

Newhall Village

By-Laws of the Newhall Village Homeowners Association

Created on April 01, 2001

Article 1: NAME AND PURPOSE

Section 1: The name of this association shall be Newhall Village Homeowners Association and will be recognized hereafter as "NHVHOA".

Section 2: The NHVHOA sees and affirms the diversity of our neighborhood as a part of a healthy, vital and dynamic part of the community. The purpose of NHVHOA shall be to promote participation in the neighborhood by providing a forum to discuss neighborhood concerns, to enhance the community through local social activities and events which serve the needs of NHVHOA members, to encourage member participation in public issues affecting our neighborhood. Additional purposes shall be to serve as a liaison with government offices and businesses serving our neighborhood, and to advocate for maintenance and improvements of institutions and facilities serving our neighborhood.

Section 3: The NHVHOA is and shall remain a non-profit organization and no part of the net earnings thereof shall inure to any NHVHOA member ever.

Section 4: The NHVHOA will never endorse, align itself with, or empower the community to any political party or candidate running for public office.

Article 2: MEMBERSHIP

Section 1: The membership to the NHVHOA shall consist of any homeowner 18 years of age or older, who owns a residence or property in Newhall Village and has their annual dues/fees paid in full. All properties co-owned will be given only one (1) membership.

Section 2: Dues/fees will be established annually by the Board of Directors.

2a: The annual amount due shall be paid by April 1st of each calendar year; thereafter a monthly penalty of \$10.00 shall accrue until paid.

2b: Serving Board Members shall be granted a fifty-percent reduction in annual dues/fees so long as they meet board member eligibility requirements.

Section 3: Fees involving violation (s) of Newhall Village Covenants' shall be assessed by the Board per the following guideline;

First Notification shall be by letter and serve as a warning that a violation has been reported; homeowner shall have 30 days to correct without penalty fee being assessed.

Second Notification shall by certified letter and serve notice of non-compliance with a penalty fee to be determined by the Board.

Third Notification shall be by certified letter and serve notice that the violation will be corrected by the Board at the homeowner's expense, as the homeowner will be invoiced for costs accrued along with any legal fees required of the Board to accomplish the correction.

Section 4: All Memberships are life-time but limited to the sale of the property. If dues are not paid in full by April 1, member forfeits all voting privilege until such dues/fees and penalties are paid in full AND membership is affirmed at the next official meeting.

ARTICLE 3: GOVERNMENT

Section 1: The Board of Directors will govern the NHVHOA which may/will take action in the name of NHVHOA for the greater good of the association and its properties contained in the Newhall Village Subdivision boundaries as listed with Durham City/County Planning Department. To be eligible for elected office, a person must be a home/property owner in Newhall Village and be up to date on fees/dues.

Section 2: The Executive Officers of the Board shall consist of a President, a Vice-President and a Treasurer to be elected by all current members of NHVHOA with one (1) vote per member at an annual membership meeting with a date yet to be determined. Total Board membership not to exceed 4 members.

Section 3: A simple majority of the Board of Directors shall constitute a quorum for conducting NHVHOA business. Each member of the Board is entitled to one (1) vote and without direct compensation

Section 4: The powers and duties of the Board of Directors shall include but are not limited to: The maintaining and execution of NHVHOA by-laws and covenants, and/or appointment or employment of all persons or organizations to serve NHVHOA, and/or lawful interpretation of the by-laws and covenants of Newhall Village, and/or the approval of expenditures of NHVHOA funds.

Section 5: The President as a Board of Directors member shall preside at all meetings of the NHVHOA and as head of the Board of Directors, shall perform such duties as but not limited to: Establishment of a budget, approval of non-budgeted expenditures, present all issues for vote at all meetings, verify all legalities of the by-laws and covenants of Newhall Village, litigate any issues between residents of Newhall Village and/or any NHVHOA members and/or if necessary, present all sides of said dispute before the Board of Directors for vote. Other duties include: retain complete list of all NHVHOA members, meetings and financial records for safe keeping. Any decisions made by the Board of Directors are final.

Section 6: The Vice-President as a Board of Directors member shall perform such duties as but not limited to: Be the official custodian of all records of NHVHOA except membership and financial records and shall keep the minutes of all NHVHOA and Board of Directors meetings, and shall be the presiding officer in charge in the absence of the President.

Section 7: The Treasurer as a Board of Directors member shall perform such duties as but not limited to: Keep and be responsible for all funds of the association and update monthly and maintain membership records. All funds must be deposited in an account in the name of NHVHOA, all expenses shall only be withdrawn by check written by a board member on behalf of NHVHOA, two signatures are required on checks written over \$500. All Monies received shall be immediately delivered to the Treasurer, for whom they shall give a receipt, and all bills shall be paid by the Treasurer. The Treasurer shall provide regular reports of all transactions and prepare financial statements as directed by law to any NHVHOA member upon request within a two (2) business day period.

Section 8: Any Board of Directors member who misses three (3) consecutive regularly scheduled meetings forfeits their position and that vacancy will be filled at the earliest convenient day at an emergency members meeting along with any/all records pertaining to the position filled. Any Board of Directors position may not be held for more than twelve (12) months from date of acceptance of position. In cases where a Board of Directors member is accused of conduct harmful to NHVHOA, grossly inconsistent with the by-laws and covenants of NewHall Village or is inconsistent with the purposes for which the NHVHOA was organized, or uses their position for personal gain, will be released from duties by a removal from office affirmation vote of at least 2/3rds of all NHVHOA members whose dues/fees are up to date. The accused officer shall not have a vote in such instances.

ARTICLE 4: MEETINGS

Section 1: The first Board of Directors of NHVHOA shall be elected by members present at an organizational meeting. Thereafter, Directors shall be elected at annual membership meetings.

Section 2: Any Newhall Village resident may attend (open) meetings and are welcome to voice their views, or express their opinions, offer advice or comments but will not have a vote in any community decisions of the NHVHOA.

Section 3: Special meetings of the NHVHOA will be called for any purpose pertaining to NHVHOA or the Newhall Village community by the President, the Vice-President (only in the Presidents absence) or the Treasurer upon written request of ten (10) members. Upon receipt of such valid request, the Treasurer is bound by duty to schedule a meeting within thirty (30) days. Notice of all emergency meetings will be given with at least forty-eight (48) hours in advance.

Section 4: Four (4) member(s) of the NHVHOA aside from the Directors shall constitute a quorum for the transaction of business at any annual meeting. At each meeting of NHVHOA, each member is entitled to one (1) vote per issue before NHVHOA presents the issue to be finalized by the Board of Directors. There shall be no cumulative or proxy voting allowed. Any issue voted against being brought to the Board of Directors shall not be allowed to be re-voted on at a NHVHOA meeting for six (6) months.

Section 5: Meetings of NHVHOA shall be conducted per Robert's Rules of Order, Latest edition

ARTICLE 5 AMENDMENTS/DISSOLUTION

Section 1: Proposed amendments to the NHVHOA by-laws or the NewHall Village covenants shall be presented by the NHVHOA to the Board of Directors after a 2/3rds positive majority vote on the issue from the members in attendance at any meeting.

Section 2: In the event that the NHVHOA becomes inactive or dissolves, all monies in the general fund shall be distributed to a tax-exempt, local community-oriented institution or organization approved by 2/3rds majority of the NHVHOA members at the time of dissolution

Amendments;

Art. 2 Sec 2a ... add 6/2008

Art. 2 Sec 2b ... add 6/2008

Art. 2 Sec 3 (old deleted) Added fee guideline 6/2008

Art. 2 Sec 4 ... Change wording to include that dues must be paid by April 1 for voting privileges.

Art. 3 Sec 3 ... Change to allow amount of dues paid by Board Members

Art. 3 Sec 7 ... add change of duties description to better define accounting practices and add checks must include two signatures if over a set amount. 6/2008

Art. 4 Sec 5 ... add 6/2008

Prepared by R. Chapell Phillips, Esq.
Return to Crescent Coleman Ventures, LLC
PO Box 1250, Durham, NC 27702-1250

STATE OF NORTH CAROLINA
COUNTY OF DURHAM

DECLARATION OF RESTRICTIVE
AND PROTECTIVE COVENANTS
AND CONDITIONS

THIS DECLARATION OF RESTRICTIVE AND PROTECTIVE COVENANTS AND CONDITIONS, made and entered into this the 1st day of February, 1999, by and between Crescent Coleman Ventures, L.L.C., (hereinafter as "Declarant"); and PROSPECTIVE PURCHASERS of Lot Nos. 1 through 37, inclusive, as shown and delineated on a plat entitled "Final Plat for Newhall Village," said Lots comprising a residential subdivision located in Durham County, North Carolina (hereinafter "Subdivision");

WITNESSETH:

WHEREAS, Declarant has heretofore acquired title to a certain tract or parcel of land which has been subdivided into Lots numbered 1 through 37, inclusive, according to a certain map or plat entitled "Final Plat for Newhall Village" which said map was filed on July 29, 1997, in the office of the Register of Deeds of Durham County, and appears of record in Plat Book 138, at Pages 152-154, inclusive; and

WHEREAS, Declarant intends to convey said numbered Lots as the same are shown and delineated on the above-mentioned map, by deeds, deeds of trust, mortgages, and other instruments to various persons, firms and/or corporations, subject to certain restrictive and protective covenants and conditions which are deemed to make the Subdivision more desirable and to be for the benefit of all those who acquire title to any one or more of said numbered Lots to the end that the restrictive and protective covenants and conditions herein set out shall inure to the benefit of each person, firm or corporation which may acquire title to any or all of said numbered Lots and which shall be binding upon each person, firm or corporation to whom or to which Declarants may hereafter convey any of said numbered Lots by deed, deed of trust, mortgage or other instrument.

NOW, THEREFORE, in consideration of the premises, Declarant hereby covenants and agrees with said Prospective Purchasers that each of the aforementioned numbered Lots shall be held, sold, encumbered and conveyed subject to the restrictive and protective covenants and conditions hereinafter set forth and said restrictive and protective covenants and conditions shall become part of each instrument conveying any of said numbered Lots 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 purchasers agree and covenant to abide by and conform with said restrictive and protective covenants and conditions.

THE RESTRICTIVE AND PROTECTIVE COVENANTS
AND CONDITIONS ARE AS FOLLOWS:

Section 1. Land Use and Building Type. No structure shall be erected, altered, placed or permitted to remain on any Lot other than for use as a single-family residential dwelling and only one (1) single-family residential dwelling shall be erected or permitted to remain upon any Lot. It is provided, however, that Declarant or its assigns, during the development stage, may maintain a dwelling for use as a model home to aid home sales in the subdivision. After development has been completed, no such model home may be maintained in the Subdivision.

Section 2. Review Committee. No dwelling, house, fence, driveway, flagpole, exterior lighting, or other structure of any kind shall be erected, placed or altered on any building Lot until the building plans and specifications have been submitted to and approved in writing by the Review Committee appointed by

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Newhall Village Homeowners' Association, Inc., (hereinafter "Association"). Said plans shall show all significant aspects of construction.

In approving plans and specifications, the Review Committee shall consider:

- (a) the quality of materials, workmanship and design;
- (b) that the building design and size minimizes, as far as practicable, the disruption of the natural condition of the Lot; and
- (c) the conformity and harmony of the exterior design and colors with existing structures in the area; and

The Review Committee shall respond to plans properly submitted under this item within thirty (30) days by approving or disapproving in writing, such responses to be delivered by personal delivery or mailing by certified mail to the person who submitted the plans. If plans are disapproved, no work shall begin on the Lot until a resubmission shall have been considered in the same time period and approved, unless the Review Committee approves the partial beginning of work in writing. The Review Committee shall not unreasonably withhold its approval.

No approval shall be required to rebuild a destroyed building on the same location if rebuilt strictly pursuant to the original plans.

Section 3. Permitted Uses. Excepted as provided for in Section 1 above, no Lot shall be used for other than residential purposes. No shop, store, factory, or business house of any kind shall exist on the property above described nor any hospital, asylum or institution of like nature.

Section 4. Common Area Maintenance. Common Area is all real property described by said plat map excluding all Lots and public streets. Every Lot Owner has a right and easement of enjoyment to all Common Area (said easement to be appurtenant to the title of each Lot). Unless otherwise provided herein, the Association shall be responsible for the maintenance of the Common Area, including but not limited to the maintenance of grass, shrubs, and trees. Each owner of a Lot (hereinafter "Lot Owner") shall pay in a timely manner its pro rata portion of the costs of Common Area maintenance to the Association vis a vis dues which the Association shall assess from time to time. All sums levied by the Association that remain unpaid shall become a lien, but the lien of any such assessment shall be subordinate to the lien of any first mortgage. Mortgagees are not required to collect such assessments, and the failure to pay assessments does not constitute a default under an insured mortgage.

Section 5. Removal of Vegetation from Common Area. Unless otherwise permitted herein, no Lot Owner, other than Declarant, shall injure, cut or remove, or suffer or cause to be injured, cut or removed, any trees, shrubs flowers, grass or other vegetation from any Common Area.

Section 6. Insurance and Taxes. The Association shall be responsible for maintaining a general liability policy covering all Common Area, and the Association shall be responsible for the payment of all local taxes that pertain to the Common Area.

Section 7. Lot Maintenance and Use. A Lot Owner shall take such action, as may be reasonably required; (i) to control, inhibit, or prevent land erosion; (ii) to keep in a neat and sightly condition free from trash and debris; (iii) to cut, water and maintain the grass; and (iv) to water and maintain all trees, shrubs and flowers; and to maintain in good condition the driveway that is within the Lot Owner's Lot.

A Lot Owner shall have exclusive use of and the responsibility to maintain in good condition the Lot Owner's Lot; provided, however, that Declarant, for itself and its successors and assigns, hereby reserves a perpetual easement, privilege, and right, including the right of entry, for utility, community or cable television antenna systems, drainage purposes, and maintenance of Common Area (including irrigation of grass, trees and shrubs).

Section 8. Parking. No vehicle, boat or trailer may be parked on any street in the Subdivision overnight.

Section 9. Temporary Structure. No structure of a temporary character, trailer, basement, tent, shack, barn or other outbuilding shall be used on any Lot (or Common Area) at any time without the prior written consent of the Review Committee.

Section 10. Signs. No signs of any kind shall be displayed to the public view on any Lot. However, one sign of not more than five (5) square feet advertising the property for sale or rent and signs used by a builder to advertise the property during construction and sales period are permissible.

Section 11. Garbage and Refuse Disposal. No Lot shall be used or maintained in an unsightly manner or as a dumping ground for rubbish, trash or debris. Rubbish, trash, debris, garbage and other waste shall be collected only in sanitary receptacles. All containers or other equipment for the storage or disposal of such waste materials shall be kept in a clean and sanitary condition.

Section 12. Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any Lot. Dogs, cats or other household pets may be kept providing there are no more than two (2) household pets and they are not kept, bred or maintained for commercial purposes.

Section 13. Nuisances. No noxious or offensive trade or activity shall be carried on or upon any Lot nor shall anything be done thereon which may be or become a nuisance or annoyance to the neighborhood. No inoperative vehicles shall be parked or permitted to remain in the Subdivision, and they shall be removed within thirty (30) days of becoming inoperative. No wrecked or junked motor vehicle or vehicle without a current license plate and registration shall be permitted to remain in the Subdivision.

Section 14. Resubdivision. There shall be no further subdivision of the Lots as shown and delineated on said plat maps.

Section 15. Amendment. These covenants and restrictions may be amended by an instrument signed by not less than two-thirds (2/3) of the Lot Owners; provided, that prior to the conveyance by Declarant of one-third (1/3) of the Lots of the Subdivision, these covenants and restrictions may be amended solely by Declarant.

Section 16. Term. These covenants and restrictions shall run with the land and shall be binding on all persons acquiring title to any of the aforementioned Lots up to and including the 4th day of July, 2015, at which time said covenants shall be automatically extended for successive periods of ten (10) years, unless by a written instrument executed by two-thirds (2/3) of the then-owners of the said Lots, and duly recorded in the Office of the Register of Deeds of Durham County within three (3) months of any anniversary date of any such automatic renewal, it is agreed to change said covenants in whole or in part.

Section 17. Enforcement. If any Lot Owner shall violate or attempt to violate any of these covenants and conditions, then Declarant, the Association, or any Lot Owner may bring any appropriate proceeding at law or in equity against the person or persons violating or attempting to violate these covenants and conditions, either to prevent the violation thereof, or to recover damages resulting from such violation.

Section 18. Severability. Invalidation of any one of these covenants or restrictions by judgment or order of any court shall in no way affect any of the other provisions which shall remain in full force and effect.

Section 19. Rights Exclusive. All rights herein created for, held by, or reserved by Declarant shall belong exclusively to Declarant and to such persons, firms or corporations to whom they are expressly assigned by Declarant, including the Association, and none of them shall be deemed transferred to the

purchaser of any portion of the Subdivision, unless the instrument effecting such transfer expressly recites the assignment of such rights.

Section 20. Encumbering and Conveying Common Area. The Common Area cannot be mortgaged or conveyed without the prior consent of at least two-thirds (2/3) of the Lot Owners (excluding Declarant). If ingress or egress to any Lot is through any Common Area, any conveyance or encumbrance of such Common Area is subject to the Lot Owner's easement.

Section 21. Association Membership. Every Lot Owner shall be a voting member of the Newhall Village Homeowners' Association, Inc. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. The Association shall have two (2) classes of voting membership:

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

(b) Class B. Class B member shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (i) when seventy-five percent (75%) or more of the Lots are deeded to homeowners; or
- (ii) on December 31, 2000.

Section 22. HUD/VA Approval. As long as there is Class B membership in the Association, annexation of additional properties by the Association, dedication of Common Area, and amendment of the Declaration of Restrictive and Protective Covenants and Conditions require the prior approval of the U.S. Department of Housing and Urban Development and the Veterans Administration.

Section 23. House Placement on Lot. Notwithstanding anything in this Declaration of Restrictive and Protective Covenants and Conditions, or any amendment thereto, no house shall be erected outside of the Lot boundaries described on any recorded plat of the Subdivision; provided, however, that chimneys, decks, eaves, patios, porches, sidewalks, siding, steps, and stoops shall not be considered a part of the house for the purposes of interpreting this paragraph of this Declaration. An error in the placement of structures in an amount not more than one and one-half (1.5) feet of the Lot boundary in question (even if such error in placement results in an encroachment upon any easement, utility easement or Common Area) is not a violation of this Declaration or of the provisions of any recorded plat of the Subdivision.

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IN TESTIMONY WHEREOF, DECLARANT has caused this instrument to be executed in its name,
and its seal to be hereto affixed, this the day and year first above written.

Crescent Coleman Ventures, L.L.C. (SEAL)

By: Donald E. Phillips (SEAL)
Donald E. Phillips, Manager

By: Ellis Y. Coleman (SEAL)
Ellis Y. Coleman, Manager

STATE OF NORTH CAROLINA
COUNTY OF LINCOLN

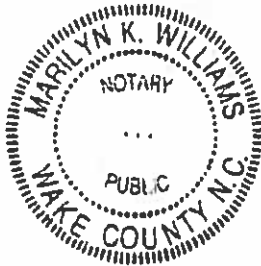
I, MARILYN K. WILLIAMS, a Notary Public of said State and County, do hereby certify that Donald E. Phillips and Ellis Y. Coleman personally appeared before me this day and acknowledged that they are the managers of Crescent Coleman Ventures, L.L.C., a North Carolina limited liability company, and that by authority duly given and as the act of the limited liability company, the foregoing instrument was signed and sealed by them as an act of, and for and on behalf of, said limited liability company.

Witness my hand and notarial seal, this the 1 day of February, 1999.

Marilyn K. Williams
Notary Public

My commission expires: 1-26-2004

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WILLIE L. COVINGTON
REGISTER OF DEEDS
DURHAM COUNTY, N.C.

State of North Carolina - Durham County

The foregoing or annexed certificate(s) of Marilyn K. Williams

A Notary (Notaries) Public for the Designated Governmental units is(are) certified to be correct.

This the 3 day of Feb A.D. 19 99

WILLIE L. COVINGTON
Register of Deeds

Willie L. Covington
By: Assistant/Deputy
Register of Deeds

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Washington, D. C. 20535

TO : SAC, [illegible]

FROM : [illegible]

RE: [illegible]

[illegible]

[illegible]



DATE: [illegible]
BY: [illegible]

[illegible]