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FORSYTH CO, NC FEE \$26.00  
PRESENTED & RECORDED:

01-27-2016 02:43:45 PM

C. NORMAN HOLLEMAN  
REGISTER OF DEEDS  
BY: S L POINDEXTER

DPTY

BK: RE 3269

PG: 1248-1249

**Original To:**

*John Beeson*

DRAFTED BY: Bruce R. Hubbard

RETURN TO: Bruce R. Hubbard – Box 126  
1598 Westbrook Plaza Drive Suite 200  
Winston-Salem, NC 27103

**NORTH CAROLINA**

**RESTRICTIVE COVENANTS  
SHELBURNE VILLAGE AT CAMELOT  
SECTION II, PHASE 4**

**FORSYTH COUNTY**

**KNOW ALL MEN BY THESE PRESENTS**, that The Sherwood Company, a North Carolina General Partnership with its principal office in Winston-Salem, North Carolina, hereinafter referred to as the "Declarant", does hereby covenant and agree to and with all persons, firms and corporations hereafter acquiring any of the numbered lots shown on the plat of Shelburne Village at Camelot, Section II, Phase 4, as recorded in Plat Book 64 at Page 108 in the office of the Register of Deeds of Forsyth County, North Carolina, and any property (lots) subsequently recorded and adjoining any of the streets shown on the plat referenced herein, that said property is hereby subjected to the Declaration of Covenants, Conditions and Restrictions issued by The Sherwood Company, recorded in Deed Book 2116, Page 4157, and any amendments thereto, and the Restrictive Covenants Shelburne Village at Camelot recorded in Deed Book 2249 at Page 6005 and any amendments thereto, in the office of the Register of Deeds of Forsyth County, North Carolina.

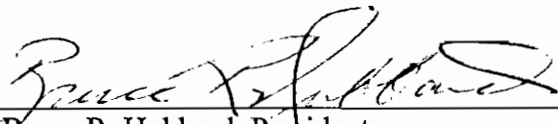
**IN WITNESS WHEREOF**, The Sherwood Company has caused this document to be duly signed this the 27<sup>th</sup> day of January, 2016.

(SIGNATURES ON PAGE TWO)

THE SHERWOOD COMPANY

A North Carolina General Partnership

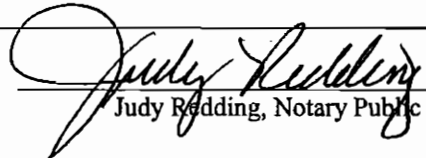
BY: BRH, Inc., General Partner

BY:   
Bruce R. Hubbard, President

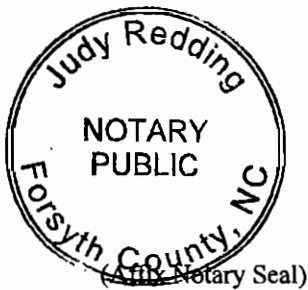
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NORTH CAROLINA – FORSYTH COUNTY

I certify that the following person(s) personally appeared before me this day, that I have personal knowledge (or have received satisfactory evidence) of the identity of said person(s), and that each acknowledged to me that he and/or she voluntarily signed the foregoing document for the purposes stated therein and in the capacity indicated: Bruce R. Hubbard

  
Judy Redding, Notary Public

My Commission Expires: 9/18/2016



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FORSYTH CO, NC 411 FEE: \$ 53.00  
PRESENTED & RECORDED: 04/30/2002 4:14PM  
DICKIE C. WOOD REGISTER OF DEEDS BY: BOLES P  
BK 2249 P 6005 - P 6018

Drafted By: Robert D. Hinshaw  
Return To: Bruce Hubbard, 2110 Cloverdale Ave., Ste. 2-c, Winston-Salem, NC 27103

*P. Boles*

STATE OF NORTH CAROLINA )

COUNTY OF FORSYTH )

**RESTRICTIVE COVENANTS  
SHELburne VILLAGE AT CAMELOT**

THESE RESTRICTIVE COVENANTS are made and published this 30<sup>th</sup> day of April, 2002 by THE SHERWOOD COMPANY, A North Carolina Partnership (hereinafter called "Declarant"), and any and all persons, firms or corporations hereafter acquiring any of the within described property.

WITNESSETH:

WHEREAS, "Declarant", THE SHERWOOD COMPANY, is the owner of certain real property in or near Winston-Salem, County of Forsyth, State of North Carolina, which is delineated on the site plan approved by the board of Alderman of the City of Winston-Salem on December 4, 1978, in the zoning petition of W. Bryan White and wife (Zoning Docket W-675) and incorporated by reference in the Special Use Permit issued by said Board of Alderman with reference to the Planned Unit Development presented in the aforementioned zoning petition of W. Bryan White (referred to hereinafter as the "Planned Unit Development").

WHEREAS, the land composing the planned unit development is subject to Declaration of Covenants, Conditions and Restrictions (the "Master Declaration") as recorded in Book 1298, Page 0825, as amended on September 5, 1980, October 20, 1980, and December 12, 1981 as set out in the documents recorded in Book 1316, page 1220, Book 1326, Page 0001, and Book 1351, Page 572 in the Office of the register of Deeds of Forsyth County, North Carolina and further amended on May 5, 1989, Book 1666, Page 2598 and May 2, 1996, Book 1909, Page 1238 and on May 16, 2000, in book 2116, page 4157 and on August 15, 2000 in Book 2129, page 3665, and Declarant desires to subject the property know as Shelburne Village at Camelot, Section 1, recorded in Plat Book 44, Page 125-126 of the Forsyth County, North Carolina, to the above Declaration of Covenants, Conditions and Restrictions and any subsequent amendments thereto.

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

WHEREAS, Declarant desires to provide for the preservation of the values and amenities and the desirability and attractiveness of the real property in the Shelburne Village at Camelot development; and for the continued maintenance and operation of the recreational and common areas as may be provided therein;

as may be provided therein;

NOW, THEREFORE, in consideration of the premises, the Declarant agrees with any and all persons, firms, corporations or other entities hereafter acquiring any of the property, which is a part of the Shelburne Village at Camelot development, that the same shall be and is hereby subject to the following restrictions, covenants, conditions, easements, assessments and liens (all hereinafter collectively referred to as "Restrictions") relating to the use and occupancy thereof, said Restrictions to be construed as covenants running with the land which shall be binding on all parties having or acquiring any right, title or interest in the said property or any part thereof, and which shall inure to the benefit of each owner thereof. Every person or other party hereafter acquiring any of the said property made subject to these Restrictions and Master Declaration, by acceptance of a deed or contract for deed or other conveyance of any interest in or to said property, whether or not it shall be so expressed in any such deed, contract for deed or other conveyance, and regardless of whether the same shall be signed by such person and whether or not such person shall otherwise consent in writing, shall take such property interest subject to these Restrictions and to the terms and conditions hereof and the Master Declaration and shall be deemed to have assented to same.

## **ARTICLE I**

### **Definitions**

The following words when used in this Declaration or any supplemental declaration hereto (unless the context shall prohibit) shall have the following meaning:

Section 1. "Association" shall mean and refer to The Sherwood Association, Inc., a nonprofit corporation organized and existing under the laws of the State of North Carolina, its successors and assigns.

Section 2. "Shelburne Village at Camelot" shall mean that property designed for a development as shown on the map recorded in Plat Book 44, Pages 125-126, Forsyth County Registry, and any adjoining properties platted by Declaration at a later date and made subject to this Declaration.

Section 3. "Committee" shall mean and refer to the Architectural Committee appointed by the Directors of the Associates. The Committee shall be comprised of residents of Shelburne Village at Camelot only. This Committee will make recommendations to the association's Board of Directors. Only the Board of Directors has the right to approve or disapprove a request.

Section 4. "Common Area(s)" shall mean and refer to any and all real property subject to this Declaration and subsequent Declaration shall be defined and bounded by properly referenced and recorded plat(s) designated thereon as "common areas" or "common open space." Common area(s) shall include area(s) owned by the Association for the common use and enjoyment of all members or designated classes or members of the Association, including private streets, roads, entranceways and park area.

Section 5. "Private Streets" shall mean those portions of the common area which are designated as street area whether or not constructed or opened, but which are not dedicated as a public street and are not publicly maintained.

Section 6. "Declaration" shall mean and refer to these Restrictive Covenants applicable to Shelburne Village at Camelot and which is recorded in the Forsyth County Registry, as well as the Declaration referred to above.

Section 7. "Declarant" shall mean and refer to The Sherwood Company or its assigns.

Section 8. "Lot" shall mean and refer to any plot of land with Shelburne Village at Camelot, whether or not improvements are constructed thereon, which constitutes or will constitute, after the construction of improvements, a single dwelling site as shown on plats for Shelburne Village at Camelot, or amendments thereto, recorded in Forsyth County Registry. "Lot" shall also mean other single dwelling sites as may hereafter be annexed and brought within the jurisdiction of the Association.

Section 9. "Master Declaration" shall mean and refer to the Amended Declaration of Covenants, conditions and Restrictions recorded in Deed Book 2116, Page 4157-4179 in the Forsyth County Register of Deeds, and any amendments thereto, if any.

Section 10. "Member" shall mean and refer to any person or other entity who holds membership in the Association.

Section 11. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee interest in any lot in the Shelburne Village at Camelot development, excluding, however those parties having such interest merely as a security interest for the performance of an obligation.

Section 12. "Person" shall mean and refer to a natural person, as well as a corporation, partnership, firm, association, trust or other legal entity. The use of the masculine pronoun shall include the neuter and feminine, and the use of the singular shall include the plural where the context so requires.

Section 13. "Property" shall mean and refer to any and all of that certain real property known as Shelburne Village at Camelot.

Section 14. "Amenities" shall mean the facilities constructed, erected, or installed on the common area for the use, benefit and enjoyment of members.

**ARTICLE II**  
**Properties Subject to These Restrictions**

The property which is, and shall be held, transferred, sold, conveyed, and occupied subject to these Restrictions and Master Declaration is located in Forsyth County, North Carolina, and is more particularly described in Plat Book 44, pages 125-126 which is incorporated herein by reference. Declarant reserves the right to subject other real property to the Restrictions set forth here as provided below.

Without further assent or permit, Declarant hereby reserves the right, exercisable from time to time, to subject other real property to the Restrictions set forth herein, and the Master Declaration in order to extend the scheme of these Restrictive Covenants and the Master Declaration to other property to be developed and thereby to bring such additional properties within the jurisdiction of the Association. Additional property outside the boundaries of the Shelburne Village at Camelot property.

**ARTICLE III**  
**Architectural Control, Inspection and Use Restrictions**

The Declarant or its assigns shall have the responsibility of enforcing the restrictions set forth in this Article prior to the formation of the Committee, which, upon appointment by the Board of Directors, shall assume and be responsible for enforcement. References in this Article to "Committee" shall mean the Declarant or its assigns until the Committee is appointed. The following architectural restrictions shall apply to each and every lot now or hereafter subject to this Declaration. **The original construction of homes shall be subject to Architectural Approval of the Declarant or its assigns only.**

**Section 1. Approval of Renovations/Modifications to Lots and Structures.**

(a) No site preparation or initial construction, erection, or installation of any improvements, including but not limited to, residences, outbuildings, fences, walls, signs, antennas, clothesline and other structures, shall be undertaken upon the properties unless the plans and specifications therefor, showing the nature, kind, shape, height, materials and location of the proposed improvements shall have been submitted to the Board of Directors of the Association and expressly approved in writing. No subsequent alteration or modification of any existing improvements or landscaping design, including any change in paint color, nor construction, erection, or installation of additional improvements may be undertaken on any of the properties without the prior review and express written approval of the Board of Directors of the Association.

(b) In the event that the Board of Directors of the Association fails to approve or disapprove the site or design of any proposed improvements within thirty (30) days after plans and specifications therefor have been submitted and received by the Committee, approval will not be required, and the requirements of this Article will be deemed to have been fully met; provided, that the plans and specifications required to be submitted shall not be deemed to have been received by the Committee

if they contain erroneous data or fail to present adequate information upon which the Declarant or the Association, as the case may be, can arrive at a decision. All requests for improvements shall be sent to the Board of Directors.

(c) The Committee shall have the right, at their election and risk, to enter upon any of the properties during site modifications or restorations, erection, or installation of improvements to inspect the work being undertaken and to determine that such work is being performed in conformity with the approved plans and specifications and in a good and workmanlike manner, utilizing approved methods and good quality materials.

Section 3. Use Restrictions.

(a) All original structures must be built to comply substantially with the plans and specifications as approved by the Declarant or its assigns, and before any house may be occupied it must be completely finished and a certificate of completion must have been issued by the local or state authority empowered to do so.

(b) Incinerators for garbage, trash or other refuse shall not be used or permitted to be erected or placed on any lot. Any and all equipment, coolers, woodpiles, garbage cans, refuse or storage piles placed on a lot (whether temporary or permanent) shall be walled in to conceal same from the view of neighboring lots, roads, streets, the waterfront or open areas. Plans for all screens walls and enclosures not built during original construction must be approved by the Board of Directors of the Association prior to construction.

(c) No lumber, brick, stone, cinder block, concrete or other building materials, scaffolding, mechanical devices or any other thing used for building purposes shall be stored on any lot except for the purpose of construction on such lot and shall not be stored on such lot for longer than the length of time reasonably necessary for the construction to complete the improvement in which same is to be used. However this section does not preclude the storage, on any Lot, of building materials, supplies or other necessary items, used by the Declarant or its assigns or any builder, to construct dwelling units within Shelburne Village at Camelot.

(d) Subject to the provisions of Subsection (e) below, no exposed above-ground tanks will be permitted for the storage of fuel or water or any other substances.

(e) No outside radio transmission tower or receiving antenna shall be erected by an owner and no outdoor television antenna may be erected. Satellite dishes are permitted provided the diameter of the dish is less than 20 inches and the location is approved by the Declarant or the Board of Directors of the Association prior to installation.

(f) No owner shall excavate or extract earth from any of the lots subject to these Restrictions for any business or commercial purpose. No elevation changes shall be permitted which materially affect surface grade or surrounding lots. However, this section does not apply to the lots owned by the Declarant or those lots sold to a builder for original construction.

(g) No privies, outside toilet facilities, or septic tanks shall be constructed or maintained on any lot. Only temporary toilet facilities shall be permitted during construction of dwellings.

(h) All residential utility service lines (including, without limitation, electricity, telephone, any and all types of radio and television lines, cables, etc.) to the lots shall be underground; provided, however, this restriction shall not be construed to prohibit the installation or construction of one or more central utility service relay towers in the event such is, in the Association's Board of Directors sole discretion, deemed necessary.

(i) Stationary outside clotheslines will not be permitted and clothes handling devices such as lines, poles, frames, etc shall be stored out of sight when not in use.

(j) Any mailboxes not attached to the main dwelling structure shall be of a type consistent with the character of the properties and shall be placed and maintained to complement the houses in the neighborhood.

(k) No advertising sign of any kind whatsoever shall be erected upon or displayed or otherwise exposed to view on any lot or any improvement thereon outside the unit except for real estate for sale signs, which may not be larger than 4 square feet, without the prior written consent of the Committee.

(l) No house trailer, boat, boat trailer, camper, or other such vehicle, trailer, vessel, whether commercial or recreational, shall be permitted on any Lot unless screened from view of adjoining lots, streets and common areas. It is the intention of this restriction to prevent the parking of any vehicle in the parking area other than automobiles, pickup trucks or motorcycles.

(m) No temporary structure shall be permitted on any lot unless screened from view of adjoining lots, streets and common areas, provided, however, temporary buildings and other structures shall be permitted during the construction period of the dwellings or as a temporary real estate sales office for the sale of lots. No garage, outbuilding or other appurtenant structure shall be used for residential purposes, either temporary or permanently.

(n) Construction of any structure on a lot shall be completed within twelve (12) months from the date of commencement of construction thereon.

(o) The use restrictions set forth in this Section 3 listing those items which may not be maintained on a lot shall not apply to lots during the period of construction of the dwelling unit upon the lots. As soon as a dwelling unit has been completed on a lot, these use restrictions shall apply to the lot.

**Section 4. Residential Use.** Unless otherwise designated by Declarant on a recorded plat, each lot shown on said plat subject to these Restrictions shall be used only for private single-family residential purposes and not otherwise.



**Section 5. Hobbies and Activities.** The pursuit of hobbies or other inherently dangerous activities including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly or unkept conditions; the shooting of firearms, fireworks or pyrotechnic devices of any type or size; and such other activities shall not be pursued or undertaken on any part of any lot or the common area without the consent of the Declarant, or its assigns and the Board of Directors of the Association.

**Section 6. Animals and Pets.** No animals, livestock or poultry of any kind shall be raised, bred, pastured or maintained on any lot, except standard household pets which may be kept thereon in reasonable number as pets for the sole pleasure and purpose of the occupants but not for any commercial use or purpose. Birds shall be confined to cages.

**Section 7. Nuisances and Unsightly Materials.** No house or other structure on any lot shall be used for commercial or business purposes, with the exception of a "home office" for the use of residents of the dwelling only and which shall not at any time permit members of the general public access to conduct business in such "home office". Each owner shall refrain from any act or use of his lot which could reasonably cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. No noxious, offensive or illegal activity shall be carried on upon any lot. No lot shall be used in whole or in part for storage of rubbish of any character whatsoever; nor shall any substance, thing or material be kept upon any lot which will emit foul or noxious odors, or that will cause any noise that will or might disturb the peace and quiet of the occupants of surrounding property. No trash, rubbish, stored materials, wrecked or inoperable vehicles or similar unsightly items shall be allowed to remain on any lot, street (public or private) or common area outside an enclosed structure. However, the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish and other debris for pickup by garbage and trash removal service units. In the event any owner of any lot fails or refuses to keep such property free from any of the foregoing unsightly items, weeds or underbrush, the Association's Board of Directors may, at its option, ten (10) days after posting a notice thereon or mailing a notice to said owner at his property address requesting owner to comply with the requirements of this Section, enter and remove all such unsightly items and growth at said owner's expense, and owner shall be personally liable to the Association for the costs of removal, and the costs until paid shall be a permanent charge and lien upon such lot enforceable to the same extent and collectible as provided for in Article V, entitled "Covenant for Maintenance Assessments." By acquiring property subject to these restrictions, each and every owner agrees to pay such costs promptly upon demand by the Association, its agents, assigns, or representatives. No such entry as provided in this Section shall be deemed a trespass. The provisions of this Section shall not apply to lots upon which houses are under construction.

**Section 8. Governmental Regulations.** Each owner shall observe all governmental building codes, health regulations, zoning restrictions and other regulations applicable to his lot. In the event of any conflict between any provisions of any such governmental code, regulation or restriction and any provision of these Restrictions, the more restrictive provision shall apply.

**ARTICLE IV**  
**Exterior Maintenance**

**Section 1. Maintenance.** The yard (defined as the area between the front of the dwelling and the street) shall be maintained by the Association. The maintenance of the courtyard (defined as the area behind the front of the dwelling) and improvements constructed on the lot shall be the duty of the owners of such lots. If, however, in the opinion of the Association, any owner shall fail to maintain any lot owned by him in a manner which is reasonably neat and orderly or shall fail to keep improvements constructed thereon in a state of repair so as not to be unsightly, all in the opinion of Board of Directors of the Association, the Association's Board of Directors in its discretion, and following ten (10) days written notice to the owner may enter upon and make or cause to be made the repairs to such improvements and perform such maintenance on the lot as the removal of trash, cutting of grass, pruning of shrubbery, seeding and items of erosion control. The cost incurred by the Association in rendering all such services, plus a service charge as determined from time to time by the Association's Board of Directors, shall be added to and become a part of such other assessment to which lot is subject.

**Section 2. Perpetual Easement.** Every lot shall be conveyed subject to a perpetual easement to the Association for purposes of the maintenance provided for in this Article VII, whether or not it shall be so expressed in any deed or other conveyance. By acceptance of a deed or other conveyance, each owner shall be deemed to grant such easement to the Association.

**ARTICLE V**  
**Easements**

**Section 1. Walks, Drives, Parking Areas, and Utilities.** All of the properties, including lots, and common area 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 lines, and other public utilities as shall be established prior to subjecting the properties to these Restrictions by the Declarant or their predecessors in title; and the Association shall have the power and authority to grant and to establish in, over, upon, and across the common area conveyed to it such further easements as are requisite for the convenient use and enjoyment of the properties.

**Section 2. Encroachments.** All lots and the common area shall be subject to easements for the encroachment of initial improvements constructed on adjacent lots by the Declarant or its assigns, or any builder of original construction, to the extent that such initial improvements actually encroach, including, without limitation, such items as overhanging eaves, gutters, downspouts, exterior storage rooms, bay windows, steps and walls. If any encroachment should occur subsequent to subjecting the properties to these Restrictions as a result of settling or shifting of any building or as a result of any permissible repair, construction, reconstruction, or alteration, there is hereby created and shall be a valid easement for such encroachment and for the maintenance of the same, so long as the building stands. Every lot shall be subject to an easement for entry and encroachment by the Declarant or its assigns for a period not to exceed eighteen (18) months following conveyance

of a lot to an owner for the purpose of correcting any problems that may arise regarding grading and drainage. The Declarant, upon making entry for such purpose, shall restore the affected lot or lots to as near the original condition as practicable.

**Section 3. Private Streets.** All private streets shall be subject to an easement in favor of every lot to which they are adjacent or which they are designated to serve and shall be deemed appurtenant to each lot, whereby the owner of such lot shall be entitled to use them as a means of unrestricted ingress, egress and regress and such other uses as shall have been designated. Such easement shall be superior to every easement of whatever nature to which any of the common area may be subjected.

**Section 4. Easement to Declarant.** All lots shall be subject to a nonspecific easement in favor of the Declarant or its assigns for purposes of construction or repair of a dwelling unit and for purposes of landscaping. The Declarant or it assigns may use said easement for performing work on the entered-upon lot or for performing work on an adjoining lot. Declarant, upon making entry for such purposes, shall restore the affected lot or lots to as near the original condition as practicable.

**Section 5. Utility and Drainage.** An easement on each lot may be reserved by the Declarant for itself and its successors and assigns along, over, under and upon such portion of said lots as shall, in the Declarant's or its assigns' sole discretion, be reasonably necessary to provide adequate drainage and utility services thereto, which easements shall be in addition to such other easements as may appear on the aforementioned recorded subdivision plat(s). The purpose of these easements shall be to provide, install, maintain, construct and operate drainage facilities now or in the future and utility service lines to, from or for each of the individual lots. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities, or which may change the direction or flow of drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the Association, except for those improvements for which a public authority or utility company is responsible. With ten (10) days' prior written notice to an Owner, the Declarant or its assigns or the Association shall have the right to enter on to the owner's property for the purpose of removing obstructions in such easements upon owner's failure to do so. For the purpose of this covenant, the Declarant or its assigns reserves the right to modify or extinguish the herein reserved easements along any lot lines when in its sole discretion adequate reserved easements or otherwise available for the installation of drainage facilities and/or utility service lines. The Association may likewise reserve and grant easements for the installation and maintenance of sewage, utility and drainage facilities in, across, under and over the common area.

**Section 6. Cross-Easement to Owners of Adjoining Lots.** Every lot owner shall have, and every lot shall be conveyed subject to, whether or not it shall be expressed in a deed or other conveyance, an easement appurtenant to such owner's lot to enter upon an adjoining lot for purposes of maintenance, repair, or replacement of such owner's dwelling unit, fixtures thereon, utility services, or landscaping on such owner's lot. Such owner is required to give reasonable notice, not less than twenty-four (24) hours in advance, except in case of emergency, to the adjoining lot owner before entering upon the adjoining lot. Upon making entry onto an adjoining lot, the entering owner

shall have the duty to restore the affected lot or lots to the condition as it existed before such entry was made. The entering owner shall be responsible for repairing any loss or damage to an adjoining lot caused by his entry.

However, an owner does not have an easement or any right to use, modify or alter the wall of an adjoining owner's home, even though said wall is constructed along the common boundary line between the two lots. Said wall is for the exclusive use, enjoyment, possession and responsibility of the owner of the home. The adjoining owner is prohibited from any type of use, modification or alteration of said wall, including but not limited to the affixing of any items to said wall.

Section 7. Emergency. There is hereby reserved without further assent or permit, a general easement to all policemen and security guards employed by the Declarant or its assigns, the Association, fireman, ambulance personnel and all similar persons to enter upon the property or any portion thereof which is now or hereafter made subject to this Restrictions in the performance of their respective duties.

Section 8. Common area Easements. The Association is responsible for maintenance and repair of all structures and facilities placed on easements for the enjoyment of all members.

Section 9. Temporary Construction Easements. The Declarant or its assigns reserves an easement seven (7) feet in width along each lot line for the benefit of the Declarant or its assigns. Such easement shall exist so long as construction is progressing on any adjacent lot. Upon completion of construction on all adjacent lots, such temporary construction easement shall expire and be of no further force and effect.

## **ARTICLE VI**

### **General Provisions**

Section 1. Duration. The foregoing restrictions shall be construed to be covenants running with the land and shall be binding and effective until January 1, 2027, at which time they shall be automatically extended for successive periods of ten (10) years each unless it is agreed by the vote of a majority in interest of the then owners of the above-described property to change, amend or revoke the Restrictions in whole or in part. Every purchaser, owner or subsequent grantee of any interest in any property now or hereafter made subject to this Declaration, by acceptance of a deed or other conveyance therefor, thereby agrees that the covenants and restrictions of this Declaration may be extended as provided in this Article.

Section 2. Amendment. This Declaration may be amended unilaterally at any time and from time to time by the Declarant or its assigns.

(a) if such amendment is necessary to bring any provision thereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith;

(b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to ~~this Declaration~~; **THESE RESTRICTIONS**;

*BRK  
4-30-02*

(c) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any Owner's Lot unless any such Lot Owner shall consent thereto in writing. Further, so long as the Declarant or its assigns has the right unilaterally to subject additional property to these restrictions as provided in Article II hereof, the Declarant or its assigns may unilaterally amend this Declaration for any other purpose so long as said amendment promotes the common scheme of development; provided, however, any such amendment shall not materially adversely affect the substantive rights of any Lot Owner hereunder, nor shall it adversely affect title to any Lot without the consent of the affected Lot Owner.

In addition to the above, this Declaration may be amended upon the affirmative vote or written consent, or any combination thereof, of at least seventy-five percent (75%) of the Owners and with the consent of the Declarant or its assigns, so long as the Declarant or its assigns has an option unilaterally to subject additional property to this Declaration as provided in Article II hereof.

Every purchaser or subsequent grantee of any interest in any property now or hereafter made subject to these restrictions by acceptance of a deed or other conveyance therefor, hereby agrees that these Restrictions may be amended as provided in this Article. Amendments as used in this Article VI shall not mean the addition of properties as provided in Article II.

**Section 3. Procedure for Certification and Recordation of Amendment.** Any instrument amending these restrictions (other than an amendment by the Declarant) shall be delivered, following approval by the owners, to the Board of Directors of this Association. Thereupon, the Board of Directors shall, within thirty (30) days after delivery, do the following:

(a) Reasonably assure itself that the amendment has been approved by the owners of the required number of lots as provided in Section 2 of this Article. (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.

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

All amendments shall be effective from the date of recordation in the Forsyth County Registry, unless a later effective date is specified therein. When any instrument purporting to amend the covenants, conditions and restrictions has been certified by the Board of Directors and recorded it shall be conclusively presumed that such instrument constitutes a valid amendment as to the

owners of all lots in this development.

**Section 4. Enforcement.** If any person, firm or corporation shall violate or attempt to violate any of the Restrictions, it shall be lawful for the Association or for any other person, firm or corporation owning any property to bring an action against the violating party at law or in equity for any claim which these Restrictions may create in such other owner or interest party either to prevent said person, firm or corporation from so doing such acts or to recover damages for such violation. The violating party shall be responsible for all costs and attorneys' fees incurred by the Association or such other owner in such action. Any failure by the Association or any other owner to enforce any of said covenants and restrictions or other provisions shall in no event be deemed a waiver of the right to do so thereafter. Invalidation of any one or more of these Restrictions by judgment or court order shall neither affect any of the provisions not expressly held to be void nor the provisions so voided in circumstances or application other than those expressly invalidated, and all such remaining provisions shall remain in full force and effect together with the provisions ruled upon as they apply to circumstances other than those expressly invalidated.

**Section 5. Delegation and Assignability.** The Declarant or its assigns shall at all times and from time to time have the right to delegate any and all functions herein reserved to the Declarant or its assigns. Further, notwithstanding any other provisions contained herein to the contrary, the Declarant or its assigns shall have the right at all times and from time to time to fully transfer, convey and assign all or any part of its right, title and interest (whether real or personal) in and to common areas; provided, however, that any transferee, grantee or assignee shall be deemed to have assumed the same. In the event of any such sale, transfer or conveyance, the Declarant or its assigns shall not, however, be liable to any person for any injury or loss resulting from failure of performance or negligent performance of the Declarant's or its assigns' obligation under these covenants arising after such sale, transfer or conveyance.

**Section 7. Conflicts.** In the event of any irreconcilable conflict between the Master Declaration and the Restrictions, the Master Declaration shall control. In the event of any irreconcilable conflict between these Restrictions or the Bylaws of the Association and the Articles of Incorporation of the Association, the provisions of the Bylaws and Articles of Incorporation shall control.

**Section 8. Headings and Binding Effect.** Headings are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying the particular Sections to which they refer. The covenants, agreements and rights set forth herein shall be binding upon and inure to the benefit of the respective heirs, executors, successors and assigns of the Declarant and all persons claiming by, through and or under Declarant.

**Section 9. Unintentional Violation of Restrictions.** In the event of unintentional violation of any of the foregoing restrictions with respect to any lot, the Declarant or its successors reserve the right (by and with the mutual written consent of the adjoining property owner or owners for the time being of such lot) to change, amend, or release any of the foregoing restrictions as the same may apply to that particular lot.

**ARTICLE VII**  
**Relationship to the Sherwood Association**

Shelburne Village at Camelot is a "Villa Townhouse" community as defined in the Master Declaration.. The owners of such lots in Shelburne Village at Camelot are members of the Sherwood Association, Inc. and therefore are obligated to pay association dues and assessments as defined in the Master Declaration and established by the Board of Directors of the Association from time to time.

**ARTICLE VIII**  
**Dues and Assements**

Owners of lots in Shelburne Village at Camelot are subjected to the annual dues and assessments for all owners within the Sherwood Association, and the "Villa Townhouse" monthly dues and assessments for all owners of lots within Shelburne Village at Camelot.

The monthly dues for Shelburne Village shall be collected to provide for the services provided for its residents. The monthly budget for Shelburne Village at Camelot shall include, but not limited to the following:

1. Yard maintenance (excluding courtyards)
2. Decorative street lighting
3. Maintenance, replacement and reserves for common area improvements, landscaping and entrances
4. Common area utilities

30<sup>th</sup> IN WITNESS WHEREOF, the Declarant has caused these Restrictions to be duly signed this day of April, 2002.

DECLARANT:

THE SHERWOOD COMPANY, A NC General Partnership  
By: BRH, Inc., General Partner

BY:  (SEAL)  
President

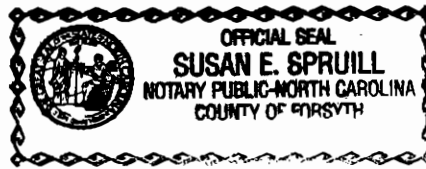
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STATE OF NORTH CAROLINA )  
 )  
COUNTY OF FORSYTH )

I, a Notary Public of the County and State aforesaid, certify that Bruce R. Hubbard personally came before me this day and acknowledged that (s)he is President of BRH, Inc., a North Carolina corporation, General Partner of The Sherwood Company and that he/she, as President, being authorized to do so, executed the foregoing on behalf of the corporation as General Partner of The Sherwood Company.

Witness my hand and official stamp or seal, this 30<sup>th</sup> day of April, 2002.

Susan E. Spruill  
Notary Public



My Commission expires:  
9-24-05

STATE OF NC - FORSYTH CO      The foregoing certificate(s) of:  
Susan E. Spruill \_\_\_\_\_  
NP(s)  
is/are certified to be correct at the date of recordation shown on the first page thereof.  
Dickle C. Wood, Register of Deeds by: Rene Dodson Deputy/Asst



FORSYTH CO, NC 109 FEE: \$ 52.00  
PRESENTED & RECORDED: 05/16/2000 11:46AM  
DICKIE C. WOOD REGISTER OF DEEDS BY: HOODVA  
BK2116 P4157 - P4179

**AMENDED DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS DECLARATION, made on the date hereinafter set forth by THE SHERWOOD COMPANY, a North Carolina General Partnership of Winston-Salem, Forsyth County, North Carolina, hereinafter referred to as "Declarant."

**WITNESSETH:**

WHEREAS, Declarant is the owner of certain property in or near Winston-Salem, County of Forsyth, State of North Carolina, which is delineated on the site plan approved by the Board of Alderman of the City of Winston-Salem on December 4, 1978, in the zoning petition of W. Bryan White and wife (Zoning Docket W-675) and incorporated by reference in the Special Use Permit issued by said Board of Alderman with reference to the Planned Unit Development presented in the aforementioned zoning petition of W. Bryan White (referred to hereinafter as the "Planned Unit Development").

WHEREAS, the Declarant, by the making of this Declaration of Covenants, Conditions and Restrictions intends to comply with the requirements of Section 25-9(D)(1)(j) of the Code of the City of Winston-Salem, North Carolina.

WHEREAS, this is the Amended and Restated Declaration of Covenants, Conditions and Restrictions as amended on March 10, 1980, Book 1298, Page 0825, as amended on September 5, 1980, October 20, 1980, and December 12, 1981 as set out in the documents recorded in Book 1316, Page 1220, Book 1326, Page 0001, and Book 1351, Page 1572 in the Office of the Register of Deeds of Forsyth County, North Carolina and further amended on May 5, 1989, Book 1666, Page 2598 and May 2, 1996, Book 1909, Page 1238 and desires to amend and restate the Covenants, Conditions and Restrictions as hereinafter stated.

NOW, THEREFORE, Declarant hereby 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 land 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 The Sherwood Association, Inc., its successors and assigns.

**Section 2.** "Owner" shall mean and refer to the record owner, whether one or more person or entities, of a 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 an obligation.

**Section 3.** "Properties" shall mean and refer to that certain real property hereinbefore described, (the Planned Unit Development) and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

**Section 4.** "Common Open Space" shall mean all of that real property owned by the Association for the common use and enjoyment of the owners and their invitees within the boundary delineated on the site plan approved by the Board of Aldermen of the City of Winston-Salem on December 4, 1978 in the zoning petition of W. Bryan White and wife (Zoning Docket W-675) and incorporated by reference in Special Use Permit issued by said Board of Aldermen with reference to the Planned Unit Development presented in the aforementioned zoning petition of W. Bryan White, (said planned unit development being referred to herein as the "Planned Unit Development"), which Common Open Space will be more precisely delineated on subdivision plats of subportions or the Planned Unit Development which will be placed on record from time to time in the Office of the Register of Deeds of Forsyth County, North Carolina, and such other land as may be annexed thereto as Common Open Space in the coordinated development of the area.

Within the Common Open Space may be placed certain "Limited Common Areas" as more particularly defined below.

**Section 5.** "Limited Common Area" shall mean an area which is designated for use in connection with occupancy of an individual dwelling unit or cluster of dwelling units and may include, but shall not be limited to private streets, sidewalks, driveways leading to the dwelling units or garages attached thereto, ground area directly beneath overhanging eaves, roofs, or other parts or appurtenances to a dwelling unit not expressly deeded to the owner thereof, including, but not limited to, designated garbage can enclosures, walkway lighting, and mailboxes. "Limited Common Area" shall also mean the ten foot (10') deep area the width of and adjoining the rear walls of townhouse buildings or such other contiguous ten foot (10') deep area designated on the recorded plat of subdivision. Each such ten foot (10') area shall be for the exclusive use of the occupants of the dwelling unit it adjoins as a yard, patio, terrace or other permitted use.

**Section 6.** "Lot" shall mean and refer to any of the five hundred seventy-three (573)

residential lots (including townhouse lot or condominium unit, villa townhouse or traditional single-family lot) within the Planned Unit Development, excluding Common Open Space, and as any such Lot or Parcel may subsequently be delineated with greater particularity on a recorded subdivision map of any part of the Properties. Lots on which no dwelling units have been erected or which are owned by Declarant or any builder, developer, or contractor for sale or resale to a first user shall be deemed "lots in public ownership." Lots on which dwelling units have been erected and which have been conveyed to a first user or which have been occupied for residency shall be deemed "lots in private ownership."

**Section 7.** "Special Membership Area" shall mean that portion of the Properties designated by the Declarant for development with either townhouses (as defined in Section 25-3(b) of the Winston-Salem, North Carolina, Code) or condominiums (created in accordance with the North Carolina Unit Ownership Act), villa townhouses (as defined herein), or traditional single-family housing, as the case may be; such designation being made on a plat or plats of record defining the area or areas by metes and bounds and clearly identifying each of the types of housing development to be placed thereon. Owners of Lots in private ownership in different Special Membership Areas may be subject to differing assessment obligations, according to the Association's obligations to the area specified, as more particularly provided below. References to townhouses (as distinguished from villa townhouses) shall include condominiums if the context of the reference permits or requires such interpretation.

**Section 8.** "Villa Townhouse" shall mean either a single-family detached housing unit or a housing unit sharing a common wall or walls or other structural component or components with another housing unit, each of which housing units so designated shall be erected on a Lot in a Special Membership Area designated by Declarant as "Villa Townhouse", such Lots being substantially smaller in area than traditional detached, single-family housing lots, and being surrounded by, or adjoining areas of Common Open Space which, by virtue of their landscaping may require a higher degree of maintenance by the Association than that in areas of traditional, single-family housing lots.

**Section 9.** "Recreational Facilities" shall mean that area of approximately 1.96 acres in the southwestern intersection of Allistair Road and Fernmarch Drive, shown on the site plan of the Planned Unit Development as the location of tennis and swimming facilities, and any improvements upon or to be erected upon said area.

**Section 10.** "Declarant" shall mean and refer to THE SHERWOOD COMPANY, a North Carolina partnership, or its successors in interest in the event of its reorganization, incorporation, or dissolution, or its assigns to whom Declarant shall have expressly assigned its rights hereunder.

**Section 11.** "First Mortgagee" shall mean and refer to the holder of any Mortgage or Deed of Trust under which the interest of any Owner is encumbered and which Mortgage or Deed of Trust has first and paramount priority subject only to the lien of general or ad valorem taxes and assessments.

**Section 12. Management Company:** By vote of the majority of the Board of Directors, a person or entity may be retained on an independent contractor basis, to manage the day to day operations of the Association and its maintenance functions. Such person or entity shall be under the direct control of the Board of Directors and shall carry out such tasks under the supervision of the Association's officers.

## **ARTICLE II**

### **PROPERTY RIGHTS**

**Section 1. Owners' Easements of Enjoyment.** Every Owner shall have a right and easement of enjoyment in and to the Common Open Space which shall be appurtenant to and shall pass with the title to every Lot, subject to the following limitations and provisions:

(a) The right of the Association or its assignee to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Open Space;

(b) The right of the Association to suspend the voting rights and right to use the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) The right of the Association to dedicate or transfer all or any part of the Common Open Space, except Limited Common Area, to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members, and further subject to compliance with the Code of the City of Winston-Salem, North Carolina.

(d) The right of an Owner to the exclusive use and control for himself, occupants of his household, his employees, agents, guests and invitees, of Limited Common Area appurtenant to his dwelling unit, for the purposes such areas would be customarily intended, (except that the portions of Limited Common Areas beneath eaves and overhangs planted with shrubbery and other landscaping shall be accessible to the Association or its employees or agents for the purpose of care and maintenance of such plantings and landscaping, where the Association shall have that responsibility, and private streets shall be subject to general use by all Owners for ingress and egress.)

(e) The right of the Association to impose regulations for the use and enjoyment of the Common Open Space and improvements thereon, which regulations may further restrict the use of the Common Open Space.

(f) The responsibility of Owners to maintain Limited Common Area in a state of good

repair, in harmony with the intended character of the subdivision, except as otherwise provided by this Declaration or other action of the Board.

**Section 2. Delegation of Use.** Any Owner may delegate, in accordance with the By-Laws, his rights of enjoyment of the Common Open Space and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

**Section 3. Parking Rights.** Ownership of each Lot in Lytchfield Place, a Townhouse Special membership Area, shall entitle the Owner or Owners thereof to the use of not more than two (2) automobile parking spaces, located, if a garage is furnished, one (1) in the garage and one (1) in the driveway connecting the garage to the street (or, if not, both shall be in the driveway). In other Townhouse areas parking shall be assigned by reference thereto on the plat to be recorded.

### **ARTICLE III**

#### **MEMBERSHIP AND VOTING RIGHTS**

**Section 1.** Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

**Section 2.** The Association shall have two classes of voting membership:

**Class A.** Class A members shall be all Owners of Lots improved by dwellings which are occupied or have been occupied, (as distinguished from dwellings under construction or which have been completed and are held for first sale), and shall be entitled to one vote for each such unit Lot owned. When more than one person holds an interest in any such 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 shall be the Declarant and shall be entitled to three (3) 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 occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) at such earlier time Declarant shall elect to convert its membership to Class A.

**Section 3.** Owners of Lots in the several Special Membership Areas who are Class A

members shall be assigned to the following membership sub-classes:

Townhouse or Condominium	Class A-1
Villa Townhouse	Class A-2
Traditional Single-Family Housing	Class A-3

Membership distinction derives from the obligation of the designated membership classifications to pay assessments which may differ from those required of other sub-classifications based on the obligation upon the Association to provide differing degrees of care and maintenance to the several Special Membership Areas.

#### **ARTICLE IV**

##### **COVENANT FOR MAINTENANCE ASSESSMENTS**

Provided, however, in the event damage to a Unit or to the Common Areas and Facilities is caused by the negligence or willful misconduct of a Unit Owner, the Association and all Owners whose Units are damaged by such negligence or willful misconduct shall have full recourse against the said Unit Owner to recover all damages and expenses caused as a result of such negligence or willful misconduct.

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

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 Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, including, but not limited to, decorative street lighting, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with late fees, 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 late fees, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. All assessments may be collected on a monthly, quarterly, semi-annual or annual basis as determined by the Board of Directors.

Each Owner within the Special Membership Area shall pay all assessments for the maintenance and

replacement of improvements located within such area. The Association shall be responsible for the maintenance and replacement of all exterior elements of the Units located in any Special Membership Area, except decks and deck fences, dividers, and doors and windows of any Unit. The Owner shall be responsible for any replacement of the excepted improvements necessitated by deterioration or ordinary wear and tear notwithstanding the Association's maintenance responsibilities. Should the Owner fail to replace any of the excepted items, the Association may make such replacement and charge the Owner for all costs incurred in accordance with Article IV.

**Section 2. Purpose of Assessments.** The assessments levied by the Association shall be used exclusively to promote the recreation, health, security, safety and welfare of the residents of the Properties and in particular for the improvement and maintenance of the Common Open Space, maintenance of exteriors of dwelling units and related improvements on the Lots and Limited Common Areas in Townhouse Special Membership Areas and for the acquisition of services and facilities devoted to this purpose or for the use and enjoyment of the Common Open Space, including but not limited to, the cost of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Open Space, the procurement and maintenance of insurance related to the Common Open Space, its facilities and use in accordance with the By-Laws, the employment of attorneys to represent the Association when necessary, and such other needs as may arise. Assessments may also be levied by the Association to make and maintain structural improvements which may be located in the Common Open Space, including but not limited to, lighting, recreational facilities, and other improvements for the benefit of the Owners.

**Section 3. Assessment of Uniform Rates By Clauses.** Both annual and special assessments shall be fixed at uniform rates for every Lot within a Special Membership Area and within all such Areas having like membership classifications. Assessments may differ between Areas having differing classes of membership. Assessments with respect to a class of membership shall be determined by the cost to the Association, experienced or reasonably anticipated, of carrying out the purposes set forth in Section 2, above, as applied to the respective Special Membership Areas.

**Section 4. Maximum Annual Assessment.**

(a) The maximum annual assessment applicable to each class of membership shall be established by the Board of Directors and may be increased by the Board of Directors without approval by the membership by an amount not to exceed the higher of five (5%) of the maximum

annual assessment of the previous year, or the percentage increase shown in the U.S. Bureau of Labor Statistics Consumer Price Index for Urban Wage Earners or, if such index shall cease to be published in the index most nearly comparable thereto.

(b) The maximum annual assessment may be increased without limit by a vote of two-thirds (2/3) of the votes of members who are voting in person or by absentee ballot, at a meeting duly called for this purpose.

**Section 5. Special Assessments for Capital Improvements.** In addition to the annual assessments authorized above, the Association may levy, in any calendar year, a special assessment for the purpose of defraying, in whole or in part, the cost of construction, reconstruction, repair or replacement of a capital improvement upon the Common Open Space, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of members who are voting in person or by absentee ballot at a meeting duly called for this purpose.

**Section 6. Date of Commencement of Annual Assessments: Due Dates.** The annual assessments provided for herein shall be collected on a monthly basis and shall commence as to all Lots in private ownership on the first day of the month following the establishment of the assessment by the Board of Directors, or on the first day of the month following the event placing a Lot in private ownership. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. At least thirty (30) days in advance of each annual assessment period, the Board of Directors shall fix the amount of the annual assessment against each Lot and send written notice of each assessment 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 7. Effect of Nonpayment of Assessments: Remedies of the Association.** Any assessment not paid within thirty (30) days after the due date shall be subject to a late fee as established by the Board of Directors from time to time. The Board of Directors shall give the Owners notice of the amount of the late fees thirty (30) days prior to the effective date that any late fees shall be established or charged. 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 late fees, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such



assessment. No Owner may waive or otherwise escape liability of the assessments provided for herein for non-use of the Common Open Space or any improvements located thereon, or further by the abandonment of his/her lot.

**Section 8. Subordination of the Lien to Mortgages.** The liens provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment liability or lien provided for in the preceding section. However, the sale or transfer of any Lot which is subject to any first mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding, conveyance or assignment in lieu of foreclosure thereof, shall extinguish the lien of such assessments which became due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for 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 first mortgage or deed of trust.

**Section 9. Exempt Property.** All property dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

**Section 10. Unimproved Property Owned by the Declarant.** So long as the Declarant shall maintain its unimproved property in compliance with City Ordinance, which is subject to this Declaration, it shall be exempt from any annual or special assessments.

## **ARTICLE V**

### **EASEMENTS**

**Section 1. Utilities Easements.** Easements for installation and maintenance of utilities and drainage facilities may be imposed upon the Properties or subportions thereof as the Planned Unit Development is developed. Such easements shall be shown on the recorded plat of each subdivision of the Planned Unit Development. 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. Such planting

or other material placed on the easements, not in violation of this provision, shall be subject to removal by the Association or by providers of utilities if in their discretion such removal shall be necessary to the purpose of the easement, without obligation for replacement thereof.

## **ARTICLE VI**

### **GENERAL PROVISIONS**

**Section 1. Land Use and Building Type.** No Lot shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to remain on any Lot other than one single-family dwelling not to exceed three stories in height.

**Section 2. Sales and Construction Facilities of Declarant.** Notwithstanding any provision in Section 1, Declarant, its agents, employees and contractors shall be permitted to maintain, during the period of construction and sale of the Lots in the Properties, upon such portion of the Properties as Declarant may choose, such facilities as may be reasonably required in the construction, sale of Lots, including but not limited to, a business office, storage area, construction yards, signs, model Lots, sales office, construction office, parking area and lighting and temporary parking facilities for all prospective tenants or purchasers of Declarant.

**Section 3. No Other Business.** No other business activity of any kind shall be conducted in any Lot or in the Properties.

**Section 4. Dwelling Specifications.** Declarant reserves the right to impose on the Properties, or any portion thereof, restrictions upon the size, cost and exterior architectural style of dwellings to be erected.

**Section 5. Nuisance.** No noxious or offensive activity shall be conducted upon any Lot nor shall anything be done thereon which is or may become an annoyance or nuisance to the neighborhood.

**Section 6. Animals.** No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that dogs, cats or other household pets may be kept or

maintained provided they are not kept or maintained for commercial purpose.

**Section 7. Outside Antennas.** No outside radio or television antennas shall be erected on any Lot or dwelling unit within any Townhouse or Villa Townhouse Special Membership Area unless and until permission for the same has been granted by the Board of Directors of the Association or its Architectural Control Committee.

**Section 8. Clothes Drying.** No drying and airing of any clothing or bedding shall be permitted outdoors on any Lot within Townhouse, Condominium or Villa Townhouse Special Membership Areas other than between the hours of 8 a.m. and 5 p.m. on Monday through Friday and 8 a.m. and 1 p.m. on Saturdays (except when any such day shall fall upon a holiday) and clothes hanging devices such as lines, reels, poles, frames, etc., shall be stored out of sight other than during the times aforementioned.

## **ARTICLE VII**

### **INSURANCE TO BE MAINTAINED BY OWNERS OF TRADITIONAL SINGLE FAMILY LOTS, VILLAS, TOWNHOUSES AND THE ASSOCIATION**

**Section 1: Insurance to be Maintained by Traditional Single Family and Villa Lot owners.** Subject to the provisions and covenants contained in any first mortgage or first deed of trust existing or subsequently given and imposing a lien upon any Lot, the Declarant covenants with the Association, on behalf of itself and on behalf of each subsequent Owner of a Traditional Single Family Lot or Villa within the Properties, and each Owner of any such lot or villa within the properties, by acceptance of a deed therefore, whether or not it shall be expressed in said deed, or by exercise of any act of ownership, is deemed to covenant:

(1) To keep each dwelling unit upon the Traditional Single Family and Villa lots subject to assessment insured against loss by casualties with fire and extended coverage insurance in an amount equal to at least ninety percent (90%) of the replacement value of such dwelling unit;

(2) To name the Association as an insured "as its interest may appear" so that the Association shall be entitled to receive notice of cancellation of such insurance policies;

(3) To apply the full amount of any insurance proceeds to the rebuilding or repair of any dwelling unit;

(4) To rebuild or restore the dwelling unit in the event of damage thereof; and

(5) To keep the dwelling unit in good repair as provided by the By-Laws of the Association.

In the event of non-payment of any premium for insurance required under this Article VII, the Association is authorized to pay such premium and sums so paid shall become a lien upon the insured Lot which shall be enforceable in the same manner and to the same extent as provided for enforcement of liens for assessments hereunder.

**Section 2: Insurance to be Maintained by the Association for Townhouses and Condominiums.** Notwithstanding anything stated hereinabove, the Association must procure property insurance on all buildings located in any Townhouse or Condominium Development (herein "Buildings") on a blanket basis for all Owners of those developments.

**A. Insurance and Authority to Purchase Insurance.**

Insurance policies upon the Buildings (other than title insurance) issued in accordance with the provisions of N.C.G.S. Chapter 47A-24 shall be purchased by the Association in the name of the Board of Directors of the Association, as Trustees for the Unit Owners and their respective mortgagees as their interests may appear, and shall provide for the issuance of certificates or mortgage endorsements to the holders of first mortgages on the Units or any of them, and if the companies writing such policies will agree, the policies shall provide that the insurer waives its rights of subrogation as to any claims against Unit Owners, the Association and its respective servants, agents and guests. The Association shall not insure the personal property of any unit owner nor provide liability coverage for such owner.

**B. Insurance Coverage to be Maintained by the Association: Use and Distributions of Insurance Proceeds.**

1. The following insurance coverage shall be maintained in full force and effect by the

Association covering the Buildings and common property;

**(a)** Property insurance by a company having an AM Best Company Rating, Inc. of A covering the buildings and all improvements upon the land and any heating, air conditioning or ventilation units, except such personal property as may be owned by the Unit Owners, shall be procured in an amount equal to the maximum insurance replacement value thereof (exclusive of excavation, foundations, streets and open parking facilities), to be adjusted annually in accordance with increased construction cost in the local area. Such coverage shall afford 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 customarily shall be covered with respect to buildings similar in construction, location and use, including vandalism and malicious mischief.

It is the intent hereof, that the Building (for which the Association's insurance will be responsible) will include, but not be limited to, all interior drywall, paneling and molding, wooden flooring, ceramic floor covering, wall to wall carpeting, vinyl flooring, walls, studs, supports, and wall insulation, concrete slabs, floor and ceiling joists, wall covering, security systems, opening devices for doors and windows. Each Building shall be deemed to include the interior and exterior of any and all doors, windows, sliding glass doors and other closures, door locks and hardware.

Also included are heating and air conditioning systems serving the Unit wherever located, electrical receptacles, all pipes, wires, conduits and other facilities for the furnishing of utilities and other services to the Unit, fixtures, improvements and alterations that are a part of the building or structure; and appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping.

**(b)** Public liability and property damage liability insurance in such amounts and in such forms as shall be required by the Association, including legal liability, hired automobile, non-owned automobile and off-premises employee coverages.

**(c)** All liability insurance shall contain cross-liability endorsements to cover liabilities of the Unit Owners as a group to a Unit Owner.

**2.** Premiums upon insurance policies purchased by the Association shall be paid by the Association as common expenses to be assessed and collected from all of the Owners of Units.

3. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds payable as a result of casualty losses shall be paid to the Association. The Association shall hold such proceeds in trust for the benefit of the Association, the Unit Owners and their respective mortgages.

(a) If the damage for which the proceeds were paid is to be repaired or reconstructed, the proceeds shall be paid to defray the costs. Any proceeds remaining after defraying such costs shall be paid to the Association.

The insurance proceeds shall be used to repair or replace the damage done to the common area and any unit. All units shall be restored and any funds received from an insurance company in excess of the cost to repair or replace shall become the property of the Association.

**Section 3: Insurance to be Maintained by Condominium and Townhouse Owners.**

Each Owner of a Unit within any Building hereby covenants, by acceptance of a deed to such Unit, to maintain a homeowner's policy Form 6 or 'Condominium-Unit Owner's Form' as commonly known in the insurance industry; and shall name the Association as an additional insured on such policy.

6. Each Unit Owner, at its expense, shall keep in force comprehensive personal liability insurance covering liability for damages to person or property of others located within such Owner's Unit, or another Unit, or upon the Common Area and facilities in such amounts as the Board of Directors shall, from time to time, determine, but in no case less than \$300,000.00 for each occurrence.

**ARTICLE VIII**

**SPECIAL PROVISIONS**

**Section 1. Garages in Townhouse Areas.** When in Townhouse Special Membership Areas, garages are provided as a part of the Lot, they will be used solely for automobile storage and such accessory storage or other use as shall not interfere with its use for automobile storage. No garage

shall be converted to residential or recreational use. If so noted on the plat of subdivision, certain garages may be subject to internal easements for ingress and egress to and from adjoining garages and yards.

**Section 2. Vestibules and Common Entrances.** In Townhouse Special Membership Areas, if the architecture of dwelling units provides for common entrances through common halls or vestibules or similar architectural features, the dwellings served by such common facilities will each be entitled to an easement over or through said facility, and such facilities will be subject to easements in favor of the dwellings served thereby. Maintenance of the interior of the common entrances areas shall be the responsibility of the Owners of the dwellings served thereby provided the Association may elect to provide repairs or maintenance in which event the cost thereof shall be added to the assessments charged to the Lots served and in the event of nonpayment thereof the Association shall obtain a lien upon the Lot of the Owner failing to pay, as provided for in respect to general and special assessments, hereinabove.

**Section 3. Architectural Control.** In any Townhouse or Villa Townhouse Special Membership Area no building, fence, wall or other structure shall be commenced, erected or maintained, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, color, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, falls to approve or disapprove such design and location within thirty (30) days after said plans or specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Provided that nothing herein contained shall be construed to permit interference with the development of the Properties by the Declarant. Notwithstanding the provisions of the Section, the initial/original new residential dwelling Units constructed on lots do not require Architectural Committee or Board of Director approval, so long as said improvements are reasonably compatible with the existing improvements within each section.

**Section 4. Party Walls.**

**(a) General Rules of Law to Apply.** Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots or

between two or more homes shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(b) **Sharing of Repair and Maintenance.** The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

(c) **Destruction by Fire or Other Casualty.** If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

(d) **Weather Proofing.** Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

(e) **Right to Contribution Runs With Land.** The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

(f) **Arbitration.** In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

**Section 5. Encroachments.** If, in a Townhouse Special Membership Area, after construction of a building, any encroachment upon Common Open Space shall have occurred, or if such encroachment shall occur after construction as a result of settling or shifting of any building or for any other reason, a valid easement shall exist for the encroachment and for the maintenance of the same so long as the building stands. Such encroachments shall not be construed to be encumbrances affecting the marketability of title to any lot.

**Section 6. Recreational Facilities.** The Planned Unit Development provides for recreational



amenities within the Common Open Space, including tennis facilities and swimming pool. These amenities are provided for the benefit of all Owners, and shall be maintained, as part of the Common Open Space, out of Assessments imposed on all Owners in accordance with the provisions of Article IV. Nevertheless, the Association shall have the right to form an association, (the Operator) which may be a corporation or other lawful entity, and assign to it the maintenance and operation of the recreational facilities, on a non-profit basis and upon such terms and conditions, not inconsistent herewith, as the Association may deem reasonable and necessary. The Operator shall maintain and operate said recreational facilities for the benefit of every Owner in good standing with the Association. It may charge dues or membership fees sufficient to defray operating costs and require that current payment be made in order for any Owner to enjoy use of the facilities. The Operator may also permit use of the facilities by non-Owners and non-residents of the Properties, upon payment of required dues or membership fees, and subject to priority of Owners in good standing with the Operator and Association. The Operator may impose reasonable regulations regarding the use of the facilities to insure accessibility, safety, harmony, and preservation of the facilities.

There is reserved to the Association the right to revoke the assignment provided for herein and to assume the operation of the recreational facilities, on a membership basis, requiring special charging for the right to use the same.

**Section 7. Neighborhood Convenience Center.** The Association shall be entitled to petition the Board of Aldermen of the City of Winston-Salem for permission to revise the Planned Unit Development permit to allow the erection of a Neighborhood Convenience Center, as permitted by Section 25-9(D)(1)(I) of the Winston-Salem Code. Such petition of the Association shall be made only upon receipt of approval of not less than two-thirds (2/3) of the votes of the members entitled to vote at a meeting of the Association duly called for this purpose.

## **ARTICLE IX**

### **GENERAL PROVISIONS**

**Section 1. Enforcement.** The 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 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 2. Severability.** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

**Section 3. Amendment.**

(a) 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. This Declaration may be amended during the first twenty (20) year period by the Declarant, and thereafter by an instrument signed by 60% of the voting rights as determined in Article III hereinabove. An Affidavit shall be prepared by the Secretary of the Association verifying that 60% of those entitled to vote had affirmatively adopted any amendment to the Declaration and such verification shall be attached to any amendment at its recordation. Provided, Declarant may, without joinder of any other Owner, amend these restrictions to meet requirements imposed by mortgage insuring entities including but not limited to the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Housing Authority or the Veteran's Administration, and

(b) So long as Declarant shall be the Class B member it shall have the continuing right, without joinder of the Association, to petition the City of Winston-Salem to amend the Planned Unit Development Permit to allow relocation of proposed dwelling locations, to clarify the plan, to relocate the recreational for utilities; and with permission of the Association, to request the establishment of a retail convenience center and provided, the density of various permitted residential classes may not be changed without permission of the Association.

**Section 4. Annexation.** So long as the Declarant holds a majority of votes as established in Article III hereinabove, it shall be permitted to annex property and Common Open Space without the vote of the Association. At the time the Declarant ceases to have majority voting rights under Article III, additional residential property and Common Open Space may be annexed upon the consent of two-thirds (2/3) of all individuals or entities having the right to vote regardless of class.

**ARTICLE X**

## RIGHTS OF FIRST MORTGAGEES

**Section 1. Notification of Default by Mortgagor.** Any First Mortgagee of any Lot shall be entitled, upon written request to the Association, to written notification by the Association of any default by the mortgagor of such Lot in the performance of such mortgagor's obligations under these Declarations when such default is not cured within thirty (30) days from its occurrence.

**Section 2. Assent of First Mortgagees to Certain Actions by the Association.** The following shall require the assent in writing of at least seventy-five percent (75%) of the First Mortgagees (based upon one vote for each first lien deed of trust) which assent shall not be arbitrarily withheld:

(a) Abandonment, partition, subdivision, encumbrance, sale or transfer of real estate or improvements thereon which is owned by the Association for the benefit of the Lots. Provided, however, that the granting of easements for public utilities or for other public purposes consistent with the intended use of such property by the Association shall not be deemed a transfer within the meaning of this subparagraph.

(b) Alteration or amendment of the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner.

(c) Waiver or abandonment of any scheme of regulations or enforcement thereof, pertaining to the architectural design or the exterior appearance of any building, fence, wall or other structure upon the properties, the exterior maintenance of Lots, the maintenance of party walls or common fences and driveways within the Properties, or the upkeep in lawns and plantings within the Properties.

(d) Use of hazard insurance proceeds for losses to improvements located on Association property for other than the repair, replacement or reconstruction of such improvements.

In the event a First Mortgagee fails to respond to a written request for assent within thirty (30) days after such request has been submitted to it by the Association, written assent will not be required by said First Mortgagee and said First Mortgagee shall be deemed to have given its assent in compliance with this Section.


**Section 3. Taxes and Insurance.** Any First Mortgagee of a Lot acting alone or with other First Mortgagees may pay taxes or other charges which are in default and which may or have become a charge against any property owned by the Association and may pay overdue premiums on hazard insurance policies on property owned by the Association or secure renewal of such hazard insurance coverage upon the lapse of a policy for such property, and First Mortgagees making such payments shall be entitled to immediate reimbursement therefor from the Association.

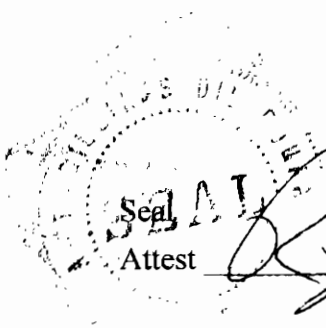
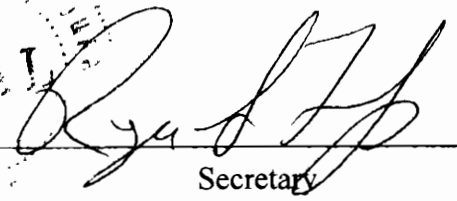
**IN TESTIMONY WHEREOF,** The Sherwood Company, as Declarant, and with necessary permission of the Association to amend and republish this Declaration, has caused these presents to be signed by its Partners this 27<sup>th</sup> day of April 2000, and has adopted as its seal the seals of said partners.

THE SHERWOOD COMPANY

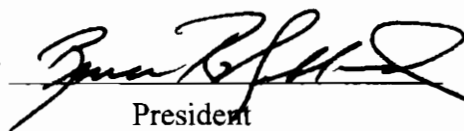
By its partners:

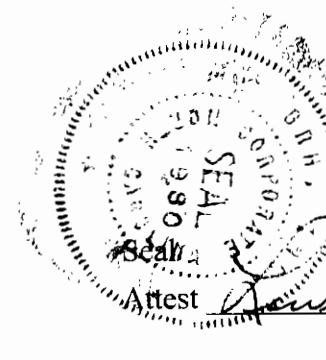
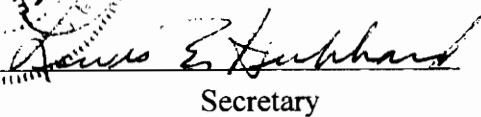
A.T. Williams Oil Company

By   
President

 Seal  
Attest   
Secretary

BRH, INC.

By   
President

 Seal  
Attest   
Secretary

STATE OF NORTH CAROLINA )

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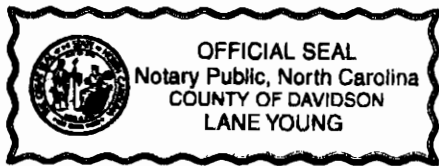
COUNTY OF FORSYTH )

This the 2nd day of May, 2000, personally came before me,  
Lane Young, a Notary Public, A. Tab Williams, Jr.  
President of A.T. WILLIAMS OIL COMPANY, and Bruce R. Hubbard  
 President of BRH, INC., which corporations are partners of THE SHERWOOD COMPANY, and  
 that the seals affixed to the foregoing instrument in writing are the corporate seals of the respective  
 corporations, and that said writing was signed and sealed by them on behalf of said corporations by  
 their authority duly given. And the respective --- Presidents acknowledged the said writing to  
 be the act and deed of said corporations as Partners of THE SHERWOOD COMPANY.

WITNESS my hand and notarial seal, this the 2nd day of May, 2000.

Lane Young  
 Notary Public

My Commission Expires: 9/28/2001



THE SHERWOOD ASSOCIATION, INC.

Helen T. Bumgardner  
President

Seal

Attest Betsy Carpenter Tompson  
Secretary

STATE OF NORTH CAROLINA )

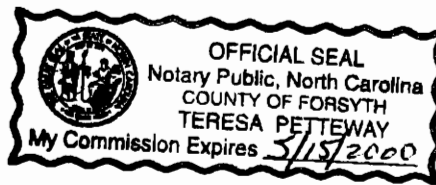
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COUNTY OF FORSYTH )

I, Teresa Petteaway a Notary Public of Forsyth County, North Carolina, certify that Betsy Carpenter Tompson personally appeared before me this day and acknowledged that she is the \_\_\_\_\_ Secretary of THE SHERWOOD ASSOCIATION, INC., a North Carolina Corporation, and that by authority duly given and as an act of the corporation, the foregoing instrument was signed in its name by its \_\_\_\_\_ President, sealed with its corporate seal and attested by Betsy Carpenter Tompson, as its \_\_\_\_\_ Secretary. Witness my hand and official stamp or seal, this 26 day of April, 2000

My commission expires: 5/15/2000

Teresa Petteaway Notary Public

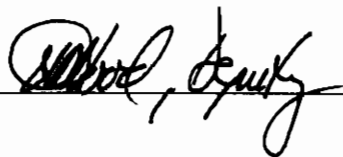


STATE OF NORTH CAROLINA )  
:  
FORSYTH COUNTY )

The foregoing certificate of Lone Young and Teresa Rethany is certified to be correct.

This the 16<sup>th</sup> day of May, 2000.

REGISTER OF DEEDS

By: 

**DICKIE C. WOOD, REGISTER OF DEEDS**