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DECLARATION OF ANNEXATION

STATE OF NORTH CAROLINA COUNTY OF ONSLOW

THIS DECLARATION OF ANNEXATION made and entered into this the 22nd day of January, 2007 by and between OLD STELLA BUILDING CO. (formerly Old Stella Building Co., LLC) (hereinafter called "Declarant"); and ALL PROSPECTIVE PURCHASERS of Lots No. 45 through 62, inclusive, 67 through 76, inclusive and 134 through 140, inclusive as same are shown and delineated on a map of Hall's Creek North Section IIA, said map being recorded in Map Book 52. Page 159. Slide L-1734 in the office of the Register of Deeds of Onslow County (hereinafter called "Lots");

WITNESSETH:

WHEREAS, Declarant heretofore recorded in Book 2664, Page 412 in the office of the Register of Deeds of Onslow County, a Declaration ("Declaration") covering Hall's Creek North Section I restricting the Lots as depicted on the map of Hall's Creek North Section I recorded in Map Book 51, Page 4, Slide L1341 (hereinafter sometimes called "Subdivision"); and,

WHEREAS, Article 16 of the Declaration provides that additional property and Lots may be annexed into the Subdivision by Declarant without the consent of the Owners of the Lots; and,

WHEREAS, the property and Lots hereinafter described are located upon the property owned by Declarant and upon the property described by the deeds recorded in Book 1325, Page 699 and Book 1325, Page 702, and Declarant desires to annex the property and Lots herein described into the Subdivision and executes this instrument in order to do so.

NOW, THEREFORE, for and in consideration of the premises, Declarant hereby annexes Lots No. 45 through 62, inclusive, 67 through 76, inclusive and 134 through 140, inclusive and Nellie Lane, Brant Court, Marlot Court and Morganser Drive as same are shown and delineated on a map of Hall's Creek North Section IIA into the Hall's Creek North Subdivision and Declarant hereby declares that the Lots shall be owned and held subject to each and every term and provision of the Declaration as hereby amended. The easements and rights reserved by Declarant in the Declaration as to the property described in the Declaration also are reserved by Declarant as to the property described in this Declaration of Annexation as if set forth verbatim herein. The terms and provisions of the Declaration are incorporated herein by reference.

NOW, FURTHER THEREFORE, for and in consideration of the premises, Declarant hereby does declare that the additional restrictions hereinafter set forth shall encumber the Lots and property hereby annexed into the Subdivision, and Declarant hereby reserves and retains the easements hereinafter set forth for the benefit of any property to which the benefit of said easements hereinafter are conveyed, including, but not limited to, the property described by deeds recorded in Book 1325, Page 699 and Book 1325, Page 702. The additional restrictions and easements are:

- 1. The maximum allowable "Built-upon Area" as defined in Paragraph 4(x)(ii) of the Declaration, as to each Lot hereby annexed into the Subdivision is 6,248 square feet.
- 2. Paragraph 3(i) of the Declaration hereby is amended to provide that the lawn required by that Paragraph shall extend from the edge of the pavement on which the Lot fronts to the rear face of the dwelling located upon the Lot. Further the Lots which are corner Lots also shall have a lawn from the pavement in the road beside said Lot to the face of the

dwelling located on said Lot and from front-lot line to rear-lot line. Exhibit A attached hereto and incorporated herein by reference sets forth the lawn requirements provided in this paragraph.

- 3. There hereby is added a new Paragraph 3(k) to provide as follows: "Those builders who construct dwellings on those Lots which have swales located on the lot lines agree to sod the banks of the swale from the bottom of the swale to ten (10) feet beyond the top of the bank of the swale, such sod to be as provided in Paragraph 3(i) hereof. If a swale is located along a lot line, the last builder to construct a dwelling beside the swale shall fill in the sediment trap within the swale, and remove the check dam in a manner satisfactory to the Department of Environmental and Natural Resources requirements and cover the sediment trap with sod as above provided.
- 4. Unless otherwise agreed to by Declarant in a document recorded in the office of the Register of Deeds of Onslow County, within one year after the conveyance by Declarant of a Lot, the grantee of that conveyance and their heirs, successors and assigns in the ownership of such Lot (collectively "Grantee) shall construct on said Lot a four (4) foot wide concrete sidewalk-bicycle path along the front Lot line of such Lot in the location required by the Town of Swansboro. For Lots located on cul-de-sacs, the construction of such sidewalk-bicycle path shall be required only if, and to the extent, required by the Town of Swansboro. With respect to those Lots which also abut a side street (or an area reserved for a side street), there also shall be constructed that portion of the sidewalk-bicycle path as required by the Town of Swansboro along the side street abutting the Lot. If the Grantee fails to comply with the provisions of this Paragraph, the obligations set forth herein may be enforced by Declarant. If Declarant brings an action to enforce Grantee's obligations, Declarant shall be entitled to recover from Grantee, Declarant's court costs and reasonable attorneys' fees.

- 5. Lots 45, 46, 47, 48, 53, 54, 55, 60, 61 and 62 are subject to the restriction set forth in Paragraph 8 of the document recorded in Book 855, Page 133, said restriction appearing on Page 16 of that document. Said Lots shall have no direct access to NCSR 1511.
- б. Declarant hereby reserves for itself and its successors and assigns, easements over the streets depicted on the recorded map, including, but not being limited to, Nellie Lane and Morganser Drive and the right to extend said streets (including extending streets from the western end of Nellie Lane and from the two cul-de-sacs at the southern end of Morganser Drive as shown on the aforesaid map into the property lying west of Nellie Lane and south of Morganser Drive to benefit that property) and use said streets and extensions for the purposes of ingress, egress, regress, access, the installation and maintenance of utilities, further subdivision and the right to construct and dedicate roads, to benefit other property including, but not limited to, the property presently owned by McCotter-Bordeaux Land Company, LLC described in the deeds recorded in Book 1325, Page 699 and Book 1325, Page 702 and to any other property to which Declarant assigns such rights. Additionally, such easements reserved by Declarant also shall be for the same purposes and of the same character as the easements reserved by Declarant in the Declaration recorded in Book 2664, Page 412, and that document is incorporated herein by reference to set forth the casements reserved by Declarant over the property described in this Declaration of Annexation in addition to the easements set forth above.
- 7. Declarant hereby reserves for itself and its successors and assigns identical rights and easements as reserved by Declarant in the Declaration over the property described in the Declaration, over the property hereby annexed, to the same extent, of the same character, and for the same purposes as such easements were reserved by the Declarant over the property encumbered by the Declaration. The easements hereby reserved by Declarant are for the benefit of any other property to which Declarant may grant the benefit of such easements (including, but not limited to, the property owned by McCotter-Bordeaux Land Company, LLC described by deed recorded in Book 1325, Page 699 and Book 1325, Page 702).

- 8. Declarant reserves the right to subject the property hereby annexed to a contract with Progress Energy or other utility provider to provide electricity for the illumination of the entrance sign and to a contract with the water provider to provide water to irrigate the entrance sign vegetation, either or both of which contracts may require of the owner of any Lot an initial payment and/or a continuing monthly payment for such services.
- 9. In the event the owner of any Lot shall damage or through negligent failure to act shall allow damage to occur to any Stormwater Management Facilities located on said owner's Lot, fail to comply with all applicable North Carolina Sedimentation and Erosion Control permits, fail to comply with the obligations of the Lot owner as set forth in this Declaration of Annexation and if, as a result of such failure, any fine is levied against Declarant, Committee, or Corporation, or if any enforcement action is brought against Declarant, Committee, or Corporation, the Lot owner shall indemnify and hold harmless Declarant, Committee, or Corporation as the case may be from all loss, cost, claim, suit, damage, expense, fine, or liability (including reasonable attorney's fees) as the result thereof.

IN TESTIMONY WHEREOF, Old Stella Building Co. has caused this instrument to be signed in a manner so as to be binding, this the day and year first above written.

By: Jakes E. Mc Cetter

President

CKAVEN ONSLOW COUNTY, NORTH CAROLINA

I certify that the following person personally appeared before me this day, acknowledging to me that he or she signed the foregoing document for the purpose(s) stated therein and, in the capacity indicated having been first authorized to do so: James E. Mc (che).

President of Old Stella Building Co.

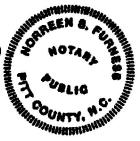
Date 1/22/01

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Signature of Notary Public

My commission expires: 8/23/0%

(Official Seal)



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EMIBIT A

