

STATE OF NORTH CAROLINA
COUNTY OF MOORE

**REVISED AND COMPLETELY RESTATED
PROTECTIVE COVENANTS
CONDITIONS AND RESTRICTIONS
FOR
PINEHURST TRACE SUBDIVISION
MOORE COUNTY, NORTH CAROLINA
SHOWN ON PLAT RECORDED IN**

**PLAT CABINET 3 SLIDE 43 (Phase 1)
PLAT CABINET 3, SLIDE 15 (Phase 2, sheet 1 of 2)
PLAT CABINET 3, SLIDE 76 (Phase 2, sheet 2 of 2)
PLAT CABINET 4, SLIDE 37 (Phase 3)
PLAT CABINET 3, SLIDE 338 (Phase 4)
PLAT CABINET 3, SLIDE 337 (Phase 5)**

WHEREAS US RETIREMENT CORPORATION, a South Carolina corporation, and the Mid-South Development Company of Greensboro, North Carolina, (hereinafter called "Developer") and Pinehurst Trace Homeowners Association (hereinafter called the "Association") previously owned certain real property located within the Village of Pinehurst, County of Moore, State of North Carolina, depicted on the recorded plats referred to above; and

WHEREAS, Developer originally subdivided said property into 232 residential Lots for the purpose of creating a pre-retirement and retirement community (hereinafter called the "Subdivision"); and

WHEREAS, for the mutual benefit of all present and future owners of any portion of property within such Subdivision, Developer subjected the entire property to certain protective covenants to set forth certain other rights and obligations applicable to all Lots within said Subdivision and the owners and users thereof; and

WHEREAS, Developer caused such Protective Covenants, Conditions, and Restrictions and amendments thereto to be recorded in the official land records of Moore County, North Carolina in Book 525, Page 492 et. seq. (the "Declaration") so that the rights, restrictions and obligations contained therein shall be deemed to run with the land, to be binding upon and to inure to the benefit of all present and future owners of any portion of the property within the Subdivision; and

WHEREAS, as of the date hereof, none of the Lots in the Subdivision are owned by the Developer; and

WHEREAS, pursuant to Section 13 of the Declaration, the Declaration and the exhibits thereto can be amended by a written instrument recorded in the Register of Deeds Office of Moore County, North Carolina executed by an Officer of the Pinehurst Trace Homeowners Association and the parties owning at least eighty percent (80%) of the Lots within the Development; and

WHEREAS, the Association and at least eighty percent (80%) of the Lot owners desire to amend and completely restate the Declaration as follows:

NOW, THEREFORE, in consideration of the mutual benefits to be derived by all present and future owners of the property affected hereby, the Association and the requisite number of Lot owners amend and restate the Declaration and thereby subjects the entire parcel of property depicted on the plats referred to above (hereinafter called "Property") to the following Protective Covenants, Conditions, and Restrictions (hereinafter called "Covenants") and hereby grants to and bestows upon all present and future owners of fee simple title to any portion of Property, rights, and obligations attributed below to such owners:

Section 1. Subdivision of Property.

As used herein, the term “Residential Units” shall include all numbered Lots within the Subdivision, as set forth on the plats referenced above which are recorded in the Register of Deeds Office for Moore County, North Carolina. Neither the Association nor any other owner of any Lot within the Property shall further subdivide any of the numbered Lots shown on the initial or any supplemental plats. Nothing contained herein shall prevent the Association or any other Lot owner from merging two or more contiguous Lots into a single Lot which will thereafter be assessed as one Lot.

Section 2

All roads within the Development have been dedicated to the Village of Pinehurst (the “Village”) and the Village now maintains such roads. Located within the right of way of such Village maintained roads are various public utilities serving the Development.

Section 3. Restrictions on Use.

No building or other improvement of any kind shall be constructed upon or placed upon any numbered Lot in the Subdivision except as specifically permitted herein. Such Lots may be used only for the construction of single family residential dwellings. No more than one building may be located on any numbered Lot. No portion of any building or other structure shall be located on or protrude into any area between any property line and the building setback line or buffer zone line relating to such property line, as shown on the Initial Plat or any supplemental plats. No mobile homes, house trailers, recreational vehicles, commercial vehicles, outbuildings (structures subordinate to but not physically connected with the primary residence on a Lot, including but not limited to, items such as a shed, garage, greenhouse, cabana or cottage), or any temporary structures shall be placed on any numbered Lot either temporarily or permanently. No portion of any Lot or driveway on such Lot shall be used for vehicle repair work, whether performed by the owner or other parties. All boats and other watercraft including (but not limited to) canoes, kayaks, jet skis, and equipment utilized with them, including trailers, and all vehicles other than personal transportation (i.e., automobiles, SUVs, pickup trucks, non-commercial vans) shall be kept in the garage.

Section 4. Quality and Size of Houses in Subdivision.

Residential Units built on numbered Lots shall have a minimum of 1,300 square feet of heated living area (per current requirements of the Village of Pinehurst). Each Residential Unit shall have a garage which will accommodate at least one personal motor vehicle. The garage for such personal motor vehicles shall have at least 180 square feet of area.

No building shall be erected on any numbered Lot, nor shall any substantial change or addition be made to any building erected on any numbered Lot, without the approval of the Architectural Committee of the Association (described in Section 5 below). The Architectural Committee shall be charged with the responsibility to assure that all such residential buildings are basically compatible with the designs of the residences which have been previously constructed within the Subdivision. In the event any residence on any numbered Lot shall be destroyed by fire or other casualty, any substitute or new residence constructed in its place, or any reconstruction of the remainder of the existing building, shall be of reasonably similar design and architecture as the destroyed building. The replacement or rehabilitated structure shall be of similar workmanship and materials as the destroyed structure.

In order to assure that destroyed or damaged residences will be rebuilt or restored within a reasonable time, all owners of residences within the Subdivision shall keep them insured against fire or other casualty loss at all times in an amount sufficient to rebuild a residence that may be completely destroyed.

In the event any residence shall be destroyed or shall suffer substantial damage, the owner thereof shall proceed diligently to remove debris and damaged materials and to restore or repair same and shall complete all necessary reconstruction and/or repairs within twelve (12) months from the date the damages occur. If the owner fails (i) to remove all debris and damaged materials within thirty (30) days, or (ii) to complete the repairs or restoration within twelve (12) months, the Association shall have the right (but not the obligation) to go onto the Lot and to complete such removal, reconstruction or repair as may be required in order to restore the damaged residence to the condition and quality required herein. All amounts spent by the Association in reconstructing or repairing improvements shall be charged to the owner of the Lot on which such work is done; and if such owner fails to reimburse the Association for all or any part of such amount within fifteen (15) days after receipt of any demand for reimbursement, the unreimbursed amounts, plus all costs incurred by the Association in collecting same and enforcing its rights

under this Section 4 (including attorney's fees) shall become a lien against such Lot enforceable in accordance with Section 12 hereof.

Section 5. Architectural Committee.

The Architectural Committee shall consist of a minimum of five (5) Lot owners. The Chairman of the Architectural Committee shall be appointed by the Pinehurst Trace Homeowners Association Board of Directors (hereinafter referred to as the "Board of Directors"). A member of the Board of Directors cannot be a member of the Architectural Committee; however, a Board of Directors liaison will attend Architectural Committee meetings.

No buildings or other structures shall be constructed, erected, or placed on any numbered Lot in the Subdivision, nor shall any building or structure be repaired, restored, or altered in any substantial way after it has been constructed, until the proposed building plans and specifications (including designation of exterior colors or finishes and exact location of proposed building within the numbered Lot) shall have been submitted to the Architectural Committee and approved or disapproved by it in writing. The Architectural Committee may base its disapproval in writing on any reasonable ground (including purely aesthetic considerations) so as to maintain the visual uniformity of the community. The Architectural Committee must respond in writing to all proposals which are in compliance with the Committee's policies and procedures and responses must be submitted within thirty (30) days after the Committee's receipt of such proposals. Failure to do so shall constitute approval of such proposals. If a homeowner does not agree with the Architectural Committee's disapproval, they can file a formal appeal with the Board of Directors, who may modify or overrule the decision.

Upon the death or resignation of any member of the Architectural Committee, the remaining members shall, within thirty (30) days after death or resignation, select a replacement. In the event the Architectural Committee shall cease to function, the Board of Directors shall have the right to appoint a new Architectural Committee.

The Architectural Committee shall be governed by the following restrictions and guidelines, although the restrictions set forth below shall not be the exclusive criteria governing their determinations. Additional guidelines are included in the Architectural Committee Policies and Procedures; where the Architectural Committee Policies and Procedures and these Covenants conflict, the Covenants shall govern.

- a) The proposed plans and specifications for a residential building or addition must include a construction schedule which calls for the completion of construction within twelve (12) months after commencement.
- b) No Residential Unit, garage or portion thereof shall be located on any Lot nearer to any Lot line than the building line limits shown on the recorded plat of the Lot or required under any applicable subdivision or zoning regulations then in effect. For purposes of this restriction, eaves, steps, patio garden walls and unenclosed porches shall not be considered as part of any building.
- c) All buildings shall be constructed with high quality materials and workmanship to ensure that no dwelling shall present an unsightly appearance.
- d) In order to assure optimum location of the homes to be placed on the Property so that a desirable view will be available to each home, all structures will be located with regard to the topography of each individual Lot in such a way as to maximize the desirability of the view available not only to the home to be placed on that Lot but to all other homes within the Property, taking into consideration the elevation contours of each Lot, the location of large trees, and similar considerations.
- e) All fuel tanks shall be covered or buried underground unless otherwise approved by the Board of Directors and same shall be consistent with normal safety precautions and local government regulations.
- f) No tower or other antenna shall be erected on homes or Lots. Satellite dishes are acceptable and can be placed on the ground or the roof to achieve best reception.
- g) No trees (specifically including longleaf pines and dogwoods) measuring more than six (6) inches in diameter, four (4) feet from the ground may be removed from any Lot without the approval of the Architectural Committee. It is recommended that the US Fish and Wildlife Service be consulted in regards to nests of the endangered red-cockaded woodpecker in longleaf pines. (U.S. Fish & Wildlife Service, 140-A S.W. Broad Street, Southern Pines, NC 28387 (910) 695-3323)

- h) Mailboxes and House Numbers on mailboxes shall be of uniform design and ordered, installed, and maintained by the Association.
- i) If a homeowner does not comply with restrictions and guidelines, after receiving disapproval from the Architectural Committee, a letter will be sent within fifteen (15) days, indicating that the homeowner has thirty (30) days to comply. If the homeowner does not comply, the Architectural Committee will request the Board of Directors to impose a fine.

Section 6. General Restrictions.

The following restrictions shall be applicable to all Lots and all Common Areas within the Property:

No portion of the Property may be utilized for any business or commercial enterprise which has any significant impact on the community (such as, but not limited to, parking numerous vehicles on the street and/or traffic congestion).

- (a) No offensive or noxious activity may be carried on in any portion of the Property.
- (b) No building erected on any portion of the Property shall exceed one story in height eighteen (18) feet above grade.
- (c) Except as otherwise specifically permitted herein, no residence built on a Lot shall be leased/rented to any party without the express written consent (which shall not be unreasonably withheld) of the Association. Short term leases/rentals of less than twelve (12) months are not permitted. An executed lease/rental agreement must be completed and on file with the Association prior to the lessee/renter moving in. The Association shall refuse to approve any lease/rental agreement to any person who is not fifty-five (55) years old or older and all occupants must be at least fifty-five (55) years old. If title to any numbered Lot or other portion of the Property shall pass from its owner to another party by will or by intestate succession following the death of such owner, then the heir to the title to such Property shall be allowed to lease/rent the Property to one or more persons; provided such lessees/renters and all occupants, must be at least fifty five (55) years old.

(e) No sign or advertising displays, including signs or displays advertising the sale of Lots or homes, may be placed on any Lot or any other Residential Unit.

(f) No animals, livestock, or poultry of any kind shall be raised or bred on the Property; except that dogs, cats or other common household pets may be kept so long as the owners of such pets do not keep, breed, or maintain such animals for any commercial purpose. All such pets must reside inside the home; and when taken out for exercise, the pets must be kept on a leash at all times and not allowed to become a nuisance to other residents. Pets will not be allowed to walk upon, exercise, or deposit wastes on any numbered Lot other than the Lot owned by the owner of the pet. All pet waste deposited outside must be picked up, bagged and properly disposed of by the person walking the pet. (See additional information in the Pinehurst Trace Pet and Dog Walking Policy)

(g) No garbage or refuse shall be dumped or otherwise placed or disposed upon any portion of the Property, nor shall any garbage cans be placed on any locations, other than those places and locations designated for garbage cans and garbage disposal by the Association or by the Architectural Committee. No burning of leaves or trash outside of receptacles specifically constructed for burning shall be permitted. Except on trash pickup days, approved trash containers must be stored in the garage or other area approved by the Architectural Committee. Trash cans or other containers will not be left on the street or in view from the street.

(h) After a Residential Unit has been built on a Lot, no weeds, underbrush or other unsightly growth shall be permitted to grow or remain on such portion of the Lot; and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain thereon. Driveways that are deteriorating, severely cracked and are in disrepair will be addressed by the Architectural Committee for remedial action by the homeowner. Following approval of the initial plans for any given Residential Unit, no substantial changes in the elevation of the land shall be made without the approval of the Architectural Committee.

(i) No fence, wall hedge, or other shrub or similar plant shall be allowed if such fence, hedge, or other plant has the effect of obstructing vision of opposing traffic at any intersection within the Property or any intersection of any road within the Property with any public road. Trees which are located

near such intersections must also be trimmed and maintained in such a way that the lower branches and foliage on such trees shall not obstruct the view of opposing traffic.

(j) The Association shall have the right to tow or otherwise remove or move any vehicle parked on the street in such a way as to impair the health, safety, and convenience of other residents within the Subdivision at the expense of the owner of the vehicle and shall constitute a lien enforceable under Section 12 if not paid promptly.

(k) To protect and enhance the appearance of the community, all garage doors will be kept closed except when in use or for moving personal vehicles and other items to and from the garage.

Section 7. Easements.

(a) Easements were previously granted to public authorities and utility companies in order to provide water, sewerage, power, gas, television cable, and other utility and common services to owners of Lots. All numbered Lots within the Property are also subject to an access, drainage and utility easement five (5) feet in width along and inside all property lines; provided that if a dwelling is built adjacent to or near a side property line, then there shall be no drainage, access or utility easement along such property line where the building is actually constructed.

The easements previously granted to the public authorities and utility companies, shall include the right to go upon, over, across and under any area of the Property for ingress, egress, erection, maintenance, installation and use of electrical and telephone poles, wires, cables, conduits, sewers, water mains, gas lines, and other suitable equipment for the conveyance, movement, and use of electricity, telephone equipment, television cable, gas, water, sewer, and other public conveniences and utilities. Said easements include the right to cut any trees, bushes, or shrubbery and to make any grading of the soil or to take similar actions reasonably necessary to provide safe and effective utility installation and maintenance.

(b) In the event the actual construction of any residences goes beyond any property line, the builder shall have the right to make appropriate adjustments in property lines of all Lots affected thereby, by means of the preparation and recording of appropriate surveys showing such changes in Lot lines, and the execution and recording of additional changes in the official land records of Moore County, North Carolina; provided, no Lot line may be moved in either direction by more than ten

(10) percent of the frontage area of the affected Lot along the street without specific written consent of the Lot owner whose Lot is being decreased in size by such changes.

Section 8. Age Restrictions.

Pinehurst Trace is intended to provide housing for older persons and is specifically intended and operated for occupancy by persons fifty-five (55) years of age or older. No owner of any Residential Unit shall be allowed to have any individual who is under the age of fifty-five (55) years of age reside on a permanent basis in any Residential Unit except for unusual and extraordinary cases specifically approved in advance by the Board of Directors.

Age verification of each occupant is required. Homeowners selling, leasing, or renting their residences are responsible for verifying the name and age of all occupants (that all are 55 years old or older) and providing that information to the Association's Property Manager.

Section 9. Maintenance of Lawns, Lots, Buildings, and Common Areas.

The Association shall be responsible for the following to be paid for by monthly dues collected from all owners of Residential Units and Lots:

On Common Areas: Repair, replacement, maintenance and other improvements placed in the Subdivision in common areas (such as Clubhouse, pool, tennis/pickle ball court, entrance, and any land or Lots owned by the Association).

On Numbered Residential Units:

i) Maintenance of lawns and shrubbery on all Lots where residences are built and on common areas within the Subdivision.

ii) Exterior maintenance upon each residence to include the following:

a) Roof repair for issues such as missing shingles and leaks.

b) Replace roofs on an as-needed basis as determined by Management and approved by the Board of Directors.

c) Repair or paint wood or other appropriate exterior building surfaces.

Provided, however, brick may not be painted. In the event the Association shall determine that the need for maintenance or repairs by the Association as provided herein were caused through the willful or negligent act of the homeowner, his/her lessee, renter, family, guests or invitees and not covered or paid for by the homeowners insurance, the cost of such maintenance or repairs shall be the responsibility of the owner and not the Association.

Subject to the foregoing, each owner of a residence within the Subdivision shall be responsible for the following: maintain and repair such residence, at his/her own expense, in such a manner as to assure that the exterior appearance of the residence is consistent with the standards of appearance and quality established by these Covenants and the Architectural Committee. This would include, but not be limited to, repair and/or replacement of deteriorating driveways, garage doors, solar tubes, sky lights, outdoor water spigots, broken glass in windows and doors, wooden or composite decks, patios, and wooden or PVC fencing.

Section 10. Homeowners Association.

“Pinehurst Trace Homeowners Association” (herein referred to as the “Association”) has been incorporated as a nonprofit corporation under the laws of the State of North Carolina. The Association has been organized and operates in accordance with the Bylaws prepared and distributed to all Residential Unit owners. All such owners will become members of the Association at the time they purchase their Residential Units. The Association shall have the right and the responsibility to collect monthly dues from all owners of numbered Lots and Residential Units within the Property for the purpose of maintaining exteriors of residences, maintaining lawns, maintaining other common areas, funding other services and facilities provided by the Association as outlined in Section 9 of the Covenants and with additional guidelines provided in the Association’s Maintenance and Repair Guide. Where the Maintenance and Repair Guide and the Covenants conflict, the Covenants shall govern.

Periodic increase in dues may be applicable in any given year if deemed necessary by the Finance Committee and approved by the Board of Directors, and shall not be more than 10% of the preceding year’s annual dues, approved as provided in the ByLaws of the Association.

In addition to the monthly dues described above, the Association may impose special assessments for designated capital improvements or repairs at a meeting of the Association, provided the notice for such meeting specifically mentions the

proposed assessment and intended uses thereof. Approval by written consent of the owners of two-thirds (2/3) of numbered Lots must be received within thirty (30) days after the adjournment of such meeting.

Section 11. Club Site.

The area designated as Club Site on the initial plat shall be owned by the Association and all improvements constructed thereon shall be approved by the Association. This area includes, but is not limited to, the Clubhouse, pool, pickle ball / tennis court, area for shuffleboard, etc.

Said property and all improvements thereon shall be utilized solely for the benefit of owners of Residential Units within the Property and their guests.

Section 12. Enforcement.

In the event of a violation of any of the Protective Covenants, Conditions and Restrictions set forth herein, the Association and the owners of all Residential Units within the Property, or any of them jointly or separately, shall have the right to proceed at law or in equity to compel compliance or to recover damages. The failure to enforce any of the above right, reservation, obligation, restriction or condition contained herein, for any period of time, shall not be deemed as a waiver of the right to do so.

These Covenants are deemed to run with the land and shall be binding upon all parties owning any portion of the Property, their heirs, administrators, executors, successors, assigns as well as all parties claiming against them and through them for a period of fifty (50) years from the date these Covenants are recorded in the Register of Deeds Office for Moore County, North Carolina, after which time such Covenants shall be automatically extended for successive periods of ten years each unless an instrument signed by persons owning two-thirds (2/3) of the Residential Units within the Property at such time, agreeing to terminate or change said Covenants in whole or part, shall be recorded in the Register of Deeds Office for Moore County, North Carolina.

In addition to other remedies referred to above, the Association shall place a lien on the Property of any owner of any Lot within the Property upon the failure of any such party to pay any dues, assessment or fines imposed by the Association.

The Association shall have the right to enforce said lien by foreclosing same in the appropriate courts, according to laws applicable to the foreclosure of mortgages and similar liens in the State of North Carolina. The Association will maintain complete books and records reflecting all receipts and expenditures of dues and assessments. Said books and records shall be available for inspection by any Residential Unit owner during all reasonable business hours within the offices of the Association.

Notwithstanding the above, the lien of the Association for collection of dues and assessments shall be subordinate to the lien of any first mortgage placed on any Residential Unit at any time.

Section 13. Amendments and/or Complete Revision of the Covenants.

This instrument and any exhibits hereto may be changed in whole or in part by a written instrument, recorded in the Register of Deeds Office of Moore County, North Carolina, executed by (i) the appropriate officers of the Board of Directors of the Association; and (ii) by parties together owning at least two-thirds (2/3) of the Residential Units and Lots within the Property at the time of such proposed change.

Section 14. Miscellaneous.

(a) Nothing contained herein shall cause the owners of various portions of the Property to be deemed a partnership, an association, or other legal entity, other than as specifically set forth herein. The relationship among owners of portions of the Property is strictly a contractual relationship governed by the terms of this instrument and by applicable law.

(b) This instrument shall be interpreted and enforced according to the laws of the State of North Carolina.

(c) Invalidation of any provision of these Covenants by judgment or court order shall in no way affect any of the other provisions hereof, all of which shall remain in full force and effect.

(d) The Association shall have the right, but not the duty, to enter the residence and to go onto the property of any owner of a Residential Unit or Lot in the event of any emergency, or upon learning of any condition, which may threaten the safety of any person or the property of any person, including the owner

himself/herself and his/her property, in order to take appropriate steps to prevent or mitigate such harm or damage.

(e) Notwithstanding certain duties of the Association to maintain, repair and replace certain portions of residences, other improvements, within Lots, and certain common facilities (as described herein), the Association shall not be liable to any party for injury or damage caused by any latent condition, or by any other condition which is not created by the acts of omissions of the Association, or for injury or damage caused by the elements, other owners of portions of the Property, or any other parties.

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IN WITNESS WHEREOF, The Association and the respective Lot owners have executed this instrument on and as of this 28th day of January, 2020.

Pinehurst Trace Homeowners Association

BY: Richard Perry Richard Perry
Myron C. Moak Myron C. Moak
Steven A. Shea Steven A. Shea
Elizabeth A. Sidders Elizabeth A. Sidders
Carla Williams Board of Directors Carla Williams

Attest: Carole Base Secretary Carole Base

See Exhibit "A" attached hereto for the names of those Lot owners who have consented to the Amendment to this Declaration, which Lot owners constitute at least 80% of the total Lot owners entitled to vote thereon.

STATE OF NORTH CAROLINA

COUNTY OF Moore

I, a Notary Public, of County and State foresaid, certify that Carole Base personally came before me this day and acknowledged that he/she is the Secretary of Pinehurst Trace Homeowners Association, a North Carolina non-profit corporation, and that by authority duly given and as the act of the Association, the foregoing instrument was signed in its name by its members of the Board of Directors, sealed with its Corporate Seal and attested by her/him as its Secretary.

Witness my hand and office seal

this 28 day of January, 2020.

Denise Perry
NOTARY PUBLIC

MY COMMISSION EXPIRES: 6/3/2023

(SEAL)

