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12/10/2003 2:55 PM
RICHARD L. WOODRUFF
Register of Deeds
By: Deputy/Asst.

**DECLARATION OF PROTECTIVE COVENANTS
FOR
CANTERBURY FARMS**

STATE OF NORTH CAROLINA
COUNTY OF WILKES

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, Canterbury Development Inc., a corporation, is the owner of real property known as Canterbury Farms, located in Wilkes County, North Carolina, a more particular description of which appears on Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, Canterbury Development Inc. is in the process of dividing said real property into twenty-four tracts no less than 3.5 acres.

WHEREAS, Canterbury Development Inc. desires to subject each tract to be located in said Canterbury Farms to and impose upon said tracts mutual and beneficial restrictions, covenants, terms, conditions, and limitations (herein for convenience sometimes referred to collectively as "Restrictions") for the benefits of all the tracts in Canterbury Farms, the future owners of said tracts, and any other party as may be specified herein;

NOW THEREFORE, Canterbury Development Inc. does hereby proclaim, publish and declare that all of said tracts in Canterbury Farms are subject to the following Restrictions which shall run with the land and shall be binding upon Canterbury Development Inc. and upon all parties having or acquiring any right, title or interest in and to the real property or any part or parts thereof subject to such Restrictions. The Restrictions contained herein shall apply only to the tracts in Exhibit A as recorded or will be recorded in the future in the Office of the Register of Deeds of Wilkes County, North Carolina.

Canterbury Development Inc. shall from this point on be referred to as "Developer."

ARTICLE I

MUTUALITY OF BENEFIT AND OBLIGATION

Section 1.A. **Restrictions and Agreements.** The Restrictions and agreements set forth herein are made for the mutual and reciprocal benefit of each and every tract in Canterbury Farms and are intended to create mutual and equitable servitudes upon each of said tracts in favor of each and all other tracts therein, to create reciprocal rights between the respective owners of said tracts; and to create a privity of contract and estate between the grantees of said tracts, their heirs, successors and assigns.

ARTICLE II

EXCLUSIVE HOME BUILDERS

Section 2.A. **Concept.** It is intended that houses and other improvements in Canterbury Farms shall be constructed only by a limited number of home builders (Approved Builders). Tracts may be sold to individuals, corporations and/or partnerships, but all homes must be constructed by one of the Approved Builders.

Section 2.B. **Selection Of Approved Builders.** The Approved Builders shall be selected by the Developer. Approved builders may be added to the list by the Developer. Developer shall retain at all times a current list of Approved Builders.

Section 2.C. **Requirements.** Once selected and placed on the Approved Builders list, the builders may then remain on the Approved Builders list throughout construction of Canterbury Farms unless removed under the conditions stated in Section 2.D. Construction of a house must be completed 360 days after building permit has been obtained. If construction is not completed after 360 days, developer may assess a fine of \$200 per day until house is completed.

Section 2.D. **Removal from List.** A builder may be removed from the Approved Builders list for one or more of the following:

- a. Request to be removed in writing delivered by builder to Developer.
- b. Request to be removed in writing delivered by Developer to builder.
- c. Upon violation of any of the restrictive covenants set forth herein or upon violation of any of the Architectural Review Committee requirements.

ARTICLE III

ARCHITECTURAL REVIEW COMMITTEE AND REQUIREMENTS OF CONSTRUCTION

Section 3.A. **Concept.** It is intended that the Canterbury Farms will be a community of high esteem and quality homes in a delightful environment. The concept of Canterbury Farms is to provide harmony of architectural standards but not absolute conformity.

Section 3.B. **Architectural Review Committee.** The Architectural Review Committee (herein referred to as the "Committee") shall be composed of not less than three (3) members and, during the Construction Phase of the Canterbury Farms, at least one member of the Committee shall be an Approved Builder. Following the Construction Phase, at least two-thirds of the membership of the Committee shall be composed of owners of tracts. The Construction Phase is that period of time commencing with the construction of the first house in Canterbury Farms and ending upon the completion of the construction of the last house. Developer reserves the right to appoint the initial and successor members of the Committee during the construction phase, none of whom need be an owner of a tract, until January 1, 2009. After terminating the control of the Committee by Developer after the construction phase, then the recorded owners of a majority of the tracts in Canterbury Farms shall have the power, through a duly recorded written instrument, to change the membership of the committee. Neither the members of the committee, nor its designated representatives, shall be entitled to any compensation for services performed pursuant to this covenant. A majority of the Committee may designate one or more representative to act for it.

The primary authority of the Committee shall be to examine and approve or disapprove all initial and subsequent plans, including site plans for cutting of trees, grading, landscaping, and for construction of improvements on tracts within Canterbury Farms, in accordance with the provision of these covenants. The Committee shall have such other responsibilities, duties and authority as provided for herein, but the committee shall not have any responsibility, duty, power or authority not provided for herein.

Section 3.C. **Plan Approval.** All plans and specifications for any structure or improvement whatsoever to be erected on or moved upon any tract, and the proposed location thereof, all finishes, the roofs, landscaping and later changes or additions after initial approval thereof, and any remodeling, reconstruction, alterations or additions thereto on any tract shall be subject to and shall require the approval in writing of the Committee before any work is commenced. The scope of review by the Committee shall be limited to appearance only and shall not include any responsibility or authority to review for structural soundness, compliance with building or zoning codes or standards, or any other similar or dissimilar factors. Commencement of construction prior to the receipt of a Letter of Approval of the Committee, a copy of which must be signed by the builder, or owner, and returned to the Committee for retention, is strictly prohibited.

Section 3.D. **Review Documents.** One set of prints of the drawings and specifications (herein referred to as "plans") for each house or other structure proposed to be constructed on each tract shall be submitted for review and approval or disapproval by the Committee. The plans submitted to the Committee shall be retained by the Committee. Said plans should be delivered to the general office of Canterbury Development Inc., North Wilkesboro, North Carolina or other such location as may be designated by the Committee at least three (3) weeks prior to the date construction is scheduled to commence. Each such plan must include the following:

- a. All plans for structures shall not be less than $1/8" = 1'$ scale.
- b. All plans must state the elevations of all sides of the proposed structure as such sides will be after finished grading has been accomplished.
- c. The foundation and floor plan(s) shall show the existing grade on each elevation in order that the extent of cut and/or fill areas may be easily and clearly determined.
- d. All plans must include a summary, specifications list of proposed materials and samples of exterior materials, including paint or other finish samples, which cannot be adequately described and of materials with which the Committee is unfamiliar.
- e. After the plan for the structure is approved, the house or other structure must be staked out and such siting approved by the committee before tree cutting or grading is done.

Section 3.E. **Floor Area, Building Material, Setback, Mail Box, Driveway, Fences Retaining Walls, Etc.**

3.E.1. Every dwelling building erected in Canterbury Farms shall each have a ceiling height of not less than eight (8) feet in all enclosed, heated, habitable areas. The following shall be the minimum floor areas for homes to be constructed:

- a. The floor area of a one story or one and one-half story house shall be a minimum of 1,800 square feet of heated, habitable space, exclusive of the garage.
- b. The floor area of a two story house shall be a minimum of 2,400 square feet of heated, habitable space, exclusive of the garage.
- c. Finished basement areas, garages and open porches are not included in computing floor space.

3.E.2. It is the intent of the Developer to generally present a sound architectural environment; however the exterior of no two houses shall be permitted to be the same architectural plans. The following types of exterior materials, among others, are acceptable subject to final approval of the actual appearance of such materials by the Committee:

- a. Brick
- b. Stone
- c. Painted or Stained Wood Siding
- d. Natural-colored (tan, brown, black) dimensional shingles. White roofing of any material must be approved by the Committee.
- e. Paint and Stain must be approved by the Committee within 48 hours or two (2) working days. White and light colored exteriors are preferred. Exceptions can be approved by the Committee.
- f. Any other exterior material must be approved by the committee.

3.E.3. All framework, with the exception of trusses, shall be stick-built on site, thus fully constructed on each individual lot, and shall not be of a modular nature, nor constructed off site in a factory or otherwise.

3.E.4. All buildings must be at least 35 feet from the front, 35 feet from a side street, 20 feet from any interior line and 25 feet from the rear line. Pins or stakes for site of dwelling must be in place and approved by the Committee before construction may begin.

3.E.5. The openings or doors for vehicular entrances to any garage located on a tract shall not face the front tract line unless otherwise approved in writing by the Committee. All tracts shall have at least a two car garage unless otherwise approved in writing by the Committee. No detached garages or carports are allowed.

3.E.6. Surfaces for driveways may be concrete or asphalt. All driveways must be approved.

3.E.7. All mailboxes shall be of a standard size and design as determined by the Developer. Mailboxes will be available through Developer at a cost of \$350.00 including installation.

3.E.8. Windows, Window Treatments and Doors must be approved by the Committee.

- a. Reflective glass shall not be permitted on the front exterior of any dwelling. No foil or other reflective materials shall be installed on any windows or used for sunscreens, blinds, shades or other purposes.

- b. No natural aluminum finish windows shall be utilized on the front or sides of any dwelling. Cantilevered bay windows shall be approved by the Committee (which may require additional landscaping in front of such bay windows). Burglar bars and doors (including wrought iron doors) shall not be permitted. Screen doors shall not be used on the front of any dwelling. No natural aluminum finish doors (e.g., storm doors) shall be allowed on the front of any dwelling.

- c. Appropriate window treatments shall be used on all windows. Sheets, bed linens, blankets, paper or plastic are not appropriate window treatments.

3.E.9. Each tract owner must have complete perimeter fencing on their tract(S) within 3 years of purchase. This is a 20 year plus white vinyl, 3 rail fencing(Ultra Guard style). Adjacent tract owners are to share the costs of a common fence. Interior fencing, including fences for back yards, swimming pools, dog pens, gardens, or for any other purpose must be approved by the Committee prior to construction. Chain link fences may be permitted with prior committee approval. No chain link fence may extend forward beyond the rear corners of the house toward the front of the house.

3.E.10. No sign of any kind shall be displayed to the public view on any parcel except for professional signs of not more than four square feet to advertise the property for sale or rent, or to display the name of the builder. Signs may not be nailed to any trees. All builder's and contractor's signs must be removed from the tract within 30 days after the house has been sold.

3.E.11. The Committee reserves the right to make exceptions to architectural guidelines in the event solar heating is to be used; such exceptions to be made on a case by case basis, considering the design's compatibility with the neighborhood.

3.E.12. No house shall have exposed concrete block walls or block retainer walls.

Section 3.F. Construction Obligations.

3.F.1. During construction, all vehicles, including those delivering supplies, must enter the building site only on driveways approved by the committee and such vehicles must be parked on the building tract where the construction is under way so as to not unnecessarily damage grass or trees outside of driveway right-of-way. All damage to grass, trees, curb, gutter or sidewalk must be repaired at the builder's expense.

3.F.2. All building debris, stumps, trees, etc. must be removed from each tract by the builder as often as necessary to keep the house and tract attractive.

3.F.3. During the construction, builder must keep homes and garages clean and yards cut.

3.F.4. All proposed exterior decorating or redecorating, including color changes, must be approved by the Committee.

3.F.5. All utility lines, pipes, conduits, and wiring for electrical, gas, telephone, water, sewer, cable television, security, and any other utility service for any portion of Canterbury Farms shall be installed and maintained underground.

3.F.6. The committee shall have the right to establish specific requirements for the pitch of any roof and the type of roofing materials which may be utilized for any dwelling. Roof pitch on the roof sections of the house should be no less than 8/12. Gables or dormers shall have a minimum roof pitch of 11/12, unless approved by the Committee.

3.F.7. Utility boxes and heating and cooling equipment shall be allowed on the rear of the dwelling, or may be permitted on the front or sides of the dwelling, provided they are screened by landscaping.

3.F.8. No house shall have a septic tank if city sewer is available within 300 feet of a sewer line. If city sewer is not available within 300 feet of owners tract at the time of construction the owner must install a septic tank. Field Lines must be located and constructed in accordance with the standards, requirements and recommendations of both State and Local Public Health Authorities. Approval of septic system must be obtained from such authorities as well as the Committee. Developer and the City of North Wilkesboro neither are required to provide city sewer; however, city sewer may be installed at the tract owners expense.

3.F.9. Construction hours are from 7:00AM to 7:00PM, Monday through Saturday.

ARTICLE IV **EXCLUSIVE USE**

Section 4.A. Use Restrictions.

4.A.1. All tracts in Canterbury Farms shall be known and described as small farm tracts and shall be used for single family residential purposes exclusively. No tract can be used to access other property. All tracts must be 3.5 acres or larger unless a majority of the committee approves a change.

4.A.2. A house may be used by the Developer as a model home for display or for the Developer's own office.

Section 4.B. **Auxiliary Buildings.** No more than a single family unit shall occupy any dwelling house. Detached auxiliary buildings are not permitted without prior written approval of the Committee. All outbuildings such as pool houses, barns, or storage houses must be approved by the Committee. No auxiliary buildings shall be permitted in the front yard of any tract.

ARTICLE V

GENERAL PROHIBITIONS AND REQUIREMENTS

Section 5.A. Maintenance.

5.A.1. It shall be the responsibility of each tract owner to prevent the development of any unclean, unsightly or unkept conditions of building or grounds on such tract which shall tend to decrease the beauty of the specific area or of the neighborhood as a whole.

5.A.2. All tracts, whether occupied or unoccupied, and any improvements placed thereon, shall at all times be maintained in a neat and attractive condition and in such manner as to prevent them from becoming unsightly by reason of unattractive growth on such tract or the accumulation of rubbish or debris thereon. In order to implement effective control of this item, the Committee reserves the right, after ten (10) days' notice to any tract owner, to enter upon any tract with

such equipment and devices as may be necessary for the purpose of mowing, removing, clearing or cutting underbrush, weeds or other unsightly growth and trash which, in the opinion of Developer or the Committee, detracts from the overall beauty and safety of the Canterbury Farms. Such entrance upon such property for such purposes shall be only between the hours of 7:00 A.M. and 7:00 P.M. on any day except Sunday and shall not be a trespass. The Developer or the Committee may charge the owner a reasonable cost for such services, which charge shall constitute a lien upon such tract enforceable by appropriate proceedings at law or in equity. The provisions of this paragraph shall not be construed as an obligation on the part of the Developer or the Committee to mow, clear, cut or prune any tract nor to provide garbage or trash removal services. Said liens as established hereunder shall at all times be subordinate to any mortgage on the premises.

5.A.3. No trash, garbage or other refuse shall be dumped, stored or accumulated on any tract. Trash, garbage or other waste shall not be kept on any tract except in sanitary containers or garbage compactor units.

Section 5.B. **Animals.** Domestic pets are allowed except for goats, hogs, chickens, snakes and exotic animals. Vicious or potentially dangerous animals are not permitted on any tract at any time. There shall be a limit of not more than two (2) such household pets, i.e. dogs or cats. All pets must be kept on the owner's property either by fence, leash, or other means, except when accompanied by its owner at which time it must be restrained on a leash. No animals may be kept for commercial purposes. Horses are permitted. A maximum of one horse for every 1.00 acre of pasture in the tract.

Section 5.C. **Nuisances.**

5.C.1. No noxious, offensive or illegal activity shall be carried on upon any tract nor shall anything be done on any tract which may be or may become an annoyance or nuisance to the neighborhood.

5.C.2. No trade or business of any kind (and no practice of medicine, dentistry, chiropody, osteopathy and other like endeavors) shall be conducted on any tract or from any house, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood.

5.C.3. No oil or natural gas mining or exploration, such as drilling, refining, quarrying or mining operations of any kind shall be permitted upon any tract and no derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted on any tract; nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted on any tract.

Section 5.D. **Other Structures.** No structure of a temporary character, trailer, basement, tent or shack shall be used at any time as a residence either temporarily or permanently. There shall be no occupancy of any dwelling until the interior and exterior of the dwelling are completed and a certificate, or other satisfactory evidence of completion, is received by and approved by the Committee.

Section 5.E. **Structure Damage.** Any dwelling or other structure on any tract in Canterbury Farms which may be destroyed in whole or in part for any reason must be removed and the tract restored to a sightly condition with reasonable promptness, provided that in no event shall such debris remain on any tract longer than ninety (90) days.

Section 5.F. **Vehicles.** No boat, boat trailer, house trailer, camper or similar equipment or vehicle shall be parked in public view or stored on any road, street or driveway located in Canterbury Farms except in garages or the rear part of the tract. Also, no unkept, unlicensed, inoperable, or otherwise unattractive vehicle or piece of equipment may be parked or stored on any road, street, driveway, yard or tract except in garages, storage house or carport. The statement "in public view" shall be determined and/or interpreted by the Committee.

Section 5.G. **Firearms.** There shall be no discharging of any type firearm or fireworks in Canterbury Farms or any surrounding area.

Section 5.H. **Outside Accessories.**

5.H.1. No window air conditioners shall be permitted unless specifically approved as to location by the Committee.

5.H.2. All outside radio and TV antennas shall be installed in such a way as to be non-visible from the main road and where possible should be placed on the back side of the chimney; otherwise, they must be placed on the back side of the roof. The placement of any outside antenna must receive approval by the committee. All satellite dishes must be in the rear yard and screened from view. No satellite dish may exceed 18 inches in diameter.

5.H.3. No plumbing or heating vent shall be placed on the front side of the roof. All vents protruding from roofs shall be painted the same color as the roof covering.

5.H.4. Playground equipment (swings, slides, etc.) may only be installed in back yards.

Section 5.I. **Waste Disposal.** Individual sewage disposal system, grease traps, field lines, or extension of field lines must be located and constructed in accordance with the requirements, standards, and recommendations of both state and local public health authorities. Approval of such system as installed shall be obtained from such authority as well as the committee.

Trash, garbage or other waste shall not be kept on any tract except in sanitary containers or garbage compactor units. Garbage containers shall be kept in the rear of the dwelling or inside the garage or dwelling except on the day of pickup, and shall be kept in a clean and sanitary condition.

Section 5.J. **Tennis Courts.** Tennis courts shall be permitted. Location of tennis courts and fencing of same shall be subject to approval of the Committee.

Section 5.K. Swimming Pools. In-ground swimming pools shall be permitted. All swimming pools must be in-ground pools and plans must be approved by the committee before construction. No above ground pools are permitted. In order to secure safety for children, in-ground pools must be fenced and locked when not in use.

Section 5.L. Clothes Lines. No outside clothes lines shall be permitted.

Section 5.M. City Utilities. Septic tanks are allowed as specified in Section 3.F.8. Wells are permitted and must be located in the rear of the property and must be approved by the committee.

ARTICLE VI

EASEMENTS

Section 6.A. Easement to Other Property. Developer reserves for itself, its successors and assigns, the right to use all roads in Canterbury Farms to reach other properties.

Section 6.B. Easement to Municipalities. Developer reserves for itself, its successors and assigns, the right to use, dedicate and/or convey to the State of North Carolina, to Wilkes County, to the City of North Wilkesboro, and/or to the appropriate utility company or other companies, rights of way or easements on or under the ground to erect, maintain and use utilities, wires, cable, cable television, conduits, storm sewers, sanitary sewers, water mains and other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, sewer, water, or other public conveniences or utilities on strips of land ten (10) feet in width along the front and rear property lines of each tract and ten (10) feet in width along each side line of each tract; with a further easement reserved to cut or fill a two to one slope along the boundaries of all public or private streets built in Canterbury Farms.

These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any grading of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health and appearance.

Section 6.C. Drainage. Existing drainage shall not be altered in any manner. Drainage flow shall not be obstructed or diverted from drainage swales, storm sewers and/or utility easements as designated herein, or as may hereafter appear on any plat of record in which reference is made to these Restrictions. The Committee may cut drainways for surface water wherever and whenever such action may appear to the Committee to be necessary in order to maintain reasonable standards of health, safety and appearance. Except as provided herein, existing drainage shall not be altered in such a manner as to divert the flow of water onto an adjacent tract or tracts. The provisions hereof shall not be construed to impose any obligation upon the Committee to cut any drainway. The owner of the tract is responsible for maintaining

all drainage ways to the acceptance of any present or future standards required by the city engineer, county engineer or the Committee. This provision shall run with the land and pertain to all present and future owners of the tracts in Canterbury Farms over and across which said easements and drainways run. Examples of future requirements would be if any trees should obstruct the drainage ways, or any form of obstruction of drainage ways. The home owner assumes all liability for any drainage problems that may occur after construction of house. Developer is held harmless from any liability thereafter.

Section 6.D. **Power.** The Developer has entered into an agreement with Duke Power Company to provide power to the improvements constructed in Canterbury Farms and will distribute it underground to make the Farms more attractive. The use of natural or propane gas must be approved by the Committee.

Section 6.E. **Sidewalks.** The Developer reserves for itself or for the Canterbury Farms Owners Association, its successors and assigns, the right to construct a sidewalk on a strip of land five (5) feet in width along the street side of each tract in Canterbury Farms.

ARTICLE VII

ENFORCEMENT

Section 7.A. **Breach of Restrictions.** In the event of a violation or a breach of any of these restrictions, or any amendment thereto by any property owner, or family of such owner, or agent of such owner of tract(s), the Committee or any other party to whose benefit these inure, shall have the right to proceed at law or in equity to compel compliance with the terms and conditions hereof, to prevent the violation or breach of said restrictions, to sue for and recover damages or other dues, or take all such courses of action at the same time, or such legal remedy it may deem appropriate. No delay or failure on the part of an aggrieved party to invoke an available remedy set forth herein shall be held to be a waiver of that party or an estoppel of that party or of any other party to assert any right available to him upon the recurrence or continuation of said violation or the occurrence of a different violation. Neither the Committee nor agent thereof nor Developer shall be responsible in any way for any delay or failure by any or all of such entities, their successors and assigns, to enforce or seek to enforce any violation or breach of any of these restrictions or amendments thereto.

Section 7.B. **Agreement to Covenants.** Each and every tract owner and future tract owner, in accepting a deed or contract for any tract or tracts in Canterbury Farms agrees to adhere to these protective covenants governing Canterbury Farms. If said tract owner does not adhere to said covenants, and legal action is taken against the party in violation of said covenants, then the tract owner in violation agrees to pay all attorney fees and other associated costs incurred by other parties in pursuing legal action to remedy violation of these covenants.

ARTICLE VIII

TERM AND MODIFICATION

Section 8.A. **Term of Agreement.** These Restrictions shall run with the land and can be changed, modified, amended, altered or terminated only by a duly recorded written instrument, executed by Developer, its successors and assigns, until December 31, 2008, and thereafter by the then record owners of fifty-one percent (51%) of the number of tracts of Canterbury Farms.

ARTICLE IX

MAINTENANCE FEE

Section 9.A. **Common Area Maintenance.** Maintenance of the common areas, including private roads, entrance sign, landscaping, street lights, insurance, etc., shall be the responsibility of the Developer during the construction phase. After the construction phase, maintenance of the common areas will be the responsibility of the Canterbury Farms Property Owners Association. At the time when the private roads are accepted for public maintenance by the City of North Wilkesboro or by the State of North Carolina, road maintenance shall become their responsibility.

Section 9.B. **Maintenance Fee.** Each tract owner agrees to pay an annual maintenance fee of \$250.00 per tract per year, due on January 31 of each year. The maintenance fee shall not escalate more than 10% per annum. The committee shall have the right to set such fees annually and increase such fee up to 10% annually. The Maintenance Fee shall be paid to Canterbury Farms Maintenance Account at P O Box 2840, Boone, NC 28607. If any fee installment is not paid within ten (10) days of its due date, there shall be a late fee of \$50.00 assessed against the Owner and Tract. The owner on record as of December 31 shall be responsible for the Maintenance Fee for the following calendar year.

ARTICLE X

OWNER'S ASSOCIATION

Section 10.A. **Property Owners Association.** On January 1, 2009 there shall be established a Property Owners Association which will be identified as Canterbury Farms Property Owners Association, Inc., herein referred to as the "Association," in which the owners of each tract are entitled to participate having one vote per tract, and to which the owners of each tract shall be obligated, by ownership of said tract, to be a member thereof, and shall be obligated to pay the annual membership fee and any other special assessments that may be assessed by the

Association or its governing body. The Association shall assume responsibility from the Developer for the installation and maintenance of areas of common responsibility (common areas) within areas of Canterbury Farms, including, but not limited to: ownership and maintenance of Canterbury Farms sign, private roads, and street lighting; maintenance of the street lamps and the cost of the power to operate street lamps; operation of the Owners Association; insurance protection and/or other protections or guarantees to the Association in general and to the individual tract owners within Canterbury Farms; and, enforcement and revision of the Covenants and Bylaws. This paragraph in this document is intended to merely be a general description of the existence of the Association to the tract owners, their heirs and assigns, and their obligations with relation thereto. Further, specific and detailed terms, provisions, operating procedures, assessment responsibilities, and other terms and provisions relating to said Association will be more specifically and fully set out in a separate document which will be identified as the "Articles of Incorporation" and the "By Laws" of Canterbury Farms Property Owners Association.

Section 10.B. **Association Membership.** The Association shall include the owners of all of the tracts in Canterbury Farms and, at the option of the Developer, the owners of other tracts in future plats to be included in Canterbury Farms. Owners will have one vote per tract. The Association shall also own common areas which will be deeded by the Developer to the Association on or before January 1, 2009. As a common area, the Association shall have the responsibility of maintaining all common areas.

ARTICLE XI

SEVERABILITY

Section 11.A. **Independent Restrictions.** Every one of the Restrictions is hereby declared to be independent of, and severable from the rest of the Restrictions and of and from every other one of the Restrictions and of and from every combination of the restrictions. Invalidation by any court of any Restriction in this instrument shall in no way affect any of the other Restrictions which shall remain in full force and effect.

Section 11.B. **Additions to Covenant.** Developer may include, until December 31, 2008, in any contract or deed hereinafter made or entered into, such modifications and/or additions to these protective covenants and Restrictions, which will by their nature raise the standards of the Subdivision.

ARTICLE XII

CAPTIONS

Section 12.A. Caption References. The captions preceding the various paragraphs and subparagraphs of these Restrictions are for the convenience of reference only, and none of them shall be used as an aid to the construction of any provision of the Restrictions. Wherever and whenever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or to the neuter.

IN WITNESS WHEREOF, Canterbury Development Inc., a corporation, has caused this instrument to be executed on the 10th day of December, 2003

CANTERBURY DEVELOPMENT INC.

By Maurice T. Temple
President



By: Donald H. McNeil
Secretary

NORTH CAROLINA WILKES COUNTY

The foregoing certificate of Steve T. Shumate

Is certified to be correct
By Richard L. Woodruff
Register of Deeds
By Debbie A. Triplett
Deputy/Ass't Register of Deeds

NORTH CAROLINA
WILKES COUNTY

I, Notary Public for the said state and county certify that Donald H. McNeil personally came before me this day and acknowledged that he is Secretary of Canterbury Development Inc., a North Carolina Corporation and that by authority duly given and as the act of the corporation the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by himself as its Secretary.

WITNESS my hand and official seal this the 10 day of December, 2003

Steve T. Shumate
Notary Public

My Commission Expires: 10-5-05



7-25-03

FILED
WILKES COUNTY
RICHARD L. WOODRUFF
REGISTER OF DEEDS

FILED Jun 22, 2006
AT 12:48:45 pm

BOOK 01011
PAGE 0266

INSTRUMENT # 06633

PREPARED By: Deal, Moseley & Smith, LLP, P. O. Box 311, Boone, NC 28607

NORTH CAROLINA

WILKES COUNTY

AMENDMENT TO DECLARATION OF
PROTECTIVE COVENANTS FOR
CANTERBURY FARMS

THIS AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS FOR CANTERBURY FARMS is made this 20 day of June, 2006, by Canterbury Development, Inc. (hereinafter the "Developer").

WITNESSETH:

WHEREAS, Developer caused to be recorded that certain Declaration of Protective Covenants for Canterbury Farms on December 10, 2003 in Book 933, Page 148, Wilkes County, North Carolina, Public Registry (hereinafter the "Declaration"); and

WHEREAS, Article XI of the Declaration provides that the Developer may include, until December 31, 2008, such modifications and/or additions to the Declaration which by their nature raise the standards of the Subdivision; and

WHEREAS, Developer desires to make certain modifications and amendments to the Declaration pursuant to Article XI which are set forth below.

NOW, THEREFORE, pursuant to Article XI of the Declaration, Developer hereby makes the following modifications and amendments to the Declaration:

1. Section 4.A.1 of the Declaration is hereby deleted in its entirety and the following is included in lieu thereof:

4.A.1. All tracts in Canterbury Farms shall be known and described as small farm tracts and shall be used for single family residential purposes exclusively. No tract can be used to access other property. All tracts must be 3.0 acres or larger unless a majority of the committee approves a change.

2. Section 4.A.2, relating to use of a model home or office, shall become Section 4.A.3.

The following new Section 4.A.2 shall be included as follows:

4.A.2. A property owner may be entitled to combine two or three tracts of land and build one or two single family dwellings on the recombined tracts so as to reduce the density in the development. Assessments and dues will be based upon the recombined tracts, with each recombined tract being subject to one assessment.

3. Article X of the Declaration is hereby deleted in its entirety and the following is substituted in lieu thereof:

ARTICLE X.

Owner's Association

Section 10.A Property Owner's Association. On or before January 1, 2009, there shall be established and created a Property Owner's Association which shall be identified and known as Canterbury Property Owner's Association, Inc., herein referred to as the "Association". The members of this Association shall consist of all tract owners in Canterbury Farms and all lot owners in Canterbury Estates, an adjoining subdivision which is described in the Declaration of Protective Covenants for Canterbury Estates recorded in Book 837, Page 58, Wilkes County, North Carolina, Public Registry. The owners of each tract in Canterbury Farms and the owners of each lot in Canterbury Estates, by acceptance of a deed for said tract or lot, shall be obligated to become a member

of the Association and shall be obligated to pay the annual membership fee and any other assessments that may be assessed by the Association. The owner of each tract and the owner of each lot shall be entitled to have one vote per tract or lot in connection with their membership in the Association. The Association shall assume responsibility from the Developer for the installation and maintenance of areas of common responsibility (common areas) within the areas of Canterbury Farms and Canterbury Estates, including, but not limited to, ownership and maintenance of signs, private roads, and street lighting; maintenance of the street lamps and the cost of the power to operate street lamps; operation of the Association; insurance protection and/or other protections or guarantees to the Association in general and to the individual tract owners in Canterbury Farms and lot owners in Canterbury Estates; and, enforcement and revision of the Covenants and By-Laws. This paragraph in this document is intended to merely be a general description of the existence of the Association to the tract owners and lot owners of Canterbury Farms and Canterbury Estates, their heirs and assigns, and their obligations with relation thereto. Specific and detailed terms, provisions, operating procedures, assessment responsibilities, and other terms and provisions relating to said Association will be more specifically and fully set out in a separate document which will be identified as the Articles of Incorporation and the By-Laws of Canterbury Property Owner's Association.

Section 10.B Association Membership. The Association shall include the owners of all of the tracts in Canterbury Farms and the owners of all of the lots in Canterbury Estates, and, at the option of the Developer, the owners of other tracts and future plats to be included in Canterbury Farms and the owners of other lots and future plats to be included in Canterbury Estates. Owners will have one vote per tract or per lot. The Association shall also own common areas which will

be deeded by the Developer to the Association on or before January 1, 2009. The Association shall have the responsibility of maintaining all common areas.

4. Article IX of the Declaration is hereby deleted in its entirety and the following is substituted in lieu thereof:

ARTICLE IX.

Maintenance Fee

Section 9.A Common Area Maintenance. Maintenance of the common areas, including private roads, entrance signs, landscaping, street lights, and insurance, etc., shall be the responsibility of the Developer during the construction phase. After the construction phase, maintenance of the common areas will be the responsibility of Canterbury Property Owner's Association. At the time when the private roads are accepted for public maintenance by the City of North Wilkesboro or by the State of North Carolina, road maintenance shall become their responsibility.

Section 9.B Maintenance Fee. Each tract owner in Canterbury Farms or lot owner in Canterbury Estates shall pay an annual maintenance fee of \$250.00 per tract or lot per year, due on January 31 of each year. The Board of Directors of Canterbury Property Owner's Association shall have the right to adjust such fees annually. The Maintenance Fee shall be paid to Canterbury Property Owner's Association at P. O. Box 2840, Boone, NC 28607. If any fee is not paid within 10 days of its due date, there shall be a late fee of \$50.00 assessed against the owner of the tract or lot. The owner of record as of December 31 shall be responsible for the Maintenance Fee for the following calendar year.

5. Except as specifically amended above, all other terms and provisions of the Declaration recorded in Book 933, Page 148, Wilkes County, North Carolina, Public Registry, shall remain in full force and effect.

IN WITNESS WHEREOF, Developer has caused this instrument to be duly executed the
day and year first above written.

CANTERBURY DEVELOPMENT, INC.

By: Maurice A Templeton
President

STATE OF NC

COUNTY OF Wilkes

I, Steve A T Shumate, Notary Public, certify that
Maurice A Templeton personally came before me this day and acknowledged that
he/she is _____ President of CANTERBURY DEVELOPMENT, INC., a corporation, and
that he/she, as _____ President, being authorized to do so, executed the foregoing on behalf
of the corporation.

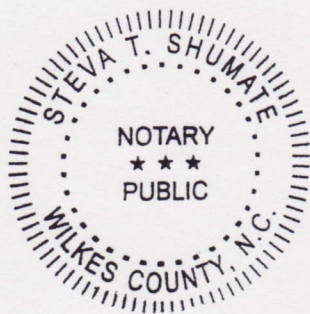
Witness my hand and official seal, this the 20 day of June, 2006.

Steva T. Shumate
Notary Public

My commission expires:

10-5-10

NOTARIAL SEAL:



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FILED
WILKES COUNTY
RICHARD L. WOODRUFF
REGISTER OF DEEDS

FILED	Oct 25, 2006
AT	03:26:55 pm
BOOK	01022
PAGE	0388
INSTRUMENT #	11384

PREPARED By: Deal, Moseley & Smith, LLP, P. O. Box 311, Boone, NC 28607

NORTH CAROLINA

OF
WILKES COUNTY

SECOND AMENDMENT TO DECLARATION

PROTECTIVE COVENANTS FOR
CANTERBURY FARMS

THIS SECOND AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS FOR CANTERBURY FARMS is made this 25 day of October, 2006, by Canterbury Development, Inc. (hereinafter the "Developer").

WITNESSETH:

WHEREAS, Developer caused to be recorded that certain Declaration of Protective Covenants for Canterbury Farms on December 10, 2003 in Book 933, Page 148, Wilkes County, North Carolina, Public Registry (hereinafter the "Declaration"); and

WHEREAS, Article XI of the Declaration provides that the Developer may include, until December 31, 2008, such modifications and/or additions to the Declaration which by their nature raise the standards of the Subdivision; and

WHEREAS, Developer has previously recorded an Amendment to the Declaration which is recorded in Book 1011, Page 266, Wilkes County, North Carolina, Public Registry; and

WHEREAS, Developer desires to make certain modifications and amendments to the Declaration pursuant to Article XI which are set forth below.

NOW, THEREFORE, pursuant to Article XI of the Declaration, Developer hereby makes the following modifications and amendments to the Declaration:

1. Section 8.A of the Declaration, entitled Term of Agreement, is hereby deleted in its entirety and the following is substituted in lieu thereof:

8.A. Term of Agreement. These restrictions shall run with the land and can be changed, modified, amended, altered or terminated only by a duly recorded written instrument, executed by Developer, its successors and assigns, until December 31, 2006, and thereafter by the then record owners of 66 2/3% of the number of tracts in this Subdivision.

2. Section 4.A.2 of the Declaration, as modified and amended by the Amendment, referenced above, is hereby deleted in its entirety and the following is substituted in lieu thereof:

4.A.2. A property owner may be entitled to combine two or three tracts of land and build one or two single family dwellings on the recombined tracts so as to reduce the density in the development. Provided, that the combination or recombination will not serve to reduce the dues and assessments attributable to the properties, nor shall the combination or recombination change the votes attributable to the lots as originally configured; i.e., for example, a property owner who combines two tracts of land so as to create one tract upon which one single family dwelling is constructed shall continue to be obligated to pay assessments for two tracts of land and shall continue to have two votes in the Association.

3. Except as specifically amended above, all other terms and provisions of the Declaration as recorded in Book 933, Page 1488, and as amended by the Amendment recorded in Book 1011, Page 266, Wilkes County, North Carolina, Public Registry, shall remain in full force and effect.

IN WITNESS WHEREOF, Developer has caused this instrument to be duly executed the day and year first above written.

CANTERBURY DEVELOPMENT, INC.

By: Maurice A Templeton
President

STATE OF NC

COUNTY OF Wilkes

I, Steva T Shumate, Notary Public, certify that Maurice A Templeton personally came before me this day and acknowledged that he/she is _____ President of CANTERBURY DEVELOPMENT, INC., a corporation, and that he/she, as _____ President, being authorized to do so, executed the foregoing on behalf of the corporation.

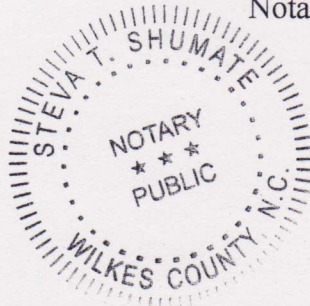
Witness my hand and official seal, this the 25 day of October, 2006.

Steva T Shumate
Notary Public

My commission expires:

10-5-10

NOTARIAL SEAL:



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0034
001

FILED
WILKES COUNTY
RICHARD L. WOODRUFF
REGISTER OF DEEDS

FILED Dec 11, 2006
AT 01:59:57 pm
BOOK 01027
PAGE 0034
INSTRUMENT # 13177

NORTH CAROLINA

WILKES COUNTY

SUPPLEMENTAL DECLARATION FOR PROTECTIVE
COVENANTS FOR CANTERBURY FARMS

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, Canterbury Development, Inc., is the developer of Canterbury Farms (hereinafter referred to as "Farms") located in Wilkes County, North Carolina, as more particularly described in Map Book 10, Page 46-50, Wilkes County Registry; and

WHEREAS, said "Farms" are subject to the Declaration of Protective Covenants of Canterbury Farms as recorded in Book 933, Page 148 amended in Book 1011, Page 266 and Book 1022, Page 388, Wilkes County Registry; and

WHEREAS, Canterbury Development, Inc., desires to execute this Supplemental Declaration in order to subject the following tracts to the Declarations as heretofore set out:

- a. Tract 17, Section One-A, Plat Book 10, Page 65;
- b. Tracts 14 through 16 and Tracts 18 through 24, Section Two, Plat Book 10, Pages 352-355.

The Supplemental Declaration is intended to further clarify and document the intent of the Declarant that each and every tract in Canterbury Farms is subject to the Declaration recorded in Book 933, Page 148, amended in Book 1011, Page 266, and further amended in Book 1022, Page 388, Wilkes County registry, reference to which was made in the deed for each and every tract.

IN WITNESS WHEREOF, Canterbury Development, Inc., has caused this instrument to be executed on the 11th day of December, 2006.

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0034
002

NORTH CAROLINA

WILKES COUNTY

I, Notary Public, of said State and County, do hereby certify that Maurice A. Templeton personally came before me this day and acknowledged that he is President of Canterbury Development, Inc., a NC corporation and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President.

WITNESS my hand and official seal this the 11th day of December, 2006.

Colleen M. Manolovich
Notary Public

My Commission Expires: 12-10-07

