



Prepared by and return to: David D. Beischer
 Attorney-at-Law
 Suite 101
 2451 Croasdaile Farm Parkway
 Durham, N.C. 27705

STATE OF NORTH CAROLINA

COUNTY OF DURHAM

THESE RESTRICTIVE AND PROTECTIVE COVENANTS AND CONDITIONS, are made and entered into this the 19TH day of JANUARY, 2022, by and between LAKEFIELD FARM, LLC, a North Carolina limited liability company, Suite 101, 2451 Croasdaile Farm Parkway, Durham, North Carolina 27705, (hereinafter referred to as the "Developer") and PROSPECTIVE PURCHASERS, their heirs, successors and assigns, of Lot Nos. 413 through Lot No. 436, on tracts of land in Durham County, North Carolina, all as shown on the Plats hereinafter referred to.

WITNESSETH:

WHEREAS, Lakefield Farm, LLC, is the owner of Lot Nos. 413 through Lot No. 436, which Lots are constructed on a tract of land in Durham County, North Carolina, said tract being depicted in Plat Book 206, at Pages 6 and 7, Durham County Registry and

also in Plat Book 206, at Pages 14 and 15, Durham County Registry; and

WHEREAS, all the above referenced Lots, namely Lot Nos. 413 through Lot No. 436, are depicted and shown on the Plats and Surveys thereof entitled "Final Plat, Trailwood Subdivision at Croasdaile Farm", prepared by Riley Surveying, P.A., and recorded in Plat Book 206, at Pages 6 and 7, Durham County Registry, and as also depicted and shown on the Plat and Survey entitled "Plat of Correction to Plat Book 206 Pages 6 and 7 to Correct Street Addresses", recorded in Plat Book 206, at Pages 14 and 15, Durham County Registry (hereinafter collectively referred to as the "Plats"); and

WHEREAS, the Developer proposes to sell and convey the Lots depicted on the Plats for residential purposes and to develop said Lots into a well-planned residential community; and

WHEREAS, the Developer, prior to selling and conveying the aforesaid Lots, desires to impose upon them the Restrictive and Protective Covenants and Conditions hereinafter set forth (sometimes collectively referred to herein as the "Restrictive Covenants") for the benefit of all those who acquire title to any of said Lots. The Restrictive Covenants herein set forth shall inure to the benefit of each person, corporation or other entity, and the heirs, successors and assigns thereof, who acquire title to any of said numbered Lots;

NOW, THEREFORE, the Developer hereby declares that Lot Nos. 413 through Lot No. 436 of the Trailwood Subdivision of Croasdaile Farm, and being more particularly described on the Plats, shall be held, conveyed, encumbered, leased, used, occupied and improved subject to the Restrictive Covenants set forth herein. These Restrictive Covenants shall run with the land and shall be binding upon all parties having or acquiring any right, title or interest in and to the said real property or any parts thereof. These Restrictive Covenants shall become a part of each instrument conveying or transferring any of said numbered Lots, or portions thereof, as fully and to the same extent as if set forth therein. As a condition of the sale or conveyance of any of said numbered Lots, the grantees agree and covenant to abide by these Restrictive Covenants.

ARTICLE ONE

DEFINITIONS

SECTION 1.1 Assessments: The term "Assessments", as used herein, shall have the same meaning as in the Declaration of Covenants, Conditions and Restrictions for Croasdaile Farm, which is duly recorded in Book 1393, at Page 137, in the Office of the Register of Deeds of Durham County, North Carolina, as amended from time to time, and to which these Restrictive Covenants are subordinate.

SECTION 1.2 Association: The term "Association", as used herein, shall mean the Croasdaile Farm Master Homeowner Association, Inc.

SECTION 1.3 Board of Directors: The term "Board of Directors", as used herein, shall mean the elected body governing the Association as provided by North Carolina corporate law.

SECTION 1.4 Common Areas: The term "Common Areas", as used herein, shall mean *all real and personal property now or hereafter owned by the Association for the common use and enjoyment of Lot owners.*

SECTION 1.5 Community-Wide Standards: The term "Community-Wide Standards", as used herein, shall mean the architectural, landscape, arboreal, vegetative and aesthetic standards of the Croasdaile Farm Community as determined and promulgated by the Design Review Committee, from time to time.

SECTION 1.6 Croasdaile Farm Community: The term "Croasdaile Farm Community", as used herein, shall mean the residential community depicted on the Land Use Development Plan of Croasdaile Farm, as amended, from time to time, which is Exhibit "B" to the Declaration of Covenants, Conditions and Restrictions for Croasdaile Farm, all of which is duly recorded in Book 1393, at Page 137, in the Office of the Register of Deeds of Durham County, North Carolina, as amended from time to time.

SECTION 1.7 Declaration: The term "Declaration", as used herein, shall mean the Declaration of Covenants, Conditions and Restrictions for Croasdaile Farm, as amended, from time to time, which is duly recorded in Book 1393 at Page 137, in the Office of the Register of Deeds of Durham County, North Carolina, as amended from time to time.

SECTION 1.8 Design Review Committee: The term "Design Review Committee", as used herein, shall mean the committee appointed by the Board of Directors, from time to time, to establish Community-Wide Standards for the construction, alteration or improvement of property within the Croasdaile Farm Community.

SECTION 1.9 Lot: The word "Lot", as used herein, shall mean any one of the Lots numbered 413 through 436 of the Trailwood Subdivision at Croasdaile Farm, as shown on the Plats and Surveys thereof referred to above. A Lot is sometimes referred to herein as the "property".

SECTION 1.10 Person: The word "Person", as used herein, shall mean a natural person, a corporation, a partnership, a trust or other legal entity and the heirs, successors and assigns thereof.

SECTION 1.11 Rules and Regulations: The term "Rules and Regulations", as used herein, shall mean such Rules and Regulations as may be adopted by the Board of Directors of the Association, from time to time, governing the use and occupation of the Lots and the Common Areas.

ARTICLE TWO

GENERAL

SECTION 2.1 Governing Document: Lot Nos. 413 through Lot No. 436 as shown on the Plats, and these Restrictive Covenants are expressly made subject to the terms and provisions of the Declaration, as amended from time to time. These Restrictive Covenants are subject to the terms and conditions of said Declaration.

SECTION 2.2 Homeowner Association: The Association has been organized to own, manage and operate the Common Areas in the Croasdaile Farm Community, to enforce the Declaration, these Restrictive Covenants and to make such Rules and Regulations as it deems necessary or desirable, from time to time, governing the use and occupation of the Lots and the Common Areas.

SECTION 2.3 Agreement of Members: Each owner of a Lot, or portion thereof, shall be a member of the Association and the said owners, their heirs, successors and assigns, by

acquiring title to such Lot, covenant and agree among themselves and with the Developer as follows:

- (A) That each owner of a Lot agrees to be bound by the terms and provisions of the Declaration, these Restrictive Covenants, the Articles of Incorporation of the Association, the Bylaws of the Association and the Rules and Regulations of the Association, all as may be amended, from time to time.
- (B) That each owner of a Lot will take any and all action necessary or desirable to remain in good standing as a member of the Association.
- (C) That any and all unpaid Assessments levied by the Association shall be a lien upon the Lot and improvements thereon and shall also be a personal obligation of each owner so assessed, all of which is more particularly set forth in the Declaration.
- (D) That membership in the Association shall be appurtenant to and may not be separated from ownership of a Lot in the Croasdaile Farm Community, and such membership shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except upon the transfer of title to such Lot. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Lot shall operate automatically to transfer the membership in the Association appurtenant thereto to the new owner thereof.
- (E) That the Association and each owner of a Lot, their heirs, successors and assigns shall have the right to bring a proceeding at law or in equity against any person or entity violating or attempting to violate any of the Restrictive Covenants contained herein, either to restrain violation thereof or to recover money damages therefore. The remedies provided herein are cumulative and are in addition to any other remedies available.

- (F) That an owner of a Lot may delegate his rights under these Restrictive Covenants to his family, his tenants or contract purchasers who reside on the property.
- (G) That each owner of a Lot shall be subject to and bound by the requirements of the Community-Wide Standards for Croasdaile Farm (and the Design Review Guidelines contained therein) as amended, from time to time, and which is Exhibit "D" to the Declaration, as amended from time to time, all of which is recorded in the Office of the Register of Deeds of Durham County, North Carolina.

SECTION 2.4 Termination or Amendment: These Restrictive Covenants may be amended by the vote of not less than eighty percent (80%) of the then Lot owners; however, no such amendment may conflict with or be in derogation of any term, provision or condition of the Declaration, as amended, from time to time. This Section 2.4 may not be amended.

SECTION 2.5 Variances: The Board of Directors in its absolute discretion may allow reasonable variances and adjustments to these Restrictive Covenants in order to alleviate practical difficulties and hardship in their enforcement and operation. No variance shall violate the spirit or the intent of this document or any term or provision of the Declaration. In order to be effective, a variance shall be set forth in a written instrument duly executed by the Association, shall specifically refer to these Restrictive Covenants and shall be recorded in the Office of the Register of Deeds of Durham County, North Carolina.

SECTION 2.6 Captions: The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Restrictive Covenants nor the intent of any provision hereof.

SECTION 2.7 Invalidity: Invalidation of any of the covenants, restrictions or provisions of these Restrictive Covenants by judgment, court order, statute or ordinance shall in no way affect any of the remaining provisions hereof and the same shall continue in full force and effect.

SECTION 2.8 Waiver: No provision contained in these Restrictive Covenants shall be deemed to have been waived by reason of any failure to enforce same, irrespective of the number of violations thereof.

SECTION 2.9 Gender: The use of the masculine gender in this document shall be deemed to refer to the feminine or neuter gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

SECTION 2.10 Indemnification: To the extent permitted by law, each Lot owner agrees to indemnify any party for legal fees and expenses incurred by such party who brings a successful action to enforce these Restrictive Covenants, to enforce the Declaration or the enjoin a violation of either one.

ARTICLE THREE

PERMITTED AND PROHIBITED USES

SECTION 3.1 Use of Lots: The following use restrictions shall apply to the Lots:

- (A) No residence may be erected on less than one Lot; however, one or more Lots may be used as a single building plot. Adjoining property owners may adjust a common boundary line by the sale or exchange of property between such owners provided that such sale or exchange otherwise satisfies the requirements of these Restrictive Covenants. The Lots shall be used only for single family residences with such customary outbuildings as may be approved by the Design Review Committee.
- (B) The premises shall not be used or occupied by other than a single family and family servants and shall not be used other than for residential use.
- (C) No commercial or business activity of any kind shall be permitted on the premises.
- (D) Garages shall be for the use only of the occupants of the residence to which they are appurtenant and must be attached to and a part of the residence.
- (E) When the construction of any building or other improvement is once begun, work thereon must be prosecuted diligently and must be completed within eighteen (18) months from the time construction began.
- (F) No outbuilding, garage, shed, tent, trailer or temporary building of any kind shall be erected, permitted or maintained prior to the commencement of the erection of a residence, as is permitted hereby, and no outbuilding, garage, shed, tent, trailer, basement or temporary building shall be used for permanent or temporary residence purposes; provided, however, that this paragraph shall not be construed to prevent the use of a temporary construction shed during the period of actual construction on such property nor the use of adequate sanitary toilet facilities for workmen during the construction period.
- (G) No owner of any part of the property will do or permit to be done any act upon his property which may be, is or may become a nuisance.

- (H) No sign of any character shall be displayed or placed upon any part of the property except as may be expressly authorized by the Design Review Committee.
- (I) No animals, birds or fowl shall be kept or maintained on any part of the property; provided, however, that dogs, cats and pet birds may be kept thereon in reasonable numbers as pets for the pleasure and use of the occupants so long as they do not become a nuisance to other owners in the development and provided further that they are not kept, bred or maintained for any commercial use or purpose.
- (J) No garbage incinerators shall be permitted.
- (K) Garbage and trash receptacles shall be in complete conformity with the requirements of the Design Review Committee.
- (L) No boats, jet-skis, trailers or habitable motor vehicles of any nature shall be kept on or stored on any part of the property except within an enclosed garage.
- (M) No substantial changes in the elevation or topography of the property shall be made without the approval of the Design Review Committee.
- (N) No weeds, underbrush or other unsightly vegetation shall be permitted to grow or remain upon any part of the property and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain thereon. The owner of a Lot shall keep the lawn neatly trimmed, and in conformity with the standards of the Croasdaile Farm Community, at all times.
- (O) Lot Nos. 413 through Lot No. 436 of the Trailwood Subdivision at Croasdaile Farm, are and shall be a part of the Croasdaile Farm Community.

- (P) The Developer, their successors and assigns and designated agents or nominees shall have the exclusive right to maintain a sales office, management office and a model home or homes on one or more of the said Lots subject to these Restrictive Covenants. There are no restrictions as to the number, size, location or relocation of any such sales office, management office or model home. The Developer or its designee shall have the right to remove any sales office, management office or model home at any time. The right to remove or relocate a sales office, management office or model home includes the right of the Developer to remove all personal property and fixtures therefrom. The Developer or its designee shall also have the right to maintain signs on any of the said unsold Lots or on the Common Areas advertising homes or Lots for sale.

ARTICLE FOUR

SETBACKS AND CONSTRUCTION REQUIREMENTS

SECTION 4.1 Setbacks and Construction Requirements: The following setbacks and construction requirements shall apply to the Lots:

- (A) No single-family residence shall be constructed on less than one Lot and no building or other structure shall be located on any Lot except within the setback lines depicted for each Lot on the Plats. If one or more Lots are combined with a contiguous Lot, these setback requirements shall apply to the combined Lot. If a portion of a contiguous Lot is acquired by an owner of one Lot, these setback requirements shall apply to both redefined Lots.

- (B) The minimum size of all single-family dwellings shall be not less than two thousand (2,000) square feet of heated finished living space for Lot Nos. 413 through Lot No. 436.
- (C) No construction, alteration or improvement to a Lot or a change in its arboreal or vegetative conditions shall be made or begun without the prior written approval of the Design Review Committee as is provided in the Community-Wide Standards, as amended, from time to time, for the Croasdaile Farm Community, which standards are Exhibit "D" to the Declaration, all of which is recorded in the Office of the Register of Deeds of Durham County, North Carolina.

ARTICLE FIVE

OBLIGATIONS REGARDING STORMWATER FACILITIES

The Trailwood Subdivision at Croasdaile Farm (the "Property") includes one or more stormwater management facilities (hereafter "Facility/ies") that is/are the perpetual responsibility of the Association. Such Facilities are subject to the Durham City Code, Chapter 70, Article X, Section 70-743 (Inspection, Maintenance, Repair and Reconstruction) and is binding on the Association. The Facilities, associated easements, and stormwater notes are or will be shown on a plat(s) recorded with the Durham County Register of Deeds. The Property subject to the above section of the Durham City Code is the "Property" referred to in this Article. The Stormwater Facilities must be maintained in accordance with City Requirements, which include all ordinances, policies, standards, and maintenance protocols. In particular the City's current "Owner's Maintenance Guide for Stormwater BMPs Constructed in the City of Durham" (available at the time of recording this document at <http://www.durhamnc.gov/DocumentCenter/View/2239/Owners-Maintenance-Guide-for-Stormwater-BMPs-PDF?bidId=> and the operation and maintenance manual prepared

specifically for the Facility/ies contain requirements that apply to the Association's Facilities.

Nothing in the remaining Article of these Restrictive Covenants filed by Declarant as part of these Restrictive Covenants or any subsequent modifications of these Restrictive Covenants may reduce the Association's or Lot Owner's obligations with regard to the Facility/ies. Such additional covenants may increase the obligation or provide for additional enforcement options.

The Stormwater Facility/ies and their locations are as follows:

- i. one (1) bioretention area with an onsite drainage area of 7.93 acres and a design treatment volume of 12,955 cubic feet.

In addition to the above obligations, the Association's obligations with regard to the Facilities are:

SECTION 5.1 Inspections/Routine Maintenance: In accordance with City Requirements, the Association shall cause the Facility/ies to be inspected (i) annually; and (ii) after major storm events cause visual damage to the Facility; and (iii) upon notification from the City to inspect. The inspection shall be performed by a licensed North Carolina Professional Engineer or a North Carolina Registered Landscape Architect certified by the City who shall document those things mandated under City Requirements. The inspection shall occur annually during the month in which the Facility/ies as-built certification was accepted by the City, which month may be determined through contact with the City of Durham Department of Public Works, Stormwater Division. The inspection shall be reported to the City as further described below.

SECTION 5.2 Repair and Reconstruction: The Association shall repair and/or reconstruct the Facility/ies as it determines is necessary, and, at a minimum, as set forth in City

Requirements or as directed by the City to allow the Facility/ies to function for its intended purpose, and to its design capacity. The Association shall provide written reports regarding major repair or reconstruction to the City in accordance with City Requirements.

SECTION 5.3 Stormwater Budget Line Items & Funding: The dues of the Association shall include amounts for upkeep and reconstruction of the Facilities which shall be included in dues charged to Lots or members from the point that Lots or members are charged dues for other common purposes. The Association shall maintain two (2) separate funds in its budget for the Facility/ies. The first, the "Inspection and Maintenance Fund," shall be for routine inspection and maintenance expenditures and shall be used for annual inspections, maintenance, and minor repairs. The funds for this purpose may be maintained as part of the Association's general account. The second fund, the "Major Reconstruction Fund," shall be a separate, increasing reserve fund that will build over time and provide money for major repairs to and eventual reconstruction of the Facility/ies. The Major Reconstruction Fund shall be maintained in an account that is a separate account from the Association's general account as described below. At a minimum, the Association shall, annually, earmark **\$4,110.00** from its collected dues for the Inspection and Maintenance Fund and **\$1,036.00** annually for the Major Reconstruction Fund. These minimum amounts shall be increased annually by 3% per year over the prior year's amount. The Association may set a higher amount in its discretion, or if directed by Durham Director of Public Works after an examination of the Facility/ies. The Association shall set dues at a sufficient amount to fund each of the two line items in addition to the Association's other obligations. The Association may compel payment of dues through all remedies provided in these Restrictive Covenants, the Declaration or otherwise available under law.

SECTION 5.4 Assessments/Liens: In addition to payment of dues, each Lot shall be subject to assessments by the Association for the purpose of fulfilling the Association's obligations under this Article. Such assessments shall be collected in the manner set forth in these Restrictive Covenants or the Declaration. As allowed under NCGS §47F, or successor statutes, or, for condominiums, as allowed under NCGS 47C, or successor statutes, all assessment remaining unpaid for 30 days or longer shall constitute a lien on the Lot. Such lien and costs of collection may be filed and foreclosed on by the Association. In addition, the Association's rights may, in the discretion of the City, be exercised by the City, as a third-party beneficiary and/or as Attorney in Fact for the Association.

SECTION 5.5 Stormwater Expenditures Receive Highest Priority: Notwithstanding any contrary provisions of the covenants of which this Article is a part, to the extent not prohibited by law, the inspection, maintenance, repair, and replacement/reconstruction of the Facility/ies shall receive the highest priority (excluding taxes and assessments and other statutorily required expenditures) of all Association expenditures.

SECTION 5.6 Separate Account for Major Reconstruction Fund. Engineer's Report: The Association shall maintain the Major Reconstruction Fund for the Facility/ies in an account separate from the Association's general account. The Association shall use the Fund only for major repairs and reconstruction of the Facility/ies. No withdrawal shall be made from this fund unless the withdrawal is approved by two Association officials who shall execute any documents allowing such withdrawal. Prior to withdrawing funds from this account, the Association shall (i) obtain a written report from an engineer approved in accordance with City Requirements regarding repairs or reconstruction needed and approximate cost of such repair or reconstruction; and (ii) submit such report to the Director of the City's Department of Public Works, and notify the Director of the repairs or

reconstruction to be undertaken on the Facility, the proposed date, and the amount to be withdrawn from the Major Reconstruction Fund. In the event of an emergency, withdrawal and expenditure of funds may be made after telephone notification to the Stormwater Services Division of the Department.

SECTION 5.7 Annual Reports to City: The Association shall provide to the City annual reports in substance and form as set forth in City Requirements. At a minimum each report shall include:

- i. the annual Facilities inspections report described in Section 5.1 above;
- ii. if requested by the City, a description of repairs exceeding normal maintenance that have been performed on the Facility/ies in the past year, and the cost of such repairs;
- iii. if requested by the City, a bank or account statement showing the existence of the separate Major Reconstruction Fund described in Section 5.6 above and the balance in such fund as of the time of submission of the report;
- iv. if requested by the City, the amount of Association dues being set aside for the current year for each of the two stormwater funds – the Inspection and Maintenance Fund and the Major Reconstruction Fund.

SECTION 5.8 Facility/ies to Remain with Association; Lot Owners' Liability: To the extent not prohibited by law, the Facility/ies shall remain the property of the Association and may not be conveyed by the Association. In the event the Association ceases to exist or is unable to perform its obligations, all Lot Owners, excluding the Lots owned by the Association, shall be jointly and severally liable to fulfill the Association's obligations. Such Lot Owners shall have the right of contribution from other owners with each Lot's pro rata share being calculated as Lot Owner's proportional obligations are otherwise defined

in these Covenants. The City may also exercise the rights described in the Durham City Code and other remedies provided by law.

SECTION 5.9 City Rights; Liens Against Owners: In addition to rights granted to the City by ordinance or otherwise, the City shall have the following rights, generally summarized below:

- a. Direct the Association in matters regarding the inspection, maintenance, repair, and/or reconstruction of the Facility/ies.
- b. If the Association does not perform the work required by ordinance, or by these Restrictive Covenants, do such work itself, upon 30 days' written notice to the Association.
- c. Access the Facility/ies for inspection, maintenance and repair, crossing as necessary the Lot(s) on which the Facility/ies are located and all other private and public easements that exist within the Property subject to these Restrictive Covenants.
- d. Require reimbursement by the Association of the City's costs in inspecting, maintaining, repairing, or reconstructing the Facility/ies.
- e. Enforce any debts owned by the Association against Lot Owners if such debts are not fully paid by the Association. The debt may be allocated to Lot Owners as provided in the other sections of these Restrictive Covenants, and may be made a lien on each Owner's property, may be added to each Owner's utility bills and may result in foreclosure.

SECTION 5.10 No Dissolution: To the extent not prohibited by law, the Association shall not enter into voluntary dissolution unless the Facility/ies is transferred to a person who has been approved by the City and has executed formal acceptance with the City assuming the obligations of the Association. Individual Lots and Lot Owners continue to

be liable for the Facility/ies in the event the Association is dissolved without an approved responsible party that is assuming the Association's obligations.

SECTION 5.11 No Amendment: Without the prior written consent of the City, which may be given by the Durham Public Works Director, and notwithstanding any other provisions of these Restrictive Covenants, the Association may not amend or delete this Article with the exception of supplementing its provisions in a more detailed manner to better describe members' or Lot Owners' obligations regarding each other.

ARTICLE SIX

DURATION OF RESTRICTIVE COVENANTS

SECTION 6.1 Term: The Restrictive Covenants set forth in this instrument shall continue in full force and effect until twelve o'clock noon, local time, on December 31, 2040, after which time they shall automatically be extended for successive ten (10) year periods, unless an instrument in writing, signed by a majority of the then owners of Lot Nos. 413 through Lot No. 436 revoking or terminating the same, shall be filed in the Office of the Register of Deeds of Durham County, North Carolina, within the twelve (12) month period preceding the beginning of each successive period of ten (10) years.

ARTICLE SEVEN

LIBERAL CONSTRUCTION

SECTION 7.1 Construction: These Restrictive Covenants shall be construed liberally to affect their purpose of creating a subdivision in the Croasdaile Farm Community which is administered by the Association and at all times subject to the terms and conditions of the Declaration, as amended, from time to time.

IN TESTIMONY WHEREOF, Lakefield Farm, LLC, has affixed its hand the day
and year first above written.

LAKEFIELD FARM, LLC

BY:  (SEAL)
David D. Beischer, Manager

STATE OF NORTH CAROLINA

COUNTY OF Orange

I, David P. Wilson, a Notary Public for said County and State, do hereby certify that David D. Beischer, Manager of LAKEFIELD FARM, LLC, a limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

WITNESS my hand and official stamp or seal, this 19th day of January, 2022.

Notary Public

My Commission Expires:

08/05/2023

