

FILED FOR REGISTRATION

MARCH 29, 2007 9:59AM
DATE TIMEAND RECORDED IN BOOK 706 PAGE 25
M. BRENT SHOAF, REGISTER OF DEEDSDAVIE COUNTY, NC
BY [Signature]
DEPUTYDrawn by: James W. Annotant 134NORTH CAROLINA
DAVIE COUNTYSUPPLEMENT TO DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR LEGACY VILLAGE AT OAK VALLEY
(Deed Book 702, Page 1071)

This supplement to Declaration is made this 29th day of March, 2007, by Oak Valley Associates Limited Partnership, a North Carolina limited partnership, having its principal office in Forsyth County, North Carolina, hereinafter referred to as "Declarant";

W I T N E S S E T H

WHEREAS, Declarant is the owner of certain real property in Davie County, North Carolina, which is shown on the map entitled "Legacy Village at Oak Valley," recorded in Plat Book 9, Page 86, Davie County, North Carolina Registry, and has caused the plat for said "Legacy Village at Oak Valley" to be rerecorded to reflect different lot numbers ONLY in Plat Book 9 Page 106, Davie County Registry, and wants to make certain that these new renumbered lots are unquestionably covered by the restrictions for said Legacy Village at Oak Valley in Deed Book 702, Page 1071;

NOW, THEREFORE, Declarant hereby supplements the Declaration of Covenants, Conditions, and Restrictions for Legacy Village at Oak Valley in Deed Book 702, Page 1071, by incorporating the new lot numbers on the lots as shown on the plat of Legacy Village at Oak Valley recorded in Plat Book 9, Page 106, Davie County Registry as if this plat recording had been the original plat recording. Acceptance of a deed to any lot or envelope shown on the plat in Plat Book 9, Page 106, subjects that lot or envelope to all of the conditions set out in Deed Book 702, Page 071.

IN WITNESS WHEREOF, Declarant has caused this Supplement to be executed this day and year first above writte.

Oak Valley Associates Limited Partnership,
by: Ridge Run Properties, Inc., Managing
General Partner,

by: [Signature]
C.J. Ramey, President

NORTH CAROLINA - FORSYTH COUNTY

I certify that the following person personally appeared before me this day, that I have personal knowledge of the identity of said person, and that he acknowledged to me that he voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: C. J. Ramey, President of Ridge Run Properties, Inc., Managing General Partner of OAK VALLEY ASSOCIATES LIMITED PARTNERSHIP, Declarant.

Date: 3/29/07

[Stamp of] JAMES W. ARMENTROUT

NOTARY PUBLIC

FORSYTH COUNTY NC

MY COMMISSION EXPIRES 2012

Signature of Notary

James W. Armentrout

Typed or Printed Name of Notary

My Commission expires: 3/21/2012

01785

FILED FOR REGISTRATION
March 6, 2007 2:01 p.m.
DATE TIME
AND RECORDED IN BOOK 702 PAGE 1071
M. BRENT SHOAF, REGISTER OF DEEDS
DAVIE COUNTY, NC.
BY Cynthia C. Whitaker
Deputy

Prepared by/return to Brant H. Godfrey, 2631 Reynolda Road, Winston-Salem, NC 27106

NORTH CAROLINA)
)
DAVIE COUNTY) **DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
LEGACY VILLAGE AT OAK VALLEY**

THIS DECLARATION, made on the date hereinafter set forth by OAK VALLEY ASSOCIATES LIMITED PARTNERSHIP, a North Carolina limited partnership, having its principal office in Forsyth County, North Carolina, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property in Davie County, North Carolina, which is shown on the map entitled "LEGACY VILLAGE AT OAK VALLEY," recorded in Plat Book 9, Page 86, Davie County, North Carolina, Registry.

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, conditions, liens and charges which are for the purpose of enhancing and protecting the value and desirability and attractiveness of, and which shall run with the real property 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 LEGACY VILLAGE AT OAK VALLEY HOA, INC., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties as defined herein, 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, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. (a) "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described as follows:

All of the Properties, except land reserved by Declarant in the approximate relative location of each numbered building envelope as shown on the plat entitled "LEGACY VILLAGE AT OAK VALLEY," (hereinafter "Building Envelope") for the purpose of construction of dwelling units and related improvements by Declarant for sale or for the purpose or such construction by purchasers of Building Envelopes from Declarant. Only one such dwelling unit (hereinafter "Dwelling Unit") shall be built on or in the approximate relative location of each Building Envelope. The exact placement of each Dwelling Unit and related improvements shall be in the discretion of Declarant. When Dwelling Units, together with improvements appurtenant thereto, have been erected and Lots as hereinafter defined have been delineated by Declarant for all of the Building Envelopes shown on said recorded map of LEGACY VILLAGE AT OAK VALLEY and on any subsequently recorded map of the Properties, the Common Area shall be all other of the Properties remaining, Declarant thereafter reserving no further property interest therein.

Within the Common Area are certain Limited Common Areas, more particularly defined below.

(b) "Limited Common Areas" shall include areas occupied by improvements appurtenant to, and used in direct connection with, the Dwelling Units erected on the Properties including sidewalks connecting private driveways to the Dwelling Units; private driveways, ground area directly beneath overhanging eaves, roofs, or other parts of or appurtenances to the Dwelling Unit not to be expressly deeded with the Dwelling Unit, including but not limited to, garbage can enclosures, walkway lighting, mail boxes, and irrigation systems installed by lot owners. The exact placement of Limited Common Areas shall be in the discretion of Declarant.

Section 5. "Common expenses" shall mean and include:

- (a) All sums lawfully assessed by the Association against its members;
- (b) Expenses of administration, maintenance, repair or replacement of the Common Areas;
- (c) Expenses declared to be common expenses by the Declaration or the Bylaws of the Association (hereinafter "the Bylaws");
- (d) Hazard, liability or such other insurance premiums as the Declaration, the Bylaws or applicable laws or ordinances may require the Association to purchase;
- (e) Expenses agreed by the members to be expenses of the Association; and
- (f) Ad valorem taxes and governmental assessments levied against the Common Areas.

Section 6. (a) "Lot" shall mean and refer to any plot of land within or in the approximate relative location of each Building Envelope as shown on the recorded plat of LEGACY VILLAGE AT OAK VALLEY, or on any subsequently recorded map of the Properties, upon which there shall have been built a Dwelling Unit and related improvements, and which Declarant shall have caused to be delineated by more particular description. Until such time as a Dwelling Unit shall have been erected on or in the approximate relative location of a Building

Envelope, the term "Lot" as used herein shall include the Building Envelopes for the purpose of determining the rights and obligations of the Owners for all purposes hereunder, including, but not limited to, membership and voting rights in the Association and the obligation to pay assessments; provided, the Association shall maintain each unimproved Building Envelope as part of the Common Area prior to the construction of a Dwelling Unit thereon.

(b) "Building Envelope" shall mean and refer to those subdivisions of the Properties shown on the recorded plat of LEGACY VILLAGE AT OAK VALLEY, or on any subsequently recorded map of the Properties, which are designated as Building Envelopes thereon indicating the relative prospective location of Dwelling Units and Lots.

Section 7. "Declarant" shall mean and refer to OAK VALLEY ASSOCIATES LIMITED PARTNERSHIP, a North Carolina limited partnership, its successors and assigns.

ARTICLE II PROPERTY RIGHTS

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

(a) Until Dwelling Units have been erected and Lots delineated for all of the Building Envelopes shown on the plat of LEGACY VILLAGE AT OAK VALLEY, and on any subsequently recorded map of the Properties, Declarant or purchasers of Building Envelopes from Declarant shall have the right to place and erect Dwelling Units and their appurtenant improvements, including Limited Common Areas, upon the Properties, within or in the approximate relative locations of the Building Envelopes appearing on the recorded map of LEGACY VILLAGE AT OAK VALLEY aforementioned, or on any subsequently recorded map of the Properties. Declarant hereby expressly reserves for itself and for purchasers of Building Envelopes a preminent property right in the Properties as shown on the recorded map of LEGACY VILLAGE AT OAK VALLEY, or on any subsequently recorded map of the Properties, for the purpose of erecting Dwelling Units, together with their appurtenant improvements, including Limited Common Areas within or in the approximate relative locations of the Building Envelopes. This property right shall be extinguished when Dwelling Units have been erected and Lots have been delineated for all of the Building Envelopes shown on said recorded map of LEGACY VILLAGE AT OAK VALLEY and on any subsequently recorded map of the Properties. Declarant reserves the right to convey undeveloped Building Envelopes anywhere within the Properties to purchasers for the purpose of the construction of Dwelling Units thereon by such purchasers, and the foregoing rights to place and erect Dwelling Units and their appurtenant improvements shall be appurtenant to such Building Envelopes, shall run with the land, and shall be exercisable by such purchasers in the manner prescribed in and subject to the conditions, limitations and reservation contained herein and in the deed or deeds of such Building Envelopes from Declarant to such purchasers.

(b) 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 Areas, for the purposes such areas so designated would be customarily intended, (except that the portions of Limited Common Areas beneath eaves and overhangs planted with shrubbery or 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.

(c) The responsibility of Owners to maintain Limited Common Areas in a state of good repair, except as otherwise provided.

(d) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.

(e) The right of the Association to suspend the voting rights of an Owner for any period during which any assessment against his Lot remains unpaid;

(f) The right of the Association to dedicate or transfer all or any part of the 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. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of members has been recorded;

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

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

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:

(a) Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

(b) Class B. The Class B member shall be the Declarant and shall be entitled to fifteen (15) votes until the earlier of the date the Declarant shall have sold and conveyed and there shall have been delineated fifteen (15) Lots, or the date five (5) years from the date of this Declaration, whereupon the Class B membership shall cease; provided however, that the Class B membership shall be reinstated with all rights, privileges, and responsibilities if, after termination of the Class B membership before the expiration of five (5) years as herein provided, additional lands are annexed to the Properties by the Declarant in the manner provided in Section 4 of Article IX of this Declaration, whereupon the Class B votes shall be increased by the number of Building Envelopes or Lots contained in such additional lands.

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. (a) Creation of the Lien and Personal Obligation of Assessments. The Declarant hereby covenants, on behalf of each subsequent Owner of a Lot within the Properties, and each Owner within the Properties, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, or by exercise of any act of ownership, is deemed to covenant and agree, to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, 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 interest, 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 the delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

(b) Direct Assessments. Each Owner shall have the obligation to maintain and keep in good repair the improvements on his Lot, including the roof and exterior walls of the dwelling unit thereon, and any other exterior surfaces such as garden walls, carports or garages; as well as the Limited Common Areas (except foundation landscaping). If any Owner shall fail to properly comply with the provisions of this subsection, and in the opinion of the Architectural Control Committee of the Association as established under Article V of this Declaration, such failure impairs the aesthetic harmony of the LEGACY VILLAGE AT OAK VALLEY subdivision, the Association may make demand upon such Owner to comply. In the event such Owner shall, after notice has been given, fail to take necessary steps to comply, the Association may proceed to remedy such Owner's default. Any expenses incurred by the Association for such purposes, including labor, materials and professional fees shall become a lien upon the Lot of such Owner, collectible as otherwise provided for herein. Amounts incurred in the foregoing manner shall be deemed "Direct Assessments," and shall be in addition to any other assessments herein provided for and shall be due immediately upon demand.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be to pay common expenses, shall be used exclusively to promote the recreation, health, security, safety and welfare of the residents and the Properties and in particular for the acquisition, improvement and maintenance of properties, personnel, services and facilities devoted to this purpose and related to the security of LEGACY VILLAGE AT OAK VALLEY subdivision, the yard and landscape maintenance of the Common Area or for the use and enjoyment of the Common Area, 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 Area, the procurement and maintenance of insurance related to the Common Area, its facilities and use in accordance with the Bylaws, the employment of attorneys to represent the Association when necessary, and such other needs as may arise.

Section 3. Maximum Annual Assessment. Until January 1, 2008, the maximum annual assessment shall be One Hundred and no/100 Dollars (\$100.00) per month per Lot; provided, however, at no time shall there be an assessment for the Declarant for any vacant Lot or a Lot superimposed with an unoccupied Dwelling Unit not yet sold or conveyed by Declarant.

(a) The maximum annual assessment shall be established by the Board of Directors of the Association (the "Board of Directors" or the "Board") and may be increased by the Board of Directors without approval by the membership by an amount not to exceed twenty percent (20%) of the maximum annual assessment of the previous year; and

(b) The maximum annual assessment may be increased by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

At any time the Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Criteria for Establishing Annual Assessments. In establishing the annual assessments for any assessment year, the Board of Directors shall consider all current costs and expenses of the Association, any accrued debts, and reserves for future needs but it may not fix the annual assessment in an amount in excess of the

sum derived by application of the increase allowed in Section 3(a) hereof without the consent of members required by Section 3(b) hereof.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, 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 each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots subject to assessment and may be collected on a monthly basis.

Section 7. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 8. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots subject to assessment on the date of sale of an improved lot by Declarant to a new Owner, or upon occupancy of a Dwelling Unit on an improved lot. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent 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. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum. 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 interest, 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 for any of the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 10. Subordination of the Lien of Mortgages. The liens provided for herein shall be subordinate to the lien of any mortgage, mortgages, deed of trust or deeds of trust. Sale or transfer of any Lot shall not affect any lien provided for in this Declaration. However, the sale or transfer of any Lot which is subject to any mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding, conveyance or assignment in lieu of foreclosure thereof, shall extinguish the lien of such assessments as payments which became due prior to such sale or transfer (except for claims for a pro-rata share of such assessments or charges resulting from a pro-rata reallocation of such assessments or charges to all Lots, including the mortgaged Lot). 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 mortgage, mortgages, deed of trust or deeds of trust. Extinguishment of any lien shall not extinguish the Owner's personal liability for the debt secured thereby.

Section 11. 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.

ARTICLE V ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, 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, or by an Architectural Control Committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and 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 or of unimproved Building Envelopes by purchasers thereof from Declarant as provided in Article II hereof.

ARTICLE VI MAINTENANCE

The Association shall provide maintenance upon the Common Area and landscaping and foundation plantings within or upon Limited Common Areas as follows: Maintain, replace, repaint, or repair all improvements on the Common Area (excluding Limited Common Areas and excluding mail boxes, posts or pedestals for mail boxes and walkway lights associated with dwellings), trees, shrubs, grass, walks (not included as Limited Common Areas). In the event that the need for maintenance or repair is caused through the willful or negligent act of any Owner, his family, or guests, or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Owner's Lot is subject.

ARTICLE VII EASEMENTS

Section 1. Utilities Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat, and the Properties shall be further subject to such additional easements for installation and maintenance of utilities and drainage facilities as are reasonably necessary for the construction of Dwelling Units by Declarant and purchasers of undeveloped Building Envelopes from Declarant. Easements for the installation and maintenance of air conditioning equipment and garbage cans are reserved at the rear or side of each Lot, the locations of said easements being determined by the actual location of said equipment as installed or approved by the Declarant, and said easements to be reserved and excepted from the conveyance of the Common Area to the Association and to be appurtenant to and conveyed with each Lot to the Owner thereof. 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 or accessibility to utilities or air conditioning equipment or garbage cans, or which may change the direction of flow or drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

Section 2. Encroachments. If any such encroachment shall occur as a result of settling or shifting of any building on a Lot or for any other reason, a valid easement for the encroachment shall exist so long as the building stands. Such encroachments shall not be construed to be encumbrances affecting the marketability of title to any Lot.

Section 3. Private Access Easement for Lots 601, 602, and 603. Declarant hereby reserves unto itself, with the intent of conveyance of same to the purchaser(s) of Lots 601, 602, and 603, a private 30-foot access easement as delineated on the recorded plat of LEGACY VILLAGE AT OAK VALLEY. Upon the first conveyance of Lots 601, 602, and 603, this 30-foot easement shall be automatically designated as Limited Common Area (private driveway) as defined in Article I, Section 4(b) hereof, with rights attendant to and duties as delineated therewith, in Article II, Section 1 and Article IV hereof.

ARTICLE VIII COVENANTS OF OWNER TO KEEP UNITS INSURED AGAINST LOSS, TO REBUILD AND TO KEEP IN GOOD REPAIR

The Declarant covenants with the Association, on behalf of itself and on behalf of each subsequent Owner of a Lot within the Properties, and each Owner of any Lot within the Properties, by acceptance of a deed therefor, whether or not it shall be so expressed in said deed, or by exercise of any act of ownership, is deemed to covenant:

- (a) To keep each Dwelling Unit upon a Lot insured against loss by fire with what is commonly called extended coverage in an amount equal to at least ninety percent (90%) of the replacement value of such Dwelling Unit;
- (b) 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 (subject to the rights of any mortgagee) which shall be issued by companies acceptable to the Association;
- (c) Subject to the provisions and covenants contained in any mortgage or mortgages, deed of trust or deeds of trust creating a lien against any Lot, to apply the full amount of any insurance proceeds to the rebuilding or repair of any Dwelling Unit subject to the rights of any mortgagee in such proceeds);
- (d) To rebuild or restore the Dwelling Unit in the event of damage thereto; and
- (e) To keep the Dwelling Unit in good repair as provided by the Bylaws of the Association.

In the event of non-payment of any premium for insurance required under this Article VIII, 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.

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 way affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. 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 five (5) year period by an instrument signed by not less than eighty percent (80%) of the Envelope Owners, with Declarant entitled to cast its fifteen (15) votes as delineated in Article III, Section 2, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners; provided, that no amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvements, as herein provided, or affect any lien for the payment thereof established herein. Any amendment must be properly recorded.

Section 4. Annexation. (a) Additional residential property now owned or hereafter acquired by Declarant and adjoining the Properties may be annexed by the Declarant without the consent of the Class A members within ten (10) years of the date of this Declaration.

(b) Except as provided in subsection (a) above, additional contiguous residential property and Common Area may be annexed to the Properties only with the consent of two-thirds (2/3) of each class of members.

(c) Additional properties as annexed shall become a part of the Properties as defined herein and shall be subject to the provisions of this Declaration, the Bylaws and the Articles of Incorporation of the Association.

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 Owner - mortgagor of such Lot in the performance of such Owner - mortgagor's obligations under these Declarations when such default is not cured within thirty (30) days from its occurrence.

IN WITNESS WHEREOF, the said OAK VALLEY ASSOCIATES LIMITED PARTNERSHIP, a North Carolina limited partnership, has caused this instrument to be signed in its company name by its duly authorized Managing General Partner, this the 6th day of MARCH, 2008.7

OAK VALLEY ASSOCIATES LIMITED PARTNERSHIP
By Ridge Run Properties, Inc., Managing General Partner

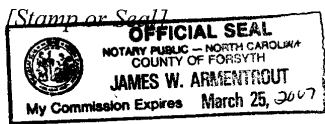
By: 

C. J. Ramey, President

NORTH CAROLINA - FORSYTH COUNTY

I certify that the following person personally appeared before me this day, that I have personal knowledge of the identity of said person, and that he acknowledged to me that he voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: C. J. Ramey, President of Ridge Run Properties, Inc., Managing General Partner of OAK VALLEY ASSOCIATES LIMITED PARTNERSHIP, Declarant.

Date: 3/6/07



[Signature]
Signature of Notary

James W. Armentrout
Typed or Printed Name of Notary

My Commission expires: 3/25/2007