

12.1 VA or FHA Approvals: So long as there exists a Class II membership, the following actions will require the prior approval of the VA or FHA: Annexation of additional properties, (other than set out in Exhibit A or A-1) dedication of common areas, amendment to the Declaration.

13. Remedies: In the event of a violation or breach of any of these restrictions, covenants, agreements and conditions by any person or concern claiming by, through or under the undersigned, or by virtue of any judicial proceedings, the Association, its successors and assigns and the owners of the numbered lots in the subdivision, or any of them, jointly or severally, shall have the right to proceed at law or in equity to compel compliance with the terms thereof or to prevent the violation or breach of any of them. The failure to enforce any right, reservation, restriction or condition contained herein, however long continued, shall not be deemed a waiver of the right to do so thereafter as to the same breach or as to a breach occurring prior or subsequent thereto and shall not bar or affect its enforcement.

13.1 Remedies Extended to the State of North Carolina: To ensure that this subdivision is maintained consistent with the laws of the State of North Carolina, the State of North Carolina is specifically empowered to take such acts necessary by and through its officers to enforce any of these covenants against an owner or the Association. The State of North Carolina is specifically made a beneficiary of these covenants.

14. Rights of Mortgagees: (a) Notice of action: A holder or insurer of a mortgage, upon written request to the Association (such request to state the name and address of such holder or insurer and the description of secured properties) will be entitled to timely written notice of:

1. Any condemnation or casualty loss that affects either a material portion of the project or the Lot securing its mortgage.

2. Any sixty (60) day delinquency in the payment of assessments or charges owned by the Owner of any Lot upon which it holds a mortgage.

3. Any proposed amendment to the project instruments effecting a change in the boundaries of any Lot, ownership of Common Areas, if any, the number of votes in the Association pertaining to any Lot or any proposed change in the restrictions on the properties.

15. Amendment:

(a) These restrictions are subject to being altered, modified, cancelled or changed at any time as to said subdivision as a whole or as to any subdivided lot or part thereof during the first twenty (20) year period by written document executed by the Declarants or their successors in title and by the Owners of not less than ninety percent (90%) of the subdivided lots or parts of said subdivision to which these restrictions apply, and recorded in the office of the Register of Deeds of the County in which this Declaration is recorded. If the Declarant