Prepared by: Brumsey and Brumsey, PLLC

NORTH CAROLINA
CURRITUCK COUNTY

RESTRICTIVE COVENANTS
CURRITUCK RESERVE

KNOW ALL MEN BY THESE PRESENTS:

That APVA, LLC., herein sometimes collectively referred to as "Developer", do hereby covenant and agree to and with all other persons, firms or corporations hereafter acquiring Lots in Currituck Reserve, Phase 1 as shown on a certain plat prepared by Bissell Professional Group entitled in part: "CURRITUCK RESERVE PHASE 1, MOYOCK TOWNSHIP, CURRITUCK COUNTY, NORTH CAROLINA" recorded in Plat Cabinet _____, Pages _____ shall be subject to the following restrictions as to the use thereof running with the properties by whomsoever owned, to wit:

1. PURPOSE: All lots shall be used for residential purposes only. No building shall be erected, altered, placed upon or permitted to remain on any lot other than one detached single-family dwelling not to exceed two and one-half stories in height and one private garage for not more than three cars. However, it shall not be considered a violation of this restriction if any builder or developer maintains sample houses, warehouses, sales and administrative offices on any of the properties so long as such builder has properties for sale or is servicing properties under warranties within the boundaries of adjoining property owned by the developer.

2. MINIMUM SQUARE FOOTAGE: No single-story dwelling shall be constructed or allowed to remain on said lots having less than 1,400 square feet or floor space in heated areas, exclusive of porches, exterior storage and attached garages. No two-story

dwelling shall be constructed or allowed to remain on any lot having less than 1,800 square feet in heated areas, exclusive to porches, exterior storage and attached garages. All dwellings shall have a garage of sufficient size to accommodate at least one standard size automobile. If the garage is a detached garage, it shall be constructed of the same exterior building materials as the principal residence.

3. SETBACK REQUIREMENTS FOR SINGLE FAMILY DWELLING: Building setbacks shall comply with those shown on the recorded plat for each subdivision.

4. SETBACK REQUIREMENTS FOR PRIVATE GARAGE: All private garages shall be required to observe only ten (10) foot setback from rear and side boundary lines. All private, freestanding garages shall be required to maintain a ten (10) foot setback from the rear line of the principal dwelling.

5. RESUBDIVISION OF LOTS: No lot shall be subdivided into a lot having less than the dimensions of the original lot. However, nothing herein contained will prevent a lot being subdivided and combined with an adjoining lot to form one residential unit. If such a division were to occur the title to the portion of the divided lot could pass only when conveyed with the lot with which it was combined. In the event of a division of a lot as herein provided or the combination of two or more lots, the side lot building setbacks would apply to the outside boundaries of the resulting lot.

6. NO OFFENSIVE ACTIVITY: No noxious or offensive activity shall be carried on or conducted upon the lots nor shall anything be done thereon which may become and annoyance or nuisance to the neighborhood. The discharging of firearms within the subdivision is specifically prohibited unless for the protection of person or property.

7. LOT MAINTENANCE: Each lot owner shall keep lots free of tall grasses, dead trees, trash and rubbish and shall properly maintain the lot, to present a well-kept appearance.

8. ANIMALS: No animals may be kept on any lot except the usual household pets, so long as they are not kept for breeding or any other commercial purposes.

9. CONSTRUCTION ON LOT: No mobile home, trailer, doublewide mobile home, prefabricated home, modular home or preexisting home of any type, kind or description shall be placed upon or allowed to remain on any lot of the subdivision lots. It being the express intent of this provision that all dwellings and private garages be constructed on the site.

10. TEMPORARY STRUCTURES: No structure of a temporary character shall be placed upon any portion of any lot. Temporary shelters, tents, travel trailers, campers or self-propelled mobile homes shall not at any time be used as temporary residence. Campers, travel trailers, boat trailers, self-propelled mobile homes and other vehicles of that nature may be stored on a lot, provided they do not constitute a visual nuisance and are stored in compliance with the setback requirements of Articles 4 and 5 on a lot with an existing dwelling.

11. TIME OF CONSTRUCTION: Any construction of a dwelling or private garage situated on any lot shall be completed within one year of the date of the commencement of construction.

12. SIGNS: No signs of any kind shall be displayed to public view on any lot except a sign of not more than 6 square feet advertising the property for sale or rent or signs used by a contractor during the construction period. This provision shall not apply to the developers for a period of eighteen months after the recordation of the subdivision plat.

13. UTILITIES: All telephone, electric and other like utility lines and connections between the main utility lines and residences shall be underground.

14. PROPERTY OWNERS ASSOCIATION MEMBERSHIP: The owners of the lots within the Subdivision are required to become members of the Currituck Reserve Community Association, Inc. (the "Association"), a non-profit corporation that has been formed pursuant to the Non-Profit Corporation Act (Chapter 55A) of the North Carolina General Statutes through the office of The Secretary of State of North Carolina. The lot owners shall be subject to the rules, regulations and by-laws adopted by the Association including the levying of assessments and dues for maintaining common areas, common features, and infrastructure elements. The Board of Directors of the Association shall be appointed by the Developer until such time as the Developer transfers maintenance responsibility of the common areas, common facilities and open space areas, roadways and other infrastructure of the Subdivision as hereinafter delineated. Each lot owner shall be a member of the Association automatically with the purchase of any lot and agree with respect to the Association as follows:

    a. That for so long as each is an owner of a lot within the Subdivision, each will perform all acts necessary to remain in good and current standing as a member of the Association.
    b. That each shall be subject to the rules and regulations of the Association regarding ownership of a lot within the Subdivision.
    c. That any unpaid assessment levied by the Association in accordance with these covenants, the articles of organization or bylaws of the Association shall be a lien upon the lot upon which such assessment was levied and shall be the personal obligation of the owner of the lot at the time the assessment fell due.
    d. The Association may increase the amount of mandatory, fees, dues or assessments, when necessary, for the continued maintenance of common areas, common features, or private infrastructure. The initial assessment for dues shall be $432.00 per year payable in quarterly installments of $108.00 each.

e. The Association shall establish a reserve fund to support the continued maintenance and upkeep of common areas, common features, and private infrastructure. All members of an association shall be responsible for contributions to the association's reserve fund to cover their proportionate share of maintenance costs associated with common areas, common features, and private infrastructure, and the stormwater management systems.

f. There is hereby established an initial transfer fee in the amount of $500.00 payable to the Association upon the transfer of title to a Grantee who will occupy the property as a primary residence which shall be payable by the Grantee. Specifially excluded from paying the initial transfer fee are the Developer and any owner who will not occupy the property as a primary resident. Said initial transfer fee shall be used for initial funding of the association's operating account and reserve fund. Thereafter, upon any conveyance of a Lot, the Grantee in such conveyance shall pay a transfer fee to the Association in an amount determined by the Association, which shall be $95.00 until such time as it may be changed by the Association.

g. The Association is responsible for liability insurance and all applicable taxes regarding the common areas, common features, and private infrastructure.

h. The Association has maintenance responsibilities of all on-site improvements not dedicated to a local or state agency, including but not limited to streets, drainage systems, open space areas, recreational facilities, and private infrastructure.

i. Each membership in the Association shall relate to and have a unity of interest with an individual lot, which may not be separated from ownership of said lot.

j. The Association shall be a member of the Moyock Stormwater Association and will be subject to the terms and conditions of the Declaration for Stormwater Management attached hereto as Exhibit B.

The common areas, common facilities and open space areas, roadways and other infrastructure, , and the stormwater management systems, shown and delineated on the plats of CURRITUCK RESERVE described above and duly recorded in the Office of the Register of Deeds of Currituck County, are for the use and benefit of the lot owners of the subdivision. The Developer shall maintain the common areas, common facilities and open space areas, roadways and other infrastructure until seventy-five percent (75%) of the lots are sold.

Maintenance responsibility of the other common areas, common facilities and open space areas, roadways, and other infrastructure (infrastructure shall include roads and stormwater management facilities within the Subdivision unless the same are dedicated to and accepted by the North Carolina Department of Transportation) of the Subdivision shall not be transferred from the Developer to the Association until all the following occur:

(a) At least 75 percent of the total number of lots in the subdivision are sold; and
(b) The Developer provides an affidavit or resolution signed by the association president that accepts maintenance responsibility for the subdivision; and
(c) The Developer commissions a report prepared by a licensed engineer indicating that all common areas, common features, and infrastructure elements comply with the minimum standards in the Currituck County Unified Development Ordinance and the County Code of Ordinances; and
(d) Currituck County staff reviews and approves the report prepared by a licensed engineer; and
(e) A reserve fund dedicated to the continued maintenance and upkeep of common areas, common features, and private infrastructure is established with a banking institution acceptable to the county in the name of the association, that contains a minimum balance that includes the following:

(a) Ten percent of the road construction cost for streets not maintained by NCDOT at the time of transfer (gravel base and asphalt only);
(b) Liability insurance and taxes for common elements for two years; and,
(c) Stormwater facilities and landscaping maintenance cost for two years;

Notwithstanding anything contained herein to the contrary, Developer or any lots owned by Developer shall not be liable for any assessments as long as the lots are owned by the Developer.

The Association shall have the legal authority and the responsibility to maintain control over all common areas, common features, and private infrastructure in the subdivision, following transfer of control by the Developer.

15. DRIVEWAYS: Prior to commencement of construction of improvements or clearing of any lot, other than by hand, the owner shall place a temporary or permanent

driveway to provide entry to the lot from the road. All drives to be completed by the completion date of construction and are to be constructed of concrete.

16. SWIMMING POOLS: No above ground swimming pool shall be placed upon or allowed remaining on any lot.

17. SATELLITE DISHES: No satellite dishes having a diameter of more than 36 inches shall be placed upon or allowed to remain on the lot.

18. FENCES: In order to retain the aesthetic qualities of the neighborhood, the following restrictions relating to fencing will be enforced:

a. On all lots other than corner lots, no fence shall be installed in front of the front lines of any house, and those fences in locations where erection is permissible shall not be more than six (6) feet in height.

b. On all corner lots, no fence shall be installed in front of any front line of any house nor shall any fence be installed closer to the side street curb than the side line of any house. All fence sections, where permissible, shall not exceed six (6) feet in height.

19. OUTSIDE STAIRWAYS: No outside stairways shall be permitted to the second floor or any structure constructed on any lot.

20. DRAINAGE AND STORMWATER MANAGEMENT: No lot owner shall block any ditches or other drainage areas. The State of North Carolina has issued a low-density stormwater management permit for the subdivision – Permit No. SW7180204 dated March 7, 2018 for Currituck Reserve. The Association shall become the holder of the permit and shall assume the responsibility to maintain stormwater measures pursuant to the permit, which are hereby incorporated by reference, including the following specific provisions:

    The maximum built-upon area for each lot is shown on the attached "Attachment A". The permittee is responsible for verifying that the proposed built-upon area does not exceed the allowable built-upon area. The built-upon area may not be revised without approval from the Division of energy, Mineral and Land Resources, and once the lot transfer is complete, responsibility for meeting the built-upon area limit is transferred to the individual property owner.
    The allotted built-upon area includes any built-upon area within the lot boundaries, and includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, but does not include raised, open wood decking or the water surface of swimming pools.
    Filling in or piping of any vegetated conveyances (ditches, swales, etc.) associated with the development except for average driveway crossings, is strictly prohibited by any persons.

21. SIDEWALKS AND LANDSCAPING: Lots will have sidewalks, planted street trees and lawns seeded by the Builders. Sidewalks and street trees including species selected

must be placed in accordance with county approved development plans and construction details.

22. WATER TAP FEE: The water tap fee required by Currituck County for connection to the Currituck County Water System is the responsibility of the party desiring the service and is not the responsibility of the Developer.

23. ARCHITECTURAL REVIEW: There is hereby established a board (the "Architectural Review Board") for the purpose of reviewing and, as appropriate, approving or disapproving all Plans (hereinafter defined) submitted by Owners in accordance with this Paragraph 23. The Architectural Review Board shall be composed of three persons, who need not be Members of the Association, from time to time appointed by Developer until 100% of the lots have been developed and conveyed to owners other than builders or by the Board of Directors of the Association from and after the date on which Developer delegates this responsibility to the Association by written instrument in recordable form executed by Developer. The Developer or the Board of Directors, as the case may be, may appoint one alternate member to the Architectural Review Board, which alternate member may vote only in the absence of a regular member. The members of the Architectural Review Board shall serve for such terms as may be determined by Developer or the Board of Directors of the Association, as the case may be. The Developer reserves the right (which may be exercised at any time or from time to time) to delegate certain, but less than all Architectural Review Board responsibilities to the Association, and if Developer exercise this right the Board of Directors may appoint its own review board which satisfies the same criteria as set forth herein for the Architectural Review Board. For example, by way of illustration and not limitation, the Developer may delegate to the Association the authority for reviewing and as appropriate approving or disapproving Plans submitted for modifications, alterations or additions made on or to existing structures on Lots, in which case the Board of Directors shall appoint its own architectural review board for the purpose of exercising such delegated authority. The Developer appointed Architectural Review Board and authorized architectural review board appointed by the Board of Directors shall be collectively referred to herein for ease of reference as the "Architectural Review Board".

    (a) Plans to be Submitted. Before commencing the construction, erection or installation of any building, addition, patio, deck, fence, wall, animal pen or shelter, exterior lighting, sign, mailbox or mailbox support, improvement or other structure (each of the foregoing being hereinafter referred to as an "Improvement") on any Lot, including any site work in preparation therefore, and before commencing any alteration, enlargement, demolition or removal of an Improvement or any portion thereof in a

manner that alters the exterior appearance (including paint color) of the Improvement or of the Lot on which it is situated, each owner shall submit to the Architectural Review Board a completed application on the form provided by the Architectural Review Board (the "Application"), a proposed construction schedule and at least three sets of plans and specifications of the proposed construction, erection, installation, alteration, enlargement, demolition or removal, which plans and specifications shall include (unless waived by the Architectural Review Board) two copies of each, one of which will be returned: (i) a site plan showing the size, location and configuration of all Improvements, including driveways and landscaped areas, and all setback lines, buffer areas and other features required under the Zoning Ordinance or the guidelines adopted by the Architectural Review Board, (ii) as to Improvements initially constructed on a Lot, landscaping plans showing the trees to be removed and to be retained and shrubs, plants and ground cover to be installed, (iii) architectural plans of the Improvements showing exterior elevations, construction materials, exterior colors, driveway material, (iv) a sediment and erosion control plan (collectively the "Plans"). The Architectural Review Board may, in its sole discretion, waive the requirement that any or all the required Plans be submitted in a particular case where it determines such Plans are not necessary to property evaluate the Application. The Architectural Review Board shall not be required to review any Plans unless and until the Application has been submitted in completed form with the proposed construction schedule and the Plans contain all the required items. The Application, Plans and the proposed construction schedule must be submitted to the Architectural Review Board at the address of Developer for so long as all members of the Architectural Review Board are appointed by Developer and thereafter, the Application, Plans and the proposed construction schedule may be submitted to the Architectural Review Board at the address of the Association.

(b) In connection with the discharge of its responsibilities, the Architectural Review Board may engage or consult with architects, engineers, planners, surveyors, attorneys and others. Any person seeking the approval of the Architectural Review Board agrees to pay all fees thus incurred by the Architectural Review Board and further agrees to pay an administrative fee to the Architectural Review Board in such amount as the Architectural Review Board may from time to time reasonably establish. The payment of all fees is a condition to the approval or disapproval by the Architectural Review Board of any Plans, and the commencement of review of any Plans may be conditioned upon the payment of the Architectural Review Board's estimate of such fees. The review fee shall not exceed $500.00.

(c) The Architectural Review Board shall not approve the Plans for any

Improvement that would violate any of the provisions of this Declaration or of any Supplemental Declaration applicable thereto. In all other respects, the Architectural Review Board may exercise its sole discretion in determining whether to approve or disapprove any Plans, including, without limitation, the location of any Improvement on a Lot.

(d) No Improvement shall be constructed, erected installed or maintained on any Lot, nor shall any Improvement be altered, enlarged, demolished or removed in a manner that alters the exterior appearance (including paint color) of the Improvement or of the Lot on which it is situated, unless the Application, Plans and construction schedule therefore have been approved by the Architectural Review Board. After the Application, Plans and Construction Schedule therefore have been approved; all Improvements shall be constructed, erected, installed, maintained, altered, enlarged, demolished or removed strictly in accordance with the approved Plans. Upon commencing the construction, erection, installation, alteration, enlargement, demolition or removal of an Improvement, all the work related thereto shall be carried on with reasonable diligence and dispatch and in accordance with the construction schedule approved by the Architectural Review Board.

(e) The Architectural Review Board may, in its discretion, establish guidelines and standards to be used in considering whether to approve or disapprove Plans. Such guidelines may include, without limitation, uniform standards for signage and mailboxes and mailbox supports. However, nothing contained in this Declaration shall require the Architectural Review Board to approve the Plans for Improvements on a Lot on the grounds that the layout, design and other aspects of such Improvements are the same or substantially the same as the layout, design and other aspects of Improvements approved by the Architectural Review Board for another Lot.

(f) The approval by the Architectural Review Board of any Plans, and any requirement by the Architectural Review Board that the Plans be modified, shall not constitute a warranty or representation by the Architectural Review Board of the adequacy, technical sufficiency or safety of the Improvements described in such Plans, as the same may be modified, and the Architectural Review Board shall have no liability whatsoever for the failure of the Plans or the Improvements to comply with applicable building codes laws and ordinances or to comply with sound engineering, architectural or construction practices. In addition, in no event shall the Architectural Review Board have any liability whatsoever to an Owner, a contractor or any other party for any costs or damages (consequential or otherwise) that may be incurred or suffered on account of the Architectural Review Board's approval, disapproval or conditional approval of any Plans.

24. AMENDMENTS: Developer reserves the right to amend these covenants for any reason satisfactory to the Developer at anytime within five (5) years of the date of recordation of the covenants.

25. ADDITIONAL PROPERTIES: Developer may develop future phases of Currituck Reserve. Developer reserves the right, at its discretion, at such time or times as it shall determine on or before December 31, 2031, to subject the additional phases, or such portions thereof as Developer shall determine, together with improvements thereon and easements, rights and appurtenances thereunto belonging or appertaining, to the provisions of these covenants in whole or in part, including membership in the Association. Each of the additions authorized pursuant to these covenants shall be made by Developer's recordation in the Register of Deeds of an appropriate instrument describing the additional properties subject to these covenants.

These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty years (20) from the date these covenants are recorded, after which time the covenants shall automatically be extended for a period of ten (10) years at the expiration of the then current period.

Any owner of the lots within said subdivision shall have the right to enforce these covenants and restrictions by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant or restriction whether such action is to restrain the violation of said covenant or restriction or to recover damages.

Invalidation of any of these covenants by judgment or court order shall in no way affect any of the other provisions and the other covenants shall remain in full force and effect.

IN TESTIMONY WHEREFORE, Developers have hereunto set their hand and seal, this the _____ day of _____, 20___.

SIGNATURE PAGE TO RESTRICTIVE COVENANTS FOR CURRITUCK RESERVE

APVA, LLC

By:_____(SEAL)
Justin Old, Manager

STATE OF NORTH CAROLINA
COUNTY/CITY OF CURRITUCK

I, _____, a Notary Public do hereby certify that Justin Old, Manager of APVA, LLC personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of APVA, LLC and that by authority duly given and as an act of the entity, (s)he signed the foregoing instrument in its name on its behalf as its act and deed for the purposes therein expressed.

Witness my hand and official stamp or seal this _____ day of _____, 2019.

AFFIX NOTARY SEAL

_____(Seal)
Notary Public

My commission expires:

_____