

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF HAWKSEYE

This Declaration is made and executed this 13th day of January, 2006, by Hawkseye LLC, a Delaware limited liability company, (hereinafter referred to as the "Developer").

WITNESSETH:

WHEREAS, the Developer is the fee simple owner of certain real property located in Lewes and Rehoboth Hundred, Sussex County, Delaware as set forth in Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as the "Property"), and desires to develop therein a residential community; and

WHEREAS, the Developer desires to provide for the preservation of the values and amenities in said community and for the maintenance of said common lands and facilities and to this end desires to subject the Property to the covenants, restrictions, easements, charges and liens (hereinafter referred to collectively as the "Restrictions"), as hereinafter set forth, for the benefit of the Property and each owner thereof, and

WHEREAS, the Developer deems it desirable for the efficient preservation of values and amenities in said community to create an entity to which will be delegated and assigned the powers of maintaining and administering the community facilities, common lands and recreational amenities, and administering and enforcing the covenants and restrictions and levying, collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, the Developer will cause a nonprofit corporation, known as the Hawkseye Property Owners Association, Inc., to be incorporated under the laws of the State of Delaware for the purpose of exercising the functions aforesaid;

NOW THEREFORE, the Association hereby declares that the following Restrictions shall run with, burden and bind the Property, and the Association hereby declares the Property as described in Exhibit "A," is and shall be held, transferred, sold, conveyed, occupied and used subject to the restrictions hereinafter set forth and during the period of time hereinafter set forth; and subject to all easements, rights of way and restrictions previously placed upon the Property as recorded in the Office of the Recorder of Deeds in and for Sussex County by the Association, or its predecessors in title.

ARTICLE I
DEFINITIONS

The following words, when used in this Declaration (unless the context shall prohibit), shall have the following meanings:

A. "Association" shall mean and refer to the Hawkseye Property Owners Association, Inc., its successors and assigns.

B. "Common Areas" shall mean and refer to those areas of land designated on the Record Plot and incorporated herein by reference. The Common Areas shall be designated as Common Areas (including but not limited to, all private streets and entrance, whether within or adjacent to the Property, all areas for forested buffers, storm. water management, erosion and sediment control, water supply facilities, sanitary sewer facilities, and all community recreation facilities). All Common Areas are intended to be devoted to the common use and enjoyment of the members of the Association, as herein defined, and are not dedicated for use by the general public. All Common Areas shall be subject to the restrictions created herein, and shall be subject to all restrictions, easements and rights-of-way previously granted by the Developer or its predecessors in title.

B.1. "Pool Property" shall mean the parcel of Common Area containing the private indoor or outdoor artificial basin containing a body of water which is used for swimming, wading, diving, recreative bathing, or other aquatic purposes and is not open to the general public, or a limited section of the public, but is intended strictly for the Owners and their guests, together with any poolhouse and any pool facilities ancillary to said private Pool Property, being noted as the poolhouse and pool facilities on the parcel of Common Area at the corner of Kestrel Court and Red Tail Road.

C. "Developer" shall mean and refer to Hawkseye Development Company and its successors and assigns.

D. "Lot" shall mean and refer to any unimproved or improved plot of land intended and subdivided for a detached single unit residence, shown upon the Record Plot as a numbered parcel, but shall not include the "Common Areas" as hereinabove defined.

E. "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article II, Section 1 of this Declaration.

F. "Mortgage" shall mean and refer to any mortgage, deed of trust, or similar instrument granted as security for the performance of any obligation.

G. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, holding a fee simple title to any Lot, but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

H. "Record Plot" shall mean the plot of record in the Office of the Recorder of Deeds, in and for Sussex County, recorded in Deed Book 3297, Page9 *et seq.*, and any amendment thereto approved by the Planning and Zoning Commission of Sussex County, and endorsed as an amendment by the Developer.

I. "Swale" shall mean a depression in the soil adjacent to roadways and streets or between lots or centered upon lot lines used for the conveyance of storm water to disposal areas.

J. "Manufactured Home" shall mean homes built on a steel chassis, whether wheels are attached or not. This includes Sectional Homes as well as Manufactured Homes built prior to 1976 referred to as Mobile Homes.

K. "Enjoyment Rights" shall mean privileges to use the amenities provided by the Association.

L. "Family" shall mean a single person, or two or more persons related by blood, marriage, domestic partnership or adoption occupying a dwelling unit or no more than four (4) unrelated persons. Domestic employees shall be considered family.

M. "Transient Housing" shall mean a home or part of a home, in which habitable rooms or suites are used by temporary guests who rent and occupy the rooms or suites or home on a daily, weekly or monthly basis, including house swapping.

N. "Renovation" shall mean a substantive exterior alteration to the proportion, rhythm, scale, height, façade or design of an existing structure or the property including but not limited to hardscape, pool, or accessory building.

O. "Accessory Building" shall mean any attached or detached structure apart from the main dwelling but located on the same property, including but not limited to a shed, garage, gazebo, or playhouse.

P. "Variance" shall mean an exception to these Covenants and/or Architectural Requirements based on legally defensible reasons.

Q. "Improvement" shall mean a permanent addition to or betterment of real property that enhances its capital value and that involves the expenditure of labor or money and is designed to make the property more useful or valuable as distinguished from ordinary repairs. "Improved Lot" shall mean a lot, including any adjacent lot(s) owned by the same Owner or entity, on which a house has been completed.

R. "Noise Disturbance" shall mean any sound which (a) endangers or injures the safety or health of humans or animals, or (b) annoys or disturbs a reasonable person of normal sensitivities, or (c) jeopardizes the value of property and erodes the integrity of the environment.

S. "Good repair" shall mean well maintained, undamaged, in good and safe working order and condition without missing or spoiled parts.

T. "Imminent danger" shall mean situations that pose a direct and immediate threat of impending injury or serious physical damage to people or property including but not limited to pets, vehicles, structures.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot, which is subject to assessment or shall be eligible for a later assessment shall be a Member of the Association provided, however, that any such person or entity who holds such interest merely as security for performance of an obligation shall not be a Member, unless and until such person or entity has succeeded to such Owner's interest by enforcement of such security interest. Membership shall be appurtenant to and may not be separated from the ownership of any Lot, which is subject to assessment, provided, however, that the Developer shall be considered an Owner of each Lot held by it whether such Lot or Lots are or are not subject to assessment.

Section 2. The Association shall have one class of voting membership. A member shall be entitled to one (1) vote for each Lot. When more than one person holds an interest in any Lot all such persons shall be members. The vote of such Lot shall be exercised as the Owners themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

ARTICLE III

PROPERTY SUBJECT TO DECLARATION

Section 1. Property. The real property subject to this Declaration is all that property located in Lewes and Rehoboth Hundred, Sussex County, Delaware as shown on the Record Plot, and as described in Exhibit "A" and this Declaration and the lands subject to this Declaration shall also be subject to restrictions, easements or rights of way previously granted by the Developer, or its predecessors in title as recorded in the Office of the Recorder of Deeds, in and for Sussex County, or as such land has been duly dedicated to any public authority.

ARTICLE IV

PROPERTY RIGHTS IN THE GENERAL COMMON AREAS

Section 1. Title to Common Areas. The Developer shall convey legal title in the Common Areas to the Association, but notwithstanding any other provision herein, the Developer hereby covenants for itself, its successors and assigns, that it shall convey all its right, title and interest in the Common Areas to the Association, free and clear of all liens but subject to all previous restrictions of record and this Declaration.

Section 2. Extent of Members Easements. The rights and easements of enjoyment created hereby in the Common Areas shall be subject to the following:

(a) The right of the Association, in accordance with its Certificate of Incorporation and By-Laws, to borrow money for the purpose of improving the Common Areas and in aid thereof to mortgage the properties except the roads as shown on the Record Plot, and the rights of such mortgagee in the property shall

be subordinate to the rights of the Owners hereunder, provided, however, that no such borrowing or mortgaging shall be made unless approved by the vote of two-thirds (2/3) of the Membership.

(b) The right of the Association to take such steps as is reasonably necessary to protect the above described properties against foreclosure.

(c) The right of the Association, as provided in its Certificate of Incorporation and By-Laws, to suspend the enjoyment rights of any Member in any easement or in any Common Areas, for a period during which any assessment against such Member remains unpaid and for any period not to exceed sixty (60) days for any infraction of the Association's published rules and regulations.

(d) The right of the Association to dedicate or transfer all or any part of its interest in the Common Areas (subject to easements created hereunder, or previously created of record) to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer or determination as to purpose or as to the conditions thereof, shall be effective unless an instrument of consent has been signed by two-thirds (2/3) of the Membership. Such dedication or transfer shall not result in the public use of the Common Area so transferred; and provided further, such dedication or transfer may not include the dedication, transfer or sale of any items of personal property, landscaping, fixtures or other appurtenances unless or until they are functionally obsolete or damaged or destroyed beyond repair.

(e) The right of the Association, to grant and reserve easements and rights-of-way through, under, over and across the Common Areas, for the installation, maintenance and inspection of lines and appurtenances for public water, sewer, drainage, gas, electricity, telephone, cable television and other utilities.

(f) The right of the Association to adopt rules and regulations governing the use by the Owners of the Common Areas.

(g) The right of the Association, by and through its Board of Directors, to levy a reasonable liquidated damage assessment in an amount to be determined by the Association's Board of Directors after a hearing, against an Owner for violation of this Declaration of Covenants, Conditions and Restrictions, duly adopted By-Laws, Architectural Requirements, or any duly adopted rules and regulations by the Owner, members of the Owner's household, or the guests, invitees, tenants, agents or employees of the Owner. The liquidated damage assessment will be imposed at a hearing held no sooner than ten (10) days after the Association provides written notice of the violation to the Owner and informs the Owner of a date, time and place for the Owner to appear for a hearing before the Board of Directors, or its designated committee, to determine the reasonable liquidated damage assessment or a method of cure, at which hearing the notice Owner shall have an opportunity to appear and fully participate, together with counsel. After the hearing and if a liquidated damage assessment is imposed, the liquidated damage assessment so imposed shall be an assessment pursuant to Article V of this Declaration and collection may be enforced in any manner permissible for collection of any assessment.

Section 3. Delegation of Use. Any Owner may delegate his rights of enjoyment to the Common Areas and facilities to the members of his family, tenants, guests, or contract purchasers (and members of the family of any tenant or contract purchaser) who resides on the lot or to such other persons as may be permitted by the Association.

Section 4. Obligations of the Association. The Association shall:

(a) Take title to, own, manage and maintain the Common Areas, particularly the roads, forested buffers, recreational areas, and areas for stormwater management, erosion and sedimentation control.

(b) Operate and maintain, for the use and benefit of all Members of the Association, all Common Areas and facilities and improvements developed thereon.

(c) Operate and maintain all facilities and/or landscaping on all Common Areas except any area designated to be maintained by a Member.

(d) Maintain and restrict the use or uses to be made on or to the Common Areas.

ARTICLE V

COVENANT FOR MAINTENANCE AND TO ACCEPT AND DISCHARGE ASSESSMENTS

Transfer Fee Amendment has been incorporated (Section 1 and 6.1)

Section 1. Creation of Lien and Personal Obligation of Assessments. The Association, for itself and its successors and assigns, and for each Lot within the Property, hereby covenants, and each Owner of any Lot, by acceptance of a deed or other transfer document therefor, whether or not it shall be expressly established in such Deed or other transfer document, hereby covenants and agrees to pay the Association: (1) annual assessments or charges; (2) special assessments for capital improvements and operating repair and replacement, reserve funds; (3) liquidated damage assessments, if imposed, pursuant to the provisions of Article IV, Section 2(g); (4) an initial assessment in the amount of Six Hundred Dollars (\$600.00) due upon the conveyance of any Lot from the Developer to a third party purchaser for value, and (5) a Reserve Transfer Assessment of two thousand dollars (\$2,000.00), such assessments to be fixed, established and collected as hereinafter provided. The annual, special assessment, liquidated damage assessment, initial assessment, and Reserve Transfer Assessment, together with interest and costs and reasonable attorney's fees, shall be a charge on the Lot, and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, for the collection thereof, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment was due. A personal obligation for delinquent assessment shall not pass to the Owner's successor in title (other than as a lien on the land), unless expressly assumed by them. No assessment shall be due from any Lots owned by the Developer until such Lot is sold and conveyed to a third party purchaser for value.

Section 2. Purpose of Assessments. Assessments levied by the Association shall be for the purpose of promoting the recreation, health, safety and welfare of the residents in the Property, or for the improvement

and maintenance of the Common Areas of the Property, and for services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas, including, but not limited to, repair and replacement of the roads, the payment of taxes and insurance thereon, repair, replacement and additions thereto, for the cost of labor, equipment, materials, management and supervision thereof, or for operating reserve funds and reserve funds for repair and replacement of the Common Areas and the facilities thereon, or for a purpose of discharging a duty or obligation of the Association.

Section 3. Basis and Maximum Annual Assessment. Each respective Lot to be sold by the Developer to any Owner shall thereafter be subject to an annual assessment to be paid to the Association. The amount of such annual assessment shall be established by the Association and shall be charged or assessed in equal proportions against each Lot within the Property. The assessment shall be made each calendar year commencing January 1 of each year. Each annual assessment shall be due and payable on or before thirty (30) days after it has been fixed and levied. It shall be the duty of the Association to notify all Owners, whose addresses are listed with the said Association, within thirty (30) days after said annual assessment has been fixed or levied, giving the amount of the charge of the assessment for said year, when due, and the amount due on each Lot or parcel of land owned by each such Owner. Failure of the Association to levy the assessment for any one year shall not affect the right of the Association to do so for any subsequent year.

Section 4. Establishment of Annual Assessment Rate. The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, set the annual assessment in an amount deemed appropriate and may provide for the payment in monthly or quarterly installments; provided however, that if any periodic payment obligation is not paid on its due date, the full annual amount of the assessment shall be due.

Section 5. Initial Assessment. In addition to the annual assessment or other assessments, the Association hereby establishes an initial assessment to be paid by the purchaser upon the conveyance of each Lot from the Developer to a third party purchaser for value; and the amount of such initial assessment is set at Six-Hundred Dollars (\$600.00). The Association may use that fund to pay the cost of any obligation to maintain the Common Areas pending transfer of the fund and the Common Areas to the Association.

Section 6. Special Assessment for Capital Improvements and Operating Reserve. In addition to the Annual Assessment authorized by Section 3 hereof, the Association may levy in any assessment year a special assessment (which must be fixed at one uniform rate for each Lot) applicable to that year only, for the purpose of defraying in whole or in part the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto, repair and replacement of the roads, and for operating the Common Areas, for which a reserve fund does not

exist or is not adequate. No assessment shall be due from any Lots owned by the Developer until such Lot is sold and conveyed to a third party purchaser for value.

Section 6.1. Reserve Transfer Assessment. In addition to the annual assessment or other assessments, the Association hereby establishes a Reserve Transfer Assessment of two thousand dollars (\$2,000.00), which sum, after the initial conveyance from each lot from the Developer to a third party purchaser for value as set forth in Section 5 of this Article V, shall be paid to the Association by each and every person, firm, or entity of whatever type or nature acquiring title to each Lot upon each subsequent conveyance or transfer of each Lot. The Reserve Transfer Assessment shall be due and payable to the Association upon the date of conveyance or other transfer of each Lot, and shall be deposited by the Association into the Association Reserve accounts to be used for a purpose of discharging a duty or obligation of the Association in maintaining, repairing, or replacing the Common Areas, and as provided in Section 1 of this Article V, shall, together with interest, costs and reasonable attorney fees, be a charge on the Lot conveyed or transferred and shall be a continuing lien upon each Lot against which each such Reserve Transfer Assessment is due.

The Reserve Transfer Assessment shall not apply to any of the following conveyances or transfers:

A. A conveyance or transfer by an Owner to an Owner's spouse or to a natural or adopted child or children of an Owner;

B. A conveyance or transfer by an Owner to an inter vivos or testamentary trust created by an Owner primarily for the benefit of the Owner or any of the persons named in subparagraph 6.1;

C. A conveyance or transfer by an Owner to a corporation, partnership, limited liability company or other business entity in which the Owner is the primary Owner with more than fifty-one percent (51%) ownership in the stock or other ownership interest in such entity;

D. A conveyance or transfer by an Owner to any of the persons or entities set forth in subparagraphs A, B, or C by will or through intestate succession;

E. A conveyance or transfer by foreclosure or deed in lieu of foreclosure.

Section 7. Liquidated Damage Assessments. The Board of Directors has the power and duty to impose liquidated damage assessments for violations of these Restrictions and/or By-Laws or Rules of the Association. Such assessment shall be imposed at a hearing conducted in the manner set forth in Article IV, Section 2(g).

Section 8. Date of Commencement Assessment; Due Date. The annual assessments as to any Lot shall commence on the conveyance of such Lot, prorated for the remaining portion of said year. The due date of any special assessment under Section 6 thereof shall be fixed in any resolution authorizing such assessment. The due date of any liquidated damage assessment shall be established at the hearing by the Board of Directors or its designated committee in establishing the liquidated damage assessment.

Section 9. Effect of Nonpayment of Assessment. The Personal Obligation of the Owner; the Lien; Remedies of the Association. If any Assessment is not paid on the date when stated to be due in the notice of assessment, then the Assessment shall be deemed delinquent, and if the delinquent payment is a periodic payment (i.e. monthly, quarterly, etc.), the entire assessment shall be delinquent, and shall, together with such interest thereon and cost of collection thereof, including reasonable attorney's fees, as hereinafter provided, continue as a lien on the Lot and any structure built thereon which shall bind such Lot in the hands of the Owner, his heirs, devisees, personal representatives, successors and assigns. In addition to such lien rights, the obligation of the assessment shall be a personal obligation of the then Owner to pay such Assessment, however, the personal obligation shall not pass to his successors in title (other than as a lien on the land) unless expressly assumed by them. If the Assessment is not paid within thirty (30) days, the Assessment shall bear interest from the date of delivery at the rate of the legal interest rate authorized by 6 Del. C. §2301 as amended and the Association may bring legal action against the Owner personally obligated to pay the same or may enforce or foreclose the lien against the Lot; and in the event a judgment is obtained, such judgment shall include interest on the Assessment from its due date and reasonable attorney's fees to be fixed by the Court, together with the costs of collection. No Owner of a Lot may waive or otherwise escape liability for an Assessment of his or its Lot. The Association reserves the right to suspend the enjoyment rights of any Member in any easement or Common Area for the period during which any assessment against such Member remains unpaid.

Section 10. Subordination of the Lien to the First Mortgage. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage on the Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, sale or transfer of any Lot by foreclosure of any first mortgage or any proceedings in lieu thereof shall extinguish the lien of such assessments as to payments which become 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 11. Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, charges and liens created herein:

- (a) All properties dedicated to and accepted by a government body, agency or authority and devoted to public use;
- (b) All Common Areas; and
- (c) All Lots owned by the Developer and not sold or leased by the Developer to third persons.

Section 12. Developer's Contribution. Notwithstanding anything herein to the contrary, up until the transfer of 80% of the Lots, the Developer shall contribute to the Association as a Developer assessment the following:

(a) Annual Assessment. An amount to pay the difference between actual annual assessments paid by Lot owners and actual expenses of the Association except that the Developer shall not be responsible for any portion of the assessment related to the operating reserve fund and reserve funds for repair and replacement; and

(b) Special Assessment. An amount per Lot owned by the Developer equal to the uniform rate for each Lot as established by a special assessment imposed under Article V, Section 6.

ARTICLE VI

RESTRICTIVE AND PROTECTIVE COVENANTS

Section 1. Utility Easements.

A) The Association hereby reserves the right to grant easements over, under, on and through the Common Areas, all roads, and the designated areas of the Lots as shown on the Record Plot for the installation, construction, reconstruction, relocation, removal, maintenance, repair, operation, inspection of sewer, water drainage, electric, gas, television, telephone, and cable telephone and television facilities and wires, lines, conduits and other necessary and proper attachments in connection therewith, for the benefit of the property, the Developer, any federal, state or local authority, commission or agency having jurisdiction thereover or any corporation, either public, quasi-public or private, supplying or serving such facilities.

B) The Association reserves unto itself a ten foot (10') drainage and/or utility easement from the right-of-way in the front yard and/or rear yard of all Lots and centered on all side and rear Lot lines as indicated on the Hawkseye Record Plot. The Association further reserves a ten foot (10') drainage and/or utility easement along the interior side of all perimeter boundary lines where Hawkseye meets adjacent properties.

Section 2. Utility Easements. Prior Restrictions. The Property is subject to all those prior easements, rights-of-way and restrictions placed upon the Property by the Developer's predecessors in title as such be recorded among the land records in the Office of the Recorder of Deeds in and for Sussex County.

Section 3. Residential Use. All Lots in the Property shall be used for residential purposes except in conjunction with Section 5 (following). No structure, except as hereinafter provided, shall be erected, altered, placed or permitted to remain upon any such Lot other than one (1) detached single unit dwelling, with attached garage building (hereinafter sometimes referred to as the main dwelling), and one (1) accessory building. The use of any such main dwelling or accessory building for any activity normally conducted as a business or commercial activity shall comply with restrictions noted in Section 5 (following). No such accessory building may be constructed prior to the construction of a main dwelling. All such accessory buildings may be used only in connection with the main dwelling. All improvements shall be in conformity with HAWKSEYE ARCHITECTURAL REQUIREMENTS attached hereto as Exhibit B.

Section 3.1 Satellite Antennas. Satellite antennas are allowed provided that they are no larger than 24 inches in diameter and are located behind the apex line of the roof of the main dwelling.

Section 3.2 Leasing and Family Occupancy. Owners may lease their Lots for residential family purposes, subject to the following:

A) No lot shall be leased or subleased for a boarding house, tourist home, bed and breakfast or for any other form of transient housing. Transient use is defined as a home, or part of a home, in which habitable rooms or suites are used by temporary guests who rent or occupy the rooms, or suites, or home, on a daily, weekly or monthly basis, including house swapping. Annual leases are permitted. Subleases are not permitted.

B) All leases shall be expressly subject to these Restrictions, including but not limited to the use of the Property for residential purposes only and shall be used as a single-family dwelling as set out above.

C) Lot Owners must provide a current copy of the Declarations, Covenants, By-Laws and all rules to the tenant and shall take all lawful action against a tenant who materially violates the noticed rules. When entering into a lease the Lot Owner irrevocably appoints the Board of Directors as attorney-in-fact to enforce all noticed rules.

D) "Family" allows a single person, or two or more persons related by blood, marriage, domestic partnership or adoption occupying a dwelling unit, or not more than four (4) unrelated persons to be considered a family. Domestic employees shall be considered "family".

Section 4. Restrictions as to Trailers and Manufactured Housing. No trailer, mobile home, manufactured home, sectional home, double wide or similar type structure, which moves to a building site on wheels attached to its own undercarriage, shall be utilized as a main or single dwelling unit on any Lot in the Property. No tent, shack, garage, barn or other type outbuildings, shall at any time be used as a residence, temporary or permanent.-This restriction shall not prohibit the manufacture off site of structural frames and roof membranes.

Section 5. Restrictions Against Business Use and Use Before Completion.

A)- The conduct of any trade or business of any description, including home-based business, is subject to the following restrictions:

1. Vehicular traffic must be limited to parking in the lot driveway only
2. No alteration shall be made in either the external structural form or the external appearance of the residential building for the purposes of any home business;
3. No evidence, including but not limited to signs, displays of goods, equipment or materials used for any home business shall be visible from any road or adjacent properties;
4. No noise, vibrations, heat, glare, dust, odors or smoke may be discernible at the property lines;

5. No hazardous materials in excess of quantities otherwise permitted in residential structures may be used;
6. Employees must be limited to permanent residents of the main dwelling;
7. Commercial vehicles used in conjunction with the home-based business must be housed in the main dwelling or accessory building garage. An accessory building garage is considered the single allowable accessory building.

B) No building shall be used or occupied as a residence until the exterior is fully completed, according to the plans and specifications approved therefore, as such approval is hereinafter provided and a certificate of occupancy is issued by Sussex County. No one shall reside on any Lot, casually, temporarily or permanently except in a dwelling house completed according to the plans and specifications approved as hereinafter provided.

Section 6. Architectural Review Committee, Approval of Building Plans.

A) In order to insure the development and maintenance of Hawkseye as a residential development of high standards, there shall be a Hawkseye Architectural Review Committee (HARC). The HARC Chairperson shall be appointed from the Board of Directors, is accountable to the Board of Directors and shall serve until such time as the successor is designated by the Board of Directors. The HARC is vested with the power to manage all buildings, structures, improvements and landscaping to be placed upon any lot within Hawkseye. The HARC will consist of Owners, however, the HARC may retain a non-Owner architect to assist the Committee in its responsibilities. No builder or representative of a company actively building in Hawkseye may be a member of the HARC.

B) No building, structure, fence, wall or other erection shall be commenced, erected, maintained or used, nor shall any addition to or change or alterations therein, or in the use thereof, be made upon any of the Lots which are the subject matter of the Restrictive Covenants, no matter for what purpose or use, until complete and comprehensive plans and specifications showing the nature, kind, shape, height, materials, floor plans, exterior architectural scheme, location and frontage on the Lot, approximate cost of such building, structure or other erection, the grading and landscaping of the Lot to be built upon or improved, the location of the driveway and the type of driveway material, which shall be either hot-mix asphalt, pavers or concrete, and such other required information shall be submitted to and approved in writing by HARC or its successors. Installation plans, including specific layout information and mounting location(s) for solar panels must be submitted to the HARC for approval as part of the construction application for new construction or prior to installation for existing buildings. All plans for new construction or external alteration or additions shall be submitted to HARC for approval along with a check in the amount required for professional review. A copy of all such plans and specifications finally approved as aforesaid shall be lodged permanently with the said Committee, or its successors;

PROVIDED, HOWEVER, that nothing herein shall require the aforesaid approval as to interior decorations, alterations or changes.

C) HARC, or its successors shall have the right to refuse to approve any such plans or specifications, grading, landscaping plans, fencing or other changes, which in the sole discretion of the HARC, or its successors, do not meet the review parameters established in Exhibit B Architectural Requirements. HARC shall take into consideration the suitability of the proposed building or other improvements or erections and/or the materials of which the building or other improvements or erections are to be built, and the site upon which it is proposed to be built, the harmony thereof with the surrounding, and the effect of such improvements, additions, alterations or changes used, as planned, on the adjacent or neighboring property, and any and all factors which in its opinion, would affect the desirability or suitability of such proposed improvements, erections, alterations or changes.

D) In addition to the powers stated above, HARC shall administer and enforce HAWKSEYE ARCHITECTURAL REQUIREMENTS which is a document containing information regarding the review procedures and design requirements. A copy of the Hawkseye Architectural Requirements is attached hereto as Exhibit B and incorporated herein by reference. Each Lot purchaser shall receive a copy of the Hawkseye Architectural Requirements at the time of purchase and agrees to be bound by said standards and any changes thereto. The Hawkseye Architectural Requirements may be amended or modified by a vote of two-thirds (2/3) of the eligible votes of the membership. Any amendments or modifications of the Standards shall be sent to each Lot Owner within thirty (30) days of its approval.

E) The Association shall have the right to enforce the provisions of this section and the requirements of the Hawkseye Architectural Requirements against any person or persons violating or attempting to violate said requirements by appropriate legal action.

Section 7. Resubdivision or combination.

A) No Lot shall be resubdivided, sold or otherwise alienated in a lesser or smaller parcel.

B) Whenever two or more adjoining lots are acquired in single ownership and the same are devoted to use as a single building site, the interior side-yard and/or the interior rear yard setback line or lines thereof, as the case may be, shall be applicable thereto only as to the common rear line or side boundary line or lines between such lots or land area and the adjoining lots or land area in other ownership. If two or more lots are subject to such use as a single building site, subsequent sale of an individual lot must meet, without exception all setback requirements set out herein.

Section 8. Signs and Advertising Regulated. No signs, notice or advertising matter of any nature and description shall be erected, used or permitted upon any of the Lots, except after securing the written permission of the the Association, except for signs regarding construction or sale of Lots. Only one (1) general contractor sign and one (1) real estate sign per lot is permitted. No lights, flags or any other decorative elements

are permitted for marketing purposes. Real estate agency and general contractor signs shall be permitted upon the following conditions:

- a . Signs may contain contractor or realtor logo, name and contact information only;
- b. Real Estate signs are not to exceed twelve (12) inches by eighteen (18) inches in size, measured at the outside dimension including frame;
- c. General contractor signs shall not exceed four (4) square feet and shall be removed within 72 hours of the completion of construction or settlement on the sale of a lot, whichever occurs earliest; and
- d. Open House directional signs may be posted immediately before and must be removed immediately after each Open House event.

Section 9. Setback Restrictions - Height Limitation.

A) No building or improvement, of any kind, including accessory buildings shall be erected on any Lot, nearer than forty feet (40') to the front Lot line. Provided, however, that on a street or road with existing buildings or improvements having a front yard that is greater than that required herein, any new building or improvement shall have a front yard setback that is equal to the average setback of those existing buildings or improvements located on the same side of the street or road and being within 300 feet of the new building or improvement. Any vacant lot shall be calculated as having the required minimum setback.

B) Each side yard setback line of any Lot shall be fifteen feet (15') from the respective side lines of such Lot for the main dwelling and/or attached accessory building.

C) No main building or attached accessory building shall be erected on any Lot nearer than twenty feet (20') to the rear line.

D. Detached accessory buildings shall be located as far behind the main dwelling as possible; the setbacks shall be ten (10) feet from the rear and side lot lines.

E) In the case of a single ownership of more than one Lot in combination, as set out in Section 7 above, which are contiguous, the foregoing side set back lines shall apply to the parcel owned as a whole, if the Owner or occupier thereof makes use of the same thereof as a whole.

F) The height of any building shall be as determined pursuant to the Sussex County Comprehensive Zoning Ordinance, except that detached accessory buildings shall not exceed 70% of the height of the main dwelling.

Section 9.1. Renewable Energy Devices. Solar PV panels must be installed by a licensed contractor, specifically certified to perform solar installations in the State of Delaware. The layout of the panels must be orderly and not haphazard. Plans must be approved by HARC. All installations must have a Sussex County building permit and pass all required inspections by both the county and the electricity utility provider, Delaware Electric Coop.

Section 10. Trash/Garbage

A). Receptacles. Each Lot shall provide receptacles for garbage and recycling in a screened area not generally visible from any interior road. Garbage/Trash is to be picked up at the end of your driveway in garbage hauler receptacles only. Loose plastic bags or other receptacles may not be used for trash pickups. Receptacles may not remain at the roadside for more than 24 hours after pick-up time.

B). Hauling. Each lot shall make provision for their trash/garbage to be hauled on a weekly basis, either through the HPOA with our contracted hauler, or opt to haul their own trash. The HPOA will invoice for trash hauling.

Section 11. Storage Receptacles. No fuel tanks or similar storage receptacles may be exposed to view.

Section 12. Construction and Demolition. Once construction or demolition of any building has been commenced on any Lot, such construction or demolition shall proceed without delay until the same is completed, including the driveway, except where such completion is impossible or results in great hardship to the Owner or builder due to strikes, fires, national or local emergencies or calamities. Cessation of work upon the construction or demolition of any building once started and before completed thereof for a continuous period of sixty (60) days shall be prima facie evidence of an attempt to abandon the same in its partially completed or demolished state and shall be deemed to be a public nuisance. In the event construction plans have been approved pursuant to Section 6, construction must commence pursuant to said approved plans within one (1) year of the date of approval.-Construction shall be completed within eighteen (18) months. Failure to commence construction within one (1) year of the date of approval of plans will void approval. Failure to complete construction within eighteen (18) months of commencement will subject the Lot Owner to the remedies available by HARC and/or the Association. The HARC or the Association shall have the authority to enforce this requirement, including seeking injunctive relief in the Court of Chancery compelling completion or demolition of such construction.

Section 13. Fences. No fence whatsoever shall be erected or allowed to remain on any Lot, except as provided in the Hawkseye Architectural Standards.

Section 14. Nuisance. It shall be the responsibility of each Owner to prevent the development of any unclean, unsightly, or unkempt conditions of buildings or grounds upon a Lot which shall tend to substantially decrease the beauty of the Property as a whole, or the beauty of the specific area.

- a. Each structure must remain in a functional condition, in good repair, and with no visible defects or damage.
- b. No noxious or offensive activity shall be permitted upon any Lot nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance on the

Property. No person shall make, continue, or cause to be made or continued, any noise disturbance.

- c. No laundry shall be exposed for airing or drying.
- d. Yard sales are prohibited except those designated by the Board of Directors as neighborhood events.
- e. There shall not be maintained upon any Lot any plant, animal, device or thing of any sort, the normal activities of which is in any way noxious, dangerous, unsightly, unpleasant or of such a nature as may diminish or destroy the enjoyment of the Property. Specifically included under this section is the prohibition against any livestock being kept on any Lots.
- f. The keeping of any non-domestic animals shall be deemed a nuisance per se under this section; but the keeping of no more than three domestic cats and/or dogs, or other traditional household pets, unless the activity of such pets is in any way noxious, dangerous, unsightly or unpleasant, shall not be prohibited under this section. The keeping of pit bulls or Staffordshire terriers is prohibited. Household pets shall be kept inside and shall not be permitted to frequently or for long periods of time bark or otherwise make noise that disturbs any person in the vicinity.
- g. Fecal matter shall be promptly removed.
- h. No disabled vehicle shall be allowed to remain in view as a nuisance, nor shall any unlicensed vehicle be allowed to remain more than a reasonable period of time, not to exceed 15 days.
- i. No trucks, campers, motor homes, dump trucks or vehicles in excess of 8000 pounds gross volume weight shall be permitted on any Lot, roadway or Common Area, except in connection with the construction, maintenance and repair of residences and Common Areas within the Property.
- j. No boats or trailers for boats shall be permitted on any lot, except that a boat and trailer for a boat less than 30 feet long shall be permitted twice per year, for a maximum period of two (2) consecutive weeks each, provided that they are located in the driveway behind the front line of the main dwelling. This exception is solely for the purpose of cleaning in the spring and winterization in the fall.
- k. Members shall not routinely park on the street. Vehicles and/or equipment involved in maintenance, repair or construction projects may not be left on roadways or Common Areas overnight.
- l. Mailboxes shall be maintained in good condition.

Section 15. Landscaping. The land area not occupied by structures, hard surfacing, vehicular driveways or pedestrian paths shall be kept planted with grass, trees or shrubs or other ground covering or landscaping in conformance with the requirements set by the Hawkseye Architectural Requirements. The

landscaping plan submitted and approved with the construction application must be installed as approved within six (6) months of the completion of the main dwelling. If post-construction landscaping changes and/or additions are proposed, plan review and approval by the HARC is not required unless grading changes or significant additional hardscape is being proposed. The basis of the review shall be to ensure that any proposed grading will not adversely impact neighboring properties. For grading activities disturbing more than five thousand (5,000) square feet of horizontal area, a Sussex Conservation District application and permit is required. No tree may be cut or removed with a measured trunk diameter of eight (8) inches or greater measured at a height of sixty (60) inches above existing grade unless otherwise approved in writing by HARC. HARC consideration for large tree removal will be based upon conflicts with existing and proposed structures, general views and importance to the community, and/or improvements, damage, disease, or other factors such as instability and general safety concerns. If trees are removed without the prior written approval of the HARC, the Lot Owner shall pay a fine equal to three (3) times the value of each tree removed. Value is to be determined by the average of two (2) written estimates from Delaware landscapers.

Section 16. Weeds. No noxious weeds, or accumulated trash of any kind shall be permitted to grow or be maintained upon any Lot by the Owner or occupier thereof. The Association or its successors and assigns may first notify the Owner or occupier to cut and/or remove any such offending growth or trash within thirty (30) days from the giving of such notice. Any such notice must be in writing. If the Owner or occupier shall fail or neglect to comply with any such notice, then and in such an event the Association or its successors shall be empowered to enter upon any such Lot, together with such assistance and equipment as may be required and thereupon to cut and/or remove the same, all without being deemed a trespass, at the expense of the Owner of the Lot. This covenant shall not be construed as an obligation on the part of the Association or its successors to provide garbage or trash removal services.

Section 17. Square Footage. The square footage of all improvements on any Lot shall be in accordance with the Hawkseye Architectural Requirements, but in no case shall the under roof heated interior space, exclusive of porches and decks, garage or similar non-year-round heated space be less than three thousand (3,000) square feet. For a two-story home, the first story shall contain not less than eighteen hundred (1,800) square feet.

Section 18. Driveways and Parking Spaces. Each Lot shall provide for outside parking for two (2) automobiles on site and off all roadways and a driveway, which shall be made in accordance with the Architectural Requirements.

Section 19. Pools. Only inground pools are permitted and must comply with State and County ordinances. No fixed-wall above-ground pools are permitted.

ARTICLE VII

General Provisions

Section 1. Duration and Amendment. The Restrictions of this Declaration run with and bind the Property and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, as the case may be, in perpetuity. Subject, however, to the provision that the Association or its successors, by and with the vote or written consent of seventy percent (70%) of the eligible votes of the membership, shall have the power to waive, abandon, terminate, modify, alter, change, amend, eliminate or add to these Restrictions and this Declaration at any time hereafter. Any such waiver, abandonment, termination, modification, alteration, change, amendment, elimination or addition shall take effect when a copy thereof, executed and acknowledged by the Association or its successors in accord with the usual form of execution and acknowledgment of deeds, together with written consents of the requisite number of Owners, has been filed for record in the Office of the Recorder of Deeds, in and for Sussex County, and the same shall thereafter remain in effect in perpetuity unless otherwise provided.

Section 2. Remedies. The Association, or any Owner, shall have the right to enforce this Declaration and the Restrictions contained herein by any proceeding at law or in equity, against any person or persons violating or attempting to violate any provision of this Declaration or any Restrictions contained herein, to restrain violation, to require specific performance, and/or to recover damages; and to proceed against any Lot to enforce any lien created by these Restrictions. The expense and cost in enforcement by the Association shall be chargeable to the Owner of the Lot, including the costs of reasonable attorney's fees. In the event any legal action is taken by the Association, such fees, approved by a court of competent jurisdiction, shall constitute a lien on the Lot, collectible in the same manner as assessments hereunder.

Section 3. Assignability. The Developer, his successors and assigns, shall at all times have the right to fully transfer and assign any or all of its rights and powers under this Declaration, subject to the Developer's obligations hereunder.

Section 4. Nonwaiver. Failure of the Association or any Owner, or their respective legal representatives, heirs, successors and assigns, to enforce any Restrictions contained in the this Declaration shall in no event be considered a waiver of the right to do so thereafter, as to the same violation or breach or as to such violation or breach occurring prior to subsequent thereto.

Section 5. Construction and Interpretation. The Association to the extent provided herein, may adopt and promulgate reasonable rules and regulations regarding the administration, interpretation and the enforcement of the provisions of this Declaration and the Hawkseye Architectural Requirements incorporated herein by reference. In so adopting and promulgating such rules and regulations and in making any finding,

determination, ruling or order or in carrying out any directive contained herein relating to the issuance of permits, authorizations, approvals, rules or regulations, the Association shall take into consideration the best interest of the Owners to the end that the Property shall be preserved and maintained as a viable community.

Section 6. Severability. All the covenants, conditions, restrictions, and reservations contained in this Declaration are hereby declared to be severable. and a finding by any court of competent jurisdiction that any of them or any clause or phrase thereof is void, unlawful or unenforceable, shall not affect the validity or enforceability of any other covenants, conditions, restrictions, reservations or clause or phase thereof.

Section 7. Non-liability. Nothing contained in this Declaration shall be construed in any manner as to impose upon the Association, or its successors or assigns, any liability whatsoever for property damage and/or personal injury occurring to any person or persons whomsoever, or by reason of any use of any Common Areas, or roads, or adjacent waters, depicted on Exhibit "A" hereto. Any and all persons using any such roads, Common Areas, pool area, or any of them, shall do so at their own risk and without any liability whatsoever on the part of the Association or their respective successors or assigns, as the case may be.

Section 8. Wetlands Notice. This site contains regulated wetlands. Activities within these wetlands may require a permit from the U.S. Army Corps of Engineers and/or the State of Delaware.

Section 9. Stormwater Control Notice. This site contains storm water control devices, including swales and culvert pipes located along property lines and between the front lot lines and the paved portions of streets and roads. The devices are engineered to convey stormwater away from the site and the engineering integrity must be maintained and subject to State or Federal permitting requirements. These areas shall not be disturbed or excavated; there shall be no parking of any vehicles in these areas; and the areas shall be kept perpetually free and clear of all construction including landscaping, trees, shrubbery, structures, fences, etc., that would obstruct or in any way impair or impede the flow of water through these areas or devices. During construction, contractors shall enter upon a lot only by an approved driveway and construction entrance.

The Lot Owner causing any damage to swale or culvert pipes is responsible for repairs or the payment for repair. The Grounds Committee and/or HARC has the right to oversee the repair and, if repairs are not completed within thirty (30) days of written notice from HARC or the Association to the Owner, the Association shall arrange for the repair and bill the Owner for such repair. Silt fences, when required, must remain in place and in a functioning condition throughout the construction period, until such time as the disturbed areas are stabilized by the installation of sod, landscaping, other vegetation, or appropriate materials. The silt fence may not be removed more than seven (7) calendar days before final stabilization. Silt fences that are damaged or knocked down during the construction period must be immediately repaired. Any damage caused by a silt fence

in violation of this section may be remedied by the Association or affected Owner, the cost of which shall be assessed on the Owner responsible for the violation.

Section 10. State of Delaware Land Notice. Portions of this property are adjacent to a wooded buffer which is owned, cared for and controlled by the State of Delaware’s Department of Natural Resources. Any Owner desiring to enter into or onto the adjacent buffer owned by the State of Delaware must contact the Department of Natural Resources to obtain permission to enter any of the State of Delaware land. The State of Delaware may impose fines and penalties if an Owner trespasses onto its land and/or alters the land in any manner, including the removal of trees.

IN WITNESS WHEREOF, the said Hawkseye Property Owners Association has executed this Declaration of Covenants, Conditions and Restrictions, the day and year first above written,

HAWKSEYE PROPERTY OWNERS ASSOCIATION

By: _____
Louesa Lardieri Wright, Chair
Covenant Review Committee

By: _____
Robert J. Kepchar , President
Hawkseye Property Owners Association

STATE OF DELAWARE :
 : SS.
COUNTY OF SUSSEX :

BE IT REIMEMBERED, that on this _____ day of _____, A.D. 2018, personally appeared before me, the Subscriber, a Notary Public for the State and County aforesaid, _____ Manager/Member of Hawkseye Property Owners Association, party to this Indenture, known to me personally to be such, and acknowledged this Indenture to be his act and deed and the act and deed of said limited liability company and that his act of signing, sealing, acknowledging and delivering said Indenture was first duly authorized by a resolution of the Members of said limited liability company.

Notary Public

My Commission expires