other destructive acts originating either within or outside the Subdivision, professional services needed by the Subdivision, and enforcement of these Covenants.

Section 3. Maximum Annual Assessment. For the first two years from the date of the conveyance of the first Lot to an Owner the annual assessment shall be no more than Five Hundred (\$500.00) Dollars. Assessments shall not begin to accrue or become due and payable on an individual Lot until the Lot is conveyed by Declarant to an Owner.

(a) From and after the third year from the date of this document dues may be increased annually by a maximum of ten percent (10%) or decreased by a maximum of twenty percent (20%) by the Board of Directors, or higher or lower with approval by two-thirds (2/3) vote of the Association.

(b) The Board of Directors of the Association may fix the annual budget to an appropriate amount, and shall give written notice of the assessment amount to all Owners at least thirty (30) days prior to the due date.

(c) At least five percent (5%) of each total annual assessment shall be placed in an emergency fund for unforeseen contingencies such as litigation to defend the Covenants, the protection of the natural environment in the Subdivision, and emergency repairs to Subdivision facilities.

(d) Interest generated by the fund described in Article V, Section 3(c) above may be applied to administration of the Association and to ordinary maintenance activity in reducing the costs thereof.

Section 4. Special Assessments for Capital Improvements: In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any repair or replacement of any improvement located in the Common Area, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

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 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. All Lots shall be assessed at one rate. Within each category of assessment, both annual and special assessments must be fixed at a uniform rate. The said assessments may be collected on an annual, quarterly or 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 first lot to a third party by the Declarant. However, in no event shall the Declarant be required to pay annual assessments nor shall they accrue for any lot owned by Declarant which has not been conveyed to a third party. 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.

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 then maximum legal rate and to the extent permitted by law. The Association, its agent or representative, may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of such action of foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination to the Lien of 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 any first mortgage foreclosure under a power of sale 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. The following Properties subject to the Declaration shall be exempt from the assessments, charges and liens created herein:

(a) All Properties dedicated and accepted by local public authority or state and/or devoted to public use; and

(b) All Common Areas within the Properties described above in Article II. However, to the extent Common Area lies within a Lot which is subject to assessment, i.e. a landscape easement or sign, that fact shall not exempt said Lot from the assessments, charges and liens created herein or result in a pro-rata abatement or reduction of the assessments, charges and liens created herein.

Section 11. Collection Of Road Maintenance Charges. All charges assessed pursuant to the Declaration Of Restrictions And Provisions For Private Road Maintenance recorded in Book 858, Page 613, Warren County Registry, shall be paid to and collected by the Association. Said charges are separate and distinct from the charges heretofore recited in this Article.

Section 12. Collection Of One-Time Lot Fee. A Lot Fee for the use of Country Road shall be paid by Declarant from Declarant's funds on behalf of Buyer to the Association upon the first sale of each Lot to a third party. The Association shall pay on behalf of Buyer the fee to the appropriate parties. The fee to be paid is as follows and said fee is separate and distinct from the charges heretofore recited in this Article:

(a) for closings prior to July 1, 2008, the fee shall be \$2,500.00;

(b) for closings occurring July 1, 2008 through June 30, 2009, the fee shall be 105% of the fee recited in (a), with a like increase being assessed every 365 days.

ARTICLE VI

ARCHITECTURAL CONTROL, MAINTENANCE AND USE RESTRICTIONS

Section 1. Approval of Plans and Architectural Committee. No building, fence, deck, dock, mail box, private entrance gate, wall or other structure or improvement of any nature whatsoever including, not by way of limitation, driveways and driveway locations, shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, color, location and physical site of the same shall have been submitted to and approved in writing as to the design, materials, color and location in relation to surrounding structures and topography by Declarant, so long as Declarant owns one (1) or more lots, and thereafter by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. Subject to the specific exceptions stated within this Declaration, no structures shall be built or permitted to remain within any electrical power line easements, stream or landscape buffer, flood plain, wildlife corridor, sanitary sewer easement or drainage easement as shown on the recorded plat(s) of Roanoke Reserve Subdivision. In the event Declarant, said Board, or its designated committee, as appropriate, 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. Upon giving approval to such plans and specifications, construction shall be started and prosecuted to completion within eighteen (18) months unless a longer timeframe is approved in writing by Declarant, said Board, or its designated committee, respectively, and in strict conformity with such plans as

have been previously approved, and Declarant and/or the Association shall be entitled to stop any construction which is in violation of these restrictions.

Section 2. Land Use and Building Type. Unless approved in writing by the Declarant and/or subject to the permitted uses recited in Section 10 below, no Lot shall be used except for residential purposes. This condition shall not be construed as a restriction against a light housekeeping apartment located within the building. No lot shall be subdivided so as to create additional lots, once platted of record. The minimum building size for a residence shall be three thousand 3,000 heated and finished square feet.

Section 3. Nuisance. No noxious or offensive activity shall be conducted upon any Lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. No trash, rubbish, stored materials, boats, trailers, recreational vehicles, wrecked or inoperable vehicles or similar unsightly items shall be allowed to remain on any Lot outside an enclosed structure and/or within the view of another Lot, or for the purpose of boats, trailers and recreational vehicles behind a solid fence or wall; provided, 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. In the event any Owner fails or refuses to keep his Lot free from unsightly objects, weeds or underbrush in a manner satisfactory to a majority of the Board of Directors of the Association, the Association may, through its agent or representative, five (5) days after posting a notice on such Lot or mailing a notice to the Owner thereof at his property address requesting the Owner to comply with the requirements of this Section, enter and remove any and all unsightly objects,

debris or other vegetation at Owner's expense and Owner, by acquiring any Lot subject to this Declaration, agrees to pay such costs incurred by the Association in the enforcement of this Section promptly upon demand. No such entry as provided herein shall be deemed a trespass.

Section 4. Animals. No animals, livestock or poultry of any kind shall be kept or maintained on any lot or in any dwelling, except that household pets which shall include dogs and cats, may be kept and maintained, provided they are not kept or maintained for commercial purposes, and provided that such pets shall at all times be under the control of their owner. In the event that an animal becomes a nuisance or an annoyance to the neighborhood, then the owner must permanently restrain or remove the animal in a reasonable manner.

Section 5. Outside Antennas. No outside radio or television antennas, which shall include, but not by way of limitation, satellite dishes, shall be erected on any Lot or dwelling unit within the Properties unless and until permission for the same has been granted by Declarant or by the Board of Directors of the Association or its architectural control committee.

Section 6. Signs. Except as applies to any Lot or portion of the Property owned by the Declarant, no signs, billboards or other advertising device of any kind shall be placed or otherwise installed on any Lot, parcel or building within the Properties except as herein allowed:

(a) A sign no more than thirty two (32) square feet in area and designating the name of this development may be placed at an appropriate place.

(b) A sign not more than two (2) square feet in area may be placed on each individual Lot to designate Owner and address.

(c) A sign of not more than sixteen (16) square feet in area may be used to designate Lots for sale.

(d) No signs may be internally lighted.

Section 7. Trees. All trees larger than six (6) inches in diameter measured at four (4) feet above ground level shall not be removed from any lot without the prior written consent of Declarant; provided that any such trees may be removed without the permission of Declarant if located within the area of which a residential structure, driveway or sidewalk are to be constructed upon a Lot, or within twenty (20) feet of the foundation of any residential structure. This restriction shall not apply to the Declarant and their assigns.

Section 8. Hunting. No hunting or discharging of firearms of any sort, including, but not by way of limitation, pellet guns and B-B guns shall be allowed on the Properties.

Section 9. Maintenance. All buildings, whether occupied or unoccupied, shall be well maintained.

Section 10. Commercial and Business Uses Limited. No manufacturing, commercial or business enterprise or enterprises of any kind for profit shall be maintained on, in front of or in connection with the Properties, nor shall such property in any way be used other than for strictly residential or educational purposes, except as expressly permitted below. The purpose of this Article and its qualifications is to preserve the quiet nature of the property and minimize traffic by prohibiting business or other services that cater to the general public in unspecified intensity. Residents must apply to the Association and to Warren County, if applicable, for permission to operate a business out of their home. However, not by way of limitation, the following conditions shall always apply:

(a) Residents may practice a profession in home offices so long as such activities are conducted within the dwelling unit of the professional, and provided no more than one (1) person may be employed on the premises by the professional and provided clients are seen only on an appointment basis not more than five (5) days a week, not on weekends, and at no greater frequency than two (2) client visits per day.

(b) Residents may teach students in a home provided that no adjoining property Owners object, provided however that this shall in no way prevent a resident from providing child care for residents of this subdivision.

Section 11. Building Setbacks. No buildings of any kind may be constructed within the building setbacks as follows:

(a) Lots 1, 3, 4, 5

- i. 50 ft from a road side property lines;
- ii. 25 ft from each side property line;
- iii. 25 ft from VEPCO line (lakefront high water survey);

(b) Lot 2

- iv. 50 ft from road side property lines;
- v. 25 ft from each side property line;
- vi. 75 ft from VEPCO line (lakefront high water survey);

(c) Lot 6

- vii. 50 ft from road side property lines;
- viii. 25 ft from each side property line; and
- ix. 50 ft from VEPCO line (lakefront high water survey)

(d) Cabana

- x. May be placed near the waterfront in a manner and location that does not interfere with views and lake enjoyment of neighboring properties. However all cabanas placed within the 25 – 75 ft lake side setback shall be approved by Declarant.

Section 12. Outdoor Lights. Landscape, pool, dock, recreation, and security lighting shall be designed so as not to be an annoyance to the surrounding lot owners. All outdoor lighting shall be designed, installed, and maintained so that the source of the light (bulb) cannot be seen off-premises. All proposed outdoor lighting shall be detailed on the final landscape plans, and manufacturer's illustrations and specifications for the fixtures shall be included in the presentation book. All outdoor lighting shall be unobtrusive and be compatible with the neighborhood and the proposed residence. Lighthouses with rotating or flashing beacons are

strictly prohibited. Lighthouses with low-wattage, non-flashing lights used as a decoration will only be permitted on a case-by-case basis. No mercury, sodium or other gas vapor lights shall be used outside enclosed buildings. Further, all outdoor lights shall be shaded or hooded in such a way that no direct rays are shown in any area within twenty-five (25) feet of a property line, except for driveway accent lighting of 40 watts (550 Lumens), or less.

Section 13. Motor Vehicles and Vessels. With the exception of golf-carts, non-licensed motorcycles, mini-bikes, trail bikes or other motor powered vehicles shall not be operated on the Common Area. In addition, no motorcycles, mini bikes, trail bikes or other motor powered vehicles shall be operated on any Lot so as to cause a nuisance. No motor vehicles that are not functional and currently licensed may be parked or stored on a Lot in a location that is visible to neighboring properties. Any abandoned or "junk" vehicle left on a Lot that is visible to neighboring properties or any abandoned or "junk" vessel left on the waterfront will be towed by the Association, at the Owner's expense, provided the Owner has been given (10) ten days written notice to remove such vehicles or vessels and, if not removed, such vehicles or vessels will be removed by the Association at the Lot Owner's expense.

Section 14. Sound. There shall be no electric or electronic amplification of sound or music at a volume which may be heard from any adjoining Lot or parcel, provided that with the special permission of affected adjacent and nearby property Owners, parties may make and amplify sound in excess of the above restrictions for special occasions.

Section 15. Indemnification From Liability. It shall be understood that each Lot Owner as a member in the Association has an interest in all of the Common Areas and access easements, and that the risk of any injury arising out of the use of the Common Areas and

access easements by any Owner, family member, friend or visitor, shall be assumed by each Lot Owner. All Owners agree that in the event of such injury, no one shall hold liable any or all Lot Owners of the Association, the Declarant, Richard A. Hartley, Anne L. Hartley, Samuel H. Moseley, Jr., Sarah N. Moseley, Elizabeth H. Moseley, their heirs or assigns.

ARTICLE VII

EASEMENTS

Easements for installation and maintenance of utilities and drainage facilities are reserved in favor of Declarant, its successors and assigns, as shown on the plat(s) recorded or to be recorded by Declarant. Within these easements no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

Declarant reserves the right to relocate easements for the installation and maintenance of utilities and drainage facilities by so indicating on subsequent plats the new location of such easement over and across portions of said property owned by Declarant, and to extinguish the easements reserved across the old location by recordation of a Declaration of Withdrawal thereof in the Warren County Registry; provided however, that Declarant may not withdraw, terminate, or relocate any easements in such a manner as would impair the vested rights of any Lot Owner.

ARTICLE VIII

INSURANCE

Section 1. Ownership of Policies. Contracts of insurance upon the Common Areas shall be purchased by the Association for the benefit of the Association, and the Owners and

their mortgagees, as their interests may appear. All buildings and improvements upon the Common Areas and all personal property of the Association shall be insured in an amount equal to at least one hundred percent (100%) of their insurable replacement value as determined annually by the Association. Such coverage shall provide protection against loss or damage by fire or other hazards covered by standard extended coverage endorsement and such other risks as from time to time shall be customarily covered with respect to buildings or permanent improvements upon the land. Further, the Association may require that all persons responsible for or authorized to expend funds or otherwise deal in assets of the Association shall first be bonded by a Fidelity Insurer to indemnify the Association from any loss by reason or default in the performance of their duties. Such Fidelity Insurance or Bond may be obtained at the expense of the Association. Public liability insurance shall be secured by the Association with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence and shall include an endorsement to cover liability of the Owners as a group to any one or more of the Owners. There shall also be obtained such other insurance coverage as the Association shall determine from time to time to be desirable and necessary, and all insurance policies shall contain clauses providing for waiver of subrogation, if possible. Premiums for contracts of insurance purchased by the Association shall be paid by the Association and charged to the Owners pro-rata as part of the dues and assessments provided herein. In its discretion the Association may require that all persons responsible for or authorized to expend funds or otherwise deal in the assets of the Association shall first be bonded by a Fidelity Insurer to indemnify the Association from any loss by reason of default in the performance of their duties. Such fidelity insurance or bond may be obtained at the expense of the Association.

Section 2. Premiums. Premiums for contracts of insurance purchased by the Association shall be paid by the Association and charged ratably to the Owners as an assessment according to the provisions of Article V above.

Section 3. Proceeds. All contracts of insurance purchased by the Association shall be for the benefit of the Association, the Owners and their mortgagees, as their interests may appear, and shall provide that all proceeds thereof shall be payable to the Association as insurance trustee under this Declaration. The sole duty of the Association as insurance trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein or stated in the By-laws.

ARTICLE IX

CONSTRUCTION

The following conditions and restrictions shall apply to all construction on a Lot.

1. Tree removal for buildings other than the main residence shall be approved on a case-by-case basis.
2. All parked construction traffic must be on the Lot on which construction is occurring.
3. All job sites must be kept in clean and orderly condition.
4. All construction material shall be placed on the Lot where dwelling is being constructed.
5. Job site debris shall be removed every two weeks.
6. Construction hours are 7am-6pm, Monday-Friday. Construction shall not be permitted at any other time, except by written permission from the Declarant or the Association in the event of an emergency.

7. Builders must make special arrangements for any weekend work by requesting approval in advance before 3pm on the Thursday immediately preceding the weekend. If the proposed work is noisy outside then any special permission granted will limit hours to 10am-3pm on Saturday and Sunday.
8. No exterior work is to be done in the following days: Good Friday, Easter, Memorial Day, July 4th, July 4th Fireworks Celebration at Eaton's Ferry Bridge, Labor Day, Thanksgiving Day, Christmas Eve, Christmas Day, New Year's Eve, New Year's Day
9. All builders shall keep an emergency phone number on file with the Declarant and Owner.
10. All builders shall submit personnel and subcontractor identification list to the Owner and Declarant prior to beginning and with any change during construction.
11. No alcoholic beverages or illegal drugs are allowed on job site.
12. Playing of loud music during construction that may be offensive to neighbors is prohibited.
13. Safety fencing shall be used to mark perimeter of building envelope to protect trees and their root systems from vehicles, equipment, and materials.
14. Tree fencing shall be used to protect all trees within the building envelope.
15. All persons including construction personnel shall drive carefully and obey the posted speed limits.
16. Any agents, subcontractors, and employees of builders who violate construction site requirements may be removed and prohibited from entering Roanoke Reserve by a Lot Owner or the Declarant.

17. In no event is the Common Area to be used as material staging area.
18. Piling materials in any street or cul-de-sac is prohibited.
19. Temporary construction site trailer offices may not be placed on any Lot without the prior written approval of the Declarant.
20. Declarant shall provide an access road for Construction Vehicles ("Construction Road"), which road shall be used as the exclusive means of access for Construction Vehicles traveling from State Road 903 to and from the Property or any Lot. Construction Vehicles shall be any vehicles with a load capacity of one ton or more, or any other equipment customarily used for residential construction and associated with ongoing construction. By acceptance of and the recording of a deed to a Lot, each Lot Owner agrees to and is responsible for requiring their contractors and sub-contractors to use the Construction Road exclusively for all Construction Vehicles. If any Construction Vehicles use Country Road rather than the Construction Road, such use may be enjoined by Court action and the Owner of the Lot on which the enjoined contractors are working shall pay the Owners' Court costs and legal fees in securing injunctive relief and in addition a fine of \$100.00 per day shall accrue for each day Country Road is used by a Construction Vehicle.
21. Each Lot Owner shall pay a Two Thousand Five Hundred Dollars (\$2,500) refundable deposit to the Association at commencement of any Lot construction ("Road Repair Fee"). The remedies for non-payment of the Road Repair Fee shall include the following: an action enjoining the use of Construction Road by the Owner of such Lot, with the cost of such action to be recovered from such Lot Owner; imposition of

monthly interest at the rate of ten (10%) percent per annum for any month, or a portion of a month; and imposition of the cost of filing written notice. The deposit shall be used by the Association to offset any costs, charges or damages incurred as a result of a violation of the terms contained in paragraph 20, above. Upon completion of construction on a Lot if any balance of said deposit shall exist, the balance shall be returned to the Lot Owner.

22. If during construction any Construction Vehicles use Country Road, Lot Owners shall report any resulting damage to or litter along Country Road to Declarant. If the responsible Lot Owner does not remove the litter within 24 hours or repair the damage within ten (10) calendar days, the responsible Lot Owner shall be liable for the cost of the clean-up and/or road repair as well as the court costs and legal fees incurred as a result. The responsible Lot Owner shall have fifteen (15) days from receipt of written notice of any costs and/or legal fees incurred by Declarant under the terms of this Section to make payment to Declarant, after which time interest shall accrue on the unpaid balance due at the rate of ten percent (10%) per annum for any month, or any portion of a month, in which the amount owed remains unpaid. In addition, Declarant shall have the right to file a notice of lien indexed in the name of the responsible Lot Owner, which filing shall create a lien on the title to said Lot.

ARTICLE X

BINDING NATURE OF DECLARATION

The covenants, conditions and restrictions contained in this Declaration, both negative and affirmative, and including but not limited to the covenants to pay dues and assessments,

shall be construed to be covenants running with the land covered by this Declaration. Each Lot and the Owner of each Lot covered hereby, or any other person or legal entity claiming an interest in any Lot, and his heirs, executors, administrators, successors and assigns, shall be subject to and bound by all of such covenants, conditions and restrictions, regardless of when, in what manner, or from whom any Lot is acquired.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, Declarant or Declarant's assigns 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, any Owner, Declarant or by Declarant's assigns to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Any person who must take legal action to obtain compliance may recover as minimum damages for the breach of any of these restrictions the sum of One Thousand Five Hundred Dollars (\$1,500.00) for any such breach; provided that this minimum shall increase at the same rate as the increase from the date of this document of the Consumer Price Index maintained by the federal government, or, if such Index is not kept, then any index of general inflation in consumer prices kept by federal or state government.

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

Section 3. Headings. Headings are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer.

Section 4. Duration and 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. With the exception of the restriction against the further subdivision of any Lot, this Declaration may only be amended by an instrument signed by the Owners of not less than ninety percent (90%) of the Lots, subject to the rights of the Eligible Mortgage Holders as provided that no amendment shall alter any obligation to pay ad valorem taxes or assessments for improvements, as herein provided, or affect any lien for the payment thereof established herein. Any amendment must be properly recorded.

Section 5. If any amendment to these covenants, conditions and restrictions is duly executed, each such amendment shall be delivered to the Board of Directors of this Association. Thereupon, the Board of Directors shall, within thirty (30) days, do the following:

(a) Reasonably assure itself that the amendment has been validly executed by the Owners of the required number of Lots. (For this purpose, the Board may rely on its roster of members and shall not be required to cause any title to any Lot to be examined.)

(b) Attach to the amendment a certification as to its validity, which certification shall be executed by the Association in the same manner that deeds are executed. The following form of certification is suggested:

CERTIFICATION OF VALIDITY OF AMENDMENT TO COVENANTS,
CONDITIONS AND RESTRICTIONS OF
ROANOKE RESERVE SUBDIVISION

By authority of its Board of Directors, Roanoke Reserve Homeowners' Association, Inc. hereby certifies that the foregoing instrument has been duly executed by the Owners of two-

thirds of the Lots of Roanoke Reserve Subdivision and is, therefore, a valid amendment to the existing covenants, conditions and restrictions of Roanoke Reserve Subdivision.

This the __ day of _____, _____.

ROANOKE RESERVE HOMEOWNERS' ASSOCIATION, INC.

By:

President

Attest:

Secretary

(c) Immediately, and within the thirty (30) day period aforesaid, cause the amendment to be recorded in the Warren County Registry.

All amendments shall be effective from the date of the recordation in the said Registry, provided, however, that no such instrument shall be valid until it has been indexed in the name of the Association. When any instrument purporting to amend the covenants, conditions, and restrictions have been certified by the Board of Directors, recorded, and indexed as provided by this Section, it shall be conclusively presumed that such instrument constitutes a valid amendment as to all persons thereafter purchasing any Lots.

Section 6. Rights of Eligible Mortgage Holders. Any Eligible Mortgage Holder will, upon request, be entitled to (a) inspect the books and records of the Association during normal business hours, (b) receive copies of the Declaration, Bylaws, Rules & Regulations, and any amendments thereto, and (c) receive written notice of all meetings of the Association and the right to designate a representation to attend all such meetings. Such Eligible Mortgage Holder shall also be entitled to timely written notice of (a) any condemnation or casualty loss that affects either a material portion of the project or the Lot secured by its mortgage, (b) any 60-day delinquency in the payment of assessments or charges owed by the Owner of any Lot on which it holds the mortgage, (c) a lapse, cancellation, or material modification of any insurance policy

or fidelity bond maintained by the Association, or (d) any proposed action that requires the consent of a percentage of the Eligible Mortgage Holders. Amendments of a material nature must be approved by Eligible Mortgage Holders representing at least fifty-one percent (51%) of the votes of Lots subject to mortgages held by eligible holders. A change to any of the following would be considered as material: (a) voting rights; (b) assessments, assessment liens, or subordination of assessment liens; (c) reserves for maintenance, repair, and replacement of common areas; (d) responsibility for maintenance and repairs; (e) expansion or contraction of the project; (f) insurance or fidelity bonds; (g) imposition of any restrictions on an Owner's right to sell, mortgage, or lease his Lot; of (h) an action to terminate the legal status of the project or the Association (in which case the Eligible Mortgage Holders representing at least two-thirds of the votes of the mortgaged Lots must agree).

Except as amended, the Declarant does ratify and confirm all of the remaining terms and conditions contained in those covenants recorded in Book 858, Page 618, Warren County Registry.

(Signatures and Notary on next page.)

IN WITNESS WHEREOF, the Declarant has caused this instrument to be signed the day and
year first above written.

Roanoke Reserve, LLC

BY: *Richard A. Hartley*
Richard A. Hartley, Manager

BY: *Anne L. Hartley*
Anne L. Hartley, Manager

STATE OF NORTH CAROLINA
COUNTY OF *Perhampton*

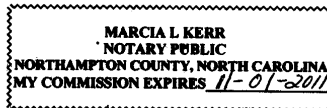
I certify that the following person(s) personally appeared before me this day,
each acknowledging to me that he or she voluntarily signed the foregoing document for the
purpose stated therein and in the capacity indicated: *Anne L. Hartley, Manager and Richard A
Hartley, Manager.*

Witness my hand and official seal, this the *4th* day of February, 2009.

(Notary Seal)

Marcia L. Kerr
NOTARY PUBLIC

My commission expires:
11-01-2011



CERTIFICATION OF VALIDITY OF AMENDMENT TO COVENANTS,
CONDITIONS AND RESTRICTIONS OF
ROANOKE RESERVE SUBDIVISION

By authority of its Board of Directors, Roanoke Reserve Homeowners' Association, Inc. hereby certifies that the foregoing instrument has been duly executed by the Owners of two-thirds of the Lots of Roanoke Reserve Subdivision and is, therefore, a valid amendment to the existing covenants, conditions and restrictions of Roanoke Reserve Subdivision.

This the ___ day of February, 2009.

ROANOKE RESERVE HOMEOWNERS' ASSOCIATION, INC.

By: Richard A. Hartley
President

Attest: Anne Hartley
Secretary

STATE OF NORTH CAROLINA
COUNTY OF Spethampton

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: *Anne L. Hartley, Secretary and Richard A Hartley, President.*

Witness my hand and official seal, this the 10th day of February, 2009.

(Notary Seal)

Marcia L. Kerr
NOTARY PUBLIC

My commission expires:
11-01-2011

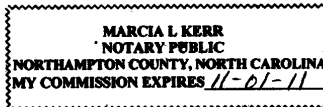


EXHIBIT A

PROPERTY DESCRIPTION FOR
"ROANOKE RESERVE SUBDIVISION"

Being all of that property known as Roanoke Reserve Subdivision, as shown and described in that survey recorded in Plat Cabinet 1, Slide 263A, Plats 2 and 3, and as revised in Plat Cabinet 1, Slide 264A, Plats 4 and 5, all of the Warren County Registry, to which reference is made for a more accurate description of same.

EXHIBIT B

DESCRIPTION OF COMMON AREAS
SUBJECT TO DECLARATION

The following property shall constitute the Common Area, subject however, to (1) annexation of Additional Land pursuant to Article II of the Declaration and (2) substitution of a modified legal description of any Common Area by Declarant as provided in Article III, Section 3.

1) Being that property shown and described as the "Proposed 100' Private Community Well Easement" in that survey drawn by Joseph T. Johnston, PLS, and recorded with the Warren County Register of Deeds in Plat Cabinet 1, Slide 263A, Plats 2 and 3, and as revised in Plat Cabinet 1, Slide 264A, Plats 4 and 5, to which reference is made for a more accurate description;

2) That easement recorded with the Warren County Register of Deeds in Book 867, Page 841, to which reference is made for a more accurate description ("Proposed 100' Community Well Easement") with restated purpose as open space;

3) That easement recorded with the Warren County Register of Deeds in Book 867, Page 223, to which reference is made for a more accurate description ("Proposed 100' Community Well Driveway Easement");

4) That easement recorded with the Warren County Register of Deeds in Book 858, Page 150 excluding driveway easements for Lots 4, 5, and 6, to which reference is made for a more accurate description ("Edwards Ridge Road Easement");

5) That easement recorded with the Warren County Register of Deeds in Book 858, Page 139, to which reference is made for a more accurate description ("Country Road Easement");

6) That easement recorded with the Warren County Register of Deeds in Book 174, Page 334, to which reference is made for a more accurate description ("Lake Ridge Road and Hartley Court Pre-Existing Easements") and are further governed by a Right Of Way Agreement dated June 28, 1995 and recorded with the Warren County Register of Deeds in Book 607, Page 166; and

7) For as long as it shall be applicable, that easement recorded with the Warren County Register of Deeds in Book 858, Page 155, to which reference is made for a more accurate description ("Construction Road Easement").

EXHIBIT C

BYLAWS

(See Attached)

BYLAWS
OF
ROANOKE RESERVE HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION: The name of the corporation is ROANOKE RESERVE HOMEOWNERS' ASSOCIATION, INC., hereinafter referred to as "Association". The principal office of the corporation shall be located at 104 Clark Lake Road, Durham, NC 27707, but meetings of members and directors may be held at such places and/or electronically or telephonically as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to Roanoke Reserve Homeowners' Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions, and Restrictions for Roanoke Reserve Subdivision, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association or which the Association has an easement for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of any obligation.

Section 6. "Declarant" shall mean and refer to Roanoke Reserve, LLC.

Section 7. "Declarations" shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions for Roanoke Reserve Subdivision applicable to the Properties recorded in the Office of the Register of Deeds for Warren County, North Carolina.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 9. "Eligible Mortgage Holder" shall mean those holders of a first mortgage on a Lot who have requested the Association to notify them on any proposed action that requires the consent of fifty-one percent (51 %) of Eligible Mortgage Holders.

Section 10. "Road Maintenance Agreement" shall mean and refer to the Declaration Of Restrictions And Provisions For Road Maintenance applicable to the Properties recorded in the Office of the Register of Deeds for Warren County, North Carolina.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held at the same hour on the same day of the same month of each year thereafter unless otherwise agreed by a majority of the members. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 3. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-half (1/2) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declarations, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 4. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE IV

BOARD OF DIRECTIONS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who need not be members of the Association.

Section 2. Term of Office. Two of the directors are directors designated by the Declarant. The remaining director shall serve for a three year term.

At the third annual meeting, the members shall elect a director to fill the position of the third director position for a term of three years; and at each successive third annual meeting thereafter the members shall elect a director for a term of three years.

Section 3. Removal. The directors designated by the Declarant may only be removed in accordance with the provisions of NCGS Section 55A-8-09. The remaining director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of the death, resignation or removal of a non-Declarant designated director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he

may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declarations. The person(s) receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors may be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
POWER AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, to establish fees relating to the use of the common areas, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations.
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, the Road Maintenance Agreement or the Declarations;
- (d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and
- (e) promulgate standards for the improvement, repair, maintenance or construction of private roads abutting the Properties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-half (1/2) of the members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declarations and Road Maintenance Agreement, to:
 - (1) fix the amount of the annual assessment against each Lot as least thirty (30) days in advance of each annual assessment period;
 - (2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Areas and improvements thereon to be maintained, repaired and replaced.

ARTICLE VIII NON-PROFIT ASSOCIATION

No part of the net earnings of the Association shall inure to the benefit of any officer, director or member of the Association. All funds and property acquired by the Association and the proceeds therefrom shall be held only for the benefit of the Members of the Association in accordance with the provisions of the Declarations.

ARTICLE IX OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualify to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

(b)The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current record showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE X
COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declarations, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XI
BOOKS AND RECORDS

The books, records and papers of the Association shall at all time, during reasonable business hours, be subject to inspection by any member. The Declarations, the Road Maintenance Agreement, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII
ASSESSMENTS

As more fully provided in the Declarations, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at eighteen (18%) percent or the maximum rate allowed by law, whichever is lower, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waiver or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of their Lot.

ARTICLE XIII
CORPORATE SEAL

The Association may have a seal having within its circumference the words:

ROANOKE RESERVE HOMEOWNERS' ASSOCIATION, INC.

ARTICLE XIV
AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the consent of a specified percentage of the Eligible Mortgage Holders shall be required for an amendment of the material nature, as provided in the Articles.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declarations or the Road Maintenance Agreement and these Bylaws, the Declarations or the Road Maintenance Agreement shall control.

ARTICLE XV
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of the Roanoke Reserve Homeowners' Association, Inc., have hereunto set our hands this ____ day of April, 2008.

_____(SEAL)

_____(SEAL)

_____(SEAL)

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Roanoke Reserve Homeowners' Association, Inc., a North Carolina corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the ____ day of April, 2008.

_____(SEAL)
Secretary