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**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
OF
COPPER RIDGE ESTATES**

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**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
COPPER RIDGE ESTATES**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (the "Declaration") is made this 9th day of September, 2024 by SBM Homes, LLC, a North Carolina limited liability company, (hereinafter called "Declarant"), with its principal office located at 301 Fayetteville Street, Suite 1700, Raleigh NC 27601.

W I T N E S S E I H:

WHEREAS, Declarant is owner of that certain 30.250 acres, more or less, of real property located in the City of Sanford, Lee County, North Carolina, as is more specifically described on the attached **Exhibit A**;

WHEREAS, in order to provide a coordination and continuity among the Owners of Lots (defined below) in Copper Ridge Estates, it is deemed appropriate to have an association in which all Owners of Lots in Copper Ridge Estates are Members; and,

WHEREAS, Declarant desires to have certain areas of Copper Ridge Estates owned by this Association and benefit all Owners (defined below) within Copper Ridge Estates; and,

WHEREAS, Declarant has deemed it desirable for the efficient preservation and protection of the values in Copper Ridge Estates to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the Community Common Property, facilities, and administering and enforcing the covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created; and,

WHEREAS, Declarant has incorporated or will incorporate under the laws of the State of North Carolina, as a non-profit corporation, Copper Ridge Estates Homeowners Association, Inc., for the purpose of exercising the functions aforesaid within the community known as Copper Ridge Estates;

NOW THEREFORE, the Declarant declares that the real property described in Article II, and such additions and annexations thereto, as may hereafter be made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes collectively referred to as "covenants and restrictions") hereinafter set forth.

**ARTICLE I
DEFINITIONS**

The following words when used in this Declaration or any Supplemental Declaration or amendment hereto (unless the context shall prohibit) shall have the following meanings:

(a) "Act" means and refers to the North Carolina Planned Community Act (Chapter 47F of the North Carolina General Statutes).

(b) "Association" shall mean and refer to Copper Ridge Estates Homeowners Association, Inc., a North Carolina nonprofit corporation, its successors and assigns.

(c) "Community Common Property" or "Common Area" or "Common Property" shall mean and refer singularly or collectively, as applicable, to all real property and improvements thereon or associated therewith, including, but not limited to, any and all stormwater control devices and facilities, which are owned or leased by, or located in an easement granted to or reserved by, the Association, or which have been designated by Declarant or the Association as "Community Common Property," "Common Area," "Open Space," "Stormwater Control Facilities," or some other, similarly descriptive term, on a recorded plat, in a Supplemental Declaration, or in a deed or other written instrument, and also shall refer to all personal property owned or leased by the Association and designated as Common Property by the Declarant or the Association. All Common Area or Community Common Property shall be subject to the terms and conditions of this Declaration and the ordinances of Lee County. For avoidance of doubt, "Common Area" shall mean and refer to the "Sight Triangle Easement", "Open Space/Mail School Bus" "Pond Maintenance Easement", "Supply Line Easement" (Limited Common Property), "Pond", "Sign Easement" and "Septic Lots" (Limited Common Property) shown on the Subdivision Plat of Copper Ridge Estates prepared by Griffin Land Surveying, Inc. dated February 10, 2024 and recorded at Plat Cabinet 2024, Slides 128 through 131 of the Lee County Register of Deeds.

It is specifically acknowledged that the tract of land identified as "Existing Septic Easement" on Plat Cabinet 2024, Slide 128 containing approximately 3.59 acres will be conveyed to the Association as Community Common Property, however, such land is burdened by that certain Deed of Easement recorded at book 1507, page 609 of the Lee County Register of Deeds for the benefit of Lots 9,10, 14,15,16, 17 and 19 as shown on Plat Cabinet 2017, Slide 81 of the Lee County Registry in the Copper Ridge East subdivision. It is further understood that the Copper Ridge East of Lee County Homeowners Association, Inc. is responsible for maintaining said land pursuant to Owner's Acceptance dated 21 June 2019 and recorded at book 1583, page 750 of the Lee County Registry and the members of such Copper Ridge East of Lee County Homeowners Association, Inc. (in particular the Septic Lots) are liable for assessments to the Copper Ridge East of Lee County Homeowners Association, Inc. for the purpose of maintaining such land pursuant to that certain Annexation and Second Amendment to the Declaration of Covenants for Copper Ridge East Subdivision recorded at book 1507, page 602 of the Lee County Registry.

(d) "Declarant" shall mean and refer to SBM Homes, LLC, a North Carolina limited liability company, its successors and assigns, to whom the rights of Declarant hereunder are expressly transferred in whole or in part, and subject to such conditions as Declarant may impose, if such successors or assigns should acquire more than one undeveloped Lot location for the purpose of development. The development of a Lot site shall mean and refer to the construction of a residence thereon and the issuance of a Certificate of Occupancy for such residence.

(e) "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions applicable to the Properties, and amendments thereto which are recorded in the Office of the Register of Deeds, Lee County, North Carolina.

(f) "Declarant" shall mean SBM Homes, LLC, its successors or assigns.

(g) "Development Rights" means any right or combination of rights reserved by the Declaration (i) to add real estate to the Planned Community; (ii) to create lots, or Community Common Property within the Planned Community; (iii) to subdivide Homesites or convert Homesites into Community Common Property; or (iv) to withdraw real estate from the Planned Community.

(h) "Lot" or "Lots" shall mean and refer to any numbered or lettered plot of land shown on any plot including exact metes and bounds descriptions and recorded in the Office of the Register of Deeds, Lee County, North Carolina, which is made subject to this Declaration as it may be amended.

(i) "Limited Common Property" shall refer to the Pond shown on the recorded plats on Lots 7, 8,9,11 and 12. Owners of Lots 7, 8,9,11 and 12 shall share equally in the expenses to maintain the Pond as set forth more specifically in Article VIII below as a Limited Common Expense pursuant to N.C.G.S. §47F-3-115 (c). In addition, Septic Lots 17-S, 9-S, 8-S and 7-S shall be deemed Limited Common Property allocated to Lots 7,8,9 and 17. The expenses of the Septic Lots 17-S, 9-S, 8-S and 7-S will be a general common expense and the maintenance, repair and replacement of the "Supply Line Easements" shall be a Limited Common Expense assessable to the Owners whose Lots are connected with the Septic Lot in question pursuant to N.C.G.S. §47F-3-115 (c).

(j) "Member" shall mean and refer to an "Owner" subject to assessment as provided in this Declaration.

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

(l) "Planned Community" means real estate with respect to which any person, by virtue of his/her ownership of a Lot, is expressly obligated by this Declaration to pay real property taxes, insurance premiums, or other expenses to maintain, improve or benefit other Lots or other real estate described in this Declaration. The term "Planned Community" is used interchangeably with the term "Copper Ridge Estates" within this Declaration.

(m) "Property" or "Properties" shall mean and refer to that certain tract or tracts of real property located in Lee County, North Carolina as is more specifically described in the attached **Exhibit A**, the contents and substance of which **Exhibit A**, as the same may be altered from time to time by duly recorded amendments, supplementary declarations or annexations to this Declaration, is hereby incorporated by reference into the terms of this Declaration.

(n) "Special Declarant Rights" means rights reserved for the benefit of the Declarant that may not be altered by the Members, including, but not limited to rights (i) to complete improvements indicated on plats and plans filed with the Declaration; (ii) to exercise any Development Right; (iii) to maintain sales offices, management offices, signs advertising the Planned Community and models; (iv) to use easements through

the Common Area for the purpose of making improvements within the Planned Community or within real estate which may be added to the Planned Community; (v) to appoint or remove any officers or executive board members of the Association during the period of Declarant control or (vi) amend the Declaration during the Development Period pursuant to Article XII, Section 2 (b), all of which Special Declarant Rights are more fully set forth herein. Special Declarant Rights shall exist at all times during the Period of Development as defined herein.

(o) "Stormwater Control Facilities" means all areas shown and labeled as "Private Drainage Easements," "Stormwater Control Facility," or "Stormwater Control Measure" (or equivalent terms) on the Subdivision Plat of Copper Ridge Estates prepared by Griffin Land Surveying, Inc. dated February 10, 2024 and recorded at Plat Cabinet 2024, Slides 128 through 131 of the Lee County Register of Deeds. Additionally, Stormwater Control Facilities shall include any stormwater water control easement located on a Lot to and including, any drainage ditches along the roads.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Property Made Subject to Declaration. The Properties, as set forth on the attached **Exhibit A**, are hereby made subject to this Declaration and each and any parcel or parcels of real property included in the definition of the Properties shall, from and after the date of recording of this Declaration, be owned, held, leased, transferred, sold, mortgaged and/or conveyed subject to this Declaration and the terms, covenants, conditions, restrictions, easements, charges and liens set forth herein.

Section 2. Existing Property. That certain real property located in Lee County, North Carolina as is more particularly described on the attached **Exhibit A** at the time of the recording of this Declaration. The Existing Property is hereby, and shall hereafter be, held, transferred, sold, conveyed, used and occupied subject to the terms and conditions set forth in this Declaration.

ARTICLE III

ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. Annexation by Members: Additional lands may be added and annexed to the Properties if two-thirds (2/3) of the votes entitled to be cast in each class of Members are cast in favor of annexation. A meeting shall be duly called for this purpose, written notice of which shall be sent to all Members not less than ten (10) days in advance of the meeting. For the purpose of such meeting, the presence of Members or authorizing proxies entitled to cast sixty percent (60%) of the votes of each class of Members shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called within sixty (60) days thereafter, subject to the notice requirement set forth above, and the required quorum of such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting.

If a quorum is present and a majority of the votes are cast in favor of the annexation, but the majority is less than the two-thirds (2/3) majority of each class required for approval of the annexation, and it appears that the required two-thirds (2/3) of each class may be achieved if the Members not present or voting by proxy assent to the annexation, then and in that event, the Members not present or voting by proxy may assent to or dissent from the proposed annexation in

writing within one hundred twenty (120) days following the date of the meeting at which he or she is entitled to vote either in favor of or against the annexation. If the number of votes cast at the meeting in favor of the annexation, together with the votes deemed to have been cast by the Members assenting to the annexation, shall constitute the requisite two-thirds (2/3) majority of each class of all votes entitled to be cast, the annexation shall stand approved.

Section 2. Reserved Declarant Rights. During the Period of Development (defined below), the Declarant shall have the right to, from time to time as Declarant deems necessary in its reasonable discretion, bring additional parcels of real estate ("Additional Property") into the plan and operation of the Planned Community by recording or causing to be recorded one or more Supplementary Declarations or Annexations subjecting such Additional Property to this Declaration, as may be amended from time to time. Any such Supplementary Declarations or Annexations shall, among other things, include terms: (i) setting forth the description of the parcel or parcels of real estate comprising the Additional Property, (ii) amending this Declaration to include the so described Additional Property in the definition of Properties and (iii) setting forth what, if any, exceptions to the terms and conditions of this Declaration and/or additional or modified covenants, conditions and restrictions may or may not apply to the Additional Property. The "Period of Development" shall be defined as the period extending from the date of recording of this Declaration until the later occurrence of either: (i) the date that is ten (10) years from the date of recording of this Declaration; or (ii) the date upon which a Certificate of Occupancy has been issued for all of the Lots existing within the Properties. In addition to the foregoing, but in no way limiting or waiving other Declarant rights set forth elsewhere in this Declaration, Declarant shall have the following rights during the Period of Development with respect to all portions of the Properties not yet conveyed to any third party other than the Association: (i) to create Lots within the Properties; (ii) to modify or change the Lot types of any Lots for which a Certificate of Occupancy has yet to be issued; (iii) to reallocate Lots or other designated portions of the real estate within the Properties; (iv) to designate portions of the Properties as Community Common Property; and (v) to remove undeveloped real estate from the Properties. In order to affect any removal of undeveloped real estate from the Properties, Declarant shall record or cause to be recorded a written amendment to this Declaration specifically describing the portion or portions of real estate being removed from the Properties and, to the extent appropriate under the circumstances, releasing said portion or portions of real estate from the covenants, conditions and restrictions created by this Declaration and any subsequent amendments.

ARTICLE IV MEMBERSHIP

Every person or entity that is a record Owner of a fee or undivided interest in any Lot located within the Properties and that is subject to assessment by the Association under this Declaration, including contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot that is subject to assessment by the Association, and the rights of such membership shall run with title to each such Lot. Ownership of such Lot shall be the sole qualification for membership.

ARTICLE V VOTING RIGHTS: CLASSES OF VOTING MEMBERSHIP

Membership Classes. The Association shall have two (2) classes of voting membership.

Class A. Class A Members shall be all those Owners of Lots with the exception of the Declarant (as defined in this Declaration). Class A Members shall be entitled to one vote for each Lot in which they hold the interest required for Membership by ARTICLE IV. When more than one person holds such interest in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as the majority of such persons among themselves determine; however, in no event may more than one vote be cast with respect to any one Lot. Fractional voting shall be prohibited. At any meeting of the Members, a representation by any of such persons that a majority of such persons have agreed as to the vote for such Lot shall be conclusive unless another of such persons contests such representation at such meeting prior to the casting of such vote.

Class B. The Class B Member(s) 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 and be converted to Class A membership on the happening of the later of the following events:

- (a) When the total votes outstanding in Class A membership equals the total votes outstanding in Class B membership; but provided that the Class B membership shall be reinstated if thereafter, and before the time stated in Sub-paragraph (b) below, any such Additional Property is annexed to the Properties without the assent of Class A Members because of development of such Additional Property by the Declarant, as provided for in Article III herein;
- (b) Ten (10) years following the date of incorporation of the Association; or
- (c) When Declarant voluntarily surrenders Class B Membership in writing by an instrument recorded in the Lee County Registry.

Notwithstanding a conversion of Declarant to a Class A Member or the cessation of the Class B Membership, in the event Declarant thereafter acquires and annexes Additional Property to this Declaration or otherwise adds Lots to the Properties such that Declarant would, according to the provisions hereinabove set forth in this Article V of this Declaration, be entitled to Class B Membership, Declarant shall thereupon be reestablished as and converted to a Class B Member of the Association, with all the benefits and burdens attendant thereto.

ARTICLE VI
COMMUNITY COMMON PROPERTY AND LIMITED COMMON PROPERTY

Section 1. Owners' Easements of Enjoyment. Except as provided for herein, every Member shall have a right and easement of enjoyment in and to the Community Common Property, together with and including the right of access, ingress and egress, both pedestrian and vehicular, on and over the drives, walkways and parking areas of the Community Common Property, all of which shall be appurtenant to and shall pass with the title to every Lot and subject to the right of the Association in accordance with its Articles of Incorporation or By-Laws to impose rules and regulations for the use and enjoyment of the Community Common Property and improvements thereon, which rules and regulations may further restrict the use of the Community Common Property.

Section 2. Pond. The Pond is considered Limited Common Property. The Owners of Lots 7, 8,9,11 and 12 shall share equally in the expenses to maintain the Pond as set forth more specifically in Article VIII below. There is a 15' Pond Maintenance Easement for the benefit of the Association around the perimeter of the Pond for the Declarant, and thereafter, the Association, to access the Pond for maintenance purposes in the event the Owners of the Pond to not perform maintenance of the Pond as set forth in Article VIII below.

Section 3. Septic Lots. The Septic Lots 17-S, 9-S, 8-S and 7-S are considered Limited Common Property allocated to Lots 7,8,9 and 17. The expenses of the Septic Lots 17-S, 9-S, 8-S and 7-S will be a general common expense and the maintenance, repair and replacement of the "Supply Line Easements" shall be a Limited Common Expense assessable to the Owners whose Lots are connected with the Septic Lot in question pursuant to N.C.G.S. §47F-3-115 (c). Both the Septic Lots and Supply Line Easements are considered Limited Common Property.

ARTICLE VII
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Except as set forth herein, each Owner of a Lot by acceptance of a deed therefore, whether or not it shall be explicitly stated in such deed, is deemed to covenant and agree to pay to the Association; (1) annual assessments or charges, and (2) special assessments for extraordinary maintenance and capital improvements. The annual and special assessments, together with interest, late fees, and costs, and reasonable attorney's fees for collection, shall be a charge on the land and shall be a continuing lien upon the parcel of real estate comprising the Lot against which each such assessment is made.

The Association shall also have the power, acting through the Board of Directors, to establish, fix and levy special assessments against any Lot when doing so is necessary to secure the payment of amounts due to the Association based on the liability of the Owner of such Lot to the Association for costs and expenses related to or arising from any breach by that Owner of any provision of this Declaration which requires the expenditure by the Association of time and money, or both, for repair or remedy.

Each Owner further acknowledges, covenants and agrees, by the acceptance of any deed to a Lot, and regardless of whether this provision is explicitly referenced or recounted in such deed, that, in the event any invoice for assessments is not paid in full within thirty (30) days from the date such invoice is deposited, postage prepaid in the United States Mail in accordance with

the notice provisions of this Declaration, then, as of the first day following expiration of that thirty (30) day period, a lien in the amount of the unpaid assessments shall, automatically and without need for any further action whatsoever, be placed upon the Owner's title to subject Lot in the name of the Association, which lien shall continue in existence and effect until all assessments levied on the Lot are fully paid. The lien of assessments provided for herein shall be subordinate to the liens of any mortgages or deeds of trust now or hereafter placed upon any of the Properties.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety, and welfare of the residents of the Properties and in particular for the maintenance of Properties, services and facilities, including the private streets and parking areas, and for the use and enjoyment of the Community Common Property, including but not limited to, Stormwater Control Facilities, the cost of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes and public assessments assessed against the Community Common Property, the procurement and maintenance of insurance in accordance with this Declaration, the By-Laws, the employment of counsel, accountants and other professionals for the Association when necessary, and such other needs as may arise.

Section 3. Maximum Annual Assessment. Through and including December 31, 2025, the maximum annual assessment shall be Six Hundred Twenty Dollars (\$600.00) per annum, or Fifty Dollars (\$50) per month for all Lots except as provided for herein. Lots 7, 8,9 and 17 will also be charged an additional Six Hundred and Twenty-Five Dollar (\$625) Septic Assessment for the Association's maintenance of the Septic Lots 17-S, 9-S, 8-S and 7-S.

- (a) The maximum annual assessment for the calendar year beginning January 1, 2026, and for successive calendar years thereafter, shall be established by the Board and may be increased by the Board without approval by the membership of the Association by an amount per year not to exceed ten percent (10%) of the amount of the maximum annual assessment of the immediately preceding calendar year.
- (b) Subject to the provisions of this Article VII, the Board may fix the annual assessment at any amount not in excess of the maximum annual assessment allowed for the applicable calendar year.

Section 4. Commencement of Assessments. Assessments shall commence on the date a Lot is sold from the Declarant to an Owner.

Section 5. Procedure for Setting Annual and Special Assessments. The Board of Directors shall annually adopt a proposed budget and the annual assessment for each Lot for the next year. Within 30 days after adoption of any proposed budget for the Association and assessments for the Owners, the Board shall provide a summary of the budget and assessments for the Owners. The budget is ratified unless at that meeting a majority of all the Lot owners in the Association reject the budget.

By a vote of two-thirds (2/3) of the Members at a meeting where quorum is present, the Association may levy a special assessment for the repair or replacement of any Community Common Property.

Section 6. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the highest rate then permitted by North Carolina law. The Association may bring an action at law against the Owner personally obligated to pay the same, and/or foreclose the lien against the property. No Owner or Owners acting independently of the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Community Common Property or abandonment of his/her Lot.

Section 7. Subordination of the Lien to Mortgages and Ad Valorem Taxes. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage (or deed of trust) and ad valorem taxes. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to such mortgage or tax foreclosure, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments that became 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 8. Limited Common Property Assessment for Supply Line Easements (Septic Lots). In addition to the general Annual Assessment set forth in Section 3 above, the Board may levy an additional assessment annually, assessable to the Owners of Lots 7,8,9 and 17 for the maintenance, repair and replacement of the "Supply Line Easements" for the Owners whose Lots are connected with the Septic Lot in question pursuant to N.C.G.S. §47F-3-115 (c).

Section 9. Working Capital. Upon the first transfer of title of a Lot from the Declarant, there shall be levied against such Lot and paid to the Association a sum equal to Four Hundred Dollars (\$400.00) as an initial contribution to the working capital of the Association. This sum is not an advance payment of the annual assessment.

Section 10. Resale Assessments. The Buyer of a Lot shall pay to the Association a fee of up to Two Hundred Dollars (\$200) to cover any management expenses incurred by the Association for administrative services performed by the Association's management company in updating its records and systems.

ARTICLE VIII

USE RESTRICTIONS

Section 1. Rules and Regulations. The Board of Directors of the Association shall have the power to formulate, publish and enforce reasonable rules and regulations concerning the use and enjoyment the Community Common Property. Such rules and regulations may provide for imposition of fines or penalties for the violation thereof, or for the violation of any of the covenants and conditions contained in this Declaration. The Board shall have the power to enforce compliance with said rules and regulations by all appropriate legal and equitable remedies, and an Owner determined by judicial action to have violated said rules and regulations shall be liable to the Association and/or the Declarant for all damages and costs, including attorney's fees. No rule or action by the Association or Board shall unreasonably impede the Declarant's right to develop the Properties.

Section 2. Pond Maintenance. The Owners of Lots 7, 8,9,11 and 12 shall be responsible for all landscaping maintenance on their Lots up to the Pond to and including, Pond bank maintenance. The expenses to maintain the Pond will be borne by the Owners abutting the

Pond. There is a 15' Pond Maintenance Easement for the benefit of the Association around the perimeter of the Pond for the Declarant, and thereafter, the Association, to access the Pond for maintenance purposes in the event the Owners of the Pond do not perform maintenance of the Pond as set forth herein. In the event any or all of the Owners of Lots 7, 8,9,11 and 12 fail to maintain the landscaping on their Lots up to the Pond to and including, Pond bank maintenance, the Association may access the Lot through the easement, perform the work and assess the cost to the applicable Owner pursuant to N.C.G.S. §47F-3-115 (c).

Section 3. Septic Lot Maintenance and Supply Line Maintenance and Repairs. The general landscaping maintenance expenses of the Septic Lots 17-S, 9-S, 8-S and 7-S will be a general common expense. These expenses are included in the additional fees charged to Lots 7, 8,9 and 17 pursuant to Article VII. However, the maintenance, repair and replacement of the "Supply Line Easements" shall be a Limited Common Expense assessable to the Owners whose Lots are connected with the Septic Lot in question pursuant to N.C.G.S. §47F-3-115 (c). In the event a repair to any portion of the supply lines or other portions of the septic system within such "Supply Line Easements" are needed, the Association has an easement to perform the work and tax the cost to the Owners whose Lots are connected with the Septic Lot in question pursuant to N.C.G.S. §47F-3-115 (c).

Section 4. Quiet Enjoyment. No obnoxious or offensive activity shall be carried on upon the Properties, nor shall anything be done which may be, or may become, a nuisance or annoyance to the neighborhood.

Section 5. Wetlands. Lots 11,12,14,15, 18 and 19 include certain wetlands. The Owners of Lots 11,12,14,15, 18 and 19 agree and acknowledge that such Owners will not do anything inconsistent with local, state or federal laws related to wetlands and the Declarant and the Association reserve the right to promulgate and amend from time to time rules and regulations related to such wetlands.

Section 6. Vehicles. Vehicles (to include trailers, boats etc.) shall not be operated or parked on unpaved areas in Copper Ridge Estates. Any such vehicles parked on any unpaved areas in Copper Ridge are subject to being towed immediately, without notice, at the owners expense.

No automobile, motor vehicle, or machine may be dismantled or repaired on any property, nor shall be placed or allowed to remain on any property at any time. These restrictions shall not apply if such vehicle is kept in an enclosed garage and out of sight from the street. If you are repairing a vehicle within sight, this repair must be done within 24-hours.

No commercial trucks, with the exception of not more than one full sized commercial pick-up shall be permitted to be parked on the premises except in the course of delivery, pick up, or discharge of a specific commercial duty. Said commercial vehicle or recreational vehicles, including but not restricted to boats, campers, jet skis, ATVs, and the like shall be stored at the rear of the residence, shall be within the yard set-backs, and screened from view of the street and other lots within an enclosed privacy fence. No tractor-trailer trucks are to be parked or stay overnight on the street, in the yard, or in the driveway except moving vans that are conducting business.

Section 7. Trailers, tents, barns, outbuildings. No trailer, tent, shack, garage, barn, outbuilding, or similar type temporary or permanent structure shall be placed, erected, or allowed to remain on any property without written consent of the Board of Directors. Nor shall any structure of temporary character be used as a residence temporarily, permanently, or otherwise.

Section 8. Fences. All fence installations must be approved by the Board of Directors prior to installation. Fences must be within the yard set-backs. All fences must be kept in good condition. Fences should not lean or be missing planks or panels. All repairs must match the rest of the fence in color and style.

Section 9. Satellite Dishes. Satellites must be no greater than one (1) meter in diameter. Satellites shall only be erected on the rear corner of the lot or rear of the home. No radio tower or antenna of any nature shall be placed or allowed to remain on any property.

Section 10. Signs. No signs other than a “**For Sale**” or “**For Rent**” sign shall be displayed on any lot. Signs shall be limited to one (1) sign per lot. Any other signs must get HOA approval.

Section 11. Landscaping. Each Owner shall landscape and maintain his yard in a well-manicured style so as to enhance his own as well as his neighbors' homes and lots. The grass of each Lot shall be kept at a reasonably short length, and all trees, shrubs, and bushes shall be properly pruned and all yards to include driveways shall be kept free of weeds.

Section 12. Trash. No trash of any kind, weather household or yard debris, shall be placed or allowed to remain on any property, except in proper containers. Containers should only be placed by the street on the evening before the day trash is scheduled to be picked up. Each owner shall promptly remove the trash container from the street, in no case later than the evening of the day trash was removed. **Trash cans must be kept out of sight from the street.** Trash cans are to be kept in the garage, behind the home, or screened within a fenced in yard. Trash cans may also be screened from view behind an enclosure (on the side of the home) of a type and size that is approved by the Board of Directors before installation.

Section 13. Fuel Tanks, Wood Piles. All fuel tanks, wood piles, and the like, are to be enclosed within a fenced yard or enclosure of a type and size that is approved by the Board of Directors, prior to installation, so as to preclude the same from causing an unsightly view from any street or other residence within the Planned Community.

Section 14. Lot Maintenance. The responsibilities of any Lot owner shall include: To clean, maintain, keep in good order, repair, and replace at his or her own expense all portions of his or her lot and Dwelling Unit. Any repair, replacement, and maintenance work to be done by an Owner must comply with any Rules and Regulations of the Association including architectural control and visual harmony. In the event an owner neglects or otherwise refuses to maintain his or her house and other accoutrements in a state of repair consistent with the beauty and welfare of the remaining area, including, but not limited to power washing and/or painting the exterior, then in that event, the Board of Directors may authorize such maintenance, repairs, or replacement, and the cost of such maintenance, repairs, or replacement shall be the responsibility of that Owner. Additionally, any stormwater water control easement located on a

Lot to include drainage ditches along the roads are the homeowners responsibility to maintain and keep functional as well as always keeping grass established in these stormwater ditches.

No furniture generally manufactured as interior furniture or for interior use shall be placed or allowed to remain outside as lawn furniture, nor shall such furniture be placed or allowed to remain outside of any heated space. Such furniture includes, but not limited to , upholstered furniture or bedding.

Section 15. Basketball Goals. No basketball goal of any nature, whether stationary or portable, or regulation size or otherwise, shall be allowed in the street or public right-of-way to include the players. Basketball goals shall be allowed in an owners' driveway provided they are properly maintained in good repair and condition, both aesthetically and structurally and they must have nets which look new or nearly new. Any permitted basketball goal is subject to approval and control by the Board of Directors.

Section 16. Noise. Each Lot Owner covenants and agrees that he or she will control the noise level coming from any activities on the lot at a reasonable level. The Lot Owner shall not allow the noise level to become a nuisance or to otherwise interfere with adjoining Lot Owners' reasonable use of their Lots. Reference is made to the Lee County noise ordinance as a guide.

Section 17. Doghouses. Any doghouse or dog containment structure for any type of dog not fully contained inside a privacy fence must be located behind the house within 30 feet of the back of the house. No doghouse or containment structure should be within 30 feet of a street. On a corner Lot, no doghouse or containment structure can be any closer to the street than the back corner of the house.

Section 18. Window Treatments. No resident shall place any aluminum foil, plastic or any reflective substance in any window, glass or door except those objects approved by the Board of Directors for energy conservation purposes. Where curtains other than white or off-white are hung, they must be lined or "under-draped" in white or off-white facing the exterior or have blinds of a neutral color in like-new condition. Bent, torn, or broken blinds should be replaced in a reasonable time frame.

Section 19. Guests and Tenants. Homeowners shall be responsible for the actions of any guests or tenants residing on their property. Homeowners shall inform tenants of the rules, regulations, and changes made from time to time.

Section 20. Rules and Regulations. Every resident shall comply with the rules and regulations promulgated by the Board as may be adopted or amended from time to time, as well as, those set forth in the Declaration. Failure of a resident to comply shall be grounds for action that may include, without limitation, an action to recover sums due for maintenance, repair, or replacement, fines imposed for infractions or both. The Board of Directors of the Association reserves the right to make additional rules and regulations as may be required. These additional rules and regulations shall be binding as with all other rules and regulations previously adopted.

Section 21. Trash Can Enclosure. The approved screen is a horizontal fence enclosure that is wood, 4ft in height and 4ft wide. The diagram and picture are copied below. Homeowners are required to submit an exterior change request to the Association Management

Company via email that must be approved by the Developer prior to installation should they choose to keep their trash can beside the home.

ARTICLE IX **ARCHITECTURAL CONTROL**

No site preparation (including, but not limited to grading, elevation work, landscaping, sloping or tree work) or initial construction, erection or installation of any improvements, including but not limited to, buildings, fences, signs, walls, bulkheads, screens, landscaping, plantings, equipment, swimming pools, or other structures shall be commenced, erected, placed, altered or maintained upon any lot, until the plans and specifications showing the nature, kind, shape, height, materials, exterior colors, siding, location and elevations of the proposed improvements relative to their existing and future septic field disposal areas, landscaping or plantings shall have been submitted to, and approved in writing by, as to harmony of external design and location in relation to surrounding structures and topography, an Architectural Committee composed person (s) appointed by the Declarant through the Period of Development, and thereafter, the Board for the Association. Initial construction on all Lots shall be reviewed and approved by the Declarant until the sale of the final Lot in the Subdivision by the Declarant. In the event the Architectural Committee fails to approve such submission made by any Lot Owner within thirty (30) days after said plans and specifications have been received by the Committee, approval will be deemed to have been denied. Any plans and specifications that contain inaccurate or missing data or information when submitted shall not be deemed to be approved notwithstanding any prior approval by the Committee.

Approval or disapproval by the Architectural Committee of such plans, location or specifications may be based upon any grounds, including purely aesthetic and environmental, which in the sole discretion of the Committee, it shall deem sufficient. Neither the Association, Board, nor the Architectural Committee shall be responsible for any defects in the plans and specifications submitted to it or in any structure erected or improvements made on any Lot.

ARTICLE X **EASEMENTS**

Section 1. Utility Easements. All of the Properties shall be subject to such easements for driveways, walkways, parking areas, water lines, sanitary sewers, storm drainage facilities, gas lines, telephone and electric power line and other public utilities as shall be established by the Declarant or by its predecessors in title, prior to subjecting the Properties to this Declaration; and the Association shall have the power and authority to grant and establish upon, over, under and across the Community Common Property conveyed to it, such further easements as are requisite for the convenient use and enjoyment of the Properties without approval of the membership as provided in the Articles of Incorporation.

In addition to the foregoing, Declarant shall have easements across the Lots and Community Common Property necessary for the convenient for the continued development of the subdivision during the Period of Development. Declarant, and thereafter, the Association has easement rights through and over all land described as Common Area in Article I herein, including without limitation, the land identified as "Sight Triangle Easement", "Open Space/Mail School Bus" "Pond Maintenance Easement", "Supply Line Easement" (Limited Common Property), "Pond", "Sign Easement" and "Septic Lots" (Limited Common Property)

Section 2. Priority of Easements. Each of the easements hereinabove referred to shall be deemed to be established upon the recordation of this Declaration and shall henceforth be deemed to be covenants running with the land for the use and benefit of the Lots, and the Community Common Property, as the case may be, superior to all other encumbrances which may hereafter be applied against or in favor of the Properties or any portion thereof.

ARTICLE XI INSURANCE

Section 1. Insurance to be Maintained by the Association. Insurance coverage obtained by the Association on the Common Area shall be in accordance with the requirements of N.C.G.S. §47F-3-113.

Section 2. Premiums. All premiums for insurance policies purchased by the Association shall be paid by the Association and charged to the Owners as an assessment according to the provisions of Article VII above.

Section 3. Owners Coverage. The Association shall not maintain any type of insurance coverage on a Lot. Each Owner of a Lot shall maintain property or casualty insurance on his or her Lot insuring against loss or damage by fire and other hazards commonly insured under an "all-risk" policy, and such coverage shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction of the dwelling on the Lot as well as all other improvements on the Lot in the event of damage or destruction from any such hazard. If all-risk coverage is not reasonably available, each Owner shall maintain at a minimum, fire and extended coverage. The proceeds of any applicable insurance policy shall be used to repair or restore any damage or destruction to a Lot unless restoration would be illegal under any State or local health or safety statute or ordinance. The Owner of a Lot shall be responsible for the cost of restoration of any improvement on such Lot in excess of insurance proceeds received by such Owner. The Board of Directors may require on an annual basis, or at such other times as the Board deems appropriate, that Owners submit proof that the insurance coverage required under this section is in force.

ARTICLE XII GENERAL PROVISIONS

Section 1. Enforcement.

(a) The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions, of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction hereby contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Duration and Amendments.

(a) The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Declarant or the Owner of any Lot subject to this Declaration, their respective legal

representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless the Association approves a change in the covenants and restrictions. The covenants and restrictions of this Declaration may be amended at any time if sixty-seven percent (67%) of the vote of each Class of Members at a duly called meeting of the Association at which a quorum is present approves the change; provided that prior to the sale of the first Lot, this Declaration may be amended by the Declarant without consent of the Members.

Any amendment must be recorded in the Office of the Register of Deeds of Lee County, North Carolina.

(b) For the duration of the Period of Development, and at any time during such period, Declarant shall have the right to amend this Declaration for any reasonable purpose, as determined in Declarant's sole discretion, so long as any such amendment purported to be made unilaterally by Declarant will not materially alter or effect the rights and obligations of any Owners of real estate within the Properties at the time such amendment is purported to be made.

Section 3. Availability of Documents. The Association will have current copies of the Declaration, By-Laws, and other rules concerning Copper Ridge, as well as the Association's own books, records and financial statements available for inspection during normal business hours by owners and by holders, insurers and guarantors of first mortgages that are secured by Lots in Copper Ridge Estates.

Section 4. No Exemption. No Owner or other party may exempt himself from the coverage hereof or obligations imposed hereby by non-use or abandonment of such Owner's Lots or the Common Area.

Section 5. Conflict Between Declaration and Articles of Incorporation, Bylaws. Whenever there exists a conflict between the provisions of this Declaration and the Articles of Incorporation or Bylaws of the Association, the provisions of this Declaration shall control, and whenever there is a conflict between the provisions of the Articles of Incorporation and Bylaws, the provisions of the Articles of Incorporation shall control. In the event of a conflict between the Act and this Declaration, the Act shall control.

Section 6. Laws of North Carolina. This Declaration shall be subject to and construed in accordance with the laws of the State of North Carolina and all applicable laws and regulations of the United States of America.

Section 7. Assignment. Declarant specifically reserves the right, in its sole discretion, at any time and from time to time, to assign (temporarily or permanently) any or all of its rights, privileges and powers under this Declaration or under any Supplemental Declaration.

IN WITNESS WHEREOF, the undersigned, being the Declarant, has caused this instrument to be executed as of the 5 day of September, 2024.

SBM HOMES, LLC

By: [Signature] (SEAL)
Title: Vice President

STATE OF NORTH CAROLINA

ACKNOWLEDGEMENT

COUNTY OF Lee

I, Crystal G. Caldwell, a Notary Public of the County and State aforesaid, certify that Johnny Byrd, personally came before me this day and acknowledged that he/she is Vice President of SBM HOMES, LLC, a North Carolina limited liability company, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Vice President Johnny Byrd

Witness my hand and official stamp or seal, this 5 day of September, 2024.

Crystal G. Caldwell
NOTARY PUBLIC

My commission expires: May 8, 2028

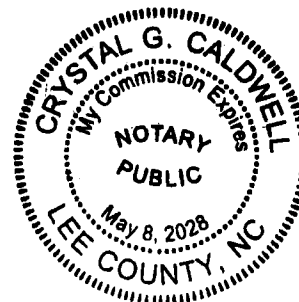


EXHIBIT A

Legal Description of Properties

Being all of the real property, inclusive of all Lots, Open Space, Septic Lots shown on the Subdivision Plat of Copper Ridge Estates prepared by Griffin Land Surveying, Inc. dated February 10, 2024 and recorded at Plat Cabinet 2024, Slides 128 through 131 of the Lee County Register of Deeds.

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