

NORTH CAROLINA
WILSON COUNTY

MASTER DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
THE VILLAGE/COUNTRY CLUB WEST

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE VILLAGE/COUNTRY CLUB WEST (the "Declaration") is made this 28th day of March, 1998, by THE BERRY DEVELOPMENT GROUP, INC., a North Carolina corporation, of Wilson, North Carolina, hereinafter referred to as the "Declarant".

W I T N E S S E T H :

WHEREAS, the Declarant is the owner of a tract of land in Wilson County, North Carolina which is more particularly described as set forth on Exhibit A attached hereto (the "Property"); and

WHEREAS, the Declarant desires to subject the Property to the protective covenants, conditions, restrictions, reservations, liens and charges contained herein, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property.

NOW THEREFORE, the Declarant hereby states that said easements, restrictions, covenants and conditions shall be as hereinafter set forth. These easements, covenants, restrictions and conditions shall run with the Property and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall inure to the benefit of each owner thereof. However, none of the Property shall be subject to said covenants and conditions until an annexation document subjecting said Property to the covenants and conditions herein has been recorded in the Wilson County Registry.

ARTICLE I

STATEMENT OF PURPOSE AND INTENT

The Declarant is engaged in the development of a tract of land containing approximately 160 acres, located on N. C. Highway 58 (Nash Street) in Wilson County, North Carolina to be known as "The Village/Country Club West" which includes the Property. The Village/Country Club West will include commercial, residential (including, without limitation, multi-family, single family and townhomes) and recreational properties.

It is anticipated that the first phase of the development of The Village/Country Club West will involve the construction of detached patio townhomes in an area to be known as "The Village Courtyards" and the construction of single family homes in three separate areas to be known as "The Village Crossings", "The Village Meadows" and "The Village Pointe". It is also anticipated that by separate annexation document, each future phase of the

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development of The Village/Country Club West shall be made subject to the covenants and restrictions contained in this Declaration; however, the Declarant reserves the right not to annex any or all of such future phases of the development.

The area of the Property encompassing the detached patio townhomes and the area of the Property encompassing the single family residences shall each have a separate declaration recorded in the Wilson County Registry further outlining the duties, obligations and rights of the owners in such areas.

The purpose of this Declaration is to provide for the overall administration of The Village/Country Club West. All owners of lots in The Village/Country Club West shall be members of an owner's association to be known as The Village/Country Club West Owners Association, Inc. (the "Village Association") with the rights, privileges and obligations set forth in this Declaration. The Village Association shall be managed by a board of directors whose members and voting power shall be determined by the bylaws of the Village Association.

The Village Association shall own and maintain all Common Areas (as hereafter defined), including amenities and each member of the Village Association will be assessed for such member's share of the expenses of owning and maintaining such Common Areas on an annual basis. In addition, certain members of the Village Association may be assessed for other expenses incurred in maintaining areas of the Property occupied by such members.

The Village Association shall be responsible for collecting all assessments from the members and expending such assessments in accordance with a budget to be adopted on an annual basis by the board of directors of the Village Association.

The Village Association shall also have architectural control for the entire Property and may adopt rules and regulations for all areas of the Property.

This Article I is intended to be a brief synopsis of the development of The Village/Country Club West. In the event of a conflict between the provisions of this Article and any other provisions of this Declaration, such other provisions shall control.

ARTICLE II

DEFINITIONS

SECTION 2.1. "Articles" shall mean and refer to the Articles of Incorporation of The Village/Country Club West Owners Association, Inc.

SECTION 2.2. "Village Association" shall mean and refer to The Village/Country Club West Owners Association, Inc., its successors and assigns.

SECTION 2.3. "Member" shall mean and refer to every person or entity who holds membership in the Village Association.

SECTION 2.4. "Property" shall mean and refer to that certain tract of land described on Exhibit A attached hereto and incorporated herein or such of said area that has been made subject to this Declaration.

SECTION 2.5. "Common Areas" shall mean and refer to all real property owned by the Village Association for the common use and enjoyment of all Members or designated Members of the Village Association, including recreational areas.

SECTION 2.6. "Lot" shall mean and refer to any plot of land shown upon the last recorded subdivision map of the Property on which such plot appears (provided such map has been approved by the Declarant) which plot of land has been annexed into the Declaration of The Village/Country Club West. "Lot" shall not include any Common Areas.

SECTION 2.7. "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 has been made subject to this Declaration, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 2.8. "Declarant" shall mean and refer to The Berry Development Group, Inc., a North Carolina corporation, and its successors and assigns, if any to whom the rights of Declarant hereunder are expressly transferred hereafter, in whole or in part, and such assigned rights shall be subject to such terms and conditions as the Declarant may impose.

SECTION 2.9. "Amenities" shall mean and refer to the recreational facilities constructed, erected or installed on the Common Areas.

ARTICLE III

ANNEXATION OF ADDITIONAL PROPERTIES

SECTION 3.1. Annexation by Village Association. Except as provided in Section 3.2 of this Article, additional land may be added and annexed to The Village/Country Club West only if three-fourths (3/4) of all the votes entitled to be cast by the board of directors of the Village Association are cast in favor of annexation. A meeting shall be duly called for this purpose, written notice of which shall be sent to all members of the board of directors of the Village Association, setting forth the time, place and purpose of the meeting not less than fifteen (15) nor more than thirty (30) days in advance of the meeting.

SECTION 3.2. Annexation of Land within The Village/Country Club West.
The Declarant may subject portions of The Village/Country Club West to this Declaration in the following manner:

a. If, within ten (10) years of the date of incorporation of the Village Association, the Declarant should undertake further development of The Village/Country Club West, such further development may be annexed and become subject to this Declaration without the assent of the Village Association. Detailed plans for such further development will be submitted to Wilson County prior to such development if such submission is required by ordinances of Wilson County.

b. The Declarant may annex portions of The Village/Country Club West described in subparagraph (a) above by recording in the Wilson County Registry a declaration of annexation, duly executed by the Declarant, describing the land annexed and incorporating the provisions of this Declaration, either by reference or by fully setting out said provisions therein. Such portions of The Village/Country Club West shall be deemed to be subject to this Declaration on the date of recordation of the declaration of annexation, and no action or consent on the part of the Village Association or any other person or entity shall be necessary to accomplish the annexation.

c. Subsequent to recordation of the declaration of annexation by the Declarant, the Declarant shall deliver to the Village Association, one or more deeds conveying any common area within the portions of The Village/Country Club West annexed as such common area is developed.

ARTICLE IV

THE VILLAGE/COUNTRY CLUB WEST OWNERS ASSOCIATION, INC.

SECTION 4.1. The Village Association. A corporation named The Village/Country Club West Owners Association, Inc. has been or will be formed pursuant to the rules and requirements of the Non-Profit Corporation Act (Chapter 55A) of the General Statutes of North Carolina as an association of the Owners of Lots. Its purposes are to collect assessments for the use of, maintenance, repair and replacement of the Common Areas and Amenities, to enforce the restrictions contained herein, and to make and enforce rules and regulations governing the Owners' use and occupation of the Lots and Common Areas.

SECTION 4.2. Members. Each Owner of a Lot shall be a Member of the Village Association. The Declarant, by this Declaration, and the Owners by their acceptance of individual deeds thereto, covenant and agree with respect to the Association:

a. That for so long as each is an Owner of a Lot, each will perform all acts necessary to remain in good and current standing as a Member of the Village Association;

b. That each shall be subject to the rules and regulations and bylaws of the Village Association with regards to ownership of a Lot; and

c. That any unpaid assessment, whether general, specific or special, levied by the Village Association, in accordance with this Declaration, and the Articles or bylaws thereof, shall be a lien upon the Lot which such assessment was levied, and shall also be the personal obligation of the Owner of the Lot at the time that the assessment falls due.

SECTION 4.3. Unity. 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.

SECTION 4.4. Voting. The Village Association shall have two classes of voting memberships as set forth below and voting by Members shall be in person or by proxy:

Class A: Class A Members shall be all Owners of Lots with the exception of the Declarant. Class A Members shall be entitled to one vote for each Lot owned. Where any Lot is owned as a tenancy in common or as a tenancy by the entirety, or another form of multiple ownership, said tenants and Owners shall determine between or among themselves how the vote to which they are entitled shall be cast. However, there shall not be any division of a vote that said Owners would otherwise be entitled to cast if the tenants do not unanimously agree among or between themselves as to how the vote should be cast. Except with regards to the Declarant, in no event shall more than one vote be cast with respect to any Lot. Multiple Owners may designate a single person to act as agent to cast their vote.

Class B: Class B Members shall be the Declarant. Class B Members shall be entitled to four (4) votes for each Lot owned. All Class B memberships shall cease and be converted to Class A memberships on the happening of either of the two following events, whichever occurs earlier:

a. When the total votes outstanding in the Class A membership exceed the total votes outstanding in the Class B membership; or

b. On December 1, 2004.

SECTION 4.5. Management and Administration. The Village Association shall be governed by a board of directors made up of representatives elected by the Members. The number of board members, their selection, qualification and voting power shall be as determined by the bylaws of the Village Association. The management of the Village Association shall be carried out in accordance with the terms and conditions of this Declaration, the Articles and the bylaws of the Association, but may be delegated or contracted to managers and management services.

ARTICLE V

PROPERTY RIGHTS; AMENITIES

SECTION 5.1. Members' Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Areas and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to each of the following provisions:

a. The right of the Village Association, in accordance with its Articles and bylaws, to borrow money for the purpose of improving the Common Areas and in aid thereof to mortgage the Common Areas, or any portion thereof, provided the rights of such mortgage in the Property shall be subordinate to the rights of the Owners hereunder.

b. The right of the Village Association to suspend the rights to use the Amenities by a Member or any person to whom he has delegated his right or enjoyment 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.

c. The right of the Village Association to dedicate or transfer all or any part of the Common Areas for such purposes and subject to such conditions as may be agreed to by the members of the board of directors.

d. The right of the Village Association to dedicate or transfer all or any part of the Common Areas for utility, drainage, pedestrian walkway and cablevision easements.

e. The right of the Village Association, acting through its board of directors, to exchange Common Areas as set forth hereinafter.

f. The right of the Village Association to formulate, publish and enforce rules and regulations as set forth hereinafter.

Actions contemplated under subparagraphs (a), (c) and (e) above shall not be taken until the following two steps are met:

a. Members of the board of directors of the Village Association entitled to cast three-fourths (3/4) of all of the votes of such board have voted for such action at a meeting duly called for said purpose, notice of which was sent to every board member not less than fifteen (15) days nor more than thirty (30) days in advance of the meeting; and

b. Owners owning two-thirds (2/3) of the Lots have approved the action in writing.

The action effecting such dedication, transfer, conveyance or mortgage shall be sufficient if it is executed by the appropriate officers of the Village Association, if it contains a recital of the above provisions and if the above provisions have been complied with.

SECTION 5.2. Delegation of Use. Any Owner may delegate his right of enjoyment to the Common Areas and Amenities to the members of his family, his tenants or contract purchasers who reside on the Property.

SECTION 5.3. Title to the Common Areas. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Areas to the Village Association free and clear of all encumbrances and liens, except utility, antenna and drainage and sedimentation easements, sanitary sewer easements and easements of governmental authorities.

SECTION 5.4. Amenities. As part of The Village/Country Club West, the Declarant plans to construct a swimming pool and other buildings incidental to the foregoing. The Declarant plans to convey the Amenities to the Village Association. Said Amenities shall be a part of the Common Areas of the Village Association and shall be maintained and repaired with funds from the annual assessment as set forth hereinafter. A reserve fund for the replacement of said Amenities shall be established and administered by the board of directors of the Village Association. However, the Declarant reserves the right to alter the plan and composition of the Amenities. When the Amenities have been conveyed to the Village Association, each Owner shall have the right to use the Amenities without charge (except for annual assessments as set forth herein) and may delegate such use to members of his family, his tenants or contract purchasers who reside on the Property. Each Owner must support the Amenities through assessments, regardless of whether said Owner uses the Amenities. Memberships to the Amenities may be offered to individuals or other entities who do not own a Lot in The Village/Country Club West. Such memberships shall be for such terms and at such fees as determined by the board of directors of the Village Association.

ARTICLE VI

ASSESSMENTS

SECTION 6.1. Creation of Lien and Personal Obligation of Assessment. Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Village Association: (a) such amounts assessed for repair, maintenance, improvements, or replacement and use of the Common Areas (the "General Assessment"), (b) such amounts as may be assessed against an Owner pursuant to restrictive covenants applicable specifically to such Owner's Lot (the "Specific Assessment") and (c) such other general or special assessments to be established and collected as hereinafter provided (the "Special Assessment"). The General Assessment, the Specific Assessment and the Special Assessments are hereinafter sometimes collectively

referred to as the "Assessments". Any Assessments, together with interest, costs, and reasonable attorney fees, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each such Assessments are made. All Assessments, together with interest, costs, and reasonable attorney fees, shall also be the personal or corporate obligation of the person(s) or firm(s) or corporation(s) owning such Lot at the time when the Assessments fall due.

SECTION 6.2. Purpose of Assessments.

a. The General Assessment shall be used exclusively to promote and maintain the Common Areas, and in particular for the improvement, maintenance, use, and enjoyment of the Common Areas, including but not limited to, the cost of repair, replacement, and additions thereto, the cost of labor, equipment, materials, management, and supervision thereof, and maintenance of insurance thereon, the establishment and maintenance of a reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Areas and for such other funds as required by the Village Association in carrying out any duty as may be required or delegated to the Village Association under this Declaration, or its Articles or by-laws.

b. The Specific Assessment shall be used for the purposes set forth in the restrictive covenants which are applicable to the Lot against which such Specific Assessment has been levied.

c. The Special Assessment shall be used to defray, in whole or in part, the cost of any new construction, reconstruction of described capital improvements or unexpected repair or replacement of described capital improvements upon the Common Areas, including the necessary fixtures and personal property related thereto and shall be set in accordance with the requirements set forth in Section 6.6 below.

SECTION 6.3. Specific Assessments. The Specific Assessments shall only be levied against and collectable from the Owners of Lots to which the restrictive covenants setting forth the Specific Assessments are applicable.

SECTION 6.4. Reserve Fund for Capital Improvements and Replacement. The Village Association shall establish a Reserve Fund to accumulate funds necessary to effect repairs and maintenance as is required by this Declaration, including, without limitation, major repairs and capital improvements and additions to the Common Areas as may be required by this Declaration or voted by the Owners.

SECTION 6.5. Uniform Rate of Assessment. All General Assessments shall be fixed at a uniform rate for each Lot. Any General Assessments shall be set on an annual basis by the Village Association and be collected as set forth in Section 6.7 below. Specific Assessments shall be fixed at a uniform rate for each Lot to which such Specific Assessments are applicable. Specific Assessments shall also be collected as set forth in Section 6.7 below.

Special Assessments shall be paid as determined by the Members. Collection of all Assessments shall be handled by the Village Association.

SECTION 6.6. Notice and Quorum for Any Action Authorized Under Section 6.2(c). Written notice of any meeting called for the purpose of taking any action authorized under Section 6.2(c) hereof shall be sent to all Members not less than fifteen (15) days and no more than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast fifty percent (50%) of all votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and if the same is called for a date not later than sixty (60) days after the date of the first meeting, the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

SECTION 6.7. Date of Commencement of Assessments; Due Date; Certificate of Payment. The General Assessments and Specific Assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance of such Lot from the Declarant to an Owner provided such Lot has been annexed into the Property and shall be due and payable as determined by the Board of Directors. The first General Assessments and Specific Assessments shall be adjusted according to the number of months remaining in the calendar year. Special Assessments shall be due and payable as determined by the Members at the meeting specially called to set such Special Assessments.

At least thirty (30) days before January 1 of each year, the board of directors of the Village Association shall fix the amount of the General Assessments and the Specific Assessments against each Lot and at least fifteen (15) days before January 1 of each year, shall send written notice of such Assessments to every Owner subject thereto. The Village Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Village Association setting forth whether the Assessments on a specified Lot have been paid.

SECTION 6.8. Effect of Nonpayment of Assessments; Remedies of the Village Association. Any Assessments, if not paid within thirty (30) days after the date such Assessments are due, together with interest at the rate of twelve percent (12%) per annum, cost of collection, court costs, and reasonable attorney fees, shall constitute a lien against the Lot upon which Assessments were levied. The Village Association may record notice of the same in the Office of the Clerk of Superior Court of Wilson County under the provisions of Article 8 of Chapter 44 of the North Carolina General Statutes. The lien created herein shall be prior to all other liens except (a) liens for real estate taxes due and unpaid, (b) all sums unpaid on deeds of trust and other encumbrances recorded against the Lot prior to the docketing of the lien, and (c) materialmen's and mechanics' liens.

The lien for Assessments may be foreclosed by suit by the board of directors of the Village Association in like manner as a foreclosure of a deed of trust or mortgage on real estate. The board of directors is hereby granted a power of sale for such purpose. The

board of directors of the Village Association shall have power to bid in the Lot at the foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

In the alternative, the board of directors of the Village Association may maintain a suit against the delinquent Owner of the Lot to recover a money judgment for unpaid Assessments without foreclosing or waiving the lien securing said unpaid Assessments. The personal obligation for delinquent Assessments shall not pass to a successor in title to a Lot unless expressly assumed by said successor.

No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Common Areas or abandonment of his Lot.

SECTION 6.9. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any mortgage, mortgages, deed of trust, or deeds of trust recorded prior to the docketing of such lien. Sale or transfer of any Lot shall not affect the personal obligation of the delinquent Lot Owner for any Assessments due. However, the sale or transfer of any Lot which is subject to any mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish all but six months worth of Assessments which became due prior to such sale or transfer and such Assessments shall continue to be a lien on the Lot. No such sale or transfer shall relieve such Lot from liability for the six months worth of Assessments becoming due prior to such sale or transfer and any Assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any mortgage, mortgages, deed of trust or deeds of trust recorded prior to the docketing of such lien.

SECTION 6.10. Two Months Assessments to be Collected at Closing. At the closing of each sale of a Lot to an Owner, a sum shall be collected at closing equal to the total Assessments for such Lot for the succeeding two months and such sum shall be paid to the Village Association to be used in the manner specified for such Assessments. This contribution shall not be considered an advance against Assessments to become due, or a refundable deposit.

SECTION 6.11. Management of Funds. All funds levied and collected by the Village Association shall be managed and under the control of the Village Association. The Village Association is authorized to employ a professional manager to oversee accounts, manage the payment and collection of funds and perform all tasks incident to operating the Village Association.

ARTICLE VII

USE RESTRICTIONS

SECTION 7.1. Rules and Regulations of Common Areas. The board of directors of the Village Association shall have the power to formulate, publish, amend and

enforce reasonable rules and regulations concerning the use of the Common Areas.

SECTION 7.2. Quiet Enjoyment. No obnoxious or offensive activity shall be carried on upon the Property which may be or become a nuisance or annoyance to the neighborhood. All Owners shall comply with any and all noise ordinances applicable to the Property.

SECTION 7.3. Rules and Regulations for Parking of Vehicles. The board of directors of the Village Association shall have the power to formulate, publish, amend and enforce reasonable rules and regulations concerning the parking of any type of vehicle on the Property, including Common Areas. Such rules may provide, without limitation, the following:

- a. A definition of a "recreational vehicle" and regulations covering the parking of recreational vehicles on Lots and streets in The Village/Country Club West;
- b. A prohibition against campers, boats, trailers, trucks, jet skis, trailerized cookers and commercial vehicles of any kind that the board of directors designates being parked in any Common Areas or on any Lot, except in areas designated for that purpose, if any;
- c. Limitations on the period of time and extent to which a motor vehicle may be repaired on the Property and requirements that all motor vehicles parked on streets or in Common Areas must be in an operable condition and must have valid license plates; and
- d. A prohibition against motor vehicles being parked on any grassy areas of Lots or Common Areas at any time.

ARTICLE VIII

EASEMENTS

All of the Property, including Lots and Common Areas, shall be subject to such easements for driveways, walkways, parking areas, water lines, sanitary sewers, storm drainage facilities, gas lines, telephone and electric power lines, television antenna or reception lines (including, without limitation, cablevision) and other public utilities as shall be established by the Declarant or by its successors in title, prior to the conveyance of Lots to subsequent Owners or the conveyance of the title to the Common Areas to the Village Association; and the Village Association shall have the power and authority to grant and establish upon, over, under and across the Common Areas conveyed to it, such further easements as are requisite for the convenient use and enjoyment of the Property.

All Common Areas shall be subject to an easement in favor of all Lots and shall be deemed appurtenant to all Lots, whereby the Owner of each Lot shall be entitled to use them for access, ingress and egress to parking areas, walkways and streets.

An easement is hereby established over the Common Areas and facilities for the benefit of applicable governmental agencies, public utility companies and public service agencies as necessary for setting, removing and reading of meters, replacing and maintaining water, sewer and drainage facilities, electrical, telephone, gas and cable antenna lines, fire fighting, garbage collection, postal delivery, emergency and rescue activities and law enforcement activities.

ARTICLE IX

INSURANCE

SECTION 9.1. Insurance Coverage. Insurance coverage on the Property shall be governed by the following provisions:

a. Ownership of Policies. All insurance policies covering the Common Areas shall be purchased by the Village Association for the benefit of the Village Association and the Owners and their mortgagees as their interest may appear.

b. Coverage. All buildings and improvements upon the Common Areas and all personal property included in the Common Areas shall be insured in an amount equal to one hundred percent (100%) insurable replacement value as determined annually by the Village Association with the assistance of the insurance company providing coverage. Such coverage shall provide protection against:

i. Loss or damage by fire and other hazards covered by the standard extended coverage endorsement,

ii. Such other risks as from time to time shall be customarily covered with respect to buildings on the Property, and

iii. Such policies shall contain clauses providing for waiver of subrogation, if available.

c. Liability. Public liability insurance shall be secured by the Village Association with limits of liability of no 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 and as a single Owner. There shall also be obtained such other insurance coverage as the Village Association shall determine from time to time to be desirable and necessary.

d. Premiums. Premiums for insurance policies purchased by the Village Association shall be paid by the Village Association and charged to the Owners as a part of the General Assessments.

SECTION 9.2. Distribution of Insurance Proceeds. Proceeds of hazard insurance policies received by the Village Association shall be used to defray the cost of repairs to improvements located on the Common Areas.

SECTION 9.3. Fidelity Insurance or Bond. All persons responsible for or authorized to expend funds or otherwise deal in the assets of the Village Association shall first be bonded by a fidelity insurer to indemnify the Village Association for any loss or default in the performance of their duties in an amount equal to six (6) months' Assessments plus reserves accumulated.

SECTION 9.4. Officers and Directors Insurance. The board of directors of the Village Association may secure Officers and Directors insurance in such amounts as the board deems appropriate. Premiums shall be paid from the General Assessments.

ARTICLE X

ARCHITECTURAL CONTROL AND INSPECTION

SECTION 10.1. No improvement shall be commenced, erected or maintained and there shall be no changes or alterations to the exterior of existing improvements upon any Lot, unless all plans and specifications therefor have been submitted to and improved in writing by the Architectural Committee (as defined in Section 10.2 below). The Architectural Committee shall have exclusive right and authority to approve or disapprove such plans and specifications, in its sole and absolute discretion. In approving the plans and specifications, the Architectural Committee shall consider as a basis of its approval, among other factors:

- a. the structural design;
- b. the conformity and harmony of external design and appearance with the other improvements on the Property, or in the case of additions, with the existing improvement;
- c. the relation of finished grades and elevations to adjoining parcels; and
- d. a conformity to the specific and general intent of this Declaration.

In the event the Architectural Committee does not approve or disapprove the plans and specifications in writing within sixty (60) days from the date they are completely submitted by a particular Owner, approval shall not be required and this restriction shall be deemed completely complied with. If the plans and specifications are not sufficiently complete or otherwise inadequate, the Architectural Committee may reject them as being inadequate or may approve or disapprove part, conditionally or unconditionally, and reject the balance. Proposed plans and specifications shall be deemed to have been received by the Architectural Committee five (5) days after having been deposited in an official depository of the United

States Postal Service, postage prepaid, addressed as follows:

Architectural Committee
c/o B. Vaughn Berry
Post Office Box 8069
Wilson, NC 27895

The Architectural Committee shall notify any Owner from time to time of a change in the aforesaid address.

The plans and specifications to be so submitted shall include, to the extent appropriate, the following:

a. A site plan showing existing contour grades, major trees and the location of all improvements. Existing and finished grades shall be shown at lot corners and at corners of proposed improvements. Site storm drainage retention provisions shall be indicated as well as cuts and fill details if any appreciable change in the lot contours are contemplated.

b. Exterior elevations.

c. Exterior material, colors, textures, and shapes.

d. Structural design.

e. Landscaping plans, including walkways, fences, and walls, elevation changes, watering systems, vegetation and ground cover.

f. Parking area and driveway plan.

g. Screening, including size, location, and type of material, if applicable

h. Utility connections.

i. Exterior illumination, including the method contemplated.

If the Architectural Committee approves the plans and specifications, the actual construction in accordance with the plans and specifications shall be the responsibility of the Owner; provided, however, that at any time upon notice to an Owner, the Architectural Committee or its agent or representative may enter upon such Owner's parcel and inspect the improvements to determine whether they are being constructed in accordance with the plans and specifications approved by the Architectural Committee and provided, further, that upon the completion of the improvement and prior to occupancy, the Owner shall notify the Architectural Committee in writing of the completion of the improvements and shall certify such construction was performed in accordance with the plans and specifications approved by

the Architectural Committee.

The Architectural Committee may waive in writing minor violations and allow minor variances in the plans and specifications which were the result of unintentional actions on the part of any Owner which are not materially harmful to the Property.

The Architectural Committee shall not be liable in damages or otherwise to anyone submitting plans and specifications for approval or to any Owner by reason of mistake of judgement, negligence, or nonfeasance arising out of or in connection with the approval or failure to approve any plans or specifications. No approval granted by the Architectural Committee with respect to construction pursuant to these restrictions shall constitute or be construed as approval by it of the structural stability or design of any improvement, and no liability shall accrue to the Architectural Committee in the event such construction shall subsequently prove to be defective.

SECTION 10.2 The Architectural Committee shall initially be composed of the following individuals:

B. Vaughn Berry
Jay Hood
Julie M. Watson

The Declarant shall appoint the members of the Architectural Committee until all parcels on the Property have either been sold or the ownership transferred to an individual or entity other than The Berry Development Group, Inc. A majority of the Architectural Committee may designate a representative to act for it.

At the time that all parcels of the Property have been so sold or transferred, the board of directors of the Village Association shall appoint, on an annual basis, three (3) Owners to act as the Architectural Committee.

A vacancy occurring in the members of the Architectural Committee, including positions not filled by the then current board of directors, may be filled by a majority of the remaining members on the Architectural Committee or by the sole remaining member.

ARTICLE XI

PAYMENT OF TAXES AND ASSESSMENTS ON COMMON AREAS

The board of directors of the Village Association shall provide for the payment of taxes or assessments levied on the Common Areas by Wilson County or any other governmental authority. Said payments shall be paid by the Village Association as an expense from the General Assessments. In the event the Village Association defaults in the payment of such taxes and assessments, which default shall continue for a period of at least six (6) months, the taxing or assessing governmental authority shall be vested with a lien on

each individual Lot which has been made subject to this Declaration in an amount determined by dividing the total taxes and assessments due the governmental authority by the total number of Lots which have been made subject to this Declaration. Such liens may be foreclosed by the governmental authority in the same manner as provided for foreclosure of liens for ad valorem taxes and assessments for public improvements.

ARTICLE XII

GENERAL PROVISIONS

SECTION 12.1. **Enforcement.** The Village Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Village Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

SECTION 12.2. **Severability.** Invalidation of any 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 12.3. **Amendment.** The covenants and conditions of this Declaration shall run with the property and shall inure to the benefit of and be enforceable by the Village Association or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time, said covenants shall automatically be extended for successive periods of ten (10) years. Except as hereinafter set forth, the covenants and conditions of this Declaration may be amended during the first thirty (30) years by an instrument signed by not less than seventy-five percent (75%) of the Owners of the Lots and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Owners of the Lots.

If any amendment to these covenants and conditions is executed, each such amendment shall be delivered to the board of directors of the Village Association. Thereupon, the board of directors shall, within thirty (30) days, do the following:

a. Reasonably assure itself that the amendment has been 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 the 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 Village Association. The following form of certification is suggested:

"CERTIFICATION OF VALIDITY OF AMENDMENT TO MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE VILLAGE/COUNTRY CLUB WEST

By authority of its Board of Directors, The Village/Country Club West Owners Association, Inc. hereby certifies that the foregoing instrument has been duly executed by the owners of seventy-five percent of the lots of The Village/Country Club West who are members in the Village Association and is therefore a valid amendment to the existing Master Declaration of Covenants, Conditions and Restrictions for The Village/Country Club West."

THE VILLAGE/COUNTRY CLUB WEST
OWNERS ASSOCIATION, INC.

BY: _____
President

ATTEST:

Secretary

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

All amendments shall be effective from the date of recordation in the Wilson County Registry; provided, however, that no such instrument shall be valid until it has been indexed in the name of the Village Association. When any instrument purporting to amend these covenants and conditions has 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 Lot.

d. Notwithstanding anything in this Declaration to the contrary, this Declaration cannot be amended to prevent the development of The Village/Country Club West by the Declarant as it sees fit so long as Declarant complies with the provisions of the regulations and ordinances of the County of Wilson and any other applicable governmental authority.

SECTION 12.4. FHA/VA Approval. Notwithstanding any provision in this instrument to the contrary, the following actions shall require the approval of the Federal Housing Administration or Veterans Administration if the Declarant desires to qualify sections of the Property for the Federal Housing Administration or Veterans Administration approval: (a) annexation of additional properties and dedication of additional Common Areas not covered by this Declaration, (b) amendment of this Declaration, (c) mergers and consolidations, (d) mortgaging of Common Areas, and (e) dissolution.

SECTION 12.5. Dissolution or Insolvency. Upon dissolution or insolvency of the Village Association or upon loss of ownership of the Common Areas by the Village Association for any cause whatsoever, any portion of the Common Areas not maintained by a non-profit corporation shall be offered to Wilson County to be dedicated for public use for purposes similar to those to which they were required to be devoted by the Village Association. If Wilson County accepts the offer of dedication, such portion of the Common Areas shall be conveyed by the Village Association to Wilson County, subject to the superior right of the Owner of each Lot to an easement for reasonable ingress and egress between his Lot and the public streets.

In the event that Wilson County refuses the offer of dedication and conveyance, the Village Association may transfer and convey such Common Areas to any non-profit corporation, association, trust or other organization which is or shall be devoted to purposes and uses that would most nearly conform to the purposes and uses to which the Common Areas were required to be devoted by the Village Association.

SECTION 12.6. Exchange of Common Areas. The Village Association, acting through its board, from time to time, may exchange with Declarant or any Member, a portion of the Common Areas for a portion of the real property owned by the Declarant or such Member within The Village/Country Club West, provided that the real property acquired by the Village Association in the exchange: (a) is free and clear of all encumbrances except this Declaration and any other declarations recorded with regards to a certain portion of the Property and easements for drainage, utilities and sewers, (b) is contiguous to other portions of the Common Areas, and (c) has approximately the same area and utility as the portion of the Common Areas exchanged. The real property acquired by the Village Association shall be a part of the Common Areas and, without further act of the Village Association or membership, shall be released from any provisions of this Declaration except those applicable to the Common Areas. The portion of the Common Areas so acquired by the Declarant or a Member, without further act of the Village Association or membership, shall cease to be Common Areas and shall be subject to those provisions of this Declaration that were applicable to the real property conveyed to the Village Association by the Member.

SECTION 12.7. Gender and Grammar. The singular, wherever used herein shall be construed to mean the plural when applicable and the necessary grammatical changes required to make provisions hereby apply to either corporations or individuals, man or wife, and male and female shall in all cases be assumed as though in each case fully expressed.

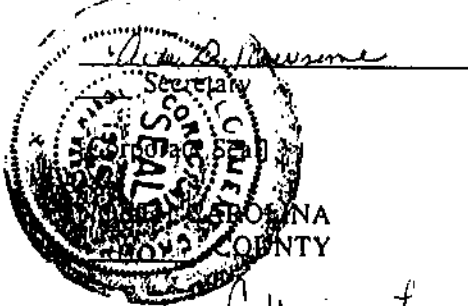
SECTION 12.8. Governing Law. This Declaration shall be governed by, construed and interpreted in accordance with the laws of the State of North Carolina.

IN WITNESS WHEREOF, The Berry Development Group, Inc. has caused this instrument to be signed in its name by its President and attested by its Secretary, with its corporate seal attached hereto, all the day and year first above written,

THE BERRY DEVELOPMENT GROUP, INC.,
a North Carolina corporation

By: B. Douglas Berry
President

ATTEST:



I, Catherine Lamm, a Notary Public, certify that Ava D. Newsome personally came before me this day and acknowledged that he/she is Secretary of THE BERRY DEVELOPMENT GROUP, INC., a corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by himself/herself as its Secretary.

WITNESS my hand and Notarial Seal, this 23 day of March, 1998.

Catherine Lamm
Notary Public

My Commission Expires: 12-21-98

Catherine Lamm
Notary Public-North Carolina
Wilson County

NORTH CAROLINA, WILSON COUNTY
The foregoing certificate(s) of

Catherine Lamm

and
Notary(ies) Public is (are) certified to be correct. This instrument was presented for registration and recorded in this office in Book 1462 Page 915 This 24 day of MARCH 1998, at 1:30 o'clock P. M.
Willa W. Johnson Register of Deeds, Wilson County By David Stith Register of Deeds

See Attached

Phase One
The Village-Country Club West
31.92 Acres
December 18, 1997

Beginning at the southeasterly property corner of the "Berry Development Group" in the revised westerly right-of-way of N.C. Hwy. 58, with said point also being located in the northerly property line of Naomi Ellis Coleman (Deed Book 1208, Page 785); Thence running from said point of beginning and with the Coleman property line S 51°43'45" W 229.13 feet, S 46°47'57" W 269.29 feet, S 44°14'33" W 297.68 feet, S 30°45'27" E 52.50 feet and N 44°14'33" E 250.00 feet to a point in the northerly property line of Robert F. Sharpe (Deed Book 1068, Page 843), cornering; thence running with Sharpe northerly property line S 37°07'59" W 2166.31 feet to a point, cornering; thence running N 89°01'27" W 507.07 feet to a point, cornering; thence running N 00°58'33" E 157.24 feet to a point, cornering; thence running N 08°02'33" W 51.54 feet to a point, cornering; thence running N 03°59'36" W 312.95 feet to a point, cornering; thence running counter-clockwise in an easterly direction along the arc of a curve having a radius of 640.00 feet, an arc distance of 369.54 feet to a point, cornering, thence continuing in a counter-clockwise direction along the arc of a curve having a radius of 25.00 feet, an arc distance of 41.30 feet to a point, cornering; thence running N 48°15'37" E 50.00 feet to a point, cornering; thence running in a counter-clockwise direction along the arc of a curve having a radius of 25.00 feet, an arc distance of 41.30 feet to a point, cornering; thence running counter-clockwise in an easterly direction along the arc of a curve having a radius of 640.00 feet, an arc distance of 114.97 feet to a point, cornering; thence running N 56°41'46" W 103.18 feet to a point, cornering; thence running N 17°37'25" W 107.60 feet to a point, cornering; thence running N 38°01'21" E 83.08 feet to a point, cornering; thence running N 39°44'17" E 83.40 feet to a point, cornering; thence running N 33°47'02" E 95.04 feet to a point, cornering; thence running N 38°01'21" E 93.61 feet to a point, cornering; thence running N 43°42'06" E 93.08 feet to a point, cornering; thence running N 57°15'54" E 105.05 feet to a point, cornering; thence running S 24°06'19" E 126.43 feet to a point, cornering; thence running clockwise in an easterly direction along the arc of a curve having a radius of 568.00 feet, an arc distance of 89.03 feet to a point, cornering; thence running in a counter-clockwise direction along the arc of a curve having a radius of 25.00 feet, an arc distance of 35.52 feet, cornering; thence running counter-clockwise in a northerly direction along the arc of a curve having a radius of 895.00 feet, an arc distance of 243.96 feet to a point, cornering; thence running N 53°19'43" E 221.31 feet to a point, cornering; thence running N 68°50'31" E 54.88 feet to a point, cornering; thence running S 87°56'08" E 82.48 feet to a point, cornering; thence running N 79°35'43" E 108.84 feet to a point, cornering; thence running counter-clockwise in a southerly direction along the arc of a curve having a radius of 460.00 feet, an arc distance of 67.65 feet, cornering; thence running N 65°08'24" E 121.00 feet to a point, cornering; thence running S 24°51'36" E 188.98 feet to a point, cornering; thence running S 45°39'17" E 59.66 to a

point, cornering; thence running counter-clockwise in a northerly direction along the arc of a curve having a radius of 380.00 feet, an arc distance of 151.71 feet to a point, cornering; thence running clockwise in an easterly direction along the arc of a curve having a radius of 1170.00 feet, an arc distance of 253.31 feet to a point, cornering; thence running N 43°12'18" E 98.00 feet to a point, cornering; thence running counter-clockwise in a northerly direction along the arc of a curve having a radius of 90.00 feet, an arc distance of 91.49 feet to a point, cornering; thence running clockwise along the arc of a curve having a radius of 100.00 feet, an arc distance of 227.94 feet to a point, cornering; thence running counter-clockwise in an easterly direction along the arc of a curve having a radius of 40.00 feet, an arc distance of 22.73 feet to a point, cornering; thence running N 83°00'35" E 43.68 feet to a point, cornering; thence running counter-clockwise in an easterly direction along the arc of a curve having a radius of 150.00 feet, an arc distance of 62.84 feet to a point, cornering; thence running N 59°00'26" E 137.61 feet to a point, cornering; thence running counter-clockwise along the arc of a curve having a radius of 25.00 feet, an arc distance of 39.24 feet to a point located in the revised westerly right-of-way of N.C. Hwy. 58, cornering; thence running with the revised westerly right-of-way of N.C. Hwy. 58 S 30°55'59" E 96.59 feet to a point in the northerly property line of Naomi Ellis Coleman, the point of beginning and containing 31.92 Acres.