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WAYNE COUNTY, NC
LOIS J MOORING REGISTER OF DEEDS
BK 2528 PG 740-747

INDEXED

RETURN TO: DEES LAW FIRM

NORTH CAROLINA
WAYNE COUNTY

35.00

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
STONEWOOD ESTATES, SECTION ONE, BEING LOTS NUMBER 1-6 AS SHOWN
ON A MAP RECORDED IN PLAT CABINET M, SLIDE 76G, WAYNE COUNTY
REGISTRY, AND STONEWOOD ESTATES, SECTION TWO, BEING LOTS NUMBER
7-27 AS SHOWN ON A MAP RECORDED IN PLAT CABINET M, SLIDE 86J, WAYNE
COUNTY REGISTRY**

THIS DECLARATION, made on this the 22d day of May, 2007, by Bildan, LLC, a North Carolina limited liability company, hereinafter referred to as "Declarant:"

WITNESSETH

WHEREAS, Declarant is the owner of certain real property in Wayne County, North Carolina, as shown on a map thereof entitled STONEWOOD ESTATES, SECTION ONE, recorded in Plat Cabinet M, Slide 76G, Wayne County Registry and on a map thereof entitled STONEWOOD ESTATES, SECTION TWO, recorded in Plat Cabinet M, Slide 86J, Wayne County Registry; and

WHEREAS, Declarant wishes to convey said Lots subject to this Declaration;

NOW THEREFORE, Declarant hereby declares all of the real property described above to be held, sold, and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the real property, and which shall run with the real property and shall be binding on all parties having or acquiring any right, title, or interest in the described properties or any part thereof, and shall inure to the benefit of each owner thereof.

ARTICLE ONE
DEFINITIONS

Section 1: "Association" shall mean and refer to Stonewood Estates Homeowners Association, Inc., its successors and assigns.

Section 2: "Properties" shall mean and refer to Lots Number 1-6 of Stonewood Estates, Section One, as shown on that map recorded in Plat Cabinet M, Slide 76G, Wayne County Registry and Lots 7-27 of Stonewood Estates, Section Two, as shown on that map recorded in Plat Cabinet M, Slide 86J, Wayne County Registry.

Section 3: "Lot" shall mean and refer to Lots Number 1-6 as shown on that map recorded in Plat Cabinet M, Slide 76G, Wayne County Registry, and Lots Number 7-27 as shown on that map recorded in Plat Cabinet M, Slide 86J, Wayne County Registry.

Section 4: "Member" shall mean and refer to every person or entity who holds Membership in the Association.

Section 5: "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as a security for the performance of an obligation.

Section 6: "Declarant" (or Developer) shall mean and refer to BILDAN, LLC, and its successors and assigns.

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Section 7: "Board of Directors" or "Board" means those persons elected or appointed and acting collectively as the directors of the Association.

ARTICLE TWO
ANNEXATION OF ADDITIONAL PROPERTIES

Section 1: If on or before January 1, 2008, Declarant should develop additional lands, such additional lands may be annexed to said properties without the Assent of the Class A members.

Section 2: Except as provided in Article II, Section I above, Annexation of additional property shall require the assent of two-thirds (2/3) of the votes of the Class A Membership and two-thirds (2/3) of the votes of Class B membership, if any, at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The presence of Members or of proxies entitled to cast sixty per cent (60%) of the votes of each class of Membership shall constitute a quorum. If the required quorum is not forthcoming at such meeting, another meeting may be called subject to the notice requirement set forth above and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. In the event that two-thirds (2/3) of the Class A Membership or two-thirds (2/3) of the Class B membership are not present in person or by proxy, Members not present may give their written assent to the action taken thereat.

Section 3: Annexation of additional land shall be accomplished by recording a Declaration of Annexation, duly executed by the Declarant, if the Declarant has the right to annex pursuant to Section 1 above, and by the Association, if pursuant to Section 2 above, describing the lands annexed and incorporating the provisions of this Declaration, either by reference or by fully setting out said provisions of this Declaration. The additional lands shall be deemed annexed to the Properties on the date of recordation of the Declaration of Annexation, and in the case of an annexation by the Declarant under Section 1 above, no action or consent on the part of the Association or any other person or entity shall be necessary to accomplish the annexation.

ARTICLE THREE
MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessments by the Association, including contract sellers, shall be a Member of the Association. Persons or entities who hold an interest merely as security for the performance of an obligation are not "members." Membership shall be appurtenant to and may not be separated from the ownership of any Lot that is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for Membership. The Board of Directors may make reasonable rules relating to the proof of ownership of a Lot.

ARTICLE FOUR
VOTING RIGHTS

Section 1: The Association shall have two classes of Membership.

Class A: Class A members shall be all the Owners with the exception of the Declarant. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as the Owners of such Lot among themselves determine, but in no event shall more than one vote be cast with respect to any one Lot.

Class B: The Class B Member shall be the Declarant. The Class B member shall be entitled to three (3) votes for each Lot owned. The Class B Membership shall cease to exist and be converted to Class A Membership when all Lots owned by Declarant have been sold, but provided that the Class B Membership shall be reinstated if thereafter such additional lands are annexed to the Properties without the assent of Class A Members on account of the development of such additional lands by the Declarant, all as provided for above in Article 2, Section 1.

Section 2: The right of any Member to vote may be suspended by the Board of Directors for just cause, pursuant to its rules and regulations and according to the provisions of Article 5, Section 1(d).

ARTICLE FIVE
COVENANT FOR ASSESSMENTS FOR MAINTENANCE OF
COMMON AREAS

Section 1: The Declarant, for each Lot owned within the Properties, hereby covenants and each Owner of any Lot, by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenants and agree to pay to the Association (1) annual assessments or charges, and (2) special assessments for capital improvements and for failure to comply with covenants, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney fees shall also be the personal obligation of the person who is the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

Section 2: The assessments levied by the Association shall be used exclusively for the purpose of maintaining the common areas owned by the Association.

Section 3: Until June 1, 2008, the maximum annual assessment shall be one hundred twenty dollars (\$120.00) per lot. From and after June 1, 2008, the maximum annual assessments may be increased, effective of June 1st of each year thereafter without a vote of the Membership, provided the increased is not more than twenty per cent (20%) or twenty-five dollars (\$25.00) per year, whichever is greater. However, each annual assessment may be increased more than set out above by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy at a meeting called for this purpose, the Board of Directors may fix the annual assessment at an amount not in excess of the maximums.

Section 3: In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement, provided that any such assessment shall have the assent of two-thirds (2/3) of the vote of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting.

Section 4: When an Owner shall fail to do anything required by these covenants and restrictions or when an owner shall do a thing forbidden by these covenants and restrictions, then in that event, the Association shall have the right to correct such action or failure to act and to levy an assessment upon a Lot for the cost, which cost may include reasonable attorney fees, of correcting such action or failure to act.

Section 5: Except as provided herein, annual assessments must be fixed at a uniform rate for all Lots. Special assessments must also be fixed at a uniform rate for all Lots.

Section 6: At the first meeting called as provided in Section Four hereof, the presence at the meeting of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of Membership shall constitute a quorum. If the required quorum is not forthcoming at such meeting, another meeting may be called, subject to the notice requirements set forth in Section Four, and the required quorum at any subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7: The annual assessment provided for herein shall commence for each Lot when a Certificate of Occupancy is issued by the appropriate agency, and shall be levied by the Association for the next calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto, and shall notify said Owners of the amount of the annual assessment and its due date. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been made.

Section 8: Any assessment, or portion thereof, which is not paid when due shall be delinquent. Any assessment not paid within thirty (30) days after the due date shall be delinquent. Any assessment not paid within thirty (30) days after the due date shall bear interest

from the due date at the rate of ten per cent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same and may foreclose the lien created herein against the Owner's Lot in the same manner as prescribed by the laws of the State of North Carolina for the foreclosures of deeds of trust, and interest, costs and reasonable attorney fees for representation of the Association in such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for any assessment provided for herein by abandonment of his Lot, nor shall damage to or destruction of any improvements on any Lot by fire or other casualty result in any reduction, delay, abatement or suspension of any assessments provided for herein.

Section 9: The lien of the assessments provided for herein shall be subordinate to the lien of a first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which came due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10: All properties dedicated to and accepted by a public authority shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE SIX USE RESTRICTIONS

Section 1: LAND USE AND BUILDING TYPE & SIZE. No lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any lot other than one (1) detached single-family dwelling.

Each one-story dwelling shall contain not less than 2,250 square feet, measured from the outside, of heated floored area, exclusive of steps, breezeways, open porches and garages.

No dwelling shall exceed two and one-half (2-1/2) stores in height and a detached or an attached private garage for not more than three (3) motor vehicles.

However, the Architectural Control Committee discussed in Section 3 of this Article below has the right and option to allow the following credits toward the square footage requirements of this Article:

(a) one-half (1/2) the square foot floor area of any covered porch may be credited against the square footage requirement;

(b) one-third (1/3) the square foot floor area of any enclosed garage may be credited against the square footage requirement.

No permanent structures of any kind shall be built within the road right-of-way.

Variations in Lot lines are permitted so long as the number of Lots is not increased.

Section 2: SITE AND PLAN APPROVAL. No building, fence, wall, clothesline, satellite dish, mail box swimming pool or any other structure shall be erected, placed or altered on any premises in said development, nor shall any exterior addition to or change or alteration therein (excluding painting) until the building plans, specifications and plot plan showing the nature, kind, shape, height, materials and location of such improvements shall have been submitted to and been approved in writing an the Architectural Control Committee herein described and discussed in Article Three below, as to location, square footage, and as to conformity and harmony of external design with existing improvements.

Some, but not all of the criteria to be used by the Committee are to ensure that all dwellings and outbuildings are similar in quality of design, to insure that the location of the buildings on a Lot is aesthetically pleasing and that the roof lines of dwellings are varied. The plans to be submitted to the Committee shall include a landscape plan and the Committee shall base its approval, in part, on proper landscaping.

Any person desiring to perform any of the improvements specified in this Article shall detail such improvements on plans and specifications which shall be mailed to the Committee. The Committee shall then approve or disapprove such plans and specifications within thirty (30) days after their receipt thereof. If the Committee neglects to approve or disapprove any plans and specifications submitted within said thirty (30) day period, the same shall be deemed to have been approved.

Wherever in these Protective and Restrictive Covenants a matter is required to be submitted to the Architectural Control Committee for prior approval, the decision rests solely with the Architectural Control Committee. The decision of the Architectural Control Committee is final. The Committee shall have no liability for the structural integrity of buildings and other

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improvements approved by the Committee and shall have no liability for any decision made by it. The address of the Committee is:

Stonewood Estates Architectural Control Committee
c/o Danny P. Sasser
2530 W. Hwy 70
Goldsboro, NC 27530

Section 3: ARCHITECTURAL CONTROL COMMITTEE. The Architectural Control Committee (hereinafter called "Committee") shall consist of three (3) individuals to be appointed, to be replaced, to possess the qualifications and to possess the powers as specified herein. The initial members of the Committee shall be Danny P. Sasser, Jenean Sasser and William S. Willis. They shall serve until they die, resign or are replaced as herein provided. Each person of the Committee shall be either the persons named above or an owner of an interest in a Lot, an officer of a corporate owner of a Lot, or a manager of a limited liability company owning a Lot, or a partner in a partnership owner of a Lot. A member of the Committee may resign by document directed to the attention of the remaining members of the Committee. A member may be removed by the remaining members of the Committee, if the member being removed has become unqualified because of failure to meet the criteria stated above.

A member of the Committee, other than Danny P. Sasser, Jenean Sasser and William S. Willis may be removed with or without cause by a writing signed by a majority of the owners of the Lots, with votes allocated one per lot, which writing specifies the Lots owned by the voters and names a replacement for the member(s) so removed. Such writing shall be delivered to each of the members of the Committee and shall be effective from the time of such delivery. The remaining members of the Committee shall replace any member who has resigned, sold his Lot or has died.

So long as Declarant owns any of the Lots, it may remove any member of the Committee and replace the member so removed. Neither Danny P. Sasser, Jenean Sasser or William S. Willis may be removed by the Lot owners.

A written record shall be kept of all actions of the Committee. The members of the Committee shall serve without compensation or reimbursement. Any member of the Committee may call a meeting upon one day's notice to the other members of the Committee. Such notice shall state the time, place and purpose of such meeting. A written decision signed by two members of the Committee shall be the decision of the Committee.

Section 4: QUALITY OF IMPROVEMENTS: The dwelling and all outbuildings erected upon any Lot shall be constructed of materials 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 be brick, stone, or masonry siding. Use of any other exterior material must be approved by the Architectural Control Committee. The outside surface of beams, walls and roof of any appurtenant structures located on a Lot shall be of materials 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 painted and maintained so as to be aesthetically compatible with the dwelling located on said Lot. All decks and porches shall have the underneath portion screened or enclosed.

Section 5: DRIVEWAYS. All permanent driveways shall be concrete from street to each house, including parking area. Driveway piping shall be at least twenty-four (24) feet in width, and said pipe shall be a minimum diameter of fifteen (15) inch reinforced concrete pipe. Construction of driveways, temporary or permanent, must be approved by NCDOT prior to installation. Temporary driveways must be installed before any type of construction is commenced on any lot.

Section 6: BUILDING LOCATION. No building shall be located on any lot nearer to the front line than as shown on the recorded plat. No building or garage shall be located nearer than ten (10) feet from an interior lot line, and no other permitted accessory building shall be located nearer than ten (10) to an interior lot line nor nearer than fifteen (15) feet from the rear lot line. No accessory building shall be built between the main dwelling and the front lot line, that is, in the front yard. All accessory buildings shall be located behind the dwelling and in the back yard.

For purposes of this covenant, eaves, steps, chimneys and stoops shall not be considered part of a building, except that said structures shall not be allowed within the ten(10) feet side setback areas. For purposes of this covenant, decks shall be considered part of a building. No portion of any building shall be permitted to encroach upon an easement as shown on the above plat or upon another lot. The Declarant shall have the right to waive in writing any minor violation of this Article, and for the purposes hereof, any violation that does not exceed ten percent (10%) shall be considered a minor violation.

Section 7: EASEMENTS. Declarant reserves the drainage and utility easements as shown on the recorded maps. However, if any Lots are combined, side lot line easements shall be terminated and a new easement along the outside lot lines of the combined lot automatically shall be created.

Declarant also reserves a drainage and utility easement ten (10) feet in width centered on each lot line, ten (10) feet in width along each front lot line, and ten (10) feet in width along each rear lot line. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities and drainage facilities, or which may change the direction of flow of drainage channels in the easement areas, or which may obstruct or retard the flow of water through drainage channels in the easement areas. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible.

Section 8: NUISANCES AND BUSINESS ACTIVITY. No noxious or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No signs or billboards shall be stored, exhibited, or regularly placed on the premises, and no commercial trucks or tractors may be parked regularly upon the premises or upon the streets of the subdivision. No business activity or trade of any kind whatsoever, which shall include, but not be limited to, a professional office of any kind, fraternity house, group home, rooming or boarding house, beauty or barber shop, or antique or gift shop, shall be carried on upon any lot. Except during the construction of a residence, no truck or commercial vehicle in excess of 3/4-ton load capacity shall be parked or permitted to remain on any Lot.

Section 9: PERMITTED STRUCTURES. Except as otherwise herein allowed, no trailer, tent, shack, barn or other outbuilding shall be erected or placed on any lot covered by these covenants.

Site-built homes to be constructed on the lots are expressly required; that is, no mobile homes (single or doublewide), modular homes, prefabricated homes, system-built or manufactured homes of any kind are permitted on any lot.

Section 10: FENCES. Fences may be erected along any side lot line or rear lot line. No fence shall be erected nearer to any street than the back face of the dwelling located on the Lot. No fence shall be higher than five (5) feet from the ground level. No chain link fence, metal pipe fence or any fence constructed with metal shall be erected or permitted to remain on any Lot.

The location of all fences must be approved by the Architectural Control Committee.

Section 11: ACCESSORY BUILDINGS. No accessory building of any nature whatsoever (including, but not limited to, detached garages, storage buildings, doghouses, and greenhouses) shall be placed on any lot without the prior written approval of the Declarant, which has the sole authority relating to the approval, location and type of accessory building which shall be permitted on any lot. Under no circumstances shall metal storage buildings be permitted. All accessory buildings, including garages, must conform to the same architectural style as the residence located on the same lot. No detached garage shall ever be used for human habitation.

Section 12: APPEARANCE. Each owner shall keep his lot free from tall grass, undergrowth, dead trees, trash and rubbish, and properly maintained so as to present a pleasing appearance within the subdivision.

Satellite television receivers are allowed if two (2) feet in diameter or less. All such satellite television receivers must be located on a lot behind the residence, that is, in the backyard. Flat roofs are expressly prohibited. All fuel storage tanks must be located behind the residence and shall be buried.

No inoperable motor vehicles may be parked on any lot or upon the streets of the subdivision. All improvements located within street right of ways must meet North Carolina Department of Transportation regulations. Brick mailboxes are expressly prohibited.

All mailboxes and house numbers must be approved by the Developer, who may require specific shape, type, appearance and quality of mailboxes and house numbers.

Section 13: ANIMALS. No animals or poultry of any kind, other than two (2) ordinary household pets, shall be kept or maintained on any part of said property. The size, design, materials and location of any dog pen or dog runs must be approved by the Architectural Control Committee.

Section 14: PARKING. Adequate off-street parking shall be provided by the owner of each lot for the parking of automobiles owned by such owner. No one shall be permitted to park boats, trailers, campers, commercial vehicles and all other similar property on the streets in the subdivision, and such property shall not be permitted to be parked in the front yard or where it is

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highly visible from any streets within the subdivision. No wrecked or junked motor vehicle or a motor vehicle without current license plates and registration shall be permitted to remain on any Lot. Any clothesline or trash container located on any Lot shall be shielded from view from any Lot or street.

Section 14: OCCUPANCY. No dwelling erected upon any Lot shall be occupied as a residence while original construction is in progress, nor at any time prior to its being fully completed. No temporary house, temporary dwelling, temporary garage, temporary outbuilding, trailer home or other temporary structure shall be placed or permitted to remain upon any Lot except for storage of materials and other use by the contractor erecting a dwelling on said Lot. Landscaping on the Lot shall be completed prior to occupancy of the dwelling.

Section 15: UNDERGROUND UTILITIES AND STREET LIGHTING. Declarant reserves the right to subject the real property described hereinabove to a contract with Progress Energy Carolinas, Inc. or its successors in interest, or the appropriate electrical utility company, for the installation of underground electric cables and the installation of street lighting, either or both of which may require a continuous monthly charge to the owner of each lot.

Section 16: TERM. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date these covenants are recorded with the Wayne County Registry of Deeds office, after which time said covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change said covenants, in whole or in part.

Section 17: SEVERABILITY. Invalidation of any one of these covenants or any part thereof by judgment or court order shall not affect any of the other provisions which shall remain in full force and effect, and the failure of any person or persons to take action to enforce these covenants shall not be construed as a waiver of any future enforcement rights.

Section 18: UTILITY EASEMENTS IN FUTURE. The Declarant reserves the right to place in or along the streets and street rights-of-way within this subdivision easements for the purpose of supplying electricity, telephone, gas, water, cable television and other utilities, and the right to grant utility easements to utility companies in the future for said purposes within said streets and rights-of-way.

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ENFORCEMENT. Enforcement of these covenants and restrictions shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, and the aggrieved party may request restraint of the violation or damages resulting from said violation. These covenants may be enforced by the Declarant and by the Stonewood Estates Homeowners Association, Inc. Also, except as to matters expressly reserved to the sole authority of the Declarant, these covenants may also be enforced by any owner(s) of any interest of a lot within Stonewood Estates and by the Stonewood Estates Homeowners Association, Inc.. As used in these covenants, the word "Declarant" shall include Bildan, LLC, as well as its successors and assigns.

ARTICLE EIGHT

ROAD MAINTENANCE: The roads built by Bildan, LLC for this subdivision are built to North Carolina Department of Transportation (NCDOT) specifications. All soil criteria for Soil Base Type meet NCDOT standard specifications. All compaction tests meet NCDOT standards. Finally, all paved streets have a minimum structural one and one-half (1 1/2) inch pavement depth.

Declarant/Developer has obligated itself to maintain the streets until 70% of the homes in the subdivision are built, at which time Developer will petition NCDOT to take over the streets. If NCDOT will not take responsibility for the subdivisions streets because one or more homeowners are in violation of NCDOT specifications, such as filling in street ditches with plastic pipe, bricking mailboxes in the street right-of-way, or building prohibited driveway abutments, or any other infraction of NCDOT rules and regulations, it will become the responsibility of the individual homeowners or of the Stonewood Estates Homeowners Association, Inc., to have all infractions corrected and secure NCDOT approval or to maintain the streets. Declarant/Developer is responsible only for constructing the subdivision streets to NCDOT specifications and pursuing approval as stated above.

Subdivision lot owners and their contractors who intend to use steel track equipment (such as bulldozers, excavators and the like) must post a \$1,000.00 performance bond with Bildan, LLC before any steel track equipment is allowed to enter Stonewood Estates subdivision.

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Bildan, LLC in its sole discretion will determine any actual damage caused to any of the streets in Stonewood Estates Subdivision by such equipment and will apply from said performance bond such funds as are necessary to return any damaged street to it prior condition. Any excess monies will then be refunded to the supplier of the bond. If no damage occurs, the bond will be refunded in full at the end of construction.

IN TESTIMONY WHEREOF, the Declarant has caused this instrument to be executed in its name, as of the day and year first above written.

Bildan, LLC (a limited liability company)

By: Danny P. Sasser (SEAL)
Danny P. Sasser -- Member/Manager

STATE OF NORTH CAROLINA
COUNTY OF Wayne

I, Sarah E. Bacia, a Notary Public of the County and State aforesaid, certify that Danny P. Sasser, either being personally known to me or proven by satisfactory evidence, who is a Member-Manager of Bildan, LLC, a North Carolina limited liability company, personally appeared before me this day and acknowledged that he is Manager of Bildan, LLC and that as Manager being duly authorized to do so, voluntarily executed the foregoing instrument on behalf of said company for the purposes stated therein.

WITNESS my hand and notarial seal, this 27th day of May, 2007.

Sarah E. Bacia
Notary Public

My Commission Expires: 10/28/08

