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DECLARATION OF RESTRICTIVE AND PROTECTIVE COVENANTS AND  
CONDITIONS

Prepared by and mail to: Ernest R. Carter, Jr.  
BAKER JONES DALY & CARTER, P.A., Attorneys,  
P. O. Box 986, Ahoskie, NC 27910

STATE OF NORTH CAROLINA  
COUNTY OF HERTFORD

RIVERSEDGE ON THE CHOWAN SUBDIVISION (SECTION 1, PHASE I)

THIS DECLARATION OF RESTRICTIVE AND PROTECTIVE COVENANTS AND  
CONDITIONS, made and entered into this the 29<sup>th</sup> day of November 2005, by ASP  
RIVERSEDGE, LLC, a North Carolina limited liability company (hereinafter referred to as  
Declarant);

WITNESSETH:

WHEREAS, DECLARANT is the Owner of certain real property located in Hertford  
County, North Carolina, which is described in Exhibit A, attached hereto and incorporated herein  
by reference. Declarant desires to subject the residential lots within the described property to the  
provisions of this Declaration and to develop the property under the name RIVERSEDGE ON  
THE CHOWAN Subdivision (Section 1, Phase I), and desires to create thereon a residential  
community (the "Community") together with streets, roads, footways, open spaces, entrances,  
drainage facilities, access easements, and any other Community Properties (hereinafter referred  
to collectively as the "Community Properties") for the benefit of the community; and

WHEREAS, the Declarant intends to convey lots upon the subject property by deeds,  
deeds of trust and other instruments to various persons, firms and/or corporations subject to this  
declaration of restrictive and protective covenants and conditions in order to enhance the quality  
of the development of the subject property and in order to be for the benefit of all those who  
acquire title to any one or more of the lots in the described development and be binding upon all  
persons, firms and/or corporations which may acquire title to such property, through subsequent  
transactions.

NOW THEREFORE, in consideration of the premises, the Declarant hereby covenants  
and agrees with said Prospective Purchasers that each of the aforementioned lots shall be held,  
sold, encumbered and conveyed subject to the restrictive and protective covenants and conditions  
hereinafter set forth and said restrictive and protective covenants and conditions shall become a  
part of each instrument conveying any of said lots as fully and to the same extent as if set forth  
herein. As a condition of the sale or conveyance of any of said lots, the purchasers agree and

covenant to abide by and conform to said restrictive and protective covenants and conditions.

ARTICLE I

DEFINITIONS

1. "Declarant" shall mean and refer to ASP RIVERSEDGE, LLC, a North Carolina Limited Liability Company, its successors and assigns. The Declarant may assign or pledge all or part of its rights reserved under the land use documents through an assignment or in an instrument of conveyance or assignment.
2. "Declaration" shall mean this document that includes the Covenants, Conditions and Restrictions for Riversedge on the Chowan Subdivision (Section 1, Phase I) together with all amendments that may be filed in the Office of the Register of Deeds for Hertford County, North Carolina.
3. "Dwelling" shall mean any dwelling quarters in a detached building.
4. "Occupant" shall mean any person including, without limitation, any Owner, family, member, guest, invitee, lessee, or tenant of an Owner occupying or otherwise using a Dwelling within the Properties.
5. "Owner" shall mean the record Owner, whether one or more persons or entities, of the fee simple title or contractual equitable title to any Lot or Dwelling in the Properties. Notwithstanding any term of the mortgage, "Owner" shall not mean or refer to the mortgagee, unless and until such mortgagee has acquired title pursuant to foreclosure or any deed or proceeding in lieu of foreclosure.
6. "Person" shall mean a Natural Person, Corporation, Partnership, Association, Trust or other legal entity, or any combination thereof.
7. "Property" generally means the lands known as Riversedge on the Chowan Subdivision, (Section 1, Phase I) Hertford County, North Carolina.
8. "Record" or Recording refer to record or recording with the Register of Deeds of Hertford County, North Carolina.
9. "Residential lots" means those portions of the property specifically allocated, platted and/or recorded as lots for sale and/or use as single-family residences. A parcel of land shall be deemed a "Lot" rather than a "Dwelling" until the improvements constructed thereon are sufficiently complete to reasonably permit habitation thereof. Upon completion of the building, the "Lot" and the improvements thereon shall collectively be considered a "Dwelling" for purposes of this Declaration, but for purposes of membership and voting hereunder, "Lot" and "Dwelling" may be construed as the same term. If multiple lots shall have been utilized for a single dwelling, then for purposes of these restrictions, such property shall be construed to me a single "Residential Lot" for purposes of voting and membership hereunder. The Voting Rights provisions of this Declaration may alter the term in relation to rights to vote among classes.
10. "Supplemental Declaration" shall mean a Declaration filed by Declarant which describes one or more additional parcels or property to be located within the Properties, and which establishes covenants, conditions and restrictions for that particular parcel of property.
11. "Front" means the area of the lot nearest to the road or street providing primary access to any residential lot in the subdivision.
12. "Architectural Review Board" or "ARB" shall be the "Declarant" until such time as the

Association of Owners shall appoint Owners who shall thereafter constitute the ARB.

## ARTICLE II

### ARCHITECTURAL AND AESTHETIC CONTROL

1. Requirements of Architectural Review:
  - a. All plans and specifications: 1) for any structures or improvements to be erected on, moved to or upon any lot, including the proposed locations thereof on any residential lot, (meaning specifically site plans); 2) for the construction materials proposed to be utilized for any roof or exterior surface upon any structure or improvements; and 3) for any changes, additions, remodeling or alterations after initial approval thereof; shall require the approval in writing of the ARB and appropriate permitting by the local governmental entity having permit jurisdiction thereupon, prior to commencement of any work on any residential lot.
  - b. Two (2) complete sets of plans and specifications shall be submitted to the ARB for consideration, with one set to be retained by the ARB for its files and the remaining set being returned with the approval or disapproval endorsed thereon.
  - c. The ARB shall approve or disapprove the submitted plans and specifications within fourteen (14) days from the date of submission thereof.
  - d. The ARB shall have the right to disapprove any plans, specifications or details therein if it shall be determined that the same are in violation of the provisions of this Declaration, any deed restrictions, or if, in the sole discretion of the ARB, the design is not in aesthetically in harmony with the general scheme of the development or with adjacent structures or improvements.
  - e. Neither the ARB or any agent or individual serving thereon or the Declarant, its successors and assigns, shall be liable or responsible in any manner for defects in any plans or specifications submitted, revised or approved as provided herein, or for any structural defects in any work completed in accordance therewith. The Declarant shall have no liability whatsoever to insure the functions of the ARB and shall have no obligation once the appointment of the ARB is made.
  - f. The ARB or its agents reserve the right to make periodic inspection of all construction or improvements to determine compliance with approved plans and specifications.
  - g. Pending the formation of the Association of Owners in the subdivision, the ARB shall be empowered to assess Owners with annual assessments as hereinafter set out.
2. Land Use and Building-Type: No structure shall be erected, altered, placed or permitted to remain on any Residential Lot other than for use as a single-family residential dwelling and uses associated therewith and only one single-family residential dwelling, and structures appurtenant thereto, shall be erected or permitted to remain upon any Lot. No mobile home, manufactured home, or on-frame modular home shall be erected or permitted to remain upon any Lot. A private garage and outbuildings appurtenant to the main dwelling are herein expressly permitted and an overhead story for servant quarters in such outbuildings, not rented, leased or

utilized for any remuneration, are permitted. No outbuilding shall be erected upon any Lot unless the same is incidental to the residential use of said Lot. It is permitted, however, that the Declarant, during the development stage, may maintain a dwelling for use as a model home to aid sales in the subdivision. After development has been completed, no such model home may be maintained in the subdivision.

3. Dwelling Size:

(a) Any one-story dwelling erected upon any Lot shall contain not less than 2300 square feet, outside measurement, of enclosed heated floor area, exclusive of open porches and garages.

(b) Any one and one-half story dwelling erected upon any Lot shall contain not less than 2300 square feet, outside measurement, or enclosed heated floor area, exclusive of open porches and garages. Such dwelling shall contain not less than 1400 square feet, outside measurement of enclosed heated floor area on the ground floor, exclusive of open porches and garages.

(c) Any two-story/two and one-half story dwelling erected upon any Lot shall contain not less than 2300 square feet, outside measurement, of enclosed heated floor area, exclusive of open porches and garages. Such dwelling shall contain not less than 1400 square feet, outside measurement, of enclosed heated floor area on the ground floor, exclusive of open porches and garages.

(d) Special Circumstance Variances may be granted by the Architectural Review Board, with regard to minimum square footage by up to 10%, but in such circumstances, for each square foot under the 2300 square foot requirement, the submitted plan must indicate its replacement by two (2) square foot of unheated floor areas, which shall include garages, decks and covered porches. Additional special circumstances may likewise be considered in situations, i.e. a retirement home with extensive landscaping and creative house plans.

4. Dwelling quality: All dwellings, and outbuildings erected upon any Lot shall be constructed of material of good grade, quality and appearance, and all construction shall be performed in a good and workmanlike manner. The exterior construction of any dwelling shall not be of asbestos shingle siding, imitation brick or stone roll siding, or of concrete blocks. No "shell home" as the term is generally understood at this time in this area, shall be erected or allowed to remain on any of said Lots. The outside surface of beams, walls, and roofs of any appurtenant structures located on any Lot shall be of material and quality of construction comparable in cost, design, and quality to the outside surfaces of the Dwelling located on said Lot. No metal storage shed or barn shall be located on any Lot. Any storage shed or barn shall be designed, constructed and maintained so as to be aesthetically compatible with the dwelling located on said Lot.

4. Setback Lines: No building shall be erected or permitted to remain nearer to any street or road in said subdivision, and/or nearer to any boundary lines than shall be permitted under the applicable building codes, zoning ordinances or other regulatory provisions applicable to the property in the subdivision.. An error in the placement of structures in an amount less than ten percent of the setback requirement in question will not constitute a violation of this Declaration.

5. Easements: Easements for the installation and maintenance of utilities and drainage facilities are reserved over the front fifteen (15) feet of each of the aforesaid Lots. A drainage and utility easement five feet in width is reserved along each sideline of each Lot. To accommodate potential variations in the location of utility lines for the subdivision upon

individual lots, the final recorded plat for Section 1, Phase I of Riversedge of the Chowan Subdivision, indicating the location of utility lines upon the individual residential lots shall control over any previously recorded plat or deed recording and the above reservations, and to the extent that the utility lines are located at a greater distance from the property line than an above designated, then such additional area as shall encompass such utility lines shall be deemed as additional reserved drainage easements and utility easements upon such lots and the same as more particularly shown and delineated on the later recorded map or plats of any lot or lots that are within the property of the subdivision shall control, and where the easements as shown on such plat or plats are in addition to those called on prior plats or as set forth specifically above, the later plat shall govern and control. Within said easements so reserved, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may interfere with drainage and the flow of water within the easement areas. The Owner of each lot shall maintain that portion of said Lot lying within the easement areas as defined herein and shall maintain such improvements as may be located thereon except those improvements installed and maintained by a public authority or utility company.

6. Garbage and Refuse Disposal. No Lot shall be used or maintained in an unsightly manner or as a dumping ground for rubbish, trash or debris. Rubbish, trash, debris, garbage and other waste shall be kept only in sanitary containers. All incinerators, containers or other equipment for the storage or disposal of such waste materials shall be kept in a clean and sanitary condition, and in a screened area generally not visible from any road or adjacent lots.

7. Structures, Accessory Buildings and Business Use. No structure shall exceed three (3) stories in height, unless the Declarant approves in writing. Any owner may conduct their in home business from the Dwelling on the Lot, provided that no advertisement of the same is made and no customers or clients come to the Lot to conduct their business with Owner.

8. Temporary structure. No structure of a temporary character, trailer, basement, tent, shack, barn, or other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently, except as expressly permitted herein.

9. Paving and Parking. Each lot owner shall provide space for parking two automobiles and boats off the street prior to the occupancy of any dwelling constructed on said lot. No parking will be allowed in the streets or roads except for special events that require extra parking.

10. Restriction Against Fences. No fences will be allowed except corner sections no more than ten (10) feet in length.

11. Commencement and Completion of Construction. The construction of all dwellings and other structures must be completed within twelve (12) months after the construction is commenced, except where such completion is impossible or would result in great hardship to the owner or builder due to strikes, fires, national emergency or natural calamities. The Declarant or ARB, for reasons (presented by lot owner), which the Declarant or ARB finds satisfactory may extend the period within which construction must be completed. Failing completion as above set forth, the Declarant shall have the option to repurchase the lot concerned at the original selling price, which option to repurchase is subject and subordinate to the liens of all mortgages, Deeds of Trust, and similar security instruments of record, on behalf of institutional lenders, which

instruments encumber the subject lot. Declarant must give the owner notice of the intention to repurchase within thirty (30) days of learning of owner's failure to complete construction and must close the re-purchase within thirty (30) days of giving notice.

ARTICLE III

USE OF PROPERTY

1. Residential Use. All of the residential lots of Riversedge on the Chowan Subdivision (Section 1, Phase 1) shall be used for residential purposes exclusively.
2. Trailers, Mobile Homes, etc.. No trailer, tent, motor home, mobile home or other structure or motorized conveyance of a temporary character shall be placed upon any lot at any time as a residence, provided, however, that this prohibition shall not apply to shelters used by the contractor during the construction of the main dwelling house, it being clearly understood that these latter temporary shelters may not, at any time, be used as residences or permitted to remain on the lot after completion of construction, and this prohibition shall not prohibit parking of recreational vehicles on a lot for periods of not more than 10 days or otherwise, provided that the same are screened from view from adjacent lots, roads and the Chowan River .
3. Fuel Storage. No fuel tanks or similar storage receptacles may be exposed to view. Any such receptacles may be installed only within an accessory building or within a screened area and landscaped, or buried underground.
4. Maintenance. It shall be the responsibility of each lot owner to prevent the development of any unclean, unsightly or unkempt conditions of building or grounds on such lot that shall tend to substantially decrease the beauty of the neighborhood as a whole or the specific area. Any costs to the Declarant for clean up will be charged to the lot owner.
5. Aerials, Antennae. Exterior radio and television aerials and satellite dishes for reception of commercial broadcasts shall not be permitted in the Riversedge on the Chowan Subdivision, unless the Declarant or ARB approves its design, appearance and location.
6. Construction. During construction, all vehicles involved, including those delivering supplies, must enter the building lot on the driveway only as approved by the Declarant so as not to unnecessary damage any trees, landscaping, paving and curbs. [During construction, builder must keep the homes, garages, and building sites clean. All building debris, stumps, trees etc. must be removed from each building lot by builder as often as necessary to keep the house and lot as attractive as possible.] Such debris will not be dumped in any area of the subdivision or otherwise disposed of except in compliance with applicable laws and regulations.

Contractors are responsible for containing trash, excess material and scraps and its removal on a regular basis as well as upon completion of construction. Burning of trash is prohibited. Failure of contractors (and the underlying Owner) to observe this regulation will result in the Declarant or ARB taking action to have the same removed at the expense of the contractor and/or the Owner.

7. Nuisances. No noxious or offensive activities shall be carried on upon any Lot nor shall anything be done thereon which may be or become a nuisance or annoyance to the

neighborhood. No truck or commercial vehicle in excess of one-ton load capacity shall be parked or permitted to remain on any Lot. No wrecked or junked motor vehicles or vehicle without current license plates and registration shall be permitted to remain upon any Lot..

8. Signs. No signs of any kind shall be displayed to the public view on any Lot. However, one sign of not more than five square feet advertising the property for sale or rent and signs used by a builder to advertise the property during the construction and sales period are permissible.

9. Livestock and Poultry. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except that dogs, cats, or other household pets may be kept provided they are not kept, bred or maintained for commercial purposes.

10. Animals. Each Lot or Dwelling Owners are expected to keep pets under control so as not to disrupt the well being of the Community. All pets must not be allowed to become a nuisance by barking or other acts which could disturb neighboring Owners or the Community. Animals that cause a nuisance to the community may be restrained or removed from the property. Failure to cooperate may result in appropriate authorities impounding or restraining such animals.

11. Electrical Distribution Contract. The Declarant reserves the right to subject the real property in this subdivision to a contract with the utility company serving the area for the installation of electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to utility company by the owner of each Lot.

12. Clotheslines. No clotheslines or drying yards shall be allowed.

13. All-Terrain Vehicles. No all-terrain vehicles or motorcycles may be operated on the Property except for the purposes of ingress and egress to the common areas and highway.

14. Public Utility Lines. All utility lines of every type, including but not limited to water, electrical, telephone, cable TV, and sewage must be underground, unless otherwise permitted by Declarant.

15. Responsibility. Owners and tenants are responsible for the behavior of their guests and must ensure their guests are advised of applicable Regulations and/or Restrictions.

16. Speed Limit. The maximum speed limit throughout Riversedge on the Chowan Subdivision shall be 25 miles per hour. Absolutely no driving while intoxicated on subdivision roads shall be permitted.

17. Swimming Pools. No above ground swimming pools are allowed. Any pool must be secured on any Lot in such manner as not to become an attractive nuisance to adjacent owners.

18. Firearms. There shall be no discharging of firearms of any kind, caliber, type or method of propulsion, and no hunting or trapping of any type shall be carried on or conducted on said land.

19. Stormwater. No Lot Owner shall in any way impede, obstruct, or change the direction of the natural flow of stormwater runoff in Riversedge on the Chowan Subdivision, the streets, roads, ditches and drainage system thereof; nor place or cause to be placed any culvert or drainage device on or under the Lot Owner's Lot or any driveway associated therewith which in any way alters, impedes, obstructs or changes the direction of the natural flow of stormwater runoff in Riversedge on the Chowan Subdivision, the streets, ditches and drainage system thereof.

Any drainage equipment or materials so placed on or under any lot or driveway in the Subdivision shall conform to the North Carolina Department of Transportation standards and

specifications.

20. Outside Burning. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted except burning will be allowed during the construction phase which is associated with the clean-up of the Owner's Lot.

ARTICLE IV

VIOLATIONS VARIANCES AND RELEASES

1. Time. These covenants are to run with the land and shall be binding on all persons acquiring title to any of the aforementioned lots for a period extending 20 years beyond the date of acquisition of the last platted lot in the subdivision, and thereafter said covenants shall be automatically extended for successive periods of five years, unless by a written instrument executed by a majority of the then-owners of the said Lots, and duly recorded in the office of the Register of Deeds of Hertford County within three months of any anniversary date of any such automatic renewal, it is agreed to change said covenants in whole or in part.
2. Enforcement. Enforcement of these restrictions and conditions shall be by proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or condition either to restrain violation thereof or to recover damages therefore. Injunction shall not Issue to compel the removal of or moving of any completed residence for violation of side setback or front setback restrictions, The sole remedy of any offended person being a suit for damages.
3. Severability. Invalidation of any one of these covenants or conditions by judgment or order of any court shall in no way affect any of the other provisions that shall remain in full force and effect.
4. Violations. In the event of a violation of breach of any of the Restrictions by any lot owners, or agent of such owner, the Declarant or owners of any other property in Riversedge Subdivision or any of them jointly or severally shall have the right to proceed at law or equity to compel a compliance to the terms hereof or to prevent the violation or breach. In addition to the foregoing, the Declarant shall have the right, whenever there has been built on any rot a structure which is in violator of these covenants, to summarily abate or remove the same at the expense of the owner; provided, however, The owner shall be entitled to thirty (30) days written notice within which to correct the, violation. Any such entry and abatement for removal shall not be deemed a trespass. The failure to enforce any right, reservations, restrictions, or condition contained in these Restrictions, however long continued, shall not be deemed a waiver of the right to do so hereafter as to the same breach, or as to a breach occurring prior or subsequent thereto and shall not bar or affect its enforcement. If any person claiming under the Declarant shall violate or attempt to violate any of such restrictions or covenants, it shall be lawful for the Declarant, or any person or persons owning any residential lot on said land: (A) To prosecute proceedings at law for the recovery or damages against the person or persons so violating or attempting to violate any such covenant or restriction, or (B) to maintain a proceeding in equity against the person or persons so violating or attempting to violate any such covenant or restriction for the purpose of preventing such violation, provided however, that The remedies in this paragraph contained shall be construed as cumulative of all other remedies now or hereafter provided by law.

Invalidation of any provision of the covenants and restrictions set forth herein by judgment or court order shall not affect or modify any of the covenants and restrictions which shall remain in

full force.

Violations of Community Standards of Architectural Control by a property owner, or contractor, may result in denial of any present or future application for construction until such time as the violation in question shall be resolved.

5. Variances. The Declarant shall have power to and may allow adjustments of the conditions and restrictions herein in order to overcome practical difficulties and prevent unnecessary hardships in application of the regulations contained herein, provided, however, that such is done in conformity to the intent and purposes hereof, and provided, also, that in every Instance such variance or adjustment will not be materially detrimental or injurious to other property or improvements in the neighborhood. Variances and adjustment of height, size and setback requirements may be granted hereunder. Any variance allowed should be reduced to writing and placed in recordable form and given to the party seeking the variance.

6. Release from Restrictive Covenants. The Declarant may at any time release any one or more lots shown on the plat or plats of the property to which this Declaration shall be applicable from any or all of the restrictions and covenants running with the land set forth in this document provided the written consent thereto of the owner or owners of not less than a majority in number of the lots within the section of the subdivision shall be obtained.

#### ARTICLE V

#### ASSOCIATION MEMBERSHIP

1. Membership. Every record Owner of a Lot within Riversedge on the Chowan Subdivision (Section 1, Phase I) shall be required to become a member of a Homeowner's Association for Riversedge on the Chowan Subdivision (Section 1, Phase I). Membership shall be appurtenant to, and may not be separated from ownership of any Lot of Riversedge Subdivision.

2. Voting Rights. The Association shall have two classes of voting membership:

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 of such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any lot. If the owners of such lot cannot agree among them, then the Board of Directors of the Association shall determine and designate a voting member from among the owners of such lot.

Class B. The Class B member shall be the Declarant or its successor or assign and shall be entitled to three (3) votes for each of the residential lots owned by the Declarant, until such time as the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership, at which time the Declarant shall become a Class A member and all members shall thereafter be deemed of one class.

3. Creation. The Declarant may create the Homeowner's Association by incorporation prior or after conveyance. To the extent that the same occurs after conveyance, each Owner shall be responsible for assisting the Declarant with the formation of the Association.

Until said time when The Association is operational, the Declarant shall be responsible

for the maintenance and upkeep of the roads, streets and common areas. Upon the formation of the Association, the responsibility will pass to the Association and its guidelines.

4. Ownership and Control of Common Area(s) and/or Community Property. The Declarant shall retain possession and control over the common areas and/or community properties throughout Riversedge on the Chowan Subdivision, and reserves the right to development the same in its sole discretion for the benefit of the Subdivision community. Any changes, modifications or improvements to any of the common areas throughout Subdivision must be submitted and approved by the Declarant. The Declarant may hereafter transfer ownership of the Common Areas or Community Properties to the Homeowners' Association for Riversedge on the Chowan Subdivision and thereafter shall not be required to seek the Declarant's approval for any changes or modifications to the common areas in Riversedge on the Chowan Subdivision.

ARTICLE VII

MAINTENANCE ASSESSMENTS

1. Creation of Lien and Personal Obligation for Assessments: Each Owner of any residential lot, by acceptance of a deed therefore, whether or not it shall expressly be provided for in such deed, shall be deemed to covenant and agree to pay to the Association of Owners or any subsequently created Homeowners' Association, as applicable: (1) annual assessments or charges to defray costs of repair and maintenance of roads, entrances and common areas associated with the development of Riversedge on the Chowan Subdivision (Section 1, Phase I); and (2) special assessments for improvements thereof. Assessments for such purposes shall be established by the Association of Owners or the Board of the Homeowners' Association for the development and shall be billed to each lot Owner, and such assessments, together with interest at the legal rate after 30 days, and any costs of collection of the same, including reasonable attorneys' fees, shall constitute a lien or charge upon the property of the Owner of such lot and the personal obligation of the Owner(s) of such lot when the assessment was made. The personal obligation for delinquent assessments shall not pass to the successors in title unless expressly assumed by them.

2. Purpose of Assessments: The assessments levied as provided above shall be used exclusively to promote recreation, safety and welfare among the residents of lots within the subdivision and the roads and common areas benefiting the subdivision.

3. Maximum Annual Assessment: Until January 1 of the year immediately following the conveyance of the first residential lot to an Owner, the maximum annual assessment that may be levied shall be One Hundred Fifty Dollars (\$150.00) per lot. From and after January 1 of the year immediately following the conveyance of the first residential lot to an Owner, the maximum annual assessment may be increased each year by not more than 10% above the maximum assessment for the previous year without the affirmative vote of Seventy-five percent of the eligible members, in person or by proxy, at a meeting duly called and properly noticed in according with the by-laws of the association. The Board of Directors of the Association may establish and levy annual assessments that do not exceed the maximum allowed. The Declarant has previously prepaid to the association fees, in cash or in kind, for all annual and special assessments as may hereafter be assessed and shall not be liable for any further annual or special

assessments.

#### GENERAL PROVISIONS

1. Subdividing. (a) No lot shall be subdivided, or its boundary lines changed except with the prior written consent of the Declarant. However, the Declarant hereby expressly reserve to itself, its successors or assigns, the right to re-plat any lot shown on the plat of any subdivision in order to create a modified building Lot or Lots; and to take such steps as are reasonably necessary to make such re-platted lot suitable and fit as a building site, the steps to include, but not to be limited to the relocation of easements, walkways, and rights-of-way to conform to the new boundaries of the re-platted lots.  
(b) No lot shall be increased in size by filling in the lowlands, wetlands or waters on which it abuts without prior written approval of the Declarant and state and federal agencies, where applicable.
2. Dedication to Public Use. Nothing in these restrictions, or in the recording of any plat or deed pursuant hereto, shall dedicate (or be deemed to dedicate) to public use any of the roads, streets, bridges, common lands or other grounds within the Subdivision.
3. Easement of Access and Open Space. Each lot owner is hereby granted an easement to pass over, use and enjoy all roads, bridges, and rights-of-ways, provided, however, that the Declarant, its successors and assigns, shall, in its sole discretion, retain the right to establish rules and regulations for the use and enjoyment of all such property.
4. Assignment of Development If the Declarant shall transfer or assign the development of such subdivision or if it shall be succeeded by another in the development of such subdivision, then such transferee, assignee, or successor shall be vested with the several rights, powers, privileges or authorities given said Declarant by any part or paragraph hereof. The foregoing provisions of this paragraph shall be automatic, but the Declarant may execute such instrument as it shall desire to evidence the vesting of the several rights, powers privileges and authorities in such transferee, assignee or successor. In the event that at any time hereafter there shall be no person, firm or corporation entitled to exercise the rights, powers, privileges and authorities given said Declarant under the provisions hereof, such rights, powers, privileges and authorities shall be vested in and exercised by a committee to be elected or appointed by owners of a majority of the lots of said land and in such event, such committee shall then have the same rights, powers, privileges and authorities in said committee except in the event aforesaid.
5. Construction of Covenants. In all cases the restrictions set forth or provided for in these restrictions shall be construed together and shall be given that interpretation or construction which will best tend toward their strict enforcement, and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective.
6. Modifications. The Declarant specifically reserves the right to amend or change any part or all of the restrictions, covenants, and conditions herein set out by the filing in the Office of the Register of Deeds of Hertford County a declaration of amended restrictive covenants which such amendments, modifications or additions to the restrictive covenants contained in this Declaration shall be made applicable to the conveyance of lots made subsequent to the recording of such declaration of amended restrictive covenants.

7. Additional Covenants. The Declarant may include in any contract or deed hereafter made any additional covenants and restrictions that are not inconsistent with and which do not lower the standards of the covenants and restrictions set forth herein.

8. General Amendments: To the extent not otherwise enforceable by the terms hereinbefore set forth, the covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an Instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners.

IN TESTIMONY WHEREOF, the Declarant has caused this instrument to be executed in its name by its Manager, all by authority duly given, this the day and year first above written.

ASP RIVERSEDGE, LLC

BY: [Signature]  
Name: S. V. CAMP III  
It's Manager

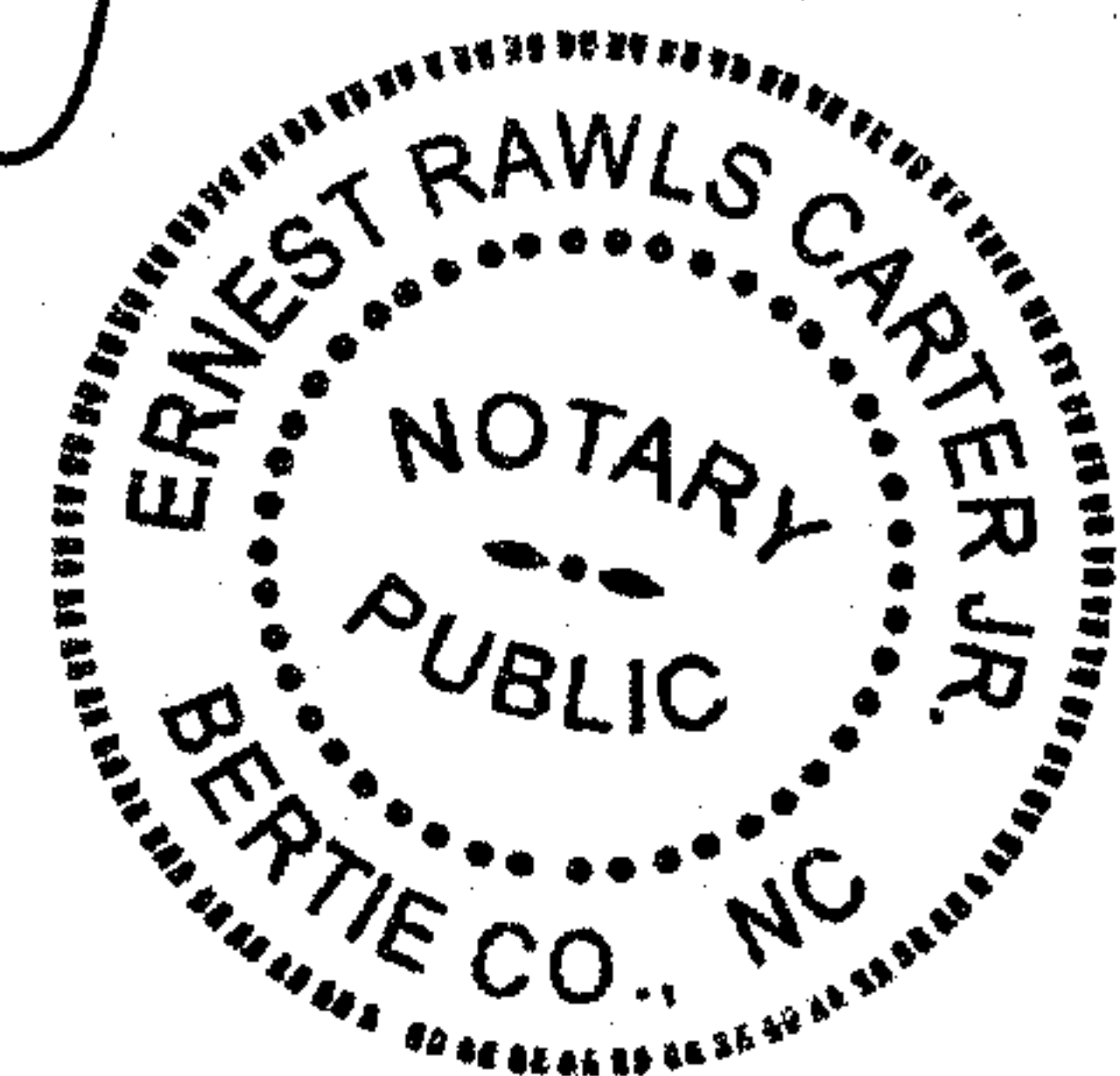
NORTH CAROLINA

COUNTY OF HERTFORD

I, ERNEST RAWLS CARTER, JR., a Notary Public in and for the aforesaid County and State do hereby certify that S. V. CAMP III personally appeared before me this day and acknowledged that he is Manager of ASP RIVERSEDGE, LLC, a North Carolina limited liability company, Declarant, and that by authority duly given and as the act of the company, he executed the foregoing instrument for the uses and purposes therein stated.

Witness my hand and official seal, this the 29<sup>th</sup> day of November 2005.

[Signature]  
My Commission Expires: 11-15-2009 Notary Public



## EXHIBIT A

## DESCRIPTION FOR RIVERSEDGE SUBDIVISION (SECTION 1, PHASE I)

That certain tract or parcel of land located on the Southwest side and abutting the Southwest shore of the Chowan River, Northeast of the intersection of US Highway 13 and US Highway 258 in Winton Township, Hertford County, North Carolina, and being the portion of the property shown on plat in Plat Cabinet 1, Slide 132 I in the office of the Register of Deeds of Hertford County, North Carolina, which plat is incorporated herein by reference, and the portion thereof being more particularly described as follows: Bound on the Southeast by property of Stanley Dixon, Jr.; bound on the Northeast by the Chowan River; bound on the Northeast by a ravine adjacent to property of E. R. Evans & Sons, Inc. and on the Southwest by other property of ASP Riversedge, LLC not currently developed; and being further described as the residential lots numbered 1-17 bordering the Southwest edge of the Chowan River within the area BEGINNING at the Southwest edge of the Chowan River at a common corner for property owned by ASP Riversedge LLC and Stanley Dixon, Jr. and running thence along the Southwest edge of the shore of the Chowan River its various meanders to a point on the Southwest edge of the Chowan River which is located North 36 degrees 46 minutes 25 seconds West 2769.00 feet from the point of Beginning; and running thence along the boundary lines of E. R. Evans & Sons, Inc. property the various courses and distances shown on the referenced plat a distance of 400 feet to a point and thence along a line running parallel to the Southwest shore of the Chowan River in a Southeasterly direction to a point in the line of Stanley Dixon, Jr., and thence along the Stanley Dixon, Jr. property its various courses and distances as shown on said plat to the point and place of BEGINNING. The property intended to be described specifically excludes the non-residential lot areas within the described property and only applies to such residential lots numbered 1-17 as may be designated on the subsequently recorded plat or plats or referenced in such manner in deeds from the described property. The excluded properties specifically include the ravine areas between lots 11 and 12 and the on the North side of Lot 1 adjacent to the E.R. Evans & Sons, Inc. property.