Returnto: Declarant

NORTH CAROLINA, ORANGE COUNTY

FOR MULTIPLE PIN SHEET SEE BOOK 2539 PAGE 103

AMENDMENT TO PROTECTIVE COVENANTS FOR SCOTTLAND ESTATES REPLACING THE COVENANTS IN DEED BOOK 2093 AT PAGE 565

THIS DECLARATION is made this /5 day of March SCOTTLAND ESTATES, LLC, of P.O. Box 128, Saxapahaw, North Carolina 27340, hereinafter called Declarant.

WITNESSETH

THAT WHEREAS, Declarant is the owner and developer of three quarters of the lots in the real property described in this Declaration and desires to amend the covenants recorded in deed book 2093 at page 565 of the Orange County Registry and subject said real property to the Covenants, Restrictions, and Provisions hereinafter set forth; each and all of which is and are for the benefit of such property and for each Lot Owner thereof, and shall insure to the benefit of and pass and run with said property, and each and every lot or parcel thereof, and shall apply to and bind the successors in instrument and any Lot Owner thereof.

NOW THEREFORE, the Declarant hereby declares that the real property described in and referred to in this Declaration is and shall be held, transferred, sold and conveyed subject to the Protective Covenants, Restrictions, and Provisions set forth below and the covenants recorded in deed book 2093 at page 565 are of no further force or effect.

1. DESCRIPTION OF PROPERTY

The real property which is, and shall be, held, transferred, sold and conveyed subject to the Protective Covenants, Restrictions and Provisions set forth in the various articles of this declaration is located in Bingham Township, Orange County, North Carolina and is more particularly described as follows: Consisting of Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20, on the plat of the survey by SIMMONS ENGINEERING & SURVEYING, INC. (K. Gary Simmons L-2482) dated 08/07/96, entitled "Final Plat - Recombination of SCOTTLAND EQUESTRIAN ESTATES" and recorded in Plat Book 85 at page 165 of the Orange County Registry.

2. PURPOSE AND DURATION OF COVENANTS

The real property hereinbefore described is made subject to the easements, Protective Covenants, and Restrictions hereinafter described for the purpose of insuring the best use and the most appropriate development of the property herein described.

The benefits and burdens herein are limited to the lots in the property herein described, and the scheme and plan of these Covenants and Restrictions are so limited, even though identical or similar Restrictions may be imposed on other land nearby and the plat contains other lands.

These Protective Covenants and Restrictions shall be and remain in force for twenty years. At such time, and at the end of each successive ten year period thereafter, these Provisions shall be deemed to have been extended for an additional ten years unless the owners of Three-Quarters of the Lots decide to terminate this indenture by written instrument duly recorded in the Orange County Registry. At any time, the owners of Three-Quarters of the Lots may change or eliminate these covenants by written instrument duly recorded in the Orange County Registry.

3. SUBDIVISION OF LOTS

Additional subdivision of the lots within the subdivision is allowed subject to appropriate governmental approval, additional property may be added to this subdivision as set out herein, and the lots so created shall be considered lots within the subdivision for the purposes of any modifications of these covenants. The properties that can be added to this subdivision are the property shown on the subdivision map as "CORA LEE STANFORD D.B. 197 P. 209" and lying north of Lots 20 and 18, that portion of the property shown as "237.28 ACRES TOTAL" as lies south and east of Nicks Road (SR 1119) as shown on the plat of the survey by Callemyn Land Surveyors (Alois Callemyn L-2544) dated July 20, 1994, entitled " Property Surveyed for WILLIAM STOKES" and recorded in Plat Book 72 at page 56 of the Orange County Registry, and any other property within close proximity to the present subdivision.

4. USE, EASEMENTS, UTILITIES, AND SATELLITE DISHES

This property shall be used only for residential purposes, with the exception that Lots 18, and any other lots in the subdivision as are owned by the owner of Lot 18 and when assembled together are contiguous with lot 18, may be used for a commercial horse breeding, riding and training facility and Lot 16 may be used by ANIMAL PROTECTION SOCIETY OF ORANGE COUNTY, INC., as a wildlife sanctuary, and in conjunction with its non-profit animal shelter located near

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this subdivision so long as this use does not create a nuisance to the other Lot Owners.

Neither this Provision nor any other Provision herein shall be construed to prevent the granting of easements by the property Owner(s) for the relocation of existing utility and television cable lines or for the location of new utility and television cable lines. Declarant expressly reserves an easement for utilities and television cable lines along each boundary line for a distance of five feet into each lot. No lot shall be used for ingress and/or egress to or from any property adjacent to the Subdivision except as set out in the developer's reservations following and in the Road Maintenance Agreement for this subdivision.

All utility and television cable lines shall be underground. All television satellite dishes and exterior antennae of any kind must be screened, placed in an inconspicuous manner, and approved by the Declarant or his agent.

5. BUILDING REQUIREMENTS AND ARCHITECTURAL APPROVAL

To insure and protect the quality of the Subdivision, all buildings, structures, homes, garages, structures, additions, alterations, and major landscaping of any kind including the removal of live trees over 18 inches in diameter four feet off the ground must be approved in writing by the Declarant or his agent until all lots are sold, at which time, approval must be obtained in writing from the Owners of at least three Lots within the subdivision on which residences have been built and are occupied by the Owners. No single family dwelling shall be erected or allowed to remain on any Lot having less than Two Thousand (2000) Square Feet of heated area if it has an attached 2 car garage, or Three Thousand (3000) Square feet of heated area if it does not have an attached 2 car garage, with the exception that Barn/Resident combinations are allowed and shall have a foot print of at least 36 feet by 60 feet. Detached Garages with upstairs apartments are allowed as a second residence with architectural approval.

Plans and specifications submitted for approval must include: property lines; set-backs; building plans; elevations; renderings (or photographs); material samples and/or specifications; well and septic locations; driveways and parking areas; size and location of all exterior equipment and appurtenances (HVAC units, satellite dishes, antennas); size, location and type of all fencing, clothes lines, mail boxes, and outdoor lighting fixtures. All perimeter fencing shall be 3 board white vinyl. All interior fencing, screens, pens (etc.) that are not 3 board white vinyl must receive architectural approval as herein provided. All fencing must be maintained in good repair and appearance.

Submission of plans to the Declarant and the approval by the Declarant are for the sole purpose of adherence to these Protective Covenants and are not for the purpose of nor shall it be construed as a review of the adequacy of structural or utility design, construction operation, or performance nor to indicate compliance with any governmental codes, laws, or regulations.

It shall be the responsibility of the Lot Owner to implement measures during any construction process to prevent damages, including sediment runoff and erosion, to adjoining lots, common areas, streets, or any other improvements located within the Subdivision. The Lot Owner has 30 days to correct any damages caused by the Lot Owner, his agents, or his contractors to property outside his lot or within the common areas. If the Lot Owner remains in violation, the Declarant may, after five days written notice, perform such corrective measures, and the Lot Owner shall immediately reimburse the Declarant for the cost of such measures incurred by the Declarant.

Driveway entrances must be paved for the first 30 feet.

6. TEMPORARY STRUCTURES AND VEHICLES

No junk vehicles shall be allowed on any lot. Vehicle repairs can only be done inside enclosed buildings or areas screened from the view of other lot owners.

No mobile homes, or trailers, may be built or placed in the subdivision. It is the intention of this paragraph to require that any houses built or placed in the subdivision shall be built to conform with the North Carolina Building Codes for structures built on site. No concrete block or cinder block can be left exposed; the same shall be covered with brick veneer or stucco. It is not intended that this restriction will operate to prevent the temporary use of mobile homes, trailers or pre-manufactured units as construction offices, but it is intended that such structures shall not be used for permanent residences and that they must be removed within one year of commencement of construction. It is not the intention of these restriction to prevent the construction of preengineered houses, log houses, and modular homes that meet the North Carolina Building codes for site built residential construction and which have received architectural approval under these restrictions.

7. PARKING

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Each Lot Owner shall provide adequate off street parking for all automobiles and other vehicles of every kind or nature owned by the Lot Owner or by any member of his household. "Vehicles" is defined to include but not limited to all automobiles, trucks, motorcycles, motor scooters, vans, and bicycles. Such vehicles shall not be parked in or along the streets adjoining the lot.

8. GARBAGE DISPOSAL AND PROPERTY MAINTENANCE

Each Lot Owner shall be responsible for providing adequate garbage and refuse disposal outside of the Subdivision.

Lot owners shall keep and maintain all buildings, lawns, gardens and other improvements of any kind on the property in good repair and condition.

9. ANIMALS AND COMMERCIAL USE OF PROPERTY

Household pets are allowed. No animals or fowl shall be kept or allowed on said property for commercial purposes, except as herein permitted, nor shall anything be done thereon which is a nuisance to the other Lot Owners.

Given the desirability and intention of the lots at Scottland Estates to be "Country Estates", animals and livestock are allowed. Lot Owners who keep and harbor animals, fowl, exotic livestock, or household pets must do so in a manner that is consistent with the architectural character of the community and pose no nuisance to other Lot Owners. Except as to Lot 18 and contiguous land in the same ownership and lot 16, intensive commercial operations are prohibited. Animals, fowl, exotics, livestock, or household pets raised, bred, and kept to be shown, sold or traded must be contained in areas and facilities that are clean, architecturally attractive, and pose no nuisance to the other Lot Owners. Except as to Lot 18 and contiguous land under the same ownership and Lot 16, the number of adult animals (which excludes offspring under nine months of age) on any Lot shall not exceed the following: no more than four livestock, horses, or large exotics (over 200 pounds) are allowed on any lot; no more than 100 fowl are allowed on any lot.

All animals must be vaccinated and tested for communicable diseases as recommended by the State Veterinarian's office.

Manure must be removed from the property within 2 weeks and disposed of under guidelines approved or recommended by the Agricultural Extension Service.

Home office, trade, or business is allowed within the limits of the Orange County zoning regulations and provided such business poses no threat, or nuisance, to the other Lot Owners.

10. NUISANCES TO NEIGHBORHOOD

No activity shall be undertaken, fixture installed or anything done which is a nuisance to the community or neighborhood where the property is located. No street lights or other outside lights shall be erected or maintained on any tract unless the lights are shaded in such a manner that no rays extend above the horizontal above the light fixture shade and no direct rays fall closer than 35 feet of any property line.

11. POND EASEMENTS AND MAINTENANCE, AND TOM'S CREEK NATURE PRESERVE

Lots 2, 3, 17, 18, 19, & 20, on which are located portions of the four ponds existing in the subdivision are hereby granted a perpetual and appurtenant easement to use the entire surface area of the pond including the surface area not within such Lot Owner's specific lot boundaries. Each Lot Owner having pond frontage shall keep his or her portion of the shoreline free from debris and underbrush. Lot Owners having shared use of a pond shall have a joint and equal obligation for the maintenance and repair the dams and easements are reserved and granted to Lot Owners of the lots upon which the ponds are located to go onto the adjoining property for the ordinary maintenance of the dam. Lot Owners of the above numbered lots may install one (1) dock on their portion of the pond area. The only boats allowed on the ponds shall be powered by paddles, oars, or electric motors running off of one 12 volt battery.

No general clearing or other activity within the area shown on the recorded plat as "Tom's Creek Nature Preserve" will be permitted if such clearing or other activity would violate any rules and regulations promulgated by the North Carolina Department of Natural Resources regarding Wetlands.

12. RESERVATIONS BY THE DECLARANT

Declarant shall have the right, at its election, without the consent of any Lot Owner or Lot Owners, to bring within the coverage and operation of these Restrictions additional properties and amenities in the vicinity of the present subdivision as may be developed in the future. The addition to property authorized hereby shall be made by filing of record in the Office of the Register of Deeds of Orange County, North Carolina, a Supplementary Declaration of Covenants, Conditions and Restrictions with respect to the additional property

which shall extend the operation and effect of the Covenants and Restrictions of this Declaration to such additional property. The Supplementary Declaration may contain such complementary additions and modifications of the Covenants and Restrictions contained in this Declaration as may be necessary or appropriate in the sole judgment of the Declarant to reflect the different character, if any, of the added properties and as are not inconsistent with the plan, intent, and spirit of this Declaration. Furthermore, Declarant reserves a perpetual easement over Subdivision roads and bridle paths to use as amenities for the enlarged subdivision.

Declarant without waiving the general reservation above reserves the specific right to add the following properties to this subdivision and make them subject to these restrictions:

The Cora Lee Stanford property as conveyed in Deed Book 197 at page 209 of the Orange County Registry and shown as north of Lots 20 and 18 on the plat of the survey by SIMMONS ENGINEERING & SURVEYING, INC. (K. Gary Simmons L-2482) dated 08/07/96, entitled "Final Plat - Recombination of SCOTTLAND EQUESTRIAN ESTATES" and recorded in Plat Book 85 at page 165 of the Orange County Registry;

That part of the property shown as "237.28 ACRES TOTAL" as lies south and east of Nicks Road (SR 1119) as shown on the plat of the survey by Callemyn Land Surveyors (Alois Callemyn L-2544) dated July 20, 1994, entitled " Property Surveyed for WILLIAM STOKES" and recorded in Plat Book 72 at page 56 of the Orange County Registry.

SEVERABILITY 13.

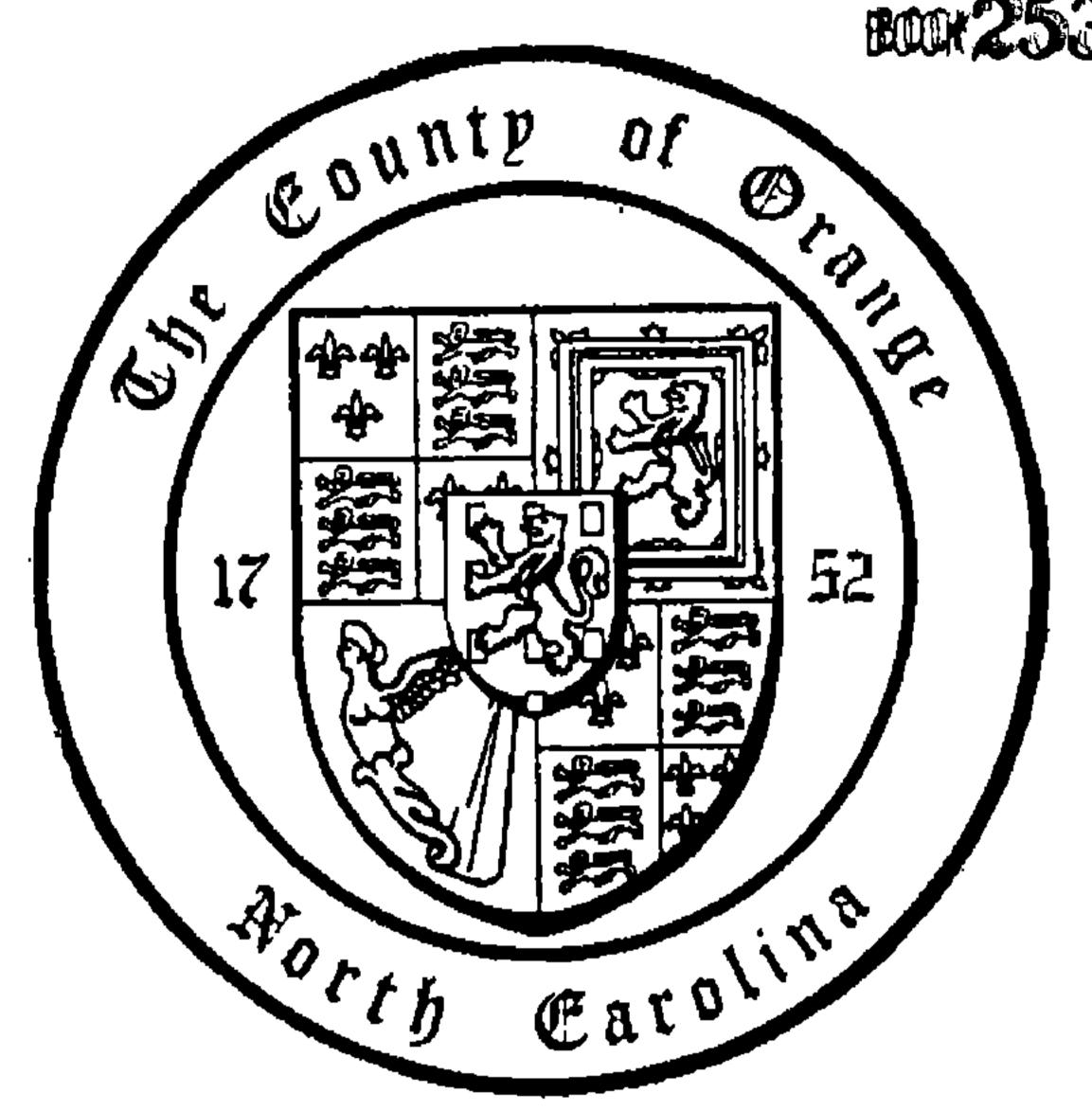
The invalidation of any portion of these Protective Covenants by judgment or court order shall in no way affect any of the other Provisions contained herein, and those Provisions shall be severable from the invalidated portion and shall remain in full force and effect.

14. ENFORCEMENT

REGISTER OF DEEDS

It is further stipulated and agreed that the owners of the lots in the subject property and their heirs, successors, and assigns, may enforce the above covenants by injunction and that this shall not be an exclusion of but an addition to, all other remedies available in law or in equity. In the discretion of the trial judge, reasonable attorney's fees may be taxed as costs in favor of the prevailing party.

IN WITNESS WHERE OF, the undersigned have signed and sealed this instrument. SCOTTLAND ESTATES, LI (SEAL) By: John M. Jordan, Manager State of North Carolina County of Alamance Ovans , a Notary Public in and for County and State, do hereby certify that John M. Jordan, manager of Scottland Estates, LLC, personally came before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company. Witness my hand and notarial seal, this 13 day of More (SEAL') C.D. HOGUE, III Notary Bublic **Notary Public** Orange County My commission expires: State of North Carolina My Commission Expires 8/23/03 STATE OF NORTH CAROLINA, ORANGE COUNTY The foregoing certificate(s) of A Notary (or Notaries) Public of the designated governmental units is (are) day of certified to be correct. Filed for registration this the o'clock 200 , in record book at page at М. By: Assistant, Deputy Register of Deeds



Joyce H. Pearson Register of Deeds Orange County North Carolina

FILED

18 MAR 2002, at 02:58:48pm

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Joyce H. Pearson

Register of Deeds,

Orange County, N. C.

State of North Carolina, County of Orange

The foregoing certificate/s of C. D. Hogue, III, Notary/Notaries Public for the Designated Governmental units is/are certified to be correct. See filing certificate herein.

This day

March 18, 2002

JOYCE H. PEARSON, REGISTER OF DEEDS By:

Deputy/Assistant Register of Deeds