



THE HASENTREE CLUB

PLAN FOR THE OFFERING OF MEMBERSHIPS

A. INTRODUCTION

MEMBERSHIP OPPORTUNITY

The Hasentree Club is offering an opportunity to be a member of a golf, tennis, fitness, swimming and social-oriented club in accordance with the terms and conditions of this Membership Plan. Membership at The Hasentree Club provides an opportunity to enjoy a variety of recreational and social facilities and to participate in various social activities and events. Pursuant to this Membership Plan, the privilege of using the facilities provided at The Hasentree Club is available to members, immediate family members, guests of members and such other persons as may be permitted by the Club from time to time.

CAREFULLY REVIEW ALL MEMBERSHIP DOCUMENTS

Every person who desires to obtain a membership at The Hasentree Club should carefully read the entire Plan for the Offering of Memberships, Rules and Regulations and other referenced documents and should consider seeking professional legal and financial advice in evaluating these documents.

B. CLUB FACILITIES

DESCRIPTION OF THE CLUB FACILITIES

The Hasentree Club facilities are collectively referred to herein as the "Club Facilities." The Club Facilities, subject to obtaining all necessary governmental approvals and permits, will include the following:

- An 18-hole golf course designed by Tom Fazio;
- Golf practice facilities including a practice range, putting green and short-game practice area;
- A clubhouse offering a dining area, bar area, outside patio dining area, men's and women's locker room facilities with lockers, showers and restroom facilities,
- A golf clubhouse including a golf shop, golf club storage facilities, golf cart storage facilities, administrative offices and patio/deck areas, and a players retreat lounge area.
- A Family Activity Club offering swimming pools, six tennis courts, men's and women's locker rooms, a playground area, a kid's club and an exercise facility offering cardiovascular equipment, weight machines, and aerobics area.

Construction of the Club Facilities is phased. The eighteen-hole golf course and golf practice facilities, pro shop, Family Activity Club, swimming pools, six tennis courts, men's and women's locker rooms, playground area, kid's club and exercise facility offering cardiovascular equipment and weight machines, and aerobics area are complete and available for members' use.

If the construction and/or operation of any of the Club Facilities is prevented in whole or in part by any law, rule, regulation, order or other action adopted or taken by any federal, state or local governmental authority or by any acts of God, fire or other casualty, floods, droughts, storms, explosions, accidents, epidemics, war, civil disorders, acts of terrorism, strikes or other labor difficulties, shortages or the failure of supply of materials, labor, fuel, power, equipment, supplies

or transportation, or by any other cause not reasonably within the control of the Club, whether or not specifically mentioned herein, the Club shall be excused, discharged and released from performance without liability of any kind.

THE CLUB MAY PROVIDE ADDITIONAL OR MODIFIED FACILITIES

The Club reserves the right to add, change, alter, remove and otherwise modify the Club Facilities that may be provided at The Hasentree Club from time to time and therefore, the number, size, scope and nature of the Club Facilities are subject to change at the sole discretion of the Club. In addition, the Club reserves the right to provide additional facilities at The Hasentree Club. Membership does not create any presumption that the Club Facilities or the services that may be available at The Hasentree Club from time to time will continue to be available in their current state or condition.

A Club Member can only apply their Club Membership Initiation Fee towards a Golf Membership Initiation Fee if the upgrade is within 30 days from the closing date. If the upgrade is not within the 30 days from the closing date, the full Golf Membership Initiation will have to be satisfied.

C. MEMBERSHIP PRIVILEGES

TWO GENERAL CLASSIFICATIONS OF MEMBERSHIP PRIVILEGES ARE INITIALLY AVAILABLE AT THE HASENTREE CLUB

The Club is initially offering two general classifications of non-equity, non-proprietary memberships known as "Golf Memberships", and "Club Memberships" (collectively, the "Memberships"). Non-equity, non-proprietary membership does not create any equity or ownership interest in the Club or the Club Facilities. These memberships shall be offered within and outside of the Hasentree Community (as hereinafter defined).

The initial and all future owners of residences in the residential community known as Hasentree ("Hasentree Community") will be required to acquire and maintain in Good Standing (as hereinafter defined) a Club Membership for each residence and home site owned. All prospective purchasers of residences and home sites in the Hasentree Community are subject to Club approval should they desire Golf Membership in the Club. A member is in "Good Standing" if the member's accounts with the Club are current and the member has not been suspended or terminated.

The Club may also issue a limited number of Honorary Memberships and Company Memberships as further described herein.

ADDITIONAL CLASSIFICATIONS OF MEMBERSHIP MAY BE MADE AVAILABLE BY THE CLUB

The Club may issue other classifications of membership in its sole discretion, including but not limited to, memberships that provide limited or restricted access to the golf facilities, clubhouse/dining memberships and recallable memberships on an annual, seasonal or any other basis as further described herein. Every additional classification of Membership will be required to sign an Agreement stating all specifics of Membership. However, if any of these additional classifications of membership have access to the golf facilities, then such access to the golf facilities shall not be more favorable than the access to the golf facilities provided to the Golf Memberships. If additional classifications of membership are made available, the Club will establish the use privileges of the additional membership classifications, the number of memberships available and the initiation fee and Club Fees (as hereinafter defined) to be paid for these additional classifications of membership.

USE OF THE MEMBERSHIP PRIVILEGES

Each Membership shall be issued in the name of the individual applying for membership in the Application and Membership Agreement who will be known as the “primary member” until changed in accordance with the rules established by the Club from time to time. A Club or Golf Membership allows the primary member identified in the Application for Membership Privileges and his/her immediate family members to use the facilities in accordance with the terms of the classification of membership selected by the member upon payment of the required membership Initiation Fee and the required dues and other applicable Club Fees. The primary member may terminate the privileges of any immediate family member to use the facilities by giving written notice to the Club. In the event a residence or home site in Hasentree is owned by more than one individual or other multiple owners (i.e., more than one family or other form of multiple or corporate ownership), then such owners must designate the particular owner who will submit an application and be known as the primary member and all other owner(s) shall have access to the facilities provided at The Hasentree Club only as a guest in accordance with the guest policy of the Club and payment of all applicable guest fees.

The term “immediate family member(s)” shall include the spouse of the primary member (i.e., legally married as recognized by the State of North Carolina) who is living in the same household as the primary member, and the unmarried children of each who are under the age of twenty-four years old and either living in the same household as the primary member or attending school on a full-time basis. The Club reserves the right to restrict access to the facilities by the immediate family members during primary playing times on the golf course and other facilities.

Notwithstanding the foregoing, The Club may allow a primary member who does not have a legal spouse (i.e., legally married as recognized by the State of North Carolina) to designate one non-related adult, who is living in the primary member’s household as a family unit on a full-time basis, to use the Club Facilities in accordance with the terms established by the Club from time to time, in its sole discretion. The Club may modify the terms of this policy from time to time. The designation must be in writing on a form provided by the Club and must be signed by both the primary member and the non-related adult designee. Although the non-related adult designee may only be changed once during any twelve-month period, the use privileges of a non-related adult designee may be terminated at any time by the primary member upon written notice to the Club. The primary member shall be responsible for all fees and charges incurred by the non-related adult designee and for the conduct of the non-related adult designee. The opportunity for a non-related adult designee to use the facilities is derived solely by virtue of being designated by the primary member in accordance with this section and any such non-related adult designee shall have no rights and/or privileges of a Membership, or to a Membership, under any circumstances whatsoever.

CLUB MAY DESIGNATE PRIMARY PLAYING TIMES

In order to better control golf play during “primary playing times”, the Club may designate certain times on the golf course as primary playing times. During times designated by the Club as primary playing times, only one golf starting time may be reserved per membership. The Club also reserves the right to establish other rules during primary playing times, in its sole discretion.

THE CLUB MAY CHANGE RULES REGARDING THE USE OF THE CLUB FACILITIES

In order to provide for the orderly administration of the Club and to optimize the use of the Club Facilities, the Club reserves the right, from time to time, to promulgate and modify rules governing access, sign-up privileges and starting times with respect to the golf, tennis and other recreational facilities provided at the Club.

MEMBERS CONSENT TO NAME, VIDEO AND PICTURE USE

By accepting a membership in the Club or otherwise utilizing Club Facilities, Members, their immediate family and their guests, give the Club, the developer of the Club, and their affiliates

and assigns a non-exclusive license to use their name, nickname, quoted statements and likeness in Club publications and on the Club's premises, for purposes of promoting and endorsing the Hasentree Community and/or the Club. The Club and/or the developer of the Club may use photographs of participants at the Club Facilities and statements made by Members, their immediate family and their guests at the Club for Club and/or Hasentree Community publications without any prior approval.

MEMBERS ARE NOT SUBJECT TO OPERATING ASSESSMENTS

Members are not subject to any assessments for operating deficits incurred in the operation of the Club Facilities. The Club shall fund any operating deficits incurred in the operation of the Club Facilities and shall retain all operating surplus resulting from operation of the Club Facilities.

The payment of dues, fees, gratuity charges, service fees, cart fees, dining minimums (if any), charges, state taxes, service charges and other personal charges that the Club may establish from time to time (collectively, the "Club Fees") is required to obtain and maintain membership privileges at The Hasentree Club and is not considered an operating assessment or capital assessment.

MAXIMUM NUMBER OF MEMBERSHIPS AVAILABLE AT THE HASENTREE CLUB

The maximum number of outstanding dues-paying Golf Memberships is limited to Four Hundred Fifty (450). The maximum number of Club Memberships is not currently limited for residents. However, the Club is permitted to issue a maximum capacity for non-resident Club Memberships. In the event the Club issues any recallable golf memberships, as further described herein, then the number of outstanding dues-paying recallable golf memberships as of the beginning of any particular membership year shall be counted towards the maximum number of Golf Memberships. However, the Club will be permitted to continue to issue Golf Memberships during the membership year and, therefore; the maximum number of Golf Memberships could exceed Four Hundred Fifty (450) temporarily during a membership year. If the maximum number of the outstanding Golf Memberships is exceeded during the membership year, then the Club shall recall a sufficient number of recallable golf memberships so that on the first day of the next membership year, the maximum number of outstanding Golf Memberships and recallable golf memberships shall not exceed Four Hundred Fifty (450). The Club reserves the right to limit the number of outstanding Club Memberships from time to time, in its sole discretion.

MEMBERS OBTAIN SPECIFIC MEMBERSHIP PRIVILEGES

The privileges of a Membership are subject to this Membership Plan, as it may be amended from time to time. The Rules and Regulations, including the services provided to Members and the hours of operation of the Club Facilities or any portion thereof may be changed by the Club without notice, in its sole discretion. In order to provide for the orderly administration of the Club Facilities, the Club reserves the right, from time to time, to establish and promulgate new rules and/or modify existing rules governing the Club Facilities and the advance sign-up privileges with respect to the golf and other facilities provided at The Hasentree Club. Upon approval by the Club, the payment of the applicable membership Initiation Fee and Club Fees, and compliance with the Rules and Regulations established by the Club, Club Members obtain the following use privileges:

GOLF MEMBERSHIP PRIVILEGES. A Golf Membership allows the use of the eighteen-hole golf course, golf practice facilities and clubhouse and to attend club-sponsored events held at the Club Facilities on a space available basis. Golf Members shall not be charged green fees for use of the golf facilities, but shall pay golf cart fees, personal charges incurred at The Hasentree Club and all other Club Fees established by the Club. The payment of dues by Golf Members allows use of the golf practice facilities without any additional fees or charges. Golf Members shall have such advance sign-up privileges to reserve golf starting times (which may be changed in the Club's sole discretion) as may be established by the Club from time to time. Golf Members shall have the opportunity to participate in any club-sponsored golf tournaments on a space available basis and to the

use of lockers and the golf bag storage facility on a space available basis upon payment of the applicable fees.

A Golf Membership allows the use of the Family Activity Club and to attend certain designated club-sponsored events held at the Family Activity Club on a space available basis. Golf Members shall not be charged court fees for use of the tennis courts, but shall pay personal charges and specialty classes or individual or group instruction charges as may be established by the Club from time to time. Golf Members shall have the same advance sign-up privileges to reserve tennis court times as may be established by the Club from time to time for Club Members.

CLUB MEMBERSHIP PRIVILEGES. A Club Membership allows the use of the Family Activity Club and to attend certain designated club-sponsored events held at the Family Activity Club on a space available basis. Club Members shall not be charged court fees for use of the tennis courts, but shall pay personal charges and specialty classes or individual or group instruction charges as may be established by the Club from time to time. Club Members shall also pay all other Club Fees established by the Club. Club Members shall have the same advance sign-up privileges to reserve tennis court times as may be established by the Club from time to time for Golf Members.

THE CLUB MAY ALLOW CLUB MEMBERS TO UPGRADE THEIR CLASSIFICATION OF MEMBERSHIP TO AN AVAILABLE GOLF MEMBERSHIP

The Club may allow Club Members to apply to upgrade their existing membership to a Golf Membership, subject to availability, satisfaction of any eligibility requirements and payment of the required membership Initiation Fee to the Club. The required membership Initiation Fee to be paid shall be the membership Initiation Fee charged by the Club for a Golf Membership at the time the member upgrades. A member who has notified the Club that he/she desires to upgrade shall be placed on a reservation list described below with the appropriate priority for an available Golf Membership. If and when the Golf Membership becomes available, the Club shall notify the member with the highest priority on the reservation list. The member notified shall have a limited period of time, as specified in such notice, to upgrade the member's membership and pay the required membership Initiation Fee to the Club. The Club has the right to reserve any or all of the Golf Memberships for issuance to future purchasers of residences and home sites in the Hasentree Community and for any other reason(s), and therefore, there is no guarantee or assurance that a Golf Membership will ever be available to a Club Member desiring to upgrade even though all authorized Golf Memberships may not have been issued. A Club Member may apply their already paid Club Membership Initiation Fee towards a Golf Membership Initiation if the upgrade takes place within 30 days of the closing date of the home. If the date of the upgrade does not fall in the 30 day period, the Club Membership Initiation Fee cannot be used towards the Golf Membership Initiation and the full Golf Membership Initiation Fee must be paid.

GOLF MEMBERS SEEKING TO DOWNGRADE THEIR CLASSIFICATION OF MEMBERSHIP TO CLUB MEMBERSHIP

A Golf Member may downgrade to a Club Membership status by providing sixty (60) days prior written notice to the Club, on a form provided by the Club. After the initial sixty (60) day notice, the membership will be downgraded provided the members account with the Club is current and there are no outstanding and unpaid initiation fees, membership dues or other charges. In the event that the resigning member's account with the Club is not current, the Club will continue to assess dues, late fees and finance charges until the member brings the account current, unless the Club otherwise agrees not to in writing. By downgrading their classification of membership from Golf Membership to Club Membership, the Member shall only be responsible to pay Club Dues, together with all fees and charges required of Club Members. No refund of any Golf Membership Initiation Fee shall be provided to the downgrading Golf Member. Should the member wish to upgrade back to Golf Membership, the Member shall pay the lesser of (i) one-half (.5) of the then current Golf Membership Initiation Fee or (ii) all back dues that the Member would have paid, had the Member not downgraded to Club Member status.

Golf Members who have downgraded their membership privileges shall continue to be responsible for Club Fees associated with their existing membership until the last day of the month in which their membership downgrade is effective.

The downgrade of a Club Membership is not permitted for any residents in the Hasentree Community, as all residents in the Hasentree Community must maintain at least a Club Membership in Good Standing.

GUEST PRIVILEGES

Club Members may have limited guest privileges in accordance with the Rules and Regulations and payment of applicable guest fees established by the Club. Guests shall either be “day guests” or “houseguests” as further described in the Rules and Regulations. The Club, in its sole discretion, may limit, deny or revoke guest privileges of any member and limit the number of times any particular individual guest may use the Club Facilities or any particular facility provided at The Hasentree Club during a specific period of time and limit the number of guests a member may sponsor at any particular time. The Club may charge higher guest fees for unaccompanied guests (if permitted by the Club) and require that guests be accompanied by a sponsoring member when using certain facilities provided at The Hasentree Club, when using the facilities during certain times of the day, when using the facilities during certain days of the week or when using the facilities during certain times of the year. Sponsoring members are responsible for the payment of all fees and charges unpaid by their guests and for the conduct of their guests.

D. ELIGIBILITY FOR MEMBERSHIP PRIVILEGES

ELIGIBILITY FOR MEMBERSHIP PRIVILEGES

The Club is currently offering the opportunity to make application for available Club Memberships and Golf Memberships to persons who own a residence or home site in Hasentree and to persons who do not own a residence or home site in the Hasentree Community.

The purchase of a residence or home site in the Hasentree Community does not automatically entitle the owner of such residence or home site to a Golf Membership at The Hasentree Club.

Each prospective member must submit an Application and Membership Agreement provided by the Club, pay the required membership Initiation Fee to the Club, and, for a Golf Membership, be approved by the Club.

INITIAL PURCHASERS OF PREVIOUSLY UNSOLD RESIDENCES OR HOME SITES IN THE HASENTREE COMMUNITY WHO DO NOT APPLY FOR A GOLF MEMBERSHIP WITHIN THIRTY DAYS AFTER THE CLOSING OF THE EARLIER OF: (i) THEIR RESIDENTIAL PURCHASE OR (ii) THEIR HOME SITE PURCHASE MAY OBTAIN SUCH GOLF MEMBERSHIP AT A LATER DATE ONLY IF AVAILABLE AND IN ACCORDANCE WITH THE REGULAR UPGRADE PROCESS AND AT THE THEN CURRENT PREVAILING PRICE.

RESERVED MEMBERSHIPS ARE NOT CONSIDERED AVAILABLE

The Club retains the absolute right to reserve any or all Memberships for sale to future initial purchasers of previously unsold residences or home sites in the Hasentree Community, to any other person designated by the Club and for any other purpose deemed appropriate by the Club, in its sole discretion. Any memberships that are reserved by the Club are not considered as available memberships and the Club may not be compelled to issue any reserved membership. Golf Memberships not obtained by initial purchasers of previously unsold residences or home sites in the Hasentree Community within thirty days after the closing of the earlier of their residence or home site may be reserved by the Club for future sale or may be offered for sale by the Club to any person designated by the Club at any time, including persons who do not own a residence or home site in the Hasentree Community.

THE CLUB WILL MAINTAIN A RESERVATION LIST OF PERSONS DESIRING A CLUB MEMBERSHIP IF MEMBERSHIPS IN THE DESIRED CLASSIFICATION ARE NOT AVAILABLE.

There is no assurance that a membership in a particular classification of membership will be available at the time an applicant submits the Application for Membership Privileges. In order to be placed on the reservation list for an available membership, the Application for Membership Privileges must have been acted upon favorably by the Club, and if an existing Club Member desires to upgrade to an available Golf Membership, the Club must have received a written request to upgrade his/her membership. Any person placed on the reservation list may also be required to pay a reservation list deposit in such amount established by the Club from time to time. A person on the reservation list shall have ten days after receiving written notice from the Club that the desired classification of membership is available to accept such membership by submitting to the Club a fully completed and signed Membership Agreement, the required initiation fee charged by the Club on the date of written notice to the candidate that a membership is available and all applicable Club Fees. In the event the applicant fails to satisfy these requirements, then he/she shall be removed from the reservation list and any reservation list deposit previously paid shall be forfeited.

Once a reservation list has been established for a particular classification of membership, the Club shall establish the priorities for such reservation list.

USE OF MEMBERSHIP PRIVILEGES PRIOR TO CLOSING ON PROPERTY PURCHASE

The initial purchaser of a previously unsold residence or home site in the Hasentree Community may apply for a Membership at the time of signing a purchase agreement for the residence or home site in Hasentree. The Club, in its sole discretion, may permit, upon approval of the member and payment of the required Initiation Fee and Club Fees, such purchaser to activate the selected membership privileges and use the Club Facilities prior to actually closing on the purchase of the residence or home site in the Hasentree Community.

E. MEMBERSHIP INITIATION FEE

PERSONS DESIRING A GOLF OR CLUB MEMBERSHIP SHALL BE REQUIRED TO PAY THE CURRENT APPLICABLE NON-REFUNDABLE MEMBERSHIP INITIATION FEE TO THE CLUB.

To obtain a Golf Membership or Club Membership the applicant shall pay an Initiation Fee to the Club.

The Initiation Fee paid to the Club is non-refundable and may be used for any purpose determined appropriate by the Club, in its sole discretion. The amount of the Initiation Fee and the manner of payment of the Initiation Fee shall be established by the Club from time to time, and is further described in the member's Application and Membership Agreement. The Initiation Fee required for a membership at The Hasentree Club shall change from time to time. The Club reserves the right to discount or waive all or part of the required Initiation Fee, in its sole discretion. Unless otherwise provided in the Application and Membership Agreement, the required Initiation Fee for the desired classification of membership shall be due in full at the time the Membership Agreement is submitted to the Club.

The Initiation Fee to be paid for a Club or Golf Membership will be the Initiation Fee in effect on the date the applicant submits the Membership Agreement to the Club.

TAX CONSEQUENCES OF OBTAINING A CLUB MEMBERSHIP AT THE HASENTREE CLUB

The Club makes no representations and expresses no opinions regarding the federal or state income tax consequences of obtaining a Membership at The Hasentree Club and payment of the non-refundable Initiation Fee. All members obtain their membership privileges subject to all applicable tax laws, as they may exist from time to time. Certain provisions of the Internal Revenue Code impute interest income with respect to a non-interest bearing loan.

The Club shall charge to each member and each member shall pay any and all taxes or assessments imposed by the United States Government, the State of North Carolina or any political subdivision thereof, or any other governmental agency, on any Initiation Fee or Club Fees paid or payable by the Club Member.

F. APPLICATION FOR MEMBERSHIP PRIVILEGES

AN APPLICATION FOR MEMBERSHIP PRIVILEGES AND MEMBERSHIP AGREEMENT MUST BE DELIVERED TO THE CLUB

Purchasers of residences or home sites within the Hasentree Community (whether initial retail purchasers or resale purchasers) who do not desire to make application for a Golf Membership must submit an Membership Application for a Club Membership, in the form provided by the Club, to the Club after executing their purchase agreement to acquire their residence or home site in the Hasentree Community. Purchasers of residences or home sites in the Hasentree Community who make an application for a Club Membership are not subject to the Golf Membership approval process of the Club.

A prospective member desiring to be considered for a Membership must deliver to the Club a fully completed and signed Application and Membership Agreement, in the form provided by the Club, and pay to the Club the required membership Initiation Fee and all applicable Club Fees. The Application and Membership Agreement shall not be deemed complete until all required information has been submitted to the Membership Office and all fees paid.

REVIEW OF APPLICATION FOR GOLF MEMBERSHIP PRIVILEGES

Once all required information has been submitted to the Membership Office, the Club and/or its Membership Committee shall evaluate each Application and Membership Agreement for Golf Membership Privileges and conduct such investigation and consideration of the applicant, as it deems appropriate. The evaluation will be conducted with the intent and purpose of securing the optimum number of members with compatible social, vocational and professional attainment from all segments of the community. All applicants for Golf Membership will be evaluated on the basis of their interest in The Hasentree Club, their financial responsibility and their compatibility with other members at The Hasentree Club. The Club, in its sole discretion, retains the right to accept or reject any or all applicants submitting an Application for Golf Membership Privileges. Such approval of an Application for Golf Membership Privileges may be granted or withheld in the sole discretion of the Club, provided that candidates shall be evaluated without regard to race, religion, creed, color, sex, national origin or physical disability.

In the event the Application for Golf Membership Privileges is acted upon favorably by the Club, the Club will so notify the applicant immediately of his/her acceptance to Golf Membership. If the Application for Golf Membership Privileges is not acted upon favorably, the Club shall notify the applicant that he/she was not accepted to Golf Membership. The Club may refuse to receive a new Application for Golf Membership Privileges from an applicant who is not accepted for Golf Membership for a period of up to one year.

THE PRIVILEGES OF MEMBERS TO USE THE CLUB FACILITIES ARE GOVERNED ONLY BY THIS MEMBERSHIP PLAN

Members agree to be bound by the terms and conditions of this Membership Plan, as it may be amended from time to time. Members agree to fully substitute the membership privileges obtained pursuant to this Membership Plan for any present or prior rights to use the Club Facilities and agree to release and indemnify the Club for any and all damages and personal injuries caused by his/her own acts or the acts of his/her immediate family members and guests as further set forth in this Membership Plan and the Rules and Regulations.

G. TRANSFER AND RESIGNATION OF MEMBERSHIP PRIVILEGES

TRANSFER AND RESIGNATION OF MEMBERSHIPS

Members may not sell, transfer or otherwise assign their Club Membership at The Hasentree Club directly or indirectly to any third party. Any attempt to sell, transfer or otherwise assign a Club Membership, either voluntarily, involuntarily or by operation of law, which is not in accordance with this Membership Plan shall be null and void and be of no force and effect and shall not confer any membership rights or other privileges upon any such purchaser, transferee or assignee to use the Club Facilities.

Members may not advertise or otherwise openly solicit the availability of their membership to the general public and no member may advertise his/her membership for sale or permit any such advertisement, unless otherwise permitted by the Club in advance in writing. If any Membership is publicly advertised for sale in any manner, the Club may suspend or terminate such membership immediately.

Resident Memberships of Hasentree will terminate upon the sale of their home site or residence unless Resident provides the Club a written notice that they elect to continue their Golf or Club Membership as a Non Resident. The transfer to a Non Resident Membership category is approved upon availability of the Membership. Membership will be terminated provided the members account with the Club is current and there are no outstanding and unpaid initiation fees, membership dues or other charges. In the event that the resigning member's account with the Club is not current, the Club will continue to assess dues, late fees and finance charges until the member brings the account current, unless the Club otherwise agrees not to in writing. Resigned members will receive a 0% payment of their initiation unless Member Agreement states different.

Membership Resignations. Non-Resident Members wishing to resign their membership are required to provide the Club with a sixty (60) day written notice. After the initial sixty (60) day notice, the membership will be terminated provided the members account with the Club is current and there are no outstanding and unpaid initiation fees, membership dues or other charges. In the event that the resigning member's account with the Club is not current, the Club will continue to assess dues, late fees and finance charges until the member brings the account current, unless the Club otherwise agrees not to in writing. Resigned members will receive a 0% payment of their initiation unless Member Agreement states different.

TRANSFER OF CLUB MEMBERSHIP UPON THE DEATH OF A MEMBER

Upon the death of a Member, the membership privileges shall be reassigned to the surviving spouse. In this event the membership privileges shall be reassigned to the surviving spouse without the payment of any additional Initiation Fee or other fee. In the event there is no surviving spouse, then the heir of the deceased member (provided such heir is a parent, child or grandchild of the deceased member) may submit an application, and if approved by the Club, continue with

the deceased member's membership upon payment of an additional Initiation Fee. The additional Initiation Fee shall be equal to the difference between the Initiation Fee then charged by the Club for the deceased member's membership on the death of the member and the actual Initiation Fee previously paid to the Club by the deceased member for his/her membership. Such heir must notify the Club and make application for such membership within ninety days after the member's death. Such heir shall be subject to the approval of the Club and the payment by such heir of all outstanding amounts owed to the Club (including all Club Fees associated with the deceased member's membership for the intervening time between the date of the member's death and the date of the application by the heir).

The Club reserves the right, in its sole discretion, to establish such other rules as may be necessary in connection with the transfer of a membership upon the death of a member and may require the execution of such forms as may be deemed necessary by the Club from time to time.

LEGAL PROCEEDINGS, BANKRUPTCY SEPARATION OR DIVORCE OF MARRIED CLUB MEMBERS

The Club will not become involved in any domestic or other type of legal dispute (including but not limited to, separation, divorce, or bankruptcy) concerning ownership or issuance of a membership. The Club does not have any liability or responsibility for the resolution of such disputes. Notwithstanding the forgoing, the Club may elect (at its sole discretion) to become involved in a dispute if a member is delinquent in paying any funds due to the Club and involvement in the dispute may help the Club to collect funds due. Until any dispute regarding membership is resolved (either by a fully executed settlement agreement or final judicial order) both Spouses shall be jointly and severally liable for all Club Fees, dues and charges and may both continue to enjoy membership privileges so long as all outstanding amounts are paid.

If there is any legal proceeding (including but not limited to, legal separation, divorce, or bankruptcy) which involves a dispute or claim about the ownership of a membership, the Club shall be entitled to rely on the Application and Membership Agreement and the person (or persons) listed on the Application and Membership Agreement to confirm the identity of the Primary Member or any other member. The Club will not be obligated to rely on the Application and Membership Agreement if the Club believes there are other factors that are more relevant to determining the identity of the Primary Member or any other Member.

Once there is an award of membership (by either fully executed settlement agreement or final judicial order) the Club will comply with the award. Nevertheless, both Spouses shall be jointly and severally liable for all Club Fees, dues and charges incurred up until the day the award is entered.

H. REPAYMENT OF MEMBERSHIP INITIATION FEE

ANY INITIATION FEE PAID TO THE CLUB BY CLUB OR GOLF MEMBERS SHALL NOT BE REFUNDABLE UNDER ANY CIRCUMSTANCES

No portion of the Initiation Fee paid by Club or Golf Members shall be refundable under any circumstances. The Club shall not refund any amounts credited to the member, waived by the Club or paid by a third party on behalf of the member, at the time the membership was obtained.

I. DUES, FEES AND CHARGES

THE MEMBERSHIP YEAR OF THE CLUB IS NOVEMBER 1 TO OCTOBER 31

The Club's membership year will constitute the twelve-month period commencing November 1 and ending October 31, unless otherwise established by the Club.

CLUB FEES ESTABLISHED BY THE CLUB

The Club will establish the dues and other Club Fees to be paid by each member at The Hasentree Club from time to time. The amount of Club Fees payable by each member will depend upon the classification of membership selected. The current Club Fees are set forth on the Schedule of Dues, Fees and Charges. The Club Fees are subject to change from time to time in the sole discretion of the Club and any increase in dues or other Club Fees (even if such increase results in an operating surplus or a reduced operating deficit) shall not be deemed an assessment. In addition, the Club's operating budget and the establishment of Club Fees may include a reserve for capital replacements and improvements and any such reserve shall not be deemed an assessment. Although the Club does not anticipate implementing a dining minimum at this time, the Club reserves the right to establish a dining minimum or Service Charge at any time for Club

Members. In order to properly maintain the Club Facilities and continue to offer quality facilities and services, Club Fees will be based on member demand, market conditions and other pertinent factors.

The obligation to pay Club Fees is not dependent on the availability of all the facilities or the frequency of use. Repair and maintenance of the facilities and/or other occurrences may make it necessary for the Club to change hours of use or restrict the use of the facilities or to close certain facilities temporarily. The Club will not reduce or suspend Club Fees during the time when the Club Facilities, in whole or in part, are not available.

DUES SHALL BE PAYABLE IN ADVANCE ON A MONTHLY BASIS

Although dues are annual in nature, dues for Memberships shall be payable in advance, on or before the first day of each month during the membership year, unless otherwise established by the Club. Memberships obtained during a membership year shall pay prorated dues (established by the Club).

MONTHLY CLUB CHARGING PRIVILEGES AND BILLING PROCEDURE FOR MEMBERS

The opportunity to charge to a member's or designee's personal Club account is extended as a privilege of membership or use privileges at The Hasentree Club and is subject to continuing review and approval by the Club. The Club reserves the right to eliminate the use of Club accounts and monthly billings for members and to require that all dues, fees and other charges incurred at the Club be charges to a member's personal credit card or bank account.

Members are granted charging privileges upon approval of the Club. Monthly electronic statements reflecting all usage activity incurred by the Member for the previous month and including all Club Fees for the upcoming month and or year and all payments received by the Club from the Member will be closed on the last day of each month and will typically be sent to the Members within five days either by postal service and/or electronically. All statements are due and payable upon receipt and in no event later than the twenty-fifth day of the month in which the statement was sent. Members may pay the statement in full by check mailed to the Club or pre-arranged preauthorized ACH (Automated Clearing House) electronic funds transfer service provided by the Club and available by contacting the Club Controller. In each Member's Application and Membership Agreement, the Member is required to designate and maintain (2) two active credit cards (Visa or MasterCard only) with an active expiration date at all times during the period of membership. Members whose monthly statements are not paid in full by the twenty-fifth day of the month in which it was billed, authorize the Club to charge the full balance due to the credit card on file and agree to pay an Alternative Payment Method Convenience Fee as set by the Club and subject to change by the Club. A late charge and/or Finance Charge will be added to all outstanding balances in accordance with the Rules and Regulations if the statement is not paid in full by the last day of the month. Member privileges are suspended if outstanding balances are not paid in full by the last day of each month and will remain suspended until payment in full has been received by the Club.

The Club shall also be entitled to collect from the member any and all costs and expenses incurred by the Club in attempting to collect any amount(s) owed to the Club, including attorneys' fees, collection fees and court costs, regardless of whether legal action is filed.

MEMBERS ARE NOT SUBJECT TO CAPITAL ASSESSMENTS UNLESS APPROVED BY THE MEMBERS

Golf Members and Club Members are not subject to assessments for capital improvements to the Club Facilities unless the proposed capital assessment is approved by the Club, a majority of all of the members of the Advisory Board (as described below) and a majority of all of the members in each classification of membership that would be required to pay such capital assessment if it was approved. For this purpose, each such member that would be required to pay such capital

assessment if it was approved shall be permitted one vote per membership. Assessments for capital expenditures to the eighteen-hole golf course or golf practice facilities shall be voted on by and paid equally by all Golf Members. Club Members are not responsible for any assessments for capital expenditures to the golf facilities. All other assessments for capital expenditures to the facilities provided at the Club shall be voted on by and paid equally by all Golf Members and Club Members.

IN CASES OF HARDSHIP, THE CLUB MAY TAKE SUCH ACTION AS IT DEEMS APPROPRIATE

The Club may waive or reduce the payment of Club Fees for a limited period of time or take any other action it deems necessary and appropriate, in hardship situations deemed appropriate by the Club, in its sole discretion. The Club has the sole authority to deal with hardship situations in any manner it deems appropriate and no action that may be taken by the Club in such hardship situations shall create precedent for similar or future circumstances.

SUSPENSION AND TERMINATION OF MEMBERSHIP PRIVILEGES FOR NON-PAYMENT OF MEMBERSHIP INITIATION FEE AND/OR CLUB FEES AND VIOLATION OF THE RULES AND REGULATIONS

The failure of any Member to timely pay any dues or fees and other charges by the twentieth day of the month, the failure to pay all amounts of the Initiation Fee when due and the violation of the Rules and Regulations shall constitute grounds for disciplinary action deemed appropriate by the Club, including but not limited to, the suspension and/or termination of membership privileges at the Club. Subject to certain notice requirements and the opportunity to pay the outstanding balance, if a member fails to pay their required membership Initiation Fee or any dues or fees associated with the Membership, then the Club shall have a progressive discipline policy, including the suspension and/or termination of membership privileges. During any suspension of membership privileges, dues and fees shall continue to accrue and must be paid in full prior to reinstatement as a member in Good Standing. In the event a Membership is terminated, then such terminated member shall lose all privileges to use the Club.

RESPONSIBILITY FOR MEMBERSHIP AT THE HASENTREE CLUB

Each Member shall be responsible for his/her conduct and the conduct of his/her immediate family members and guests when using the Club Facilities and shall be directly and fully responsible to the Club for all personal injuries and/or property damages that are caused by the member and his/her immediate family members and guests and the Club shall not be responsible or liable for any personal injuries and/or property damages occurring at the Club Facilities, including but not limited to, those resulting from the actions of others.

MEMBERS, IMMEDIATE FAMILY MEMBERS AND GUESTS USE THE CLUB FACILITIES AT THEIR OWN RISK. The game of golf can be a dangerous activity and injuries may result from using the golf facilities and riding in a golf cart, from using the other facilities provided at the Club, from adverse weather conditions, including without limitation, lightning, and from participating in events and other activities held by the Club from time to time either on or off the Club Facilities.

MEMBERS ACKNOWLEDGE THAT USE OF THE CLUB FACILITIES INVOLVES CERTAIN RISKS, INCLUDING, WITHOUT LIMITATION, THE RISK OF OPERATING A GOLF CART, BEING STRUCK BY GOLF BALLS AND GOLF CLUBS AND OTHER OBJECTS UTILIZED OR LOCATED AT A GOLF AND COUNTRY CLUB FACILITY. THE USE OF THE CLUB FACILITIES MAY ALSO BE IMPACTED BY ADVERSE WEATHER CONDITIONS INCLUDING WITHOUT LIMITATION LIGHTNING. CLUB MEMBERS, THEIR IMMEDIATE FAMILY MEMBERS AND GUESTS ACKNOWLEDGE THAT THE CLUB SHALL HAVE NO OBLIGATION TO NOTIFY OR WARN OF A POSSIBLE WEATHER IMPACT, INCLUDING WITHOUT LIMITATION, A LIGHTNING STRIKE AND

EACH CLUB MEMBER, THEIR IMMEDIATE FAMILY AND GUESTS SHALL BE INDIVIDUALLY RESPONSIBLE FOR AVOIDING ADVERSE WEATHER.

SIMILARLY, THE POOL, FITNESS AREA AND CHILDREN'S PLAY AREA CONTAIN INHERENT RISKS. IT IS THE RESPONSIBILITY OF ANY USER OF THE CLUB FACILITIES TO CONSULT WITH THEIR PHYSICIAN PRIOR TO ENGAGING IN ANY ACTIVE OR PASSIVE RECREATION. MEMBERS, THEIR IMMEDIATE FAMILY AND GUESTS SHOULD INSPECT ANY CLUB FACILITY PRIOR TO USE.

THE FOREGOING RISKS AND ADVERSE WEATHER MAY IMPACT PARTICIPATING IN EVENTS AND OTHER ACTIVITIES HELD BY THE CLUB FROM TIME TO TIME EITHER ON OR OFF THE CLUB FACILITIES AND OTHER ACTIVITIES INCIDENTAL TO USE OF THE CLUB FACILITIES. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH MEMBER, IMMEDIATE FAMILY MEMBER AND GUEST ASSUMES ALL SUCH RISKS FOR THE MEMBER AND HIS/HER IMMEDIATE FAMILY MEMBERS AND GUESTS AND WAIVES AND RELEASES FOR SUCH MEMBER AND HIS/HER IMMEDIATE FAMILY MEMBERS AND GUESTS, ANY CLAIMS OR CAUSES OF ACTION WHICH HE, SHE OR THEY MAY HAVE AGAINST THE CLUB, HASENTREE COUNTRY CLUB I LLC, TOLL BROTHERS, THE HASENTREE OWNERS ASSOCIATION, INC., AND ANY MANAGEMENT FIRM RETAINED TO OPERATE THE CLUB FACILITIES ON A DAY-TO-DAY BASIS AND THEIR DIRECTORS, OFFICERS, SHAREHOLDERS, PARTNERS, MANAGERS, MEMBERS, EMPLOYEES, AFFILIATES, REPRESENTATIVES, AGENTS, HEIRS, SUCCESSORS AND ASSIGNS AND THE FAMILY MEMBERS OF EACH OF THEM, ARISING OUT OF PERSONAL INJURIES AND/OR PROPERTY DAMAGES WHICH HE, SHE OR THEY MAY SUSTAIN AS A RESULT OF USING THE CLUB FACILITIES OR PARTICIPATING IN ANY EVENT OR ACTIVITY HELD BY THE CLUB FROM TIME TO TIME EITHER ON OR OFF THE CLUB FACILITIES, SUCH WAIVER SPECIFICALLY INCLUDES, WITHOUT LIMITATION, ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR IN CONNECTION WITH ANY ACT OR OMISSION, WHETHER DUE TO NEGLIGENCE OR OTHERWISE, OF THE CLUB, HASENTREE COUNTRY CLUB I LLC, TOLL BROTHERS, HASENTREE OWNERS ASSOCIATION, INC., THE HASENTREE CLUB OR ANY MANAGEMENT FIRM RETAINED TO OPERATE THE CLUB FACILITIES ON A DAY- TO-DAY BASIS OR THEIR DIRECTORS, OFFICERS, SHAREHOLDERS, PARTNERS, MANAGERS, MEMBERS, EMPLOYEES, AFFILIATES, REPRESENTATIVES, AGENTS, HEIRS, SUCCESSORS AND ASSIGNS AND THE FAMILY MEMBERS OF EACH OF THEM.

J. CLUB OPERATIONS

MANAGEMENT AND CONTROL OF THE CLUB FACILITIES AND OPERATION OF THE CLUB

The Club shall have the right to delegate, transfer or otherwise assign any or all of its rights and responsibilities for the management and operation of the Club Facilities to such persons and on such terms and conditions as the Club may determine appropriate from time to time The Club may also retain a professional management firm to manage and operate the day-to-day affairs of the Club Facilities. The Club is responsible for the operation of the Club Facilities and has the exclusive authority to accept members, establish membership Initiation Fees, dues, fees and charges, establish rules and regulations and all policies relating to the Club Facilities and the use thereof and control the management and affairs of the Club Facilities.

The Rules and Regulations, including the level of services provided to Club Members and the hours of operation of the Club Facilities or any portion thereof, may be changed by the Club at any time and from time to time, without notice.

Members are not permitted to become involved in the management and operation of the Club or the Club Facilities. Members have no voting privileges, except as it relates to approving capital assessments described herein.

K. ADVISORY BOARD

ADVISORY BOARD COMPOSED OF MEMBERS SHALL ACT AS A LIAISON

The Club, in its sole discretion, may establish an Advisory Board whose purpose includes fostering good relations between Members and the management of the Club Facilities and providing member input on programs and activities provided at The Hasentree Club. The Advisory Board will be composed of Members appointed by the Club from time to time. Members of the Advisory Board may serve staggered terms established by the Club.

The Advisory Board has no duty or power to negotiate or otherwise act on behalf of the Club, its management or the members of the Club and serves only in an advisory capacity as a liaison between members of the Club and management of the Club Facilities.

THE GENERAL ROLE OF THE ADVISORY BOARD

In general, the role of the Advisory Board includes the following:

- * To develop, preserve and enhance the Club's membership roster,
- * To advise on the needs and interests of the membership;
- * To advise on changes to the Rules and Regulations;
- * To advise management of the Club Facilities in the organization of member events and programs at The Hasentree Club, and
- * To participate in and attend Club events and programs for the membership.

THE ADVISORY BOARD MEETS WITH MANAGEMENT OF THE CLUB FACILITIES

Management of the Club Facilities may meet with the Advisory Board periodically to discuss the operation of the Club Facilities. Members are encouraged to utilize the Advisory Board by voicing their suggestions and concerns through the Advisory Board.

L. OTHER MEMBERSHIPS AND USE PRIVILEGES

USE OF THE CLUB FACILITIES BY CLUB SPONSORED NON-MEMBER USERS AND OTHER CLUB GUESTS

The Club will allow use of the Club Facilities (except any areas that may be designated as member-only by the Club from time to time) by club sponsored non-member users and other Club guests from time to time upon payment of the required use fees and compliance with the rules established by the Club.

HONORARY MEMBERSHIPS

In addition to the Memberships described in the Membership Plan, the Club may issue a limited number of Honorary Memberships to persons designated by the Club from time to time. These Honorary Memberships are in addition to all other memberships to be issued at The Hasentree Club and do not count against the Four Hundred Fifty (450) maximum number of Golf Memberships. Honorary Memberships shall be available on terms and conditions and allowed such privileges as shall be established by the Club. The users of these Honorary Memberships may be recalled and otherwise changed at any time by the Club, in the Club's sole discretion.

COMPANY MEMBERSHIPS

Toll Brothers, Inc. ("TBI") will own an honorary Company Membership in the Club that may be used by persons designated by TBI, its successors and assigns, as hereinafter provided. The Company Membership shall not count against the Four Hundred Fifty (450) maximum Golf Membership. TBI may designate, from time to time, up to five (5) persons at any one time who shall be the designated users of this Company Membership. The designated users of the Company Membership will be entitled to use the Club Facilities on an unaccompanied basis with the same use rights as Golf Members including sign-up privileges and the right to participate in member-guest tournaments and other Club-sponsored events. Such designees will not pay any initiation or other similar fees, or any dues or member assessments, nor will they pay any greens fees, court fees, or other facility fees to play golf or tennis or use other facilities of the Club, or be subject to any minimum service fees, minimum food and beverage charges, gratuity fees or similar charges, or be required to pay any fees or charges other than as specifically stated in this paragraph. However, such designees will pay the same cart fees, fees to enter special events and food and beverage charges (but no minimums) as Golf Members. Designees shall at all times comply with the Club's Rules and Regulations, provided that such Rules and Regulations are not inconsistent with the terms of this paragraph. Such designees shall be persons currently (or, in the case of retired persons, formerly) affiliated with TBI or its affiliates. Designees may include directors, officers, employees or persons having a business relationship with TBI or an affiliated or related entity. The use rights of designees may be revoked and re-designated at TBI's discretion. Such persons will not count toward the maximum number of Golf Members and will not have any voting rights. The use rights under the Company Membership shall not be assignable or transferable by a designated user and shall be surrendered to TBI for designation of a new designated user by TBI upon receipt of written notice from TBI. TBI may assign its right to designate the users of the Company Membership to any party. TBI may cause an agreement or a memorandum thereof to be recorded in the Public Records of Wake County regarding such rights. The Club shall not have any right or power to terminate the Company Membership or modify the rights and privileges of TBI and the designated users of the Company Membership as described in this paragraph. The Company Membership (and TBI's ability to designate, revoke and re-designate users of the Company Membership), shall not terminate upon the transfer of control of the Club, and can be transferred to TBI's successors and/or assigns at no charge.

RECALLABLE MEMBERSHIPS

The Club may issue recallable non-proprietary, non-transferable memberships on an annual, seasonal or any other basis that will be known as "Recallable Memberships." The rights and privileges of Recallable Memberships, if issued, will be established by the Club from time to time and will be described in a separate Recallable Membership Plan or Application for Recallable Membership. Recallable Memberships may be recalled by the Club at any time or may expire and terminate at a predetermined date, in the sole discretion of the Club.

In addition, the Club may issue a limited number of temporary memberships based on merit to persons designated by the Club from time to time. These memberships are in addition to all other memberships to be issued at The Hasentree Club and shall be available on terms and conditions and allow such privileges as shall be established by the Club.

PROMOTIONAL USE OF THE CLUB FACILITIES, TOURNAMENTS, SPECIAL EVENTS AND GROUP OUTINGS

The Club has the right to use, and/or designate persons to use, any or all of the Club Facilities, including, but not limited to, the golf facilities, in connection with the development, marketing and sale of residences in the Hasentree Community, the marketing and sale of Memberships, and such other reason(s) deemed appropriate by the Club, upon such terms and conditions as are established by the Club from time to time. The persons designated to use the Club Facilities may include, without limitation, prospective purchasers of residences in the Hasentree Community, prospective members at The Hasentree Club, persons who are involved in special events held at The Hasentree Club, employees or agents at The Hasentree Club or its affiliates and their guests. All such persons designated by the Club are subject solely to approval by the Club.

The Club shall have the right at any time to restrict or to otherwise reserve in advance the Club Facilities or any portion thereof, for maintenance, promotional and other special events, group outings and charitable events, including golf tournaments.

USE OF CLUB FACILITIES

The Club reserves the right to enter into reciprocal use arrangements with other clubs, including but not limited to, other clubs owned, controlled or managed by TBI, the Club or their affiliates, which would allow members at the Club to use the facilities at other clubs and the members at other clubs to use the facilities provided at the Club. The terms of such use and the fees to be paid for the reciprocal use privileges will be established by TBI or the Club from time to time. The reciprocal use privileges may be terminated at any time in the discretion of TBI or the Club.

M. ACKNOWLEDGEMENT OF MEMBERSHIP PRIVILEGES

ACKNOWLEDGEMENT OF MEMBERSHIP PRIVILEGES

The Club Facilities are owned and operated on a for-profit basis. Membership at The Hasentree Club is non-equity, non-proprietary and non-participatory. Club Membership does not imply any right or privilege to participate in or to administer business policies of the operation or maintenance of the Club Facilities and is not an investment in the Club or the Club Facilities and does not create any equity, ownership or proprietary interest or any prescriptive easement or other property interest of any nature in the Club, the Club Facilities or any other asset of the Club. Club Membership allows the member to use the Club Facilities on a non-exclusive basis, but does not grant to the member a vested or prescriptive right or easement to use the Club Facilities. Club Members do not have any interest in the income of the Club and do not have the right to receive any of the Club's assets if the Club is dissolved. A member only obtains a non-exclusive revocable license to use the Club Facilities in accordance with the terms of this Membership Plan, as it may be amended from time to time.

The Club may obtain a loan from time to time and use the Club Facilities as security and collateral for repayment of any such loan and therefore, all rights and privileges of Club Members pursuant to this Membership Plan and the Membership Agreements, are subordinate to the lien of any deed of trust encumbering the Club Facilities from time to time.

MODIFICATION AND TERMINATION OF MEMBERSHIP PLAN

The Club reserves the right to reserve memberships for persons determined solely by the Club, to discontinue operation of any or all of the Club Facilities, to change the Club Facilities available for use by Club Members, to terminate this Membership Plan at any time with or without cause, to terminate all memberships at The Hasentree Club at any time with or without cause, to terminate any particular membership (selectively, if so desired by the Club) at The Hasentree Club at any

time with or without cause, and to sell, lease or otherwise dispose of the Club Facilities, in whole or in part, to an equity member-owned club or to any other third party. Any such recall and termination of a membership may be selective without regard to the date of the application or may be accomplished on a last-in, first-out basis, in the sole discretion of the Club. Upon termination, all privileges of the affected Member(s) in and to the Club and the Club Facilities shall terminate.

The Club reserves the right to amend and modify the Plan for the Offering of Memberships in any manner it deems appropriate. Any amendment and modification of the Plan for the Offering of Memberships that will only apply to members making application after the date of such amendment or modification may be made in the sole discretion of the Club. All Club Members agree to be bound by any changes to this Membership Plan.

SUBSEQUENT PURCHASER OF SOME OR ALL OF THE CLUB FACILITIES

The Hasentree Club reserves the right to sell or otherwise convey some or all of the Club Facilities to a related or unrelated third party. The sale or other transfer of the Club Facilities shall not void any Club Membership nor will it provide any Club Member with the right to resign or receive a refund of any Initiation Fee or any portion thereof. In the event the Club sells some or all of the Club Facilities to a third party or converts the Club Facilities to an equity member-owned club, the Club may assign its rights and obligations under this Membership Plan and the Application and Membership Agreement to the subsequent purchaser, in which event the Club shall be released from all liability under this Membership Plan and the Application and Membership Agreement.

RELY ONLY ON INFORMATION IN THIS MEMBERSHIP PLAN

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION REGARDING THE CLUB, MEMBERSHIPS AT THE HASENTREE CLUB OR ANY OTHER MATTER DISCUSSED IN THIS MEMBERSHIP PLAN THAT IS NOT SET FORTH AND CONTAINED IN THIS MEMBERSHIP PLAN AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CLUB. NO PERSON SHALL BE ENTITLED TO RELY UPON ANY INFORMATION OR REPRESENTATION EXCEPT AS SPECIFICALLY SET FORTH IN THIS MEMBERSHIP PLAN OR IN THE MEMBER'S FULLY COMPLETED MEMBERSHIP AGREEMENT EXECUTED BY BOTH THE MEMBER AND THE CLUB.

MEMBERSHIPS AT THE HASENTREE CLUB ARE BEING OFFERED EXCLUSIVELY FOR THE PURPOSE OF PERMITTING PERSONS OBTAINING MEMBERSHIP PRIVILEGES TO USE THE FACILITIES PROVIDED AT THE HASENTREE CLUB IN ACCORDANCE WITH THE PRIVILEGES OF THE MEMBER'S CLASSIFICATION OF MEMBERSHIP. MEMBERS OBTAIN A NON-EXCLUSIVE REVOCABLE LICENSE TO USE THE FACILITIES PROVIDED AT THE HASENTREE CLUB IN ACCORDANCE WITH THE PRIVILEGES OF THE MEMBER'S CLASSIFICATION OF MEMBERSHIP. IN NO EVENT WILL A MEMBER BE REPAYED ANY INITIATION FEE HE/SHE PREVIOUSLY PAID TO THE CLUB FOR MEMBERSHIP. THEREFORE, MEMBERSHIP PRIVILEGES SHOULD NOT BE VIEWED OR OBTAINED AS AN INVESTMENT AND NO PERSON OBTAINING A MEMBERSHIP AT THE HASENTREE CLUB SHOULD EXPECT TO DERIVE ANY ECONOMIC BENEFITS OR PROFITS FROM MEMBERSHIP AT THE CLUB.

THIS MEMBERSHIP PLAN DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF ANY OFFER TO BUY A MEMBERSHIP AND SHALL NOT BE CONSTRUED AS AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER, OR AN INVITATION TO BE CONSIDERED FOR MEMBERSHIP, IN ANY JURISDICTION OR UNDER ANY CIRCUMSTANCES WHERE SUCH OFFER, SOLICITATION OR INVITATION WOULD BE UNLAWFUL. THIS MEMBERSHIP PLAN IS INTENDED SOLELY FOR INFORMATIONAL PURPOSES IN CONJUNCTION WITH AN INVITATION TO BE CONSIDERED FOR MEMBERSHIP THAT THE CLUB MAY EXTEND TO ELIGIBLE PERSONS.

THIS MEMBERSHIP PLAN HAS NOT BEEN REVIEWED OR ENDORSED BY ANY FEDERAL OR STATE AUTHORITY.



The Hasentree Club
1200 Keith Road
Wake Forest, North Carolina 27587
919-556-3429
www.HasentreeCountryClub.com

March 2015

Prepared by and hold for: Brian S. Edlin, P.O. Box 10669, Raleigh, NC 27605

WAKE COUNTY

**RULES AND REGULATIONS WITH
RESPECT TO GOLF CARTS FOR
HASENTREE SUBDIVISION**

These Rules and Regulations are promulgated this 10 day of SEPTEMBER, 2018 by the Hasentree Owners Association, Inc. ("Association").

WHEREAS, the Association was incorporated as a non-profit corporation on or about 3 May 2006;

WHEREAS, the primary function of the Association is to enforce the terms and conditions set forth in certain publicly filed documents dealing with the Lots and Common Areas in the Hasentree community; and

WHEREAS, the Amended and Restated Declaration of Covenants, Conditions, Easements and Restrictions for Hasentree was recorded on 27 July 2011 at book 14414, page 266 of the Wake County Register of Deeds (hereinafter, "Declaration");

WHEREAS, the Bylaws for the Association were adopted shortly thereafter;

WHEREAS, Article VIII, Section 1 and Article X, Section 1 of the Declaration provides that the Board of Directors has the power to formulate, publish and enforce reasonable Rules and Regulations concerning the use and enjoyment of the community;

WHEREAS, N.C.G.S. §47F-3-102 (1) allows the Association to adopt and amend Rules of Regulations;

WHEREAS, the Board for the Association deems it advisable to adopt, publish and enforce reasonable rules and regulations pertaining to and limiting certain golf carts within the subdivision and, more generally, rules and regulations pertaining to and golf cart usage requirements; and

submitted electronically by "Jordan Price Wall Gray Jones & Carlton"
in compliance with North Carolina statutes governing recordable documents
and the terms of the submitter agreement with the Wake County Register of Deeds.

NOW THEREFORE, effective January 1, 2019, the Board of Directors of the Association promulgates the following rules and regulations pursuant to Article II, Section 3 of the Declaration:

1. All golf carts shall display a membership decal to the Association and/or The Hasentree Club. Golf carts, as defined by N.C. Gen. Stat. § 20-4.01(12b), are low speed vehicles designed and manufactured for operation on a golf course for sporting or recreational purposes and that are not capable of exceeding speeds of 20 miles per hour.

2. Any and all golf carts owned in the Association must be kept, maintained, and operated in compliance with all laws and ordinances of the State of North Carolina, the County of Wake, and any other applicable governmental entity relating thereto. .

3. The Association encourages all operators of golf carts to have their golf carts insured with both collision and liability insurance, to the extent practicable. ;

4. The Association recommends that all golf carts be operated by a licensed driver.

5. All golf carts shall observe all state traffic laws including but not limited to: designated speed limits; observing all traffic signs including stop signs and yield signs; and the number of passengers in the cart at a given time.

6. Any violations on private roadways will be reported to the Association's Board of Directors and discipline may be assessed pursuant to Article X, Section 2 of the Declaration. Observed violations on public roadways may be reported to the Wake County Sheriff's office.

7. The term "streets" shall mean any of the streets shown on any recorded maps of the Hasentree subdivision with the Wake County Register of Deeds.

8. The Board reserves the right to promulgate, amend and publish additional rules and regulations with respect to this or any other issues as allowed pursuant to Article VIII, Section 1 and Article X, Section 1 of the Declaration.

The foregoing rules and regulations were adopted at a meeting of the Board of Directors on September 10, 2018.

CERTIFICATION OF VALIDITY OF RULES AND REGULATIONS
FOR HASENTREE OWNERS ASSOCIATION, INC.

By authority of its Board of Directors, the undersigned hereby certify that the foregoing instrument has been duly approved by a majority of the Board of Directors for the Association and is,

therefore, a valid Rule for the Association in accordance with Article VIII, Section 1 and Article X, Section 1 of the Declaration.

HASENTREE OWNERS ASSOCIATION, INC.

By:

President

ATTEST:

Secretary

STATE OF NORTH CAROLINA

ACKNOWLEDGMENT

COUNTY OF WAKE

I, Cathleen M. Lucido, a Notary Public of the County and State aforesaid, certify that Justin Price, personally came before me this day and acknowledged that he/she is Secretary/Assistant Secretary of Hasentree Owners Association, Inc., a North Carolina non-profit corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President and attested by Ted Pease as its Secretary/Assistant Secretary.

Witness my hand and official stamp or seal, this 10 day of September, 2018.

Notary Public

My commission expires: 6-16-2023

CATHLEEN M LUCIDO
NOTARY PUBLIC,
WAKE COUNTY, NC

Cathleen M. Lucido

BK014414PG00266

WAKE COUNTY, NC 167
LAURA M RIDDICK
REGISTER OF DEEDS
PRESENTED & RECORDED ON
07/27/2011 AT 11:40:36

BOOK:014414 PAGE:00266 - 00340

**AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS
FOR
HASENTREE**

NOTE FOR TITLE EXAMINER: Article IV, Section 8 of this Declaration requires a non-refundable initial contribution payment to be paid by each purchaser upon every purchase of a Lot, whether from Declarant or on resale. In addition, Article IV, Section 10 of this Declaration requires from each purchaser of a lot a membership contribution, an initiation fee, dues and other charges for the use of Club Facilities in an amount established by the Club Owner.

NO OWNER SHALL DISPLAY, HANG, STORE OR EXHIBIT ANY SIGNS (INCLUDING WITHOUT LIMITATION POLITICAL SIGNS) OUTSIDE OF THE DWELLING ON ANY LOT OR IN ANY DWELLING SO AS TO BE VISIBLE FROM OUTSIDE THE LOT OTHER THAN AS MAY BE PERMITTED BY THE RULES AND REGULATIONS, AS MORE PARTICULARLY SET FORTH IN ARTICLE VIII, SECTION 10 OF THIS DECLARATION. THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF POLITICAL SIGNS

Prepared by and return to:
Alison R. Cayton
Manning, Fulton & Skinner, P. A. (Box 133)

**AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS
FOR
HASENTREE**

THIS AMENDED AND RESTATED DECLARATION, made on the date hereinafter set forth by **TOLL NC III LP**, a North Carolina limited partnership, with its principal office located at 250 Gibraltar Road, Horsham, PA 19044, hereinafter referred to as "Declarant";

WITNESSETH:

WHEREAS, on May 2, 2006 Hasentree Corp., a North Carolina corporation (herein "HC") recorded that certain Declaration of Covenants, Conditions, Easements and Restrictions for Hasentree in Book 11938, page 2314 Wake County Registry, North Carolina ("Declaration") encumbering certain property near the City of Raleigh, County of Wake, State of North Carolina, commonly referred to as "Hasentree", which is more particularly described within the Declaration; and

WHEREAS, HC subsequently recorded Amendments and Supplemental Declarations to the Declaration as follows: Amendment to Declaration recorded in Book 12411, page 1310; Second Amendment to Declaration recorded in Book 12796, page 1665; Third Amendment to Declaration recorded in Book 13326, page 910; Declaration Subjecting Additional Land in Hasentree in Book 12020, page 1731; Declaration Subjecting Additional Land in Hasentree in Book 12412, page 1315; Declaration Subjecting Additional Land in Hasentree in Book 12779, page 1241; Declaration Subjecting Additional Land in Hasentree in Book 12819, page 214; Declaration Subjecting Additional Land in Hasentree in Book 12823, page 2285; Declaration Subjecting Additional Land in Hasentree in Book 12832, page 925; and Declaration Subjecting Additional Land in Hasentree in Book 12938, page 1307 all Wake County Registry (the Declaration as subsequently amended as set forth above is hereinafter referred to as the "Master Declaration"); and

WHEREAS, by Substitute Trustee's Deed recorded March 31, 2009 in Book 13461, page 185 Wake County Registry that property encumbered by the Master Declaration and also owned by HC (the "Property") was transferred from David T. Pryzwansky, Substitute Trustee to CRM Hasentree, LLC, a Georgia limited liability company (herein "CRM"); and

WHEREAS, in connection with the acquisition of the Property by CRM, HC executed that certain Assignment of Declarant Rights dated March 31, 2009 (herein "Assignment") to assign HC's Declarant Rights to Hasentree to CRM, all as more fully described in the Assignment; and

WHEREAS, by Special Warranty Deed recorded in Book 13862, page 204 and by Non-Warranty Deed recorded in Book 13862, page 229 CRM Hasentree, LLC conveyed the Property to Toll NC III LP, a North Carolina limited partnership; and

WHEREAS, CRM executed an Assignment of Declarant Rights effective February 25, 2010 to Assign CRM's Declarant Rights to Hasentree to Toll NC III LP, all as more fully described in the Assignment; and

WHEREAS, pursuant to Article XVI, Section 5 of the Master Declaration the Master Declaration may be amended at any time by the consent of the Owners entitled to cast at least sixty-seven percent (67%) of the votes of the Association and the consent of the Declarant; and

WHEREAS, Declarant is entitled to cast at least sixty-seven percent (67%) of the votes of the Association and has consented to the Amendment and Restatement of the Master Declaration; and

WHEREAS, the Hasentree Owners Association, Inc. executes this Amended and Restated Declaration as required pursuant to Article XVI, Section 5 of the Master Declaration; and

WHEREAS, the Board of Directors has proposed to amend and restate the Master Declaration; and

WHEREAS, Declarant as Declarant and as owner of that portion of the Property entitling it to cast 67% of the votes in the Association, has consented to this Amended and Restated Declaration as evidenced by its execution of this Amended and Restated Declaration.

NOW, THEREFORE, the Master Declaration is hereby amended by striking it and all amendments and supplements thereto in their entirety and substituting in its place the terms of this Amended and Restated Declaration as follows:

WHEREAS, it is the desire and intention of Declarant (as defined herein) to impose on the Property restrictions, conditions, easements, covenants, charges, liens and agreements under a general plan or scheme of improvement for the benefit of all Property herein described and the future owners thereof; and,

WHEREAS, the Property and any additional property added hereto, shall be comprised of tracts for all uses as permitted herein; and,

WHEREAS, Hasentree is a cluster and open space development pursuant to the Wake County Code of Ordinances, consisting of the Hasentree Owners Association, Inc. and other sub-associations as may be established by the Declarant from time to time for any group of Lots in the development of the Property; and,

WHEREAS, this Declaration and the covenants, conditions, restrictions and easements, to the extent applicable, shall apply to the owners of all Lots herein;

NOW, THEREFORE, Declarant hereby declares that all of the Property described on Exhibit "A" shall be held, used, occupied, leased, mortgaged, sold and conveyed subject to the following easements, restrictions, charges, liens, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the title to, the Property and be binding on all parties having any right, title or interest in the described Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Act" shall mean and refer to the North Carolina Planned Community Act, Chapter 47F, North Carolina General Statutes, as same may be amended from time to time.

Section 2. "Aqua NC" shall mean Aqua North Carolina, Inc., a North Carolina corporation, successor to Heater Utilities, Inc., a South Carolina corporation.

Section 3. "Articles" shall mean the Articles of Incorporation of the Association as filed with the Secretary of State, State of North Carolina, as the same may be from time to time amended.

Section 4. "Association" shall mean and refer to the Hasentree Owners Association, Inc., a North Carolina non-profit corporation, its successors and assigns. Should Sub-Associations be established pursuant to Article XII herein, the Association shall be considered the master owners association for Hasentree.

Section 5. "Board" or "Board of Directors" shall mean those persons elected or appointed and acting collectively as the Board of Directors of the Association.

Section 6. "Builder" shall mean the person or entity that is professionally employed to construct the initial improvements on any Lot. Builder shall not include a Lot Owner who is not involved in the business of constructing the initial improvements on any lot.

Section 7. "Bylaws" shall mean the document for governance of the Association as adopted initially by the Board and as amended by the Members.

Section 8. "Club" shall mean the recreational and social club known as The Hasentree Club, located on Club Property, as more particularly described in Article VII of this Declaration.

Section 9. "Club Facilities" shall mean the Golf Course, the Family Activity Club, the Club buildings and other improvements located on the Club Property.

Section 10. "Club Owner" shall mean the entity owning the Club and the Club Property.

Section 11. "Club Property" shall mean certain property that contains the Golf Course Land, Family Activity Club and other Club facilities and are owned by the Club Owner. Club Property shall not be part of the Property as hereinafter defined, and shall not be subject to the terms and provisions of this Declaration.

Section 12. "Common Elements" shall mean all real property and any improvements constructed thereon, if any, owned by the Association for the common use and enjoyment of all the Owners, or easements granted to or reserved by or on behalf of the Association (or by Declarant for later transfer, lease, or assignment to the Association). Common Elements may include but are not limited to: private roads and streets, bridges over public and private roads and streets, dams and lakes or ponds, the dam to Hasentree Lake, stormwater control devices, road and street shoulders, walkways, sidewalks, bike paths, gazebos, gates, fountains, entry walls and features, street lighting, all retaining walls, all entry walls and walls bordering the Property, all signage, the walking trails, pedestrian access ways, a common telecommunication system, if established, sewer lines and water lines that serve more than one Lot and are located outside any public street or any water or sanitary sewer easement, and includes Open Space, Common Properties and Common Elements, as may be

designated to be a Common Element of the Association on any recorded map of the Property or by the Association; Common Elements also include, as determined by the Declarant in its sole discretion, all water retention and detention ponds and areas, if any, including all stormwater facilities, structures and improvements associated therewith, as well as drainage improvements, the dams, lagoons, ponds, and easements located on the Property serving more than one Lot which are required to handle stormwater runoff from any part of the Property, and are not maintained by any governmental authority, the owner of the Golf Course Land or Family Activity Club, any Sub-Association that may be established, or any Lot Owner. The Common Elements to be owned by the Association is all of that Property other than the Lots and the Common Elements owned by any Sub-Association established by the Declarant. The Common Elements shall not include the Golf Course, the Family Activity Club and The Hasentree Club properties and easements owned by the owner of the Golf Course. The designation of any land and/or improvements as a Common Element will not mean or imply that the public at large acquires any easement of use or enjoyment therein. All Common Elements are to be devoted to and intended for the common use and enjoyment of the Declarant, Owners, and their respective guests, and invitees.

Section 13. "Common Expenses" shall mean and include, as applicable:

- (a) All sums lawfully assessed by the Association against its Members;
- (b) Expenses for maintenance, including but not limited to snow removal, of the private roads, bridges and rights of way, the landscape islands within the private roads, any Department of Transportation right-of-way easements, and, as determined by the Association or the Board, maintenance of ditches within the right-of-way easements and any amenities as provided in this Declaration;
- (c) Expenses of administration, maintenance, repair, or replacement of the Common Elements and Limited Common Elements including but not limited to the expenses of maintenance of all signage, lighting, irrigation and landscaping located at all entrances to Hasentree or the entrance to any specific neighborhood within Hasentree as shown on any recorded plat of the subdivision, and the expenses of maintenance of any sign, lighting, irrigation and landscaping located on any of the Common Elements within Hasentree Subdivision as shown on any recorded plat of the subdivision;
- (d) Hazard, liability, or such other insurance premiums as the Declaration or the Bylaws may require the Association to purchase; or as the Association may deem appropriate to purchase;
- (e) Ad valorem taxes and public assessment charges lawfully levied against Common Elements owned in fee by the Association;
- (f) The expense of the maintenance of stormwater control devices, private drainage and utility easements located on Lots and Common Elements, should the Board determine it is in its best interest to do such maintenance;
- (g) The expense of maintenance of any roads, streets, street islands, easements, amenities, taxes or any other expense item associated with any Common Element not located on the Property but permitted to be used by the Members of this Association by any adjoining landowner, association or other entity pursuant to any cross-easement, cross-access or other agreement by the Association with the adjoining land owner;
- (h) Expenses for maintenance of security devices or personnel, should the Association determine that it is in its best interest to obtain security devices or personnel,

including but not limited to the construction, maintenance and repair of a gate and/or gatehouse if provided by the Declarant;

(i) The charges for utilities used in connection with maintenance and use of the Common Elements;

(j) Expenses for maintenance, repair and replacements of all retaining walls within Common Landscape Easements on Lots and within Common Elements should the Board determine it is in its best interest to do such repair and replacement, and maintenance, repair and replacement of all entry walls and signage;

(k) The expense of the maintenance, repair and replacement of all specialty paving on any public or private road on the Property;

(l) The expense of the maintenance of all easements and landscaping associated with said easements located on Common Elements, or within Common Landscape Easements that have been conveyed to the Association, and improvements thereon, should the Board determine it is in its best interest to do such maintenance;

(m) The expense of the construction, maintenance and repair of a common telecommunication system, if established by the Declarant or the Association;

(n) The expense of monitoring and maintenance of the dam to Hasentree Lake and the expense of reconstruction of the dam to Hasentree Lake in the event of dam failure; and

(o) Expenses pursuant to agreements between Declarant (or prior declarants) and Aqua North Carolina or Heater Utilities, Inc. which are determined by the Board to be a common expense.

(p) Any other expenses determined by the Board or approved by the Members to be common expenses of the Association.

Section 14. "Common Responsibility" shall mean and refer to the Association's duties and responsibilities for insuring, maintaining, repairing, replacing and managing portions of the Property not otherwise designated as a Common Element and over which it has an easement, or other lands and properties which may be the subject matter of a use and access agreement, or a license agreement, or, which, pursuant to a Sub-Association Declaration, the Association is obligated to undertake such activities for the benefit of a Sub-Association's Owners, and the Lots or Units therein.

Section 15. "Consumer-Occupant Lot Owner" referred to herein is a Lot Owner who purchases a Lot from the Declarant or a Builder with the intent to ultimately occupy the residence constructed on the Lot. A Lot Owner who purchases a Lot directly from the Declarant or a Builder, or any previous Lot Owner, on which no improvements have been constructed, shall also be considered a Consumer-Occupant Lot Owner.

Section 16. "County" shall mean Wake County, North Carolina.

Section 17. "Declarant" shall mean and refer to Toll NC III LP., a North Carolina limited partnership, its successors and assigns, to whom the rights of Declarant hereunder are expressly transferred, in writing in whole or in part, and subject to such terms and conditions as Declarant may impose, or any owner of the Property or Lots or remainder of those resulting from the sale of the Property, Lots or the remainder thereof at foreclosure when held by Declarant or the successor to the rights of Declarant or resulting from the transfer in lieu of foreclosure.

Section 18. "Declarant Development Period" shall mean and refer to the period of time commencing on the date this Declaration is recorded in the Office of the Register of Deeds, Wake County, North Carolina, and continuing until the later of (i) such time as Declarant shall no longer have the right to annex any additional property pursuant to the provisions of Article V, Section 2 hereof; or (ii) such time as Declarant shall no longer own any portion of the Properties for the purpose of Development or sale; or (iii) February 25, 2040.

Section 19. "Declaration" shall mean and refer to this Amended and Restated Declaration of Covenants, Conditions, Easements and Restrictions for Hasentree and all amendments thereto.

Section 20. "Family Activity Club" shall mean the improvements, located on Club Property, including swimming pools, tennis courts, playground area, exercise facilities, meeting facilities and multi-purpose room.

Section 21. "Golf Course Land" shall mean and refer to that certain contiguous or nearly contiguous land and easements known as "Hasentree Golf Course," which is owned and operated as a golf course facility, with appurtenant clubhouse, driving range, cart storage area, golf maintenance facility and any other facilities ancillary to such golf operations. When used herein, the term "Owner of the Golf Course Land" and variants thereof shall mean, collectively, the title owner of such land and any other person leasing and/or operating the golf facilities located thereon, their successors and assigns. In exercising any right or easement granted to it hereunder, such right or easement shall be deemed to extend to its duly authorized directors, officers, agents, employees and contractors.

Section 22. "Grinder Pump Station" shall mean the wastewater grinder pump, tank and controls to be located on each Lot near the structure into which the wastewater enters and is then pumped into the appropriate wastewater collection system for that Lot.

Section 23. "Limited Common Elements" shall mean those portions of the Common Elements or portions of Common Elements located within an easement, that serve only a single Lot or a limited number of Lots, and which may include, but specifically is not limited to, driveways, walkways, parking areas or areas serving only specified Lots, brick retaining walls located on or adjacent to any part of a Lot, private roads or streets located behind a security gate, and such other similar areas as may be designated by a subdivision map of the Property or by the Association.

Section 24. "Lot" shall mean and refer to any separately numbered portion of the Properties shown on any now or subsequently recorded subdivision plat of the Properties intended for use or used as a site for any single-family attached or detached dwelling, patio (zero lot line) home, townhome or condominium unit and shall include any improvements constructed thereon, and "Lots" shall refer to all such lots collectively. Declarant hereby reserves the right to reconfigure, from time to time and without the consent of any other Owner or the Members of the Association, the boundaries of any Lot or Lots owned by Declarant or an affiliate of Declarant, as the case may be, and to thereby create additional Lots, eliminate existing Lots or Common Elements or create additional Common Elements; provided, however, in no event shall the Properties contain a greater number of Lots than the number from time to time permitted by the appropriate local governmental authority. Upon the recording by Declarant of such a revised plat, each lot shown on the previously recorded plat or plats, the boundaries of which are revised by the revised plat, shall cease to be a "Lot" as defined in this Declaration and each newly configured lot shown on the revised plat shall be a "Lot" as defined in this Declaration.

Section 25. "Master Plan" shall mean and refer to the plan(s) for the Properties and any additional property now or hereafter approved by the appropriate local governmental authority, as such plan(s) may be from time to time amended and approved.

Section 26. "Master Plan Lot" shall mean and refer to any separately numbered portion of the Properties shown from time to time on the Master Plan intended for use or used as a site for any single-family attached or detached dwelling, patio (zero lot line) home, townhome or condominium unit and shall include any improvements constructed thereon and "Master Plan Lots" shall refer to all such lots collectively.

Section 27. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 28. "Neighborhood" shall mean any area or areas within the Community designated by a Supplemental Declaration to be a distinct or separate residential area within the Community, the residents of which will share or have in common expenses, interests, concerns, responsibilities, needs or uses not shared by or common to all residents within the Community.

Section 29. "Neighborhood Assessments" shall mean assessments levied in accordance with Section 9.4 below.

Section 30. "Neighborhood Expenses" shall mean the actual and estimated expenses which the Association incurs or expects to incur for the benefit of Owners within a particular Neighborhood or Neighborhoods, which may include reasonable reserves for capital repairs and replacements and reasonable administrative charges, as may be authorized pursuant to this Declaration or in the Supplementary Declaration(s) applicable to such Neighborhood(s).

Section 31. "Owner" or "Lot Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 32. "Person" shall mean and refer to any individual, corporation, limited liability company, partnership, association, trustee or other legal entity.

Section 33. "Property" shall mean and refer to that certain real property described on Exhibit "A" hereto attached, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 34. "Purple Pipe" shall mean and refer to residential reclaimed water piping and appurtenances as contemplated by section 2.2 of the Heater Water Agreement defined in Article VIII, Section 29 herein.

Section 35. "Reclaimed Water" shall mean and refer to wastewater that has been treated by Aqua NC to the point that it meets effluent quality standards required by Permit No. WQ0021934 issued by the North Carolina Division of Water Quality as further defined in that Effluent Easement and Irrigation Agreement recorded in Book 13037, page 2573 Wake County Registry.

Section 36. "Service Line" shall mean the portion of the individual wastewater line for which Aqua NC will assume maintenance responsibility. The Service Line shall include only that portion of the line that extends from the Grinder Pump Station near the structure to Aqua

NC's wastewater main at or near the street. The portion of the line extending from the structure to the Grinder Pump Station shall not be included in the term "Service Line."

Section 37. "Sub-Association" and "Sub-Association Declaration" shall mean and refer to those entities as described in Article XI hereinbelow.

Section 38. "Walking Trail" shall mean and refer to a path that may or may not be paved, is of variable width, and is designated solely for use by pedestrians, but in any event shall not be a golf cart path unless it is designated to co-exist with a golf cart path.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of use and enjoyment in and to the Common Elements and the Club Facilities on Club 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 Common Elements, all of which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge admission and other fees for the use of any recreational or other similar facility situated upon the Common Elements and the Club Property;

(b) the right of the Association to suspend the voting rights and the right to use the recreational, other Common Element facilities, and the Club Property if any, by an Owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) the right of the Association pursuant to Section 47F-3-112 of the Planned Community Act and with the consent of Members entitled to cast at least eighty percent (80%) of the votes of each class of Members of the Association, to dedicate or transfer fee title to all or any part of the Common Elements for such purposes and subject to such conditions as may be agreed to by the Members consenting to such dedication or transfer; provided, however, during Declarant's Development Period, Declarant must also consent to such action and, further provided that no such dedication or transfer shall interfere with or obstruct utility service to, or ingress, egress and regress to or from, the Lots or any remaining Common Elements or cause any Lot or any remaining Common Elements to fail to comply with applicable laws, regulations or ordinances;

On any instrument of dedication, sale, transfer, easement, lease right of way or other disposition of real or personal property, the Secretary of the Association shall certify that eighty percent (80%) of each class of members have approved the action evidenced by the instrument, and that certificate shall be conclusive that the execution and delivery of such instrument was properly authorized by the Association and its members and shall be relied upon and binding as to any third party or as to any grantee, its successor and assigns; provided, however, conveyances for general service utility purposes as specified in the Declaration may be made without consent of the members, and the Association may execute an instrument of conveyance therefore without such certification;

(d) the right of the Association to limit the number of guests of Members;

(e) the right of the Association, with the assent of two-thirds (2/3) of each class of Members to borrow money for the purpose of improving the Common Elements and facilities and in aid thereof to mortgage the Common Elements, provided that the rights of such mortgagee in the Common Elements shall be subordinate to the rights of the Members and the Association hereunder;

(f) the right of the Association in accordance with its Articles of Incorporation or Bylaws to impose rules and regulations for the use and enjoyment of the Common Elements and improvements thereon, which rules and regulations may further restrict the use of the Common Elements and to create Limited Common Elements.

(g) the right of Owners of Lots on additional lands annexed to the Property initially, or subsequently, to the easements of use and enjoyment and rights of ingress, egress and access, as specified above, to the initial Common Elements and Common Elements established on all lands included in subsequent phases.

(h) the right of the Association to dedicate or transfer non-exclusive easements on, over and upon all or any part of the Common Elements for such purposes and subject to such conditions as may be agreed to by the Association's Board; provided, however, no such dedication or transfer shall interfere with or obstruct drainage rights in favor of, utility service to, or ingress, egress and regress to or from, the Lots or any remaining Common Elements or cause any Lot or any remaining Common Elements to fail to comply with applicable laws, regulations or ordinances and no such dedication or transfer shall be effective unless an instrument executed on behalf of the Association by its duly authorized officers, agreeing to such dedication or transfer, has been recorded.

(i) the right of the owner of the Club Property to impose rules and regulations for the use and enjoyment of the Club Property and improvements thereon, which rules and regulations may further restrict the use of the Club Property and which rules and regulations shall be adopted by the Association.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the provisions of this Declaration and the By-Laws, his right of use and enjoyment to the Common Elements and facilities to the members of his family, his tenants, or contract purchasers who reside on the Property, but may not delegate or assign responsibility for the actions of those to whom such right is delegated.

Section 3. Title to the Common Elements. While reserving the right to build and own facilities on the Common Elements and to charge reasonable fees for use of said facilities, the Declarant hereby covenants for itself, its heirs and assigns, that it will convey fee simple title to the Common Elements located within the Property to the Association, free and clear of all encumbrances and liens, except for encumbrances of utility, service, access, storm drainage and other similar service or utility easements. Such conveyances shall occur at such time as Declarant shall determine, in its sole discretion, but in no event later than the expiration of the Declarant Development Period. At such time as Declarant shall convey the Common Elements to the Association, no acceptance of consent by the Association shall be necessary and the recordation of a deed from Declarant to the Association shall be deemed conclusive evidence of the Association's acceptance of such conveyance of such Common Elements in their "as-is, where-is" condition, subject to the matters stated above.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every record Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to, and may not be separated from, ownership of any Lot which is subject to assessment.

Section 2. Classes of Membership. The Association shall have two classes of voting membership:

Class A. Class A Members shall be every person or entity who or which is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, except for Declarant or any Affiliate, during any period of Declarant Control. The foregoing is not intended to include persons or entities that hold an interest in a Lot merely as security for the performance of an obligation. Class A Membership shall be appurtenant to and may not be separated from ownership of any Lot that is subject to assessment by the Association. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. Class A Members shall be entitled to one (1) vote for each Lot owned. A Lot Owner shall have the number of votes based on the number of Lots recorded as of February 25, 2010, should two (2) or more Lots be recombined into one (1) Lot. When more than one person holds an interest in any Lot, all such persons shall be Members.

Class B. The Class B Member shall be the Declarant and shall be entitled to six (6) votes for each Master Plan Lot that is owned by Declarant and/or any Affiliate or for which Declarant or any Affiliate holds a contract right to purchase. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in Class A membership equal or exceed 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 Subparagraph (b) below, the Master Plan is amended to add additional Master Plan Lots sufficient to give the Class B membership a total number of votes (with the Class B membership entitled to six (6) votes for each Master Plan Lot that is owned by Declarant and/or any Affiliate or for which Declarant or any Affiliate holds a contract right to purchase) greater than those of the Class A membership, or
- (b) twenty (20) years from the date of recordation of this Declaration

Section 3. Board of Directors. During the Declarant Development Period, Declarant shall have the right to designate and select all of the Members of each Board of Directors of the Association. Whenever Declarant shall be entitled to designate and select any person or persons to serve on any Board of Directors of the Association, the manner in which such person or persons shall be designated shall be as provided in the Articles of Incorporation and/or Bylaws of the Association, and Declarant shall have the right to remove any person or persons selected by it to act and serve on said Board of Directors and to replace such person or persons with another person or other persons to act and serve in the place of any members or members of the Board of Directors so removed for the remainder of the unexpired term of any member or members of the Board of Directors so removed. Any Board of Directors member designated and selected by Declarant need not be a resident of the Properties. Except as otherwise provided in the Bylaws with respect to the filling of vacancies, any

members of the Board of Directors which Declarant is not entitled to designate or select shall be elected by the Members of the Association.

During the Declarant Development Period, the Board shall have the sole and exclusive authority to exercise all powers and rights of and to act in all instances on behalf of the Association, and the Members shall have no authority to exercise such powers or rights to act by exercise of their votes, except as may be determined by the Board in its discretion, and except as provided with respect to the commencement of judicial or administrative proceedings as provided in Article XV, Section 1 of this Declaration and those acts the Planned Community Act or other applicable laws provide may not be undertaken unilaterally by the Board, such as, to the extent required, ratification of the budget as provided in Article IV, Section 3 of this Declaration, and conveying fee simple title to all or any part of the Common Elements as provided in Article II, Section 1(c) of the Declaration.

Section 4. Suspension of Voting Rights. The right of any Member to vote may be suspended by the Board of Directors for just cause pursuant to its rules and regulations and the Articles and Bylaws of the Association and according to the provisions of Article II, Section 1(b) herein.

Section 5. Master Plan Lots. It is recognized that with tracts for which the subdivision of Master Plan Lots has not been accomplished or the Master Plan Lots designated, in view of that assessment provided in Article IV, Section 1, it would be inappropriate for Declarant, or its successor in interest to such tracts, to be limited to one vote per lot (or tract); therefore, notwithstanding the provision of Section 2 above, Declarant, or its successor in interest to any such Master Plan tract, shall be entitled to six (6) votes for each unit or lot, as the case may be, which is permitted to be constructed or subdivided thereon by the Master Plan. Such voting rights shall continue as to each lot until the same shall be constructed or subdivided, as the case may be, at which time Declarant shall have six (6) votes for each dwelling unit constructed or lot subdivided, if owned by Declarant; and if not owned by Declarant then the Owner shall have voting rights as a Class A Member.

Section 6. Prohibited Actions. Despite any assumption of control of the Board by Owners other than the Declarant, until the Declarant has sold every home in the development, the Owners and the Board are prohibited from taking any action which would discriminate against the Declarant, or which would be detrimental to the sale or leasing of homes owned by the Declarant, in the Declarant's sole discretion. The Board shall be required to continue the same level and quality of maintenance, operations and services as that provided immediately prior to the assumption of control of the Association by owners other than the Declarant until the Declarant sells the last home owned by it in the ordinary course of business.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges which are Common Expenses, and (2) special assessments for extraordinary maintenance and capital improvements, (3) special assessments for purchase, construction or reconstruction of improvements, and (4) to the appropriate governmental taxing authority, a pro rata share of assessments for public improvement to the Common Properties and public or private roads if the Association shall default in payment thereof. The annual, individual and special assessments, together with interest and costs, and reasonable attorney's fees for collection, shall be a charge on the land and shall be a continuing lien upon the Lot

against which each such assessment is made. A Lot Owner shall pay assessments based on the number of Lots recorded as of February 25, 2010, should two (2) or more lots be recombined into one (1) lot. Each such assessment, together with interest, costs, late payment charges, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for the delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

The Association shall also have the authority, through the Board of Directors to establish, fix and levy an individual special assessment on any Lot to secure the liability of the Owner thereof to the Association arising from breach by such Owner of any of the provisions of this Declaration which breach shall require the expenditure of time and money or both, by the Association for repair or remedy.

Each Owner covenants for himself, his heirs, successors and assigns, to pay each assessment levied by the Association on the Lot described in such conveyance to him within ten (10) days of the due date as established by the Board, and further covenants that if said assessment shall not be paid within thirty (30) days of the due date, the payment of such assessment shall be in default and the amount thereof become a lien upon said Owner's Lot as provided herein and shall continue to be such lien until fully paid.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the paying of Common Expenses to promote the recreation, health, safety, and welfare of the Owners of Lots; and, in particular, but not limited to, the acquisition, improvement and maintenance of the Common Elements, the establishment, maintenance and repair of a common telecommunication system (if established), services, amenities and facilities, street islands, and for the use and enjoyment of the Common Elements, including but not limited to, the cost of repairs, replacements and additions to the Common Elements, the cost of maintenance, repairs and snow removal on the private roads, the cost of labor, equipment, materials, management and supervision, the cost of monitoring and maintenance of the Hasentree Lake dam, the cost of repair of the Hasentree Lake dam in the event of dam failure, repayment of the Assessment Loan as defined in this Article IV, Section 9, the payment of taxes and public assessments assessed against the Common Elements, the providing for security to the Property, the procurement and maintenance of insurance in accordance with the Declaration and Bylaws or as deemed appropriate by the Board, the payment of cable service, the employment of counsel, accountants and other professionals for the Association when necessary, and such other needs as may arise.

Section 3. Amount of Assessment.

(a) Initial Maximum Assessment. To and including December 31, 2011, the maximum annual assessment shall not exceed Nine Hundred and 00/100 Dollars (\$900.00) per Lot.

(b) Increase by Association. From and after January 1, 2012, the maximum annual assessment effective for any year, initially \$900.00, per year (including 2011) may be increased from and after January 1 of the succeeding year by the Board of Directors, without a vote of the membership, by a percentage which may not exceed the greater of twelve (12%) percent or the percentage increase reflected in the U. S. City Average, Consumer Price Index -United States and selected areas for urban wage earners and clerical workers, all items, most recent index and percentage changes from selected dates, (published by the U.S. Bureau of Labor Statistics, United States Department of Labor, Washington, D.C.), or such other Index as may succeed the Consumer Price Index, for that twelve-month period ending the immediately preceding October 1. The percentage increase shall be based on the maximum

annual assessment for the prior year, or if the Association has not chosen to implement an increase for one or more years, or to charge the full amount of the maximum annual assessment, the increase provided in this Section 3 (b) may, at the option of the Association, be based on the maximum annual assessment that would be effective had the increase been implemented each year prior to the year of the actual increase, based on the maximum annual assessment, and not based on the actual annual assessment charged for the prior year or years. Any budget increasing assessments by less than twelve percent (12%), is ratified unless ninety percent (90%) of the total vote of Members vote to reject the budget at a duly called meeting. The Board of Directors, at its option may declare that a special "Refurbishment Assessment" be levied against all Lots, unless ninety percent (90%) of the total vote of Members vote to reject it. The Refurbishment Assessment shall be in an amount not to exceed Five Hundred and no/100 Dollars (\$500.00) per Lot and may be levied no more than once every five (5) years from the date of the recording of this Declaration. The Refurbishment Assessment shall be used to pay for the cost of enhancing, refurbishing or repairing portions of the Common Elements, such as, but not limited to entryway features, lighting and landscaping and the like.

(c) Increase by Members. From and after January 1, 2011, the maximum annual assessment may be increased by a percentage greater than permitted by this Article by an affirmative vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for such purpose. The limitations herein set forth shall not apply to any increase in assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

(d) Criteria for Establishing Annual Assessment. In establishing the maximum annual assessment for any assessment year, the Board of Directors shall consider all current costs and expenses of the Association, any accrued debts, and reserves for future needs, but it may not fix the maximum annual assessment in an amount in excess of the amounts provided in Subsection (b) of this Section 3 without the consent of Members required by Subsection (c) of this Section 3. The Annual Assessment may be set at an amount less than the maximum annual assessment for any assessment year, in the sole discretion of the Declarant, or at the end of the Declarant Development Period, in the sole discretion of the Board. Should the Annual Assessment be set at an amount less than the maximum annual assessment permitted, increases in subsequent years shall be in the manner stated within this Section 3(b) of Article IV.

(e) Board Authority. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

(f) Declarant Expenses. Until such time as Declarant shall no longer control the Board, in its sole discretion Declarant may either make a loan to the Association for funds to cover the expenses not otherwise covered by the assessment hereunder, or it may pay any Association expenses not otherwise covered by the assessment hereunder. Declarant may, in its sole discretion, require evidence of the loan in the form of a promissory note from the Association to the Declarant.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, restoration, repair or replacement of a capital improvement upon the Common Elements, any extraordinary maintenance, including vegetation, fixtures and personal property related thereto and any property for which the Association is responsible, and the cost to

purchase Lots and dwellings at foreclosure sales of Association liens, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose. Provided, however, the Board of Directors, at its option may declare that a Special Capital Assessment be levied against all Lots, unless ninety percent (90%) of the total vote of each class of Members vote to reject it. The Special Capital Assessment shall be in an amount not to exceed Five Hundred and no/100 Dollars (\$500.00) per Lot and may be levied in emergency situations only, no more than once every five (5) years from the date of the recording of this Declaration. This assessment may not be used for any other purposes including litigation involving the Association.

Section 5. Replacement Reserve. Out of the Common Expenses assessment, the Board shall create and maintain a reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Elements and any Limited Common Elements which the Association may be obligated to maintain.

Section 6. Notice and Quorum for Any Action Authorized Under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under this Article shall be sent to all members not less than ten (10) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast fifty percent (50%) of the total votes of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to a minimum seven (7) day, maximum twenty-one (21) day notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. If at a second meeting, the requirement of one-half of the required quorum is not met, then in a subsequent meeting the requirement shall be one-fourth (1/4) of the required quorum and successive meetings may be held until a quorum is maintained by successively halving the quorum requirement of the prior meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected in advance on a monthly, quarterly, annually or other periodic basis established by the Board. Notwithstanding the foregoing, any Common Expense associated with the construction, maintenance, repair or replacement of a Limited Common Element shall be assessed against the Lots to which that Limited Common Element is assigned in such proportion as determined by the Declarant, or after the Declarant Development Period, the Board.

Section 8. Date of Commencement of Annual Assessments; Due Dates; Initial Working Capital. The Annual Assessments provided for herein shall commence as to any Lot on the date determined by Declarant, in its sole discretion. All Lot Owners, with the exception of the Declarant as provided in Section 9 of this Article IV, shall be responsible for payment of one hundred percent (100%) of the Annual Assessment for a Lot, regardless of whether the improvements have been constructed on that Lot. All Lots in subsequently annexed properties, similarly, shall be subject to assessment. The first Annual Assessment shall be adjusted according to the number of days remaining in the calendar year. With respect to Lots that are conveyed by Declarant to an Owner who is not a Declarant, for the year in which the conveyance occurs, the amount of that year's annual assessment for such Lot is determined by multiplying the applicable annual assessment amount by a fraction whose numerator is the number of days remaining in that year from and after the day on which the conveyance occurs and whose denominator is the total number of days in that year, and that amount may be collected at closing. The Board of Directors shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of the Annual Assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge if it deems appropriate, furnish a certificate signed by an officer of the Association

setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of issuance.

In addition to the regular assessments to be charged and paid hereunder, the initial Consumer Occupant Lot Owner and all resale purchasers shall, at the time of the sale of each Lot from the Declarant or Builder to the initial Consumer-Occupant Lot Owner or on resale of any Lot, pay to the Association a non-refundable working capital determined from time to time by the Declarant or the Board as applicable, which shall be used by the Association for such purposes deemed appropriate or desirable by the Board. These amounts need not be segregated but may be commingled with regular assessment funds. This working capital amount shall be paid by the Lot Owner notwithstanding the fact that Declarant may have made prior regular assessment payments to the Association on the Lot being sold pursuant to the provisions of the first sentence hereunder.

Section 9. Assessments against Lots Owned by Declarant. Except to the extent otherwise expressly required this Declaration, the following shall apply:

Anything to the contrary set forth in this Declaration notwithstanding, the Annual Assessment and any other Assessment described herein on each Lot owned by the Declarant shall be an amount equal to ten percent (10%) of the amount of the Annual Assessment or such other Assessment on each Lot owned by an Owner other than Declarant.

In addition, Declarant shall be entitled to credit against any Assessments on Lots owned by Declarant any and all amounts which Declarant has paid directly for common expenses or has paid or contributed to the Association for the Association's payment of common expenses.

Until the end of the Declarant Development Period, the Declarant may elect on an annual basis, but shall not be obligated, to reduce the Annual Assessment for any fiscal year by payment of a subsidy (in addition to any amounts paid by Declarant pursuant to the immediately preceding paragraph), which may be either a contribution, an advance against future assessments due from the Declarant (if Declarant consents in writing to any such assessments), or a loan (as described below), in the Declarant's discretion. Any such subsidy shall be conspicuously disclosed as a line item in the Association's budget. The payment of such subsidy in any year shall under no circumstances obligate the Declarant to continue payment of such subsidy in future years.

It is anticipated that until Declarant has sold a certain number of Lots (which has not yet been determined, and which number is referred to as the "Break-Even Number"), the Annual Assessments collected by the Association will not be sufficient to pay all common expenses on a current basis, but that the anticipated Annual Assessments collected after the Break-Even Number of Lots has been sold will exceed common expenses. To fund this shortfall, Declarant reserves the right, but it is not obligated, to make a loan (the "Assessment Loan") to the Association as provided below, until cash flow from the Annual Assessments is sufficient to pay common expenses. If Declarant elects to make an Assessment Loan, then Declarant shall advance to the Association the amount by which the common expenses have exceeded the Annual Assessments collected for such year. The Association shall have the affirmative obligation to repay the Assessment Loan to the Declarant in accordance with the terms hereof, with no interest thereon except as otherwise provided in this section. The Association shall use proceeds advanced to the Association only to pay the above described shortfall in common expenses. The Association shall repay the Assessment Loan to Declarant in monthly installments or as otherwise determined by the Declarant commencing at such time as sales of Lots reach the Break-Even Number, until the balance of the Assessment Loan has been repaid to Declarant in accordance with its terms; provided, however, an Assessment Loan shall in no event be repaid to Declarant later than December 31, 2017, unless earlier accelerated due to a default by the Association. After maturity, whether by acceleration or otherwise, if the Assessment Loan remains

unpaid, the outstanding balance shall bear interest at a rate of fifteen percent (15%) per annum compounded monthly. Each Owner of a Lot, by acceptance of a deed or other conveyance therefor, whether or not it shall be so expressed in any such deed or other conveyance, is hereby deemed to covenant and agree (and such covenant further shall be deemed to constitute a portion of the purchase money and consideration for acquisition of the Lot), that such an Assessment Loan is reasonable and was made by Declarant and accepted by the Association in good faith and at arms length.

Section 10. Club Membership Assessments. All Owners in the Development shall be Club members and shall be assessed an initiation fee upon acquisition of a Lot in an amount as determined by the Club Owner. All Owners in the Development shall be assessed the annual Club membership fees (the "Club Membership Assessment") as determined by the Club Owner, which fees shall be used to pay for the improvement, use, operation, repair, replacement and maintenance of certain of the Club Facilities as determined by the Club Owner. Each Owner of a Lot or Dwelling Unit, by acceptance of a deed or other conveyance therefor, is hereby deemed to covenant and agree (and such covenant further shall be deemed to constitute a portion of the purchase money and consideration for acquisition of the Lot or Dwelling Unit), to pay to the Club, (or to any Person which may be designated by the Club to receive such monies on behalf of the Club), in addition to the other assessments listed in this Article IV, Club Membership Assessments as set forth herein. Where the Declaration refers to assessments generally, such provisions shall include the Club Membership Assessment, including but not limited to provisions regarding the creation of liens and personal obligations for assessments in this Article IV and remedies for non-payment set forth in Section 9 of Article IV of the Declaration.

The amount of the Club Membership Assessment shall be established by the Club Owner as of January 1 of each year. The Club Membership Assessment may be collected on a monthly, quarterly, annual or other basis, as determined by the Club Owner, and may be collected in advance. The rights, privileges and obligations of Club members related to use of the Club Facilities shall be set forth in a separate document to be prepared by the Club Owner. In no event shall Declarant be obligated to pay any Club Membership Assessment.

Section 11. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within fifteen (15) days after the due date shall be delinquent, in default and a late fee shall be assessed at a rate determined by the Board. The Association may bring an action at law against the Owner personally obligated to pay the same plus interest, costs, late payment charges and reasonable attorneys' fees, or foreclose the lien against the Lot. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his Lot. The lien herein granted unto the Association shall be enforceable pursuant to the provisions of Chapter 47F of the North Carolina General Statutes.

Section 12. 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 such institutional first mortgage and ad valorem taxes and public assessments levied on said Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage or tax foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer, but shall not abate the personal obligation of the prior owner. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 13. Exempt Property. Any portion of the Property dedicated to, and accepted by, a local public authority and any portion of the Property owned by a charitable or non-profit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. The Golf Course, the Family Activity Club and The Hasentree Club

properties shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments, except for those owned by the Declarant pursuant to Section 9 of this Article IV.

Section 14. Foreclosure of liens for unpaid assessments. In any action brought by the Board to foreclose on a Lot because of unpaid assessments, the Lot Owner shall be required to pay a reasonable rental for the use of his Lot, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board, acting on behalf of all Lot Owners, or on behalf of any one or more individual Lot Owners, if so instructed, shall have the power to purchase such Lot at the foreclosure sale and to acquire, hold, lease, mortgage, convey, or otherwise deal with the same, subject, however, to applicable restrictions of record. A suit to recover money judgment for unpaid assessments may be maintainable without foreclosing or waiving the lien securing the same.

Section 15. Assessments upon sale or transfer of a Lot. No Lot Owner shall be liable for the payment of any part of the Assessments assessed against his Lot subsequent to a consummated sale, transfer or other conveyance by him (made in accordance with the provisions of the Declaration and applicable restrictions of record) of such Lot. A purchaser of a Lot shall be jointly and severally liable with the seller for the payment of the Assessments assessed against such Lot prior to the acquisition by the purchaser of such Lot, without prejudice to the purchaser's right to recover from the seller the amounts paid by the purchaser therefor. Provided, that a first-lien mortgagee or other purchaser of a Lot at a foreclosure sale of such Lot shall not be liable for, and such Lot shall not be subject to, a lien for the payment of Assessments assessed prior to such foreclosure sale, and such unpaid assessed Assessments shall be deemed to be Common Expenses collectible from all of the Lot Owners, including such purchaser, his successors and assigns.

Section 16. Assessments against the Golf Course Land. In consideration of the fact that the owner of the Golf Course Land will perform certain landscaping and maintenance functions that will benefit the entire Property, neither the owner of the Golf Course Land nor any of its property will be subject to assessment hereunder or under any declaration or similar document creating any sub-association within the Property. The foregoing will not, however, prohibit the owner of the Golf Course Land and the Association from entering into a contractual arrangement or covenant to share costs whereby the owner of the Golf Course Land will contribute funds for, among other things, a higher level of Common Element maintenance, but neither the Association nor the owner of the Golf Course Land will be required to do so.

ARTICLE V

ANNEXATION OF ADDITIONAL PROPERTIES AND CLUSTER UNIT AND OPEN SPACE DEVELOPMENT RIGHTS AND OBLIGATIONS

Section 1. Annexation of additional property, except as provided in Section 2 of this Article V, shall require the assent of two-thirds (2/3) of the Class A membership and two-thirds (2/3) of the Class B membership, if any, present in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than ten (10) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The presence of Members or of proxies entitled to cast forty percent (40%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirement set forth above and the required quorum shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. In the event that two-thirds (2/3) of the Class A membership or two-thirds (2/3) of the Class B membership

are not present in person or by proxy, Members not present may give their written assent to the action taken thereat.

Section 2. This community is a phased community for both construction and financing purposes. Declarant reserves the right to add additional phases in its sole discretion. Each phase shall be created by the recording of a Supplemental Declaration or Additional Declaration, which shall extend the terms and conditions of this Declaration to the newly added phase. Declarant currently anticipates the project shall have ten (10) phases, although this number is subject to change by the Declarant in its sole discretion. There shall be no requirement that any party other than the Declarant consent to, approve or execute any document related to the creation of additional phases.

If within thirty (30) years from the date this Declaration is recorded in the Wake County Register of Deeds, the Declarant or a shareholder or member of Declarant should develop additional land which Declarant or a shareholder or member of Declarant owns or may hereafter acquire, such land may be annexed by the Declarant without the consent of Members; and, in doing so, Declarant may file and record such amendments to this Declaration as are necessary without the consent of the Members in order to subject such additional lands to the terms of this Declaration and the jurisdiction of the Association.

If Waterford LLC or the then owner of the tract of land described as the "Waterford Property" in that certain Cooperation Agreement recorded in Book 13466, page 2219 Wake County Registry, records a plat showing residential lots on the Waterford Property, as duly approved by Wake County, then the Waterford Property shall be annexed by the Declarant, without the consent of Members, and, in doing so, Declarant may file and record such amendments to this Declaration as are necessary without the consent of the Members in order to subject the Waterford Property to the terms of this Declaration and the jurisdiction of the Association.

Declarant may amend this Declaration at the time of annexation of additional lands pursuant to the provisions of this Article V, Section 2. Declarant shall have the right to make such complementary additions and/or modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient, in the sole judgment of the Declarant, to reflect the different character, if any, of the added properties and as are not inconsistent with the plan of this Declaration. The addition of property authorized under this paragraph may increase the cumulative maximum number of lots authorized in the properties, and, therefore, may alter the relative maximum potential voting strength of the various types of membership of the Association.

Section 3. Annexation of additional lands shall be accomplished by recording in the Wake County Register of Deeds office, a Declaration of Annexation, duly executed by the Declarant, if the Declarant has the right to annex pursuant to Section 2 above, (and by the landowner of the annexed tract or the Association if pursuant to Section 1 above), describing the lands annexed and incorporating the provisions of this Declaration, either by reference or by fully setting out said provisions of this Declaration. The additional lands shall be deemed annexed to the Property on the date of recordation of the Declaration of Annexation, and in the case of an annexation by the Declarant, no action or consent on the part of the Association or any other person or entity shall be necessary to accomplish the annexation except any local governmental authority if required by its ordinances.

ARTICLE VI

ARCHITECTURAL CONTROL

No site preparation (including, but not limited to tree clearing, grading, elevation work, landscaping, sloping or tree work) or 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, painted 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 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, by an Architectural Committee composed of no fewer than three (3) persons and no more than seven (7) persons appointed by the Declarant through and until the date that the Declarant shall no longer own any portion of the Properties for the purpose of development or sale, or such earlier date as determined by Declarant in its sole discretion. Submittals to the Architectural Committee shall comply with the provisions of the Hasentree Owners Association, Inc. Architectural and Landscape Guidelines 2010, as they may be amended from time to time by the Board. Initial construction on all Lots shall be reviewed and approved by the Declarant until the sale of the final Lot in the Property by the Declarant. After such date, the Architectural Committee shall be composed of no fewer than three (3) persons and no more than seven (7) persons, and shall be appointed by the Board. 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. In the event the approval of the Golf Course Owner is required for any plan, the provisions of Article VII, Section 4 shall control all time periods associated with plan review. 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.

Upon request, the Association, on behalf of the Architectural Committee, shall provide any Owner with a letter stating that any such work, plans and specifications, landscaping or plantings have been approved, and the letter may be relied upon by third parties.

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.

The Board and the Architectural Committee, or their appointed agents, shall have the right, at their election, but shall not be so required, to enter upon any of the Lots during site preparation or construction, erection, or installation of improvements to inspect the work being undertaken and to determine that such work is being performed in conformity with the approved plans and specifications.

The Architectural Committee shall have the power to grant or deny, and may allow or refuse, variances of, and adjustments of, the restrictions established herein in order to overcome practical difficulties and prevent unnecessary hardships in application of the restrictions contained herein; provided, however, that variances or adjustments are done in conformity with the intent and purposes hereof; and, provided also, that in every instance such variance or adjustment will not be materially detrimental or injurious to other Lots in the immediate area. Variances and adjustments may be of the height, size, and setback requirements, pursuant to the terms herein, but shall not be limited thereto. No variance shall be permitted if it violates governmental minimum standards. Notwithstanding the foregoing, Declarant shall have the power to grant or deny the above variances and adjustments so long as Declarant has the authority to appoint members to the Architectural Committee.

In the event of the grant of any variance in the restrictions established herein, the Declarant for so long as the Declarant has the authority to appoint members to the Architectural Committee, and thereafter the Association on behalf of the Architectural Committee shall execute a document acceptable in substance to the Association attesting to such grant and the specific nature thereof in form suitable for recording, so that the Lot Owner may record the document in the Wake County Registry. Such document shall be prepared at the cost of the Lot Owner and shall be binding upon the Declarant, the Association, its successors and assigns, and other Lot Owners and may be relied upon by third parties to evidence the variance approval.

Any purchaser of a lot or institution financing a lot shall rely on the foregoing statement.

The Association, so long as Declarant has authority to appoint members to the Architectural Committee, shall defer architectural approvals and grants of variances to Declarant unless Declarant has voluntarily relinquished control of the Association. The Declarant shall be exempt from the provisions of this Article VI as it would apply to Lots land owned by the Declarant.

ARTICLE VII

PLAN OF DEVELOPMENT OF GOLF COURSE LAND

Section 1. The Hasentree Club. All persons, including all Owners, hereby acknowledge that the owner of the Golf Course Land owns and operates a recreational membership club, known as The Hasentree Club which will not be owned by the Association, and that the Club and Club Property do not constitute Common Elements hereunder. No representations or warranties have been or are made by the Declarant or any other person, including the owner of the Golf Course Land, with regard to continuing ownership or operation of the Club and its facilities (including but not limited to clubhouse and parking facilities) as depicted upon any master land use plan, or marketing display or survey of the Golf Course Land. No purported representation or warranty, written or oral, in such regard shall ever be effective without an amendment hereto executed or joined into by the Declarant and the then current owner of the Golf Course Land.

Section 2. Change of Ownership and/or Operations. The ownership and/or operational duties of the Club may change at any time and from time to time by virtue of, but without limitation, (a) the sale or assumption of operations of the Club or the whole or any portion of the Club facilities to/by any person or entity, (b) the conversion of the Club membership structure to an "equity" club or similar arrangement whereby the members of the Club or an entity owned or controlled thereby become the owner(s) and/or operator(s) of the Club and the then existing Club facilities, (c) the conveyance, pursuant to contract, option or otherwise, of the Club or the whole or any portion of the Club's facilities to the Declarant or one or more affiliates, shareholders, employees, or independent contractors of the Declarant, or (d) the conveyance of the Club or the whole or any portion of the Club's facilities, which may be conveyed to the Association, with or without consideration and free and clear of any mortgage, but subject to covenants, conditions and restrictions of record. The Declarant, the owner of the conveyed Club operation and/or facility, or their respective successors and assigns, may undertake conveyance to the Association as aforesaid. As to any of the foregoing or any other alternative, no consent of the Association or any Owner shall be required to effectuate such a transfer, even in the case of a conveyance to the Association. No Owner shall have any ownership interest in the Club solely by virtue of his membership in the Association. The parties hereto further acknowledge and agree that the Family Activities Club and all remaining facilities provided at the Club may be sold, leased or otherwise transferred to the same person or entity or to different persons or entities, in the sole discretion of the Club.

Section 3. Walking Trails to the Association. All Owners hereby acknowledge that Walking Trails have been or will be constructed throughout Hasentree and certain Walking Trails will be conveyed by the Declarant to the Association as Common Elements at such time as determined by the Declarant, in its sole discretion. The Association shall be deemed to accept the Walking Trails for ownership and maintenance upon recordation of the deed thereto. Anything contained herein to the contrary notwithstanding, the Walking Trails may be conveyed by the Declarant without further consent of the Association or any Member of the Association or any member of any club operated by the owner of the Golf Course Land, and shall be conveyed without consideration and in an as-is condition resulting from normal wear and tear.

Notwithstanding anything to the contrary within this Declaration, the Association shall have an easement on any Walking Trail existing on the Golf Course Land, and those Walking Trails located on Golf Course Land shall be maintained by the Association at its sole expense. The owner of the Golf Course Land shall have an easement in that area designated as "New 20' Golf Access and Maintenance Easement" on that map recorded in Book of Maps 2010, page 645 Wake County Registry ("Lake Easement") but the Association shall maintain the Lake Easement at its sole expense.

Section 4. The Club's Architectural Control. Neither the Association, any Sub-Association, or any committee or board thereof, shall approve or permit any construction, addition, alteration, change or installation on or to any portion of the Property that is adjacent to, or otherwise in the direct line of sight of the Golf Course Land for the depth of one building lot, without giving the owner of the Golf Course Land at least thirty (30) days' prior notice of its intent to approve or permit same, and delivering therewith copies of the request and all other documents and information finally submitted in such regard. The submittal to the owner of the Golf Course Land shall be on such forms and contain such items as reasonably requested by the owner of the Golf Course Land. The owner of the Golf Course Land shall then have thirty (30) days to approve or deny the proposal in writing delivered to the appropriate committee or association, stating in detail the reasons for the approval, conditional approval or disapproval. The failure of the owner of the Golf Course Land to approve, deny or otherwise respond to the aforesaid notice within the thirty (30) day period shall not constitute a waiver of its right to object to the matter so submitted. This Section shall also apply to any work on the Common Elements hereunder or any common property or common elements of a Sub-Association, if any.

Section 5. Declarant's Reserved Rights for Club. The Declarant expressly reserves unto itself, its successors and assigns, the right to lease or grant exclusive or non-exclusive, appurtenant easements over, across or under any Common Element to the owner of the Golf Course Land for use as a portion of the Club's golf course or other Club facility if such Common Element is adjacent to the Club's property, which right to lease or grant easements may be exercised with full discretion.

Section 6. Sale or Transfer of the Club Facilities. The Club has the right to sell, lease, or otherwise transfer the Club Facilities and its operations at any time to any person or entity, to be operated on a for profit or nonprofit basis. Further the Family Activity Club and all other facilities provided at The Hasentree Club may be sold, leased or otherwise transferred to the same person or entity or to different persons or entities, in the sole discretion of the Club.

Section 7. Cooperation. It is Declarant's intention that the Association and the Club shall cooperate to the maximum extent possible in the operation of the Property and the Club. Each shall reasonably assist the other in upholding the community-wide standards herein provided as it pertains to maintenance and the architectural standards established by the Association and any Sub-Association.

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 of the Common Elements. 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.

Section 2. Use of Property. No portion of the Property (except for a temporary office of the Declarant and building models and related uses including but not limited to parking areas, storage areas and sales/marketing offices used by Declarant and except as required for use as the golf course and associated club facilities) shall be used except for single-family, non-transient residential purposes and for purposes incidental or accessory thereto. Only dwelling units on Lots may be occupied for use as a residence. No Lot and no improvements shall be used for hotel or other transient residential purposes. The Board may issue rules regarding permitted business activities.

Leasing of a residence on a Lot shall not be considered a business activity. Each lease relating to any Lot or any Improvements thereon (or any part of either thereof) must be for a term of at least six (6) months, must be in writing, and must provide that the tenant is obligated to observe and perform all of the terms and provisions hereof applicable to such Lot and/or improvements. In the event an Owner shall rent or lease his or her Lot or any improvements thereon (or any part of either thereof), such Owner shall immediately give to the Association in writing (i) the name of the tenant and the Lot rented or leased; (ii) the current address of such Owner; (iii) a true and complete copy of the lease or rental agreement; and (iv) the certification of the Owner that the tenant has been given a copy of this Declaration, any applicable amendments, and the Bylaws and that such tenant has been advised of any obligations he may have thereunder as tenant. In no event shall any lease or rental agreement release or relieve an Owner from the obligation to pay regular Assessments to the Association, regardless of whether the obligation to pay Assessments has been assumed by the tenant in such lease or rental agreement. Declarant shall be exempt from the limitations of use and leasing as set out in this Section 2.

Section 3. HVAC Equipment. Except for corner Lots, no air conditioning or heating equipment or apparatus shall be installed on the ground in front of, or attached to any front wall of, any Dwelling Unit on a Lot. Additionally, air conditioning and heating equipment and apparatus shall be screened from view from roadways by landscape improvements, as more particularly provided in any architectural guidelines, and installation of air conditioning and heating equipment and apparatus in windows shall be prohibited.

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

Section 5. Animals. Lot Owners shall not keep in any Lot animals, wildlife, livestock, reptiles or poultry of any kind, other than domesticated household birds and fish, house dogs or domesticated house cats. No Lot shall house more than 2 dogs and 2 cats unless otherwise approved in writing by the Board. All animals shall be leashed (if outdoors) or kept within the Lot and shall not be permitted to roam free. The Association may restrict the walking of pets to certain areas. Owners who walk their pets must clean up after their pets. Commercial activity involving pets, including, without limitation, boarding, breeding, grooming or training is not allowed. The ability to keep a pet is a privilege, not a right. If, in the opinion of the Board, any pet becomes a source of

unreasonable annoyance to others, or the owner of the pet fails or refuses to comply with these restrictions, the owner, upon written notice, may be required to remove the pet from the Property. Pets may not be left unattended or leashed in yards or garages or on porches or lanais. No pet may be leashed to any stationary object in the Common Elements. Pursuant to rules and regulations, the Board may further regulate pets, including but not limited to number and type of pets. No dog houses shall be permitted.

Any Lot owner who keeps or maintains any pet upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Association, each Lot owner, and the Declarant free and harmless from any loss, claim or liability of any kind of character whatever arising by reason of keeping or maintaining such pet within the Property.

Section 6. Insurance. Nothing shall be kept, and no activity shall be conducted, on the Property which will increase the rate of insurance applicable to residential use for the Property or any Lots. No Owner shall do or keep anything, nor cause or allow anything to be done or kept, on his Lot or on the Common Elements which will result in the cancellation of insurance on any portion of the Property, or Lots therein, or which will be in violation of any law, ordinance, or regulation. No waste shall be committed on any portion of the Common Elements.

Section 7. Governmental Requirements. Nothing herein contained shall be deemed to constitute a waiver of any governmental requirements applicable to any Lot and all applicable governmental requirements or restrictions relative to the construction of Improvements on and/or use and utilization of any Lot shall continue to be applicable and shall be complied with in regard to the Lots. Each Owner shall comply with all laws, regulations, ordinances and other governmental rules and restrictions in regard to the Lot(s) or other portion of the Property owned by such Owner (including, without limitation, applicable zoning and watershed laws, rules, regulations and ordinances)

Section 8. Completion and Sale of Homes or Units. No person or entity shall interfere with the completion and sale of Homes within the Property. WITHOUT LIMITING THE FOREGOING, EACH OWNER, BY ACCEPTANCE OF A DEED TO A HOME, AGREES THAT ACTIONS OF OWNERS MAY IMPACT THE VALUE OF HOMES; THEREFORE, EACH OWNER IS BENEFITED BY THE FOLLOWING RESTRICTION: PICKETING AND POSTING OF NEGATIVE SIGNS OR POSTING OF NEGATIVE WEBSITES ON THE INTERNET, NEGATIVE ADVERTISING AND NEGATIVE INFORMATION PROVIDED OR POSTED AT PUBLIC GATHERINGS IS STRICTLY PROHIBITED IN ORDER TO PRESERVE THE VALUE OF THE HOMES IN THE PROPERTY AND THE RESIDENTIAL ATMOSPHERE THEREOF.

Section 9. Structural Integrity. Nothing shall be done in, to, or upon any of the Common Elements which will impair the structural integrity of any building, or other improvement or portion of the Common Elements or which would impair or alter the exterior of any building, improvement or portion thereof, except in the manner provided in this Declaration.

Section 10. Signs. No Lot Owner shall display, or cause or allow to be displayed, to public view any sign, placard, poster, billboard, (including, without limitation, political signs) banner, commercial flag (except as provided in Section 33 of Article VIII) or identifying name or number upon any Lot, or any portion of the Common Elements, except as allowed by the Board and during the Declarant Development Period, the Declarant, or regulations, or as required by local governmental authority. All signs advertising the sale of a Lot shall be in such a form and contain such language or logos as allowed by the Board, or the Rules and Regulations, or as required by local governmental authority. Notwithstanding the foregoing, during the development of the Property and

the initial marketing of Lots, the Declarant may maintain a sales office and may erect and display such signs on the Lots and Common Elements as the Declarant deems appropriate as aids to such development and marketing, provided that such signs do not violate any applicable laws. No sign shall be nailed to trees.

Section 11. Fences, Walls and Hedges. No fence, wall, hedge or other mass planting shall be erected or permitted in front of a dwelling on any Lot, except as approved by the Architectural Committee pursuant to Article VI herein.

Section 12. Alterations. No person shall undertake, cause, or allow any alteration or construction in or upon any portion of the Common Elements except at the direction or with the express written consent of the Association.

Section 13. Common Elements Use. The Common Elements shall be used only for the purposes for which they are intended and reasonably suited and which are incident to the use and occupancy of the Property, subject to any rules or regulations that may be adopted by the Association pursuant to its Bylaws. No ATVs or other off-road vehicles are permitted on the public or private roads located on the Property, and no ATVs or other off-road vehicles are permitted on any Common Property. Golf carts shall not be permitted on any public or private road except at designated golf cart crossings, except as may be permitted by the Declarant, the county or the municipality.

Section 14. Parking; Storage.

(a) Roadways, driveways, streets and other exterior parking areas on the Property shall be used by Owners, occupants and guests for fully operable, inspected and registered four wheel passenger vehicles, two wheel motorized bicycles and standard bicycles only. No recreational vehicles, vans (other than non-commercial passenger vans), mobile homes, trailers, boats, trucks (unless licensed as a passenger vehicle and less than three-quarter ton capacity) or commercial vehicles (whether or not registered as a commercial vehicle with the State Department of Transportation) shall be permitted to be stored or parked on the Property, except on a day-to-day temporary basis in connection with repairs, maintenance or construction work on the Lot or if entirely enclosed in a Lot Owner's garage. No vehicles, trucks, vans, cars, trailers, construction equipment, etc. may be parked overnight on any roadway within the Property.

(b) Commercial-use vehicles or trucks not involved with construction activity on the Property and having a carrying capacity and/or size designation greater than or equal to one ton shall not be permitted to park overnight on the roads, driveways or otherwise within the Property, unless stored in an enclosed garage. No vehicle of any size which transports inflammatory or explosive cargo may be kept within the Property at any time. No vehicles that are not in a condition to be normally operated or that do not at any time have a current registration tag may be stored or situated on any Lot or on any street within the Property for more than ten (10) days unless stored in an enclosed garage.

(c) The Owner of each Lot will be responsible for providing on such Owner's Lot a sufficient paved parking area for all vehicles normally parked and/or situated on or in regard to such Lot.

(d) The restrictions in this Section 14 shall not apply to vehicles owned or operated by the Declarant or the Declarant's designees.

Section 15. Trailers, etc. No trailer, tent, mobile home, modular home, shack, tent, barn, detached garage, recreational vehicle, camper or other structure of a temporary character shall be

placed upon any Lot at any time, provided, however, that this prohibition shall not apply to(a) shelters or storage units or on the Common Elements used by the contractor during the construction of a dwelling, garage or accessory building, it being clearly understood that these latter temporary shelters may not, at any time, be used as residences or permitted to remain on the Lot after completion of construction, and (b) trailers, mobile homes or other similar structure used by Declarant for sales, marketing and construction purposes.

Section 16. Fuel Tanks. No fuel tanks or similar storage receptacles may be exposed to view. Any such receptacles may be installed only within an accessory building or within a screened area, or buried underground; provided, however, that nothing contained herein shall prevent the Declarant or Association from erecting, placing or permitting the placing of tanks, or other apparatus, on the Property for uses related to the provision of utility or other service.

Section 17. Guest Facility. A guest apartment or guest facility may be included as part of a main detached single family dwelling or accessory building, upon receipt of necessary governmental approvals.

Section 18. Delivery Receptacle. No mail box, paper box or other receptacle of any kind for use in the delivery of mail, newspapers, magazines or similar material shall be erected or located on any Lot unless and until the size, location, design and type of material for the receptacle shall have been approved by the Board or the Architectural Committee.

Section 19. Antennae. To the extent permitted by law and subject to the Federal Telecommunications Act, the following applies: Exterior radio and television antennae, aerials, disks and dishes for reception of commercial broadcasts and other aerials, disks and dishes (for example, without limitation, amateur short wave or ship to shore) shall not be permitted on any Lot without permission of the Board as to design, appearance and location or pursuant to the Architectural Guidelines issued for that purpose.

Section 20. Solar Collectors. To the extent permitted by law and subject to federal and state laws and regulations, the following applies: Solar collectors that gather solar radiation as a substitute for traditional energy for water heating, active space heating and cooling, passive heating and generating electricity, shall not be permitted on any Lot without permission of the Board as to design, appearance and location or pursuant to the Architectural Guidelines issued for that purpose. Nothing in this Section 20 shall have the effect of preventing the reasonable use of a solar collector on a Lot.

Section 21. Construction Limitations. During construction, all vehicles involved, including those delivering supplies, must enter the Lot on a driveway only as approved by the Board so as not to damage unnecessarily trees, street paving and curbs. During construction, builders must keep the homes, garages, and building sites clean and free of debris. All building debris, stumps, trees, etc., must be removed from each Lot by builder as often as necessary to keep the house and Lot attractive. Such debris will not be dumped in any area of the Property.

Section 22. Firearms; Hunting Prohibited. There shall be no discharging of firearms, guns or pistols of any kind, caliber, type, or method of propulsion; and no hunting of any type shall be carried on or conducted on the Property.

Section 23. Drying Areas. Clotheslines or drying yards shall not be located upon any Lot without the prior written consent of the Board, which consent may be conditioned or withheld in the sole discretion of the Board, or as set forth in Regulations established for that purpose.

Section 24. Unsightly Growth. No weeds, underbrush or other unsightly growth shall be permitted to grow or remain on any Lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain thereon, including vacant parcels. No stockpiled topsoil or fill material shall remain on any portion of the Property without prior written consent of the Declarant, and following the period of Declarant control, the Board.

Section 25. Maintenance. Subject to any other applicable terms of this Declaration, and unless specifically stated to be an obligation of the Association pursuant to this Declaration or a Supplemental Declaration, the Owner of each portion of the Property, at such Owner's sole cost and expense, shall maintain its portion of the Property, including improvements thereon, in a safe, clean and attractive condition at all times, including but not limited to the following thereon:

- (a) Prompt removal of all litter, trash, refuse and wastes;
- (b) Lawn Maintenance on a regular basis, including Landscape Easements, Sign Easements and Landscaped Rights-of-Way unless otherwise provided for according to the terms of any recorded easement agreements should they exist;
- (c) Tree and shrub pruning and removal of dead or diseased trees, shrubs and other plant material;
- (d) Maintenance of flower and plant gardens;
- (e) Maintenance of exterior lighting and mechanical facilities;
- (f) Maintenance of parking areas and driveways;
- (g) Maintenance of all improvements thereon;
- (h) Maintaining adequate soil erosion controls;
- (i) Maintenance of storm water drainage easements and portions of the properties served by storm water drainage easements, as required by this Declaration; and
- (j) To the extent not adequately maintained by the applicable governmental authority, the Association or a public utility provider, maintenance of the sidewalk, driveway, driveway apron and utility laterals serving each Owner's portion of the Property, even if located in the Common Property. Each Owner also shall provide snow and ice removal for any sidewalks located on or adjacent to such Owner's portion of the Property.

Each Owner shall perform the foregoing responsibilities in a manner that does not reasonably disturb or interfere with the reasonable enjoyment by the other Owners of their portions of the Property.

If any Owner fails to perform any of the foregoing Maintenance Responsibilities, then the Association may give such Owner written notice of the failure and such Owner must, within ten (10) days after such notice is given by the Association, perform the required maintenance. If any such Owner fails to perform the required maintenance within the allotted time period, then the Association, acting through its authorized agent or agents, shall have the right and power, but not the obligation, to enter such Owner's portion of the Property and perform such maintenance without any liability to any Person for damages for wrongful entry or trespass. Such Owner shall be liable to the Association for the expenses incurred by the Association in performing the required maintenance, and shall reimburse the Association for such expenses within thirty (30) days after the Association

mails or delivers to such Owner an invoice therefor. If the Owner fails to reimburse the Association as required, the Association shall have the same rights and remedies for collection of the amounts as provided in Article IV, Section 9 herein for collection of Assessments.

Section 26. Independent Covenants. Each and every covenant and restriction contained herein shall be considered to be an independent and separate covenant and agreement, and in the event any one or more of said covenants or restrictions shall, for any reason, be held to be invalid, or unenforceable, all remaining covenants and restrictions shall nevertheless remain in full force and effect.

Section 27. Additional Restrictions. Declarant may include in any contract or deed hereafter made any additional covenants and restrictions that are not inconsistent with and which do not diminish the covenants and restrictions set forth herein.

Section 28. Subdividing and Recombining Lots. No Lot shall be subdivided, or its boundary lines changed except with the prior written consent of the Declarant during the period of Class B Membership and thereafter by the Board. However, the Declarant, hereby expressly reserves unto itself, and to any successor to which Declarant makes a specific assignment of this right, the right to replat any two (2) or more Lots and/or common properties (so long as replating of the common properties conforms with applicable governmental regulations and upon approval by the appropriate governmental authority) shown on the plat of any subdivision of the Property in order to create one or more modified Lots; to recombine one or more Lots and/or common properties to create a larger Lot; to eliminate from this Declaration Lots that are not otherwise buildable or Lots and/or common properties that are needed for access to any area of the Property or are needed for use as private roads or access areas, and to take such steps as are reasonably necessary to make such replatted Lots suitable and fit as a building site or access area or roadway, said steps to include, but not to be limited to the relocation of easements, walkways, and rights-of-way to conform to the new boundaries of the said replatted Lots. If any of the common properties are recombined with a Lot, the Association shall execute all necessary documents to effect the recombination. A Lot Owner shall pay assessments on the original number of Lots recorded as of February 25, 2010, should two (2) or more lots be recombined into one (1) lot.

Section 29. Water System; No Private Individual Wells; Elevated Tank. All water supplies necessary to serve the Property (the "Water System"), and all water mains, pipes, elevated tanks, and other equipment necessary for the operation and maintenance of the Water System, shall be owned, operated, repaired and maintained by Aqua North Carolina, Inc. pursuant to the terms of that Agreement between Hasentree Corp. and Heater Utilities, Inc. dated August 28, 2006 for the Installation, Conveyance and Operation of the Water Utility System Serving Hasentree Golf Community (the "Heater Water Agreement"), or upon termination of the Heater Water Agreement, by a public utility company duly licensed and operating under the authority granted by the North Carolina Department of Public Utilities Commission. All Owners shall connect to the Water System for domestic water service. The Water System shall be the sole provider of water supply to the Property, and except for wells dug or constructed by the Declarant, no well may be dug or constructed on any Lot for the purpose of providing domestic water supply. The Water System and its providers, managers and operators may be subject to state or municipal regulations, laws and ordinances. Such regulations, laws and ordinances may have an impact on certain aspects of the Water System, including, but not limited to, the fees charged, the method of delivery, the rights of the Owners as well as the rights of the Water System providers and operators. Neither Declarant nor the Association nor their successors and assigns shall in any manner be liable for any interruption in Water Systems services. Furthermore, each Owner agrees to release and discharge the Declarant and the Association from and against any and all losses, claims, demands, damages, costs and expenses of whatever nature or kind, including reasonable attorneys' fees and costs at all tribunal levels, related to or arising out of any claim relating to the Water System.

Further, Reclaimed Water may be used for irrigation on certain portions of the Property via the installation and operation Purple Pipe on specific portions of the Property including but not limited to the Golf Course and Lots for which an easement has been recorded or identified in that Effluent Easement and Irrigation Agreement recorded in Book 13037, page 2573 Wake County Registry.

Section 30. Drainage. No Owner shall channel or direct drainage water onto a neighboring Lot, Common Element or onto any Golf Course Land except in accordance with a drainage plan approved by Declarant and in the case of drainage onto any Golf Course Land, the owner of the Golf Course Land. No Owner shall make any change to or modification of the originally established grades, swales and slopes of his or her lot in any way that changes or impedes the originally established flow of storm water drainage.

Section 31. Lakes. No lake area within the Property or any Golf Course Land shall be used for swimming, boating or diving, nor shall use of any personal flotation devices, jet skis or other such items be permitted on any lake, unless approved by the Declarant, or after the Declarant Development Period, the Board of Directors of the Association. Fishing by Owners may be permitted subject to Association rules and regulations. No piers, docks or barriers shall be constructed on any portion of lakes, streams or ponds, nor attached to the shoreline or banks thereof, except those that may be constructed by the Declarant. No Lot Owner may use or permit to be used any water from any lakes or other bodies of water for irrigation of such Owner's Lot. Neither the Declarant nor the Association nor the owner of the Golf Course Land shall be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of lakes, ponds, or streams within or contiguous to the Property or to any Golf Course Land. Nothing shall be done which disturbs or potentially disturbs wetlands within the Property in any manner unless approved by the proper regulatory authority.

Section 32. Water Bodies. By acceptance of a deed to a home or a lot, each owner acknowledges that the water levels of all water bodies may vary. There is no guarantee by the Declarant or the Association that water levels will be constant or aesthetically pleasing at any particular time. In fact, water levels may be non-existent from time to time. No dredging or filling shall be undertaken on any property adjacent to any water body or wetland other than dredging or filling undertaken by the Declarant.

Section 33. Artificial Vegetation, Exterior Sculpture, Flags and Similar Items. No artificial vegetation shall be permitted on the exterior of any portion of the Property. Exterior sculpture, fountains, flags, and similar items are subject to Declarant's prior approval as stated in Section 10 of this Article VIII; provided, however, that nothing contained herein shall prohibit the appropriate display of an American flag, of a size no greater than four feet by six feet, which is displayed in accordance with or in a manner consistent with the patriotic customs set forth in 4 U.S.C. Sec 5-10.

Section 34. Nuisances. No rubbish or debris of any kind will be dumped, placed or permitted to accumulate upon any portion of the Property, nor will any nuisance or odors be permitted to exist or operate upon or arise from the Property, so as to render any portion thereof unsanitary, unsightly, offensive, or detrimental to persons using or occupying any other portions of the Property. Further, no activities or situations which result in stormwater runoff which interfere with the use and enjoyment of any portion of the Property shall be permitted. Noxious or offensive activities will not be carried on in any part of the Property, and the Association and each Owner and Occupant will refrain from any act or use which could cause disorderly, unsightly, or unkempt

conditions, or which could cause embarrassment, discomfort, annoyance, or nuisance to the Occupants of other portions of the Property or which could result in a cancellation of any insurance for any portion of the Property, or which would be in violation of any law or governmental code or regulation. Without limiting the generality of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices, except security and fire alarm devices used exclusively for such purposes, will be located, used, or placed within the Property, except as may be permitted pursuant to terms, conditions, rules and regulations adopted therefor by the Board of Directors. Any Owner or Occupant who dumps or places any trash or debris upon any portion of the Property will be liable to the Association for the actual costs of removal thereof plus an administrative fee set therefor by the Board as recoupment of administrative costs in administering the cleanup and notices to the Owner and Occupant, and such sum will be added to and become a part of that portion of any Assessment next becoming due to which such Owner and his property is subject.

Section 35. Golf Course Tree Conservation Buffer. Within fifty feet (50') of the rear property line and/or side property line of each Lot that borders the Golf Course, there shall be a Golf Course Tree Conservation Buffer to which the provisions of this Section 35 shall apply. No Lot or Dwelling Owner may install any fencing, landscaping or vegetation within the Golf Course Tree Conservation Buffer or between the Golf Course Land and the Property except as approved by the Board and the Owner of the Golf Course Land. This Golf Course Tree Conservation Buffer shall be inclusive of any Golf Course Easement or Landscape Easement or any other easement provided by this Declaration and any recorded plat of the Property. The provisions herein shall be in addition to any imposed by the Architectural Committee. For convenience, the areas to which these provisions apply shall be referred to as the "Buffer." The following examples shall be used to demonstrate the extent of the Golf Course Tree Conservation Buffer in three possible scenarios:

Example 1. If there is no Variable Width Landscape Easement or Variable Width Golf Course Easement on a Lot, but the rear and/or side lot line of that Lot borders the Golf Course Land, then there is a fifty foot (50') wide Golf Course Tree Conservation Buffer extending along that rear and/or side lot line bordering the Golf Course.

Example 2. If there is a Variable Width Landscape Easement and/or Variable Width Golf Course Easement on any Lot, and portions of those Variable Width Easements extend less than fifty (50') feet from a rear and/or side lot line, then the Golf Course Tree Conservation Buffer will extend beyond that Variable Width Easement into the Lot for a total fifty foot (50') buffer from that rear and/or side lot line, and the provisions of this Section 35 shall also apply therein. An illustration is shown on Exhibit 1 attached hereto.

Example 3. If there is a Variable Width Landscape Easement or Variable Width Golf Course Easement on any Lot and portions of those Variable Width Easements extend more than fifty feet (50') from a rear and/or side lot line, then the Golf Course Tree Conservation Buffer shall include the full extent of the width of the Variable Width Easements, and the provisions of this Section 35 shall also apply therein. An illustration is shown on Exhibit 2 attached hereto.

a. Prior to any clearing of trees or vegetation on any Lot with a Buffer, the Owner shall have a tree survey completed mapping trees within the Buffer with a four inch (4") or greater caliper, measured at the point on the tree that is forty-eight inches (48") from the ground. The tree survey shall be submitted to the Architectural Committee along with all other submittals for initial improvements and landscaping on the Lot.

b. The Owner may remove all vegetation that is less than six feet (6') tall and not shown on the tree survey, unless marked to be preserved by the Declarant's landscape architect.

c. Should there be any removal of trees within the Buffer in violation of this Section 35 or any other provision of this Declaration, then the Owner shall be fined for each tree removed as follows: \$1,000.00 per one inch (1") of caliper for any tree over four inches (4") caliper, measured at the point on the tree that is forty-eight inches (48") from the ground.

Declarant shall provide the Owner with notice of the violation of this Section and of the amount due. Any fine not paid within ten (10) days of the date of the notice of violation or final determination following hearing as provided in subparagraph (f) below shall be delinquent, in default, and shall bear interest and be collected by the Association pursuant to the provisions of Section 9 of Article IV of this Declaration.

d. In addition to the fines noted in subsection (c) above, the Owner shall, at the Owner's expense, replace tree for tree those trees that were removed in violation of this Section 35 with trees with a caliper of four inches (4") measured at the point on the tree that is forty-eight (48") inches from the ground.

The Owner shall provide Declarant with a planting plan showing the size and location of the replanted trees within fifteen (15) days of the date of the notice of violation or final determination following a hearing pursuant to subparagraph (f) below. Declarant shall comment or approve the planting plan, and the Owner shall commence replanting trees within ten (10) days of the receipt of the Declarant's approval, and shall complete the planting within five (5) days of the commencement. Declarant shall also have the option of requiring the planting to occur at another date due to the season of the year the plan is presented. In that case, the Owner shall commence the replanting within ten (10) days of Declarant's notice to plant, and shall complete the planting within five (5) days of the commencement.

e. Failure by an Owner to commence and complete replanting in the times stated herein shall be a violation of this Section 35, and in addition to any other legal remedies contained herein, the Association shall be permitted to accomplish said plantings and to charge the cost thereof to the Lot Owner as an assessment against the Lot and to bring any and all actions to collect said assessment pursuant to Section 9 of Article IV of this Declaration. It shall be the Owner's responsibility to maintain appropriately the replanted trees and vegetation. Replanted trees or vegetation that are not maintained appropriately and die shall be replaced by the Owner in the same manner described in subsection d of this Section 35.

f. Within five (5) days of receipt of the notice of violation, the violating Owner may, if it disputes the fine and/or the requirement to replant, present the Association and the Declarant with a written request for hearing on the violation to dispute the fine and/or the replanting requirement. Within twenty (20) days of receipt of the request for a hearing, the Association shall establish a hearing date and shall provide notice to the Lot Owner of the time and place of the hearing, which time will be not less than ten (10) days from the giving of notice. The hearing will be held in executive session of the Board of Directors pursuant to

the notice and will afford the violating Owner a reasonable opportunity to be heard. The decision of the Board of Directors shall be noted in a written statement of the results of the hearing and shall be retained in the minutes of the meeting.

g. Within the Buffer, there shall be a Non-Turf Buffer Area ("Non-Turf Buffer") the width of which shall be determined by the Declarant but a minimum of 20' during the Declarant Control Period, and thereafter the Association, or the Club. The Non-Turf Buffer shall be a twenty foot (20') wide minimum. Immediately adjacent to the course of Variable Width Golf Course Easement and/or Variable Width Landscape Easement. Within the Non-Turf Buffer, no turf grass of any sort shall be permitted, however natural grasses may be installed by the Golf Course Owner only and shall be permitted. A Lot Owner shall be required at its own expense to maintain this area in such manner in order to maintain a pleasing natural appearance, or the Association may accomplish such maintenance, and charge the cost thereof to the Lot Owner and bring an action to collect said costs pursuant to Section 9 of Article IV of this Declaration.

h. Following a wind, rain or snow storm or other natural event which destroys trees within the Buffer, and at the request of the Declarant in its sole discretion, the Owner shall, at its own expense, remove all damaged and destroyed trees, limbs, and vegetation within thirty (30) days following the event and shall replace all trees that were lost in the event tree for tree with trees with a caliper of four inches (4") measured at the point on the tree that is forty-eight (48") inches from the ground. The Owner shall present to the Declarant a plan for the replanting of the trees and/or vegetation, within thirty (30) days following the event Declarant shall comment or approve the planting plan, and the Owner shall commence replanting trees within thirty (30) days of the receipt of the Declarant's approval, and shall complete the planting within fifteen (15) days of the commencement. Declarant shall also have the option of requiring the planting to occur at another date due to the season of the year plan is presented. In that case, the Owner shall commence the replanting within thirty (30) days of Declarant's notice to plant, and shall complete the planting within fifteen (15) days of the commencement. The procedures outlined in Subsections (e) and (f) of this Section 35 shall also apply to this Subsection (h).

i. During the Declarant Development Period the Declarant shall have the authority, in its sole discretion, to waive or vary any provision or requirement of this Section 35. In no event, at any time, shall the Architectural Committee or the Board of Directors of the Association have the authority to waive or vary any provision or requirement of this Section 35. After the Declarant Development Period, amendment of this Section 35 will require unanimous approval of the Members of the Association and approval of the Owner of the Golf Course Land.

j. Due to issues unique to Lots 256 through Lot 266 as shown on Book of Maps 2007, pages 479 and 480 and Book of Maps 2006, page 834 Wake County Registry ("Hole 8 Lots"), and issues unique to Lots 139 through Lot 148 as shown on Book of Maps 2006, page 1198 Wake County Registry ("Hole 13 Lots"), the Buffer shall extend from the rear property line to the edge of the rear building envelope, as defined in Article X of the Declaration, of each of the Hole 8 Lots and the Hole 13 Lots. Within the Buffer a Non-Turf Buffer shall not be established however, extending from the rear edge of the Golf Course Easement for a width of twenty feet (20') there shall be a "Native Grass Easement". Within the Native Grass Easement, the Golf Course Owner shall install native grasses as chosen by the Golf Course

Owner, and the Golf Course Owner shall maintain the native grasses using proper horticultural practices to an approximate height of three feet (3'). A diagram illustrating the Hole 8 Lot Buffer and Native Grass Easement is attached hereto as Exhibit 3.

Section 36. Marketing Other Locations. This Declaration grants to Declarant a number of significant rights to market the Property. Declarant hereby reserves for itself and its affiliates the right to use each and every such right and privilege for the additional purposes of promoting, identifying, and marketing off-site developments of Declarant or its affiliates for the duration of the Development Period, even though Declarant may have completed the marketing of Lots in the Property. Additionally, Declarant – at Declarant's sole option and discretion – may extend the effect of this Section for up to twelve (12) months after the end of the Development Period.

Section 37. Garage Use. Garages shall be used for parking vehicles only and shall not be converted for living, recreational activities, business or storage that would prevent the ability of an Owner, tenant or lessee to park the number of vehicles in the garage that the garage was designed for. Doors to garages shall be kept closed except during the removal or entry of vehicles therefrom or thereto.

Section 38. Recreational and Other Equipment. No recreational equipment (including but not limited to, basketball backboards and hoops, trampolines, swing sets, tree houses, children's climbing or play apparatus and other equipment associated with either adult or juvenile leisure or recreation) shall be attached to the exterior of any Dwelling Unit or otherwise placed or kept on any Lot, except with prior approval of the Architectural Committee. In no event shall any of the above be installed within one hundred feet (100') of the Golf Course.

(a) No such recreational equipment shall be located in such a manner as to constitute a nuisance or unsightly condition. No portable basketball hoops/goals shall be permitted.

(b) Children's play toys and other moveable equipment of any type (such as lawn mowers, garden tools, etc.) shall not remain overnight within a front yard of any Lot, or within the side yards of any Lot located on a corner, and such play toys and other moveable equipment of any type shall be stored in a dwelling or an enclosed garage or in an enclosure specifically approved for such storage by the Architectural Committee.

Section 39. Declarant Exemption. The provisions of this Article VIII are intended to restrict certain uses that may be harmful or affect the ambience or aesthetic appeal of the Property. The restrictions are not intended to prohibit Declarant from performing such work as may be necessary in the completion of the work in the Property. Nor are the restrictions intended to require the Declarant to undertake regular maintenance of undeveloped lots owned by Declarant. The restrictions are not intended to prohibit or limit the Declarant's construction and operation of facilities for sales and marketing purposes for the Property and uses related to sales and marketing of the Property. Such facilities include but are not limited to model homes, sales centers, and parking lots. The restrictions and requirements of this Article VIII shall therefore not be binding upon Declarant, in the performance of any of the work required in order to complete construction of and within the Property or otherwise. Furthermore, Declarant shall have the right, in its sole and absolute discretion, to exempt any Person purchasing a Lot from Declarant for the purpose of constructing a residence thereon for resale to a third party (such Person being hereafter referred to as the "Builder") from any one or more provisions hereof during the period during which such Builder is constructing a residence thereon until such residence is sold by such Builder to a third party; and may furthermore grant to any such Builder, in Declarant's sole discretion, the right to exercise any one or more of the rights, easements and

privileges reserved to Declarant under the terms hereof.

ARTICLE IX BUILDING RESTRICTIONS

Section 1. Height and Accessory Building. No structure, except as hereinafter provided, shall be erected, altered, placed or permitted to remain on any detached single-family residential Lot other than a detached single family dwelling not to exceed three (3) stories in height exclusive of the basement, a garage and small accessory building (which may include a pool house, servants' quarters, or guest facilities), provided, the use of such dwelling or accessory building does not in the opinion of the Board or Architectural Committee overcrowd the site. Such accessory building may not be constructed prior to the construction of the primary dwelling. All garages must be attached to the main dwelling, unless the Board, Declarant or the Architectural Committee pursuant to Article VI hereof, approves in writing a variance permitting a detached garage. The Board, Declarant, or the Architectural Committee, pursuant to Article VI hereof, may approve in writing a variance permitting a single-family dwelling of more than three stories.

Section 2. Multi-Family Use Prohibited. No multiplex residence or apartment house shall be erected or placed on, or allowed to occupy, any detached single-family residential Lots, and no dwelling once approved and constructed shall be altered or converted into a multiplex residence or apartment house.

Section 3. Remedies. If the finished dwelling, garage, accessory building or other structure does not comply with the submitted and approved plans and specifications, the Board retains the right to make the necessary changes at owner's expense to comply with the approved plans and specifications, the right to treat such charge or cost as an assessment, the right to file under the North Carolina law as described in Article IV, Section 9 herein, a notice of liens for any costs incurred, and the further right to resort to all remedies provided under the laws of North Carolina for the recovery of such costs and the expenses of collection, including without limitation, reasonable attorneys' fees. Any changes in plans or specifications must first be reapproved by the Architectural Committee.

Section 4. Trash Receptacles. Each Lot Owner shall provide receptacles for garbage in a screened area not generally visible from the road, the Golf Course Land, neighboring Lots, or store receptacles in a garage, or provide underground receptacles or similar facilities in accordance with standards established by the Association.

Section 5. Parking Spaces. Each Lot Owner shall provide space for parking two automobiles off the street prior to the occupancy of any dwelling constructed on said Lot in accordance with standards established by the Association.

Section 6. Storm Drainage. Each Lot Owner shall maintain the drainage devices on its Lot at its own expense. Each Lot Owner shall not allow the diversion or concentration of stormwater runoff without the prior written approval of the Architectural Committee, and no drainage diversion or structure may be constructed in violation of any North Carolina Department of Transportation regulation.

ARTICLE X

RULEMAKING

Section 1. Rules and Regulations. Subject to the provisions hereof, the Board of Directors may establish reasonable rules and regulations concerning the use of Lots, Dwellings, and the Common Elements, and facilities located thereon. In particular, but without limitation, the Board of Directors may promulgate, from time to time, rules and regulations that will govern activities that may, in the judgement of the Board of Directors, be environmentally hazardous, such as application of fertilizers, pesticides, and other chemicals. The Association will furnish copies of such rules and regulations, and amendments thereto, to all Owners prior to the effective date of such rules and regulations and amendments thereto. Such rules and regulations will be binding upon the Owners and Occupants until and unless any such rule or regulation is disapproved by 67% or more of the votes of the entire Association at a special meeting of Members called therefor and held pursuant to the provisions of the Bylaws, which percentage will also constitute the quorum required for any such meeting. Any action by the Board to adopt, overrule, cancel or modify any rule or regulation, or any vote of Members disapproving any rule or regulation, will not be effective and binding upon the Owners and Occupants until and unless the same is approved by the Declarant during the Declarant Development Period.

Section 2. Authority and Enforcement. Subject to the provisions of Section 3 herein, upon the violation of this Declaration, the Bylaws, or any rules and regulations duly adopted hereunder, including, without limitation the failure to timely pay any Assessments, the Board will have the power (i) to impose reasonable monetary fines which will constitute an equitable charge and a continuing lien as a specific Assessment; (ii) to suspend an Owner-Member's right to vote in the Association; or (iii) to suspend an Owner's or Occupant's right to use any of the Common Elements and Club Facilities on Club Property. The Board will have the power to impose all or any combination of these sanctions, and may establish each day a violation remains uncured as a separate violation for which a fine is due; provided, however, an Owner's access to its property over private roads and streets constituting Common Elements will not be terminated hereunder. An Owner or Occupant will be subject to the foregoing sanctions in the event of such a violation by such Owner or Occupant. Any such suspension of rights may be for the duration of the infraction and for any additional period thereafter, not to exceed thirty (30) days.

Section 3. Procedure. Except with respect to the failure to pay Assessments, the Board will not impose a fine, suspend voting rights, or infringe upon or suspend any other rights of an Owner or other Occupant of the Property for violations of the Declaration, Bylaws or any rules and regulations of the Association, unless and until the following procedure is followed:

(a) Demand to Cease and Desist. Written demand to cease and desist from an alleged violation will be served upon the Owner responsible for such violation specifying:

- (i) The alleged violation
- (ii) The action required to abate the violation; and
- (iii) A time period of not less than ten (10) days during which the violation may be abated without further sanction, if such violation is a continuing one, or if the violation is not a continuing one, a statement that any further violation of the same provision of this Declaration, the Bylaws, or of the rules and regulations of the Association may result in the imposition of the sanctions after notice and hearing.

(b) Notice and Hearing. Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or

if the same violation subsequently occurs, the Board may serve such Owner with written notice of a hearing to be held by the Board in executive session. The notice will contain:

- (i) The nature of the alleged violation;
- (ii) The time and place of the hearing, which time will be not less than ten (10) days from the giving of the notice;
- (iii) An invitation to attend the hearing and produce any statement, evidence, and witnesses on his behalf; and
- (iv) The proposed sanction to be imposed

(c) Hearing. The hearing will be held in executive session of the Board of Directors pursuant to the notice and will afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard will be placed in the minutes of the meeting. Such proof will be deemed adequate if a copy of the notice together with a statement of the date and matter of delivery is entered by the officer, director, or other individual who delivered such notice. The notice requirement will be deemed satisfied if an alleged violator appears at the meeting. The minutes of the meeting will contain a written statement of the results of the hearing and the sanction imposed, if any.

ARTICLE XI SUB-ASSOCIATIONS

Section 1. Establishment of Sub-Associations. Notwithstanding anything to the contrary set forth in this Declaration, Declarant hereby reserves the exclusive, unrestricted and unconditional right to cause to be created one or more North Carolina non-profit corporations (the "Sub-Association") to administer another declaration of protective covenants with respect to certain portions of the Property, as designated by the Declarant. A Sub-Association, if it is formed, shall co-exist with the Association; and

(a) it shall have the sole and exclusive right, power and authority and obligation to implement a declaration of protective covenants ("the Sub-Association Declaration") as to the designated portion or portions of the Property.

(b) it shall have the sole and exclusive right, power and authority and obligation to implement as necessary an assessment structure for the maintenance and repair of common elements which serve the designated property only.

(c) The Owner of a Lot in the designated portion of the Property shall automatically become a member of the Sub-Association and shall remain a Member of the Association.

(d) The Sub-Association shall have all of the rights and powers as are conferred upon it in its articles of incorporation, in the Sub-Association Declaration, and such additional rights and powers as are reserved unto Declarant in the Sub-Association Declaration, or are otherwise possessed by Declarant and assigned by Declarant to the Sub-Association, which Declarant may do at any time or times.

(e) The Sub-Association shall be managed by its board of directors in accordance with its bylaws and the provisions of North Carolina General Statute Sections 55A and 47F.

(f) matters pertaining to membership in the Sub-Association, including the classes of members, quorum requirements, voting rights and notices, shall be as set forth in the Sub-Association's articles of incorporation or bylaws.

(g) all of the functions of the Architectural Committee relative to the designated portion or portions of the Property shall be retained by the Architectural Committee for the Association and the Sub-Association shall not have the architectural review power;

(h) notwithstanding anything contrary in the Declaration, cross-access and parking easements, and other easements as necessary for the development of the designated property shall be permitted to be established in the Sub-Association Declaration without the approval of Members.

(i) notwithstanding anything contrary in the Declaration, and only upon prior approval by Declarant at its sole discretion, the Sub-Association shall be permitted to have and enforce a separate set of development standards, including but not limited to setbacks and square footage requirements, which may differ from the development standards of the Association.

(j) appropriate amendments to this Declaration in order to establish the Sub-Association shall be adopted by the Declarant without the need for approval of the Members.

ARTICLE XII

NEIGHBORHOODS

Section 1. Neighborhoods. Declarant, acting in its sole and absolute discretion, shall have the right, but not the obligation to establish separately developed residential Neighborhoods, recreational areas and amenity areas, or some, all or none of these, within the Property, and to designate Limited Common Area for the exclusive use of one or more, but less than all of Neighborhoods. Every Lot situated within a designated Neighborhood may be subjected to additional covenants, conditions, restrictions and additional assessments for services provided to Lots within such designated Neighborhood. Such additional covenants may be set forth in this Declaration or a Supplemental Declaration. Any Neighborhood may request that the Association provide a higher level of service than that which the Association generally provides to all Neighborhoods, or may request that the Association provide special services for the benefit of Lots in such Neighborhood. Upon the affirmative vote, of the Owners of a majority of the Lots within the Neighborhood, the Association shall provide the requested services. The cost of such services, which may include a reasonable administrative charge in such amount as the Board deems appropriate (provided, any such administrative charge shall apply at a uniform rate per Lot to all Neighborhoods receiving the same service), shall be a Neighborhood Assessment.

Section 2. Neighborhood Assessments. The Board may levy assessments against the property in a particular Neighborhood to fund actual and estimated expenses incurred by the Association for the primary benefit of property within such Neighborhood. Neighborhood assessments shall be levied as specifically budgeted from time to time by the Board of Directors for expense items such as maintenance, insurance or special services. In addition, the Board shall levy a

Neighborhood Assessment upon the request of the Owners holding two-thirds (2/3) of the total association vote applicable to Lots within a Neighborhood.

ARTICLE XIII

EASEMENTS

Section 1. Utility Easements. All of the Property, including Lots and Common Elements, shall be subject to such easements for driveways, walkways, parking areas, water lines, sanitary sewer lines, storm drainage, gas lines, cablevision lines, telecommunications facilities, telephone and electric power lines and other private or public utilities as shall be established by the Declarant or by his predecessors in title, prior to the subjecting of the Property to this Declaration; and the Association shall have the power and authority to grant and establish upon, over, under and across the Common Elements conveyed to it, such further easements as are requisite for the convenient use and enjoyment of the Property without approval of the membership. There is hereby reserved a fifteen foot (15') easement around the boundary of all Lots for purposes of installation of any utility to serve such property and for such reasons as deemed necessary by the Declarant in its sole discretion.

Section 2. Easement for the Benefit of Governmental and Quasi-Governmental Authorities. An easement is hereby established for the benefit of any governmental and quasi-governmental authority having jurisdiction over the Property, or other governmental agency, over all Common Elements for the setting, removing and reading of water meters (which shall be separate for each Lot), maintaining and replacing drainage, water, and sanitary sewer facilities, for police protection, fire fighting and garbage collection, postal services, and the rendering of such other services as are appropriate and necessary for the use and enjoyment of the Property. In no case shall the governmental authority or other responsible agency, be responsible for failing to provide any emergency or regular fire, police, or other public service to the Property or to any of its occupants when such failure is due to the lack of access to such area due to inadequate design or construction, blocking of access routes, or any other factor within the control of the Declarant, the Association, the Owners or occupants. All conveyances of any portion of the Property shall be subject to these limitations on the governmental authorities responsibilities.

Section 3. Easements Reserved. Declarant hereby reserves such easements on, across and over the Common Elements as shall be reasonably necessary for:

- (i) the exercise by Declarant or any assignee of Declarant of any right herein reserved, including, without limitation, Declarant's right to annex any additional property pursuant to Article V, Section 2 of this Declaration; and
- (ii) the development by Declarant or any assignee of Declarant, their respective successors and assigns, of any additional property owned by Declarant or assignee of Declarant, whether or not Declarant elects to annex such additional property;

including without limitation easements for ingress, egress and regress over private roads and streets now or hereafter erected on the Properties and easements for drainage and for the use of all utility lines, fixtures and/or their connections located within the Common Elements for the purpose of providing drainage, water, light, power, telephone, sewage and sanitary service to any additional properties described in subsections (i) and (ii) of this Section 3.

Full rights of access, ingress and egress are hereby reserved by Declarant for itself and the Association at all times over and upon any Lot or other portion of the Property for the exercise of the easement rights described in this Article XII.

Section 4. Easement for Benefit of Utility Company. The Declarant reserves the right to subject the Property, including the Common Elements, to a contract with the applicable utility company serving the region, for an easement for the installation of underground electric lines, cables and connector posts or for the installation of street lighting, either or both of which, may require an initial payment or a continuing monthly payment to the utility by the owner of each Lot or the Association, as determined by the Association. The Declarant reserves the right to subject the Property, including the Common Elements, to a contract with the applicable gas, cable and other utilities serving the region, for and easement for the installation of gas lines, cable lines and other necessary lines and facilities for operation of said utilities on the Property. Further, Declarant reserves the right to subject the Property, including Common Elements, to a contract with a private provider of water and sewer services for the installation, maintenance, repair and replacement of facilities in connection thereof.

Section 5. Easements for Repairs. Each Lot Owner shall have a perpetual access easement over the adjoining Lot and Common Elements to the extent reasonably necessary to perform repair, maintenance, or reconstruction of his dwelling. No fence, wall, outbuilding, storage shed or similar structure, or any other kind of obstruction, shall be installed or maintained within the easement area which will obstruct access to the residential unit. Such repair, maintenance, or reconstruction shall be done expeditiously, and, upon completion of the work, the owner shall restore the adjoining Lot and Common Elements to as near the same condition as that which prevailed prior to the commencement of the work as is reasonably practicable.

The Association shall have an easement for access and maintenance as necessary to maintain those retaining walls located within an easement to the Association located on any Lot, which retaining walls are designated as the responsibility of the Association and not a Lot Owner.

Section 6. 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 Common Elements, as the case may be, superior to all other encumbrances which may hereafter be applied against or in favor of the Property or any portion thereof.

Section 7. Encroachments. If any Declarant approved encroachment shall occur subsequent to subjecting the Property to this Declaration, there is hereby created and shall be a valid easement for such encroachment and for the maintenance of the same.

Section 8. Recorded Easements. There are hereby reserved easements as shown on the recorded map or maps of the subdivision. In the event of a conflict in the width of any easement reserved herein or on the recorded map, the wider easement shall prevail.

Section 9. Drainage Easement. In addition to the foregoing reserved specific easements, the Declarant so long as it controls the Association, and thereafter the Association, may cut and create drains and drainways both above ground and underground for the purpose of facilitating the removal of surface water whenever such action may appear to be necessary in order to maintain reasonable standards of health, safety and appearance along, over or across any Lot.

Section 10. Ground Disturbance. These reservations of easements expressly include the right to cut any trees, bushes, shrubs or growth, the grading, cutting or ditching of the soil and any other action necessary to complete installation.

Section 11. Declarant Easement. Declarant, for so long as there is a Class B Membership, and then the Association, for itself, its successors and assigns, and its agents, contractors, and employees reserves a perpetual, alienable, and releasable easement on, over and under the Property (including all Lots, Common Elements, and Limited Common Elements) for installation, maintenance, repair, replacement, use, operation and removal of utilities (including without limitation, electric, natural gas, telephone and cable television) and related appurtenances and equipment (including without limitation wires, poles, pipes, transformer boxes and conduits), stormwater and drainage facilities and soil and water impoundments. Full right of ingress and egress shall be had by Declarant at all times over the Lots or Common Elements or Limited Common Elements (other than the portions thereof used or approved as building sites) for the installation, use, operation, maintenance, repair, replacement or removal of any such utility, drainage facility or impoundment, together with the right to remove any obstruction that may be placed in any easement that would constitute interference with the use of such easement, or with the use, installation, maintenance, repair, replacement, removal or operation of same. Assignees to whom Declarant reserves the right to assign and convey, in whole or in part, the easements reserved by it hereunder shall include, without limitation, the Association and one or more governmental entities or public utility companies. Provided, however, neither the foregoing reservation of easement rights nor any similar reservation of easement rights contained in this Declaration shall create or impose any obligation upon the Declarant, or its successors and assigns, to provide or maintain any such utility, drainage facility or impoundment, which if not otherwise maintained, shall be maintained by the Association. The easement in this Section 11 is reserved on condition that any such entry by Declarant or the Association upon any Lot or portion of the Property shall be made with the minimum inconvenience to the Owner of such property as is reasonably practical, and any damage caused as a result of the gross negligence of Declarant, the Association or their employees or agents shall be repaired by Declarant or the Association, as the case may be, at the expense of Declarant or the Association, as the case may be.

Section 12. Emergencies. Every Lot shall be subject to an easement for entry by the Association for the purpose of correcting, repairing, or alleviating any emergency condition which arises upon any Lot that endangers any building or any portion of the Common Elements.

Section 13. Easements for the Benefit of the Golf Course Land.

(a) Golf Course Easement. There shall be located on the property, including lots located adjacent or nearly adjacent to the golf course land, a golf course easement. Within the golf course easement, the owner of the golf course land and its guests will have, for as long as the golf course land is used as a golf course, a perpetual, exclusive easement to undertake all activities necessary to operate the golf facility and to install repair and maintain improvements and landscaping as necessary to operate the golf facility. Said rights include but are not limited to those stated in this declaration. All activities of owners within the golf course easement shall be approved by the owner of the golf course land, and are further described within this declaration.

Any golf course land or golf course easement may be developed for any use or purpose permitted by applicable zoning and development agreement. No owner or occupant of a lot or dwelling shall have any view easement over and across any property to or over any golf course land or golf course easement. The declarant makes no representation that the owner of the golf course land shall be required to maintain the golf course land and the golf course easements or its operation in any particular manner or in its current configuration, or even as open space. The golf course land may be owned, operated, or developed in any

manner permitted by law.

(b) Flight and Retrieval of Golf Balls. The owner of the Golf Course Land and its guests will have, for as long as said land is used as a golf course, a perpetual, exclusive easement of access over the Property for the flight and retrieval of golf balls over, across and upon the Property, and for the purpose of retrieving golf balls from bodies of water within the Property.

(c) Golf Play. The owner, and its guests, licensees, and employees, of the Golf Course Land will have, for as long as said land is used as a golf course, a perpetual, non-exclusive easement to do every act necessary and incident to playing golf on the Golf Course Land, including, but not limited to, the creation of usual and common noise levels associated with golf play, and the play while standing out of bounds of a golf ball that lies within bounds as permitted by the rules of golf as are from time to time applicable.

(d) Overspray. The Property is hereby burdened with a nonexclusive easement for overspray of water and reuse effluent from the irrigation system serving the Golf Course Land and other portions of the Property as determined by the Declarant, as well as overspray of herbicides, fungicides and pesticides. Under no circumstances will the Declarant or the Association be held liable for any damage or injury resulting from such overspray or the exercise of this easement.

(e) Golf Course Land Maintenance Noise Easement. There is hereby granted to and for the benefit and use of the owner of the Golf Course Land the perpetual, nonexclusive right and easement over and across the Property for the creation of noise related to normal maintenance and operation of the golf course, including, but not limited to, the operation of mowing, raking and spraying equipment.

(f) Errant Golf Balls. The existence of the easements herein shall not relieve golfers of liability for damage caused by errant golf balls. Under no circumstances shall Declarant, the Association or the owner of the Golf Course Land, nor any of their respective appointees, directors, officers, employees, contractors, consultants, shareholders, affiliates, assignees, successors, nominees or agents, be held liable for any damage or injury to person or Dwelling, Lot or any improvement thereon resulting from errant golf balls, whether in motion or at rest, which has been driven from the golf course or its environs.

(g) Encroachment Easements. If, after construction or any reconstruction, repair, maintenance or other work on the Golf Course Land or within the Golf Course Easement is completed, any encroachments exist by the golf course playing area and improvements, including, but not limited to, any cart path, sprinkler heads, and drainage swales onto the Property or the Property onto the golf course playing area and improvements, then there is hereby created and shall be a valid easement for such encroachment and for the maintenance of the same so long as they are not expanded in any way. Further, should any improvement constituting an encroachment ever be abandoned for a period of six (6) months or destroyed, the easement for that particular encroachment shall be terminated. The Association and the owner of the Golf Course Land shall cooperate with each other to locate and accommodate said minor encroachments. This Section 13 (g) of Article XIII shall also apply to those portions of the Property not already included in the Golf Course Easement.

(h) Improvements Along Golf Course Land and within Golf Course Easement. The owner of the Golf Course Land shall have the right to place or remove landscaping, fencing, signage, turf grass, cart paths, yardage markers, irrigation facilities, storm drainage, out-of-bounds stakes, and similar improvements and appurtenances at the boundary lines of

the Golf Course land and the Property or within the Golf Easement located on any Lot or other area of the Property, as reasonably necessary to prevent trespass, to regulate play on the Golf Course Land and to frame and beautify golf holes (as determined in its sole discretion). No Lot or Dwelling Owner may install any fencing, landscaping or vegetation within the Golf Course Easement or between the Golf Course Land and the Property except as approved by the Board and the Owner of the Golf Course Land. No Lot or Dwelling Owner may remove any fencing, any existing or installed landscaping or any existing or installed vegetation within the Golf Course Easement or between the Golf Course Land and the Property except as approved by the Board and the Owner of the Golf Course Land.

(i) Restrictions and Owners' Assumed Risks Related to the Golf Course Land. So long as the Golf Course Land is owned and operated as a golf facility, the following shall apply to the Lots and Dwellings:

(1) Distracting Activity by Owners of Lots Prohibited. Owners and Occupants of Lots and Dwellings, as well as their pets, shall refrain from any actions that would detract from the playing qualities of the Golf Course Land. Such prohibited actions shall include, but are not limited to, burning materials where smoke will cross the Golf Course Lands, owning dogs or other pets under conditions which interfere with golf course play due to their loud barking or other actions, playing of loud radios, televisions, stereos and musical instruments, running, bicycling, skateboarding, walking or trespassing in any way upon the Golf Course Land, picking up balls or any other similar interference with play.

(2) Assumed Inconveniences and Disturbances by Owners Adjacent to Golf Course Land. By the acceptance of a deed of conveyance to a Lot or Dwelling located adjacent, or nearly adjacent, to the Golf Course Land, such Owner acknowledges and agrees that such Owner assumes the risks of (a) the entry by golfers onto the Property to retrieve golf balls pursuant to the easement set forth in this Article XIII, Section 13 (which such entry will not be deemed a nuisance or trespass); (b) possible overspray in connection with the irrigation and fertilization of the golf course property and odors arising therefrom; (c) noise from golf course maintenance and operation equipment; (d) disturbance and loss of privacy resulting from golf cart traffic and golfers, and (e) activities associated with lake or lagoon and lagoon edge maintenance. Additionally, each Owner acknowledges and understands that herbicides, fungicides, pesticides and chemicals may be applied to the golf course areas throughout the year, and that treated effluent or other sources of non-potable water may be used for the irrigation thereof.

(3) Assumption of Risks by Owners Adjacent to Golf Course. Each Owner and Occupant, for himself and his guests and invitees, acknowledges that risks of injury to persons or property are inherent to persons or property located upon or in close proximity to a golf course, and agrees that Owner or Occupant assumes all risks resulting therefrom, including but not limited to, claims of negligent design of the golf course, dwellings and negligent construction of improvements or location of improvements. Each Owner and Occupant, by expressly assuming such detriments and risks, agrees that neither the Declarant nor the Association, Owner of the Golf Course Land, nor their successors or assigns will be liable to any Owner or Occupant claiming any loss or damage, including, without limitation, indirect, special, or consequential loss or damage arising from personal injury, destruction of,

or damage to, property, trespass, or any other alleged wrongdoing or entitlement to remedy based upon, due to, arising from, or otherwise related to the proximity of such Owner's or Occupant's Lot or Dwelling to the Golf Course Land, including, without limitation, any claim arising in whole or in part from the negligence of the Declarant, any affiliate of the Declarant, the Association, and/or their invitees, agents, servants, successors and assigns, against any and all such claims, including claims of negligent placement of Lots in relation to the Golf Course Land.

Section 14. Easements Deemed Granted and Reserved. All conveyances of a Lot hereunder, whether by the Declarant or otherwise, will be deemed to have granted and reserved, as the context will require, all easements set forth in this Declaration, including, but not limited to, those set forth in this ARTICLE XIII.

Section 15. Access, Ingress and Egress; Roadways. All Owners, by accepting title to property conveyed subject to this Declaration, waive all rights of uncontrolled, unlimited access, ingress and egress to and from such property and acknowledge and agree that such access, ingress and egress will be limited to roads, sidewalks, walkways and paths located within the Property from time to time, provided that pedestrian and vehicular access to and from such property will be provided at all times. Subject to the right of the Declarant to dedicate any roadways within the Property, there is reserved unto Declarant, the Association and their respective successors and assigns the right and privilege, but not the obligation, to maintain guarded or electronically-monitored gates controlling vehicular access to and from the Property, provided that access to the Property may be granted to any person who gives reasonable evidence satisfactory to entry guards, if there are any, that entry is with the specific permission of the Owner, or his duly authorized agent. Neither the Declarant nor the Association will be responsible, in the exercise of its reasonable judgement, for the granting or denial of access to the Property in accordance with the foregoing.

Neither the Declarant nor the Association shall in any way be considered insurers or guarantors of any gate or controlled access to the Property or safety measures undertaken with respect thereto by either or both of them, nor shall either or both be liable for any loss or damage resulting from any failure to provide controlled access or safety measures, or from leaving any gate open, or from a failure or ineffectiveness of any such controlled access or safety measures undertaken by either or both of them. No representation, warranty or covenants is given to any owner of occupant by either or both of the Declarant and the Association that any controlled access or safety measures installed or undertaken cannot be bypassed or compromised, or that they would, in fact, avert damage or loss resulting from that which they are designed to prevent, and each owner, by acceptance of a deed to a Lot or Dwelling and each occupant thereof shall indemnify and hold the Declarant and the Association harmless from any damage and costs and expenses, including attorney fees, incurred by either or both of them as a result of any such assertion or determination.

(a) Post Sign; Towing. The Declarant or the Association after title to any private streets and roadways has passed to it from the Declarant, may post "no parking" signs along such private streets and roadways within the Property where it, in its sole discretion, determines it to be appropriate to do so. Violators of said "no parking" signs are subject to having their vehicles towed away and will be required to pay the cost of such towing and storage before their vehicle may be recovered. The act of towing said vehicles will not be deemed a trespass or a violation of the Owner's property rights, because the Owner will be deemed to have consented to such action by accepting the right to use the private roads and streets within the Property.

(b) Public Roadways Within the Property. During the Declarant Development Period, the Declarant and thereafter, the Association, shall have the right to dedicate any

portion of the roadways within the Property to the State of North Carolina or county or municipality (the state, county or municipality herein a "Public Body") for the purpose of granting public access thereto and over said roadway and for the purpose of having said Public Body assume responsibility and maintenance of such roadways. Furthermore, during the Declarant Development Period, the Declarant, and thereafter the Association, shall have the right to impose upon the Association the requirement of maintaining any such dedicated roadway until such time as the roadway is brought up to standards acceptable to such public body and maintenance thereof is assumed by such Public Body; provided, however, Declarant may, in its sole discretion, reserve an easement over any such public roadway to be primarily maintained by such Public Body for the purpose of performing additional maintenance to said public streets and roads and to maintain landscaping along the unpaved rights-of-way thereof, and thereafter to state in a recorded Plat or Supplemental Declaration that said easement will constitute a Common Element of the Property to be maintained by the Association. The Board of Directors may levy a Special Assessment against all Owners, without the necessity of a vote in an amount sufficient to provide funds required to bring any roadway up to standards acceptable to any public body for the assumption by it of maintenance of said roadway.

Section 16. Easements over Private Roadways.

(a) **Public and Service Vehicles.** Police, fire, water, health and other authorized municipal officials, employees and their vehicles; paramedic, rescue and other emergency personnel and their vehicles; private delivery or courier service personnel and their vehicles and equipment will each have a perpetual, non-exclusive easement for access, ingress and egress over the private roadways constituting a portion of the Common Elements, solely for the performance of their official duties.

(b) **Golf Course – Rights of Access and Parking.** The members of any Golf Course Land operations (if there are any and regardless of whether such members are Owners hereunder), members of the public using the facilities with the permission of the owner of the Golf Course Land, and the operation's owners, employees, agents, contractors and designers will at all times have a right and nonexclusive easement of access and use over all roadways located within the Property reasonably necessary to travel to or from the entrance to the Property from public rights-of-way and to or from the facilities located on the Golf Course Land, and over those portions of the Property (whether Common Elements or otherwise) reasonably necessary to the construction, operation, maintenance, repair, and replacement of such facilities. Passage through any gate or entry and over the private roadways of the Property by the owner of the Golf Course Land, its employees, suppliers, contractors, members, guests and licensees will not be hindered or delayed, and will include the issuance of passes therefor without charge or toll. Without limiting the generality of the foregoing, and anything contained herein to the contrary notwithstanding, members of any Golf Course Land operations and permitted members of the public will have the right to park their vehicles on the roadways located within the Property at reasonable times before, during, and after golf and/or tennis tournaments and other special functions held at the facilities on the Golf Course Land.

Furthermore, there is hereby reserved for the use and benefit of members, guests and licensees of any Golf Course Land facilities the non-exclusive easement to operate golf carts over and upon the Property's public and private roadways as necessary to travel to and from adjoining golf tees and holes and to access the Golf Course Land as permitted by the Rules and Regulations of the Club. Privately owned golf carts shall not be allowed on the Golf Course Land or the Property without the prior approval of the owner of the Golf Course

Land.

Section 17. Grinder Pump Station Easement.

a. Each Lot served by a pressure wastewater main shall have a standardized Grinder Pump Station, the design of which must be pre-approved by Aqua NC and the North Carolina Division of Water Quality. The Lot Owner shall make a request for service at its Lot whereupon Aqua NC shall arrange for the installation by an outside contractor of Aqua NC's choice of the Grinder Pump Station to serve that Lot and shall coordinate the installation thereof. Each Lot Owner shall be required to pay the outside contractor the entire costs for such installation, including all applicable inspection fees and start up fees. No fees for the installation of the Grinder Pump Stations shall be paid to Aqua NC. Each Grinder Pump Station shall be owned by Aqua NC, and Aqua NC shall be responsible for the maintenance, repair and replacement of such Grinder Pump Station. Aqua NC may apply to the North Carolina Utilities Commission for approval of a surcharge to recover the cost of maintaining, repairing and replacing the Grinder Pump Stations. Additionally, should any person place into the Grinder Pump Station any materials or objects that interfere with the operation of the Grinder Pump Station, Aqua NC may charge and collect from the person the actual cost of the repairs and/or replacement of the Grinder Pump Station. Aqua NC shall not be responsible for providing power for the Grinder Pump Stations, but power shall be provided through the individual electric service serving each Lot at the Lot Owner's expense. Aqua NC shall not reimburse lot owners for any portion of their electric bill. Aqua NC shall not be responsible for providing an emergency generator when there are power outages, nor shall there be any liability to Aqua NC should a portable generator not be connected to the Grinder Pump Station during a power outage.

b. There shall be established a perpetual easement in favor of Aqua NC for ingress, egress, regress, and access to install, operate, repair, maintain and replace the Service Line having a total width of ten (10) feet centered on each Service Line. There shall be established in favor of Aqua NC a perpetual easement for ingress, egress, regress, and access to install, operate, repair, maintain and replace the Grinder Pump Station having a fifteen (15) foot diameter circle centered at the center of each Grinder Pump Station.

c. Following completion of the initial installation of any Grinder Pump Station, Aqua NC shall operate, maintain, repair and replace the components of the Grinder Pump Stations and Service Lines. The Lot Owner shall be responsible for the operation, maintenance, repair and replacement of the "Collection Line" which is that portion of the line extending from the residence or other improvement on the Lot to the Grinder Pump Station. NEITHER AQUA NC NOR DECLARANT SHALL HAVE ANY RESPONSIBILITY OR LIABILITY WHATSOEVER SHOULD A PORTABLE GENERATOR DURING A POWER OUTAGE NOT BE CONNECTED TO THE GRINDER PUMP STATION TO KEEP IT FROM OVERFLOWING OR BACKING UP.

Section 18. Light, Air and View. No Owner shall have an easement for light, air or view over the Lot of another Owner and no diminution of light, air or view by any Building or Improvement now existing or hereafter erected shall entitle the Owner or any other Person to claim any easement for light, air or view within the Property.

Section 19. Fence Easement. Each Lot Owner shall have a perpetual access easement over the adjoining Lot and Common Elements to the extent reasonably necessary to tie a fence on the Lot Owner's Lot with a neighboring fence. Installation of fences, however, require prior approval by the Declarant or the Architectural Committee pursuant to the terms of Article VI of this Declaration. This Fence Easement is subordinate to other easements authorized by this Declaration or by the Declarant, including but not limited to utility, stormwater and golf course easements ("Prior Easements"), thus fences may be removed as necessary by the holders of the Prior Easements for

maintenance and repairs within the Prior Easements.

ARTICLE XIV

INSURANCE

Section 1. Insurance to be Maintained by the Association. The following insurance coverage shall be maintained in full force and effect by the Association:

(a) Public liability and property damage insurance in such amounts and in such forms as shall be required by the Association, but public liability shall be an amount of at least One Million and no/100 Dollars (\$1,000,000.00) for each occurrence.

(b) All liability insurance shall contain cross-liability endorsements to cover liability of the Owners as a group to an individual Owner.

(c) Such other insurance coverage as it may determine to be desirable and necessary, including fire and hazard insurance covering all improvements, including the dam for Hasentree Lake, and other improvements located on the Common Elements.

(d) Fidelity insurance for those officers or employees having control over Association funds.

(e) Other insurance required by law.

Section 2. Premiums. Premiums for insurance policies purchased by the Association shall be paid by the Association and charged as a Common Expense ratably to Owners as an annual assessment according to the applicable provisions of this Declaration.

Section 3. Insurance Beneficiaries. All such insurance policies shall be purchased by the Association for the benefit of the Association and the Owners.

Section 4. Insurance to be Maintained by the Owners. Every Owner shall maintain in full force and effect at all times fire and hazard insurance in an amount equal to the full insurable value of the dwelling and other improvements constructed on that Owner's Lot except that the amount shall not be required to exceed the replacement cost of the dwelling and other improvements.

An Owner shall exhibit to the Board, upon request, evidence that such insurance is in effect. If any Owner shall fail to maintain such insurance, the Board is authorized to obtain such insurance in the name of the Owner from an insurer selected by the Board, and the cost of such insurance shall be included in the annual assessment of the Owner and shall constitute a lien against his Lot until paid as a result of enforcement by the Association or otherwise.

Section 5. Insurance on the Golf Course Easement. The Golf Course Owner shall carry public liability insurance in an amount of at least One Million and no/100 Dollars (\$1,000,000.00) for each occurrence, for occurrences within the areas designated as a Golf Course Easement.

ARTICLE XV

RIGHTS OF INSTITUTIONAL LENDERS

Section 1. Rights Reserved to Institutional Lenders. "Institutional Lender" or "Institutional Lenders", as the terms are used herein, shall mean and refer to banks, savings and loan

associations, savings banks, insurance companies, Veterans Administration, Federal Housing Authority, Federal National Mortgage Association and other reputable mortgage lenders and guarantors and insurers of such first mortgages. So long as any Institutional Lender or Institutional Lenders shall hold any mortgage upon any Lot, or shall be the Owner of any Lot, such Institutional Lender or Institutional Lenders shall have the following rights upon written request in the manner outlined below:

(a) To be furnished with at least one copy of the Annual Financial Statement and Report of the Association, including a detailed statement of annual carrying charges or income collected and operating expenses, such Financial Statement and Report to be furnished by April 15 of each calendar year.

(b) To be given notice by the Association of the call of any meeting of the membership to be held for the purpose of considering any proposed Amendment to the Declaration, or the Articles of Incorporation and Bylaws of the Association, which notice shall state the nature of the amendment being proposed, and to be given permission to designate a representative to attend all such meetings.

(c) To be given notice of default in the payment of assessments by any Owner of a Lot encumbered by a mortgage held by the Institutional Lender or Institutional Lenders, such notice to be given in writing and to be sent to the principal office of such Institutional Lender or Institutional Lenders, or to the place which it or they may designate in writing to the Association.

(d) To inspect the books and records of the Association and the Declaration, Bylaws and any Rules and Regulations during normal business hours, and to obtain copies thereof.

(e) To be given notice by the Association of any substantial damage to any part of the Common Elements.

(f) To be given notice by the Association if any portion of the Common Elements is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority.

Whenever any Institutional Lender, guarantor or insurer desires the benefits of the provisions of this section requiring notice to be given or to be furnished a financial statement, such Lender shall serve written notice of such fact upon the Association by Registered Mail or Certified Mail addressed to the Association and sent to its address stated in the Articles of Incorporation, together with sufficient pertinent facts to identify any mortgage or mortgages which may be held by it or them, and which notice shall designate the place to which notices are to be given by the Association to such Institutional Lender.

ARTICLE XV

GENERAL PROVISIONS

Section 1. Enforcement; Litigation. 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 herein contained shall in no event be deemed a waiver of the right to do so thereafter. Except as otherwise expressly provided in this Declaration, the Board may not file any claim on behalf of the Association without first obtaining from a licensed attorney a detailed cost-benefit analysis relating to such lawsuit or claim, which cost-benefit analysis must include at least the following: (a) the nature and extent of such claim and the prospects of winning or losing the claim; (b) the prospects of settling the dispute early; (c) the cost of prosecuting the claim; and (d) the effect of pending litigation on resales and on home refinancings in the Property. After distributing such cost-benefit analysis to all Owners, except as expressly provided in this Declaration, no judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by the Declarant during the Declarant Control Period and a vote of no less than seventy-five percent (75%) of the total votes in the Association. The Board shall also attempt to meet with a potential defendant in order to investigate the possibility of any early settlement of the lawsuit or claim, and shall give the potential defendant notice of the claim or the potential litigation and a reasonable opportunity to cure the problem before the claim is filed. The immediately preceding two sentences shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration, (b) the imposition and collection of assessments, charges or other fees hereunder, (c) proceedings involving challenges to ad valorem taxation, (d) counter-claims brought by the Association in proceedings instituted against it or (e) actions brought by the Association against any contractor, vendor, or supplier of goods or services to the Project. This Section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute the proceedings as provided above.

Section 2. Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. No Rights in Other Lands. Nothing herein, nor any deed of conveyance of a Lot or Tract of land in Hasentree, shall give any Lot Owner any rights in and to any property within said subdivision as planned, projected or schematically presented, including, but not limited to, roads, streets, access ways, Common Elements and reserved lands, except those Lots and roads abutting any Lots made subject to this Declaration as amended and any Common Elements conveyed to the Association; and specifically, until such time as any property is made subject to this Declaration, no Lot Owner shall have any rights in any properties described, or depicted, on that Exhibit.

Section 4. Build Time Requirement and Option to Repurchase: A Lot Owner or Builder, other than the Declarant, shall commence construction of a dwelling on a Lot within twenty-four (24) months from the date of recording a Deed from the Declarant to a Builder or Lot Owner, and shall complete construction of the dwelling no later than twelve (12) months from the commencement of construction. In the event that said deadlines have not been satisfied, then Declarant shall have the unrestricted right and option (but not the obligation), to repurchase the Lot from the Lot Owner or Builder, as applicable, which Declarant may exercise at any time prior to completion of construction of the dwelling by delivery of written notice to the Lot owner or Builder. To exercise this right, Declarant shall deliver written notice to the Lot Owner or Builder of its intention to repurchase the Lot. Within thirty (30) days of receipt of such notice, the Lot Owner or Builder shall convey the Lot to Declarant, and Declarant shall pay the Lot Owner or Builder a repurchase price equal to the sum of (i) the price Declarant received for the Lot from the applicable Lot Owner or Builder, plus (ii) the appraised value of the dwelling improvements as constructed on the Lot to date, as determined by a reputable appraiser designated by Declarant. Each reconveyance of a Lot to Declarant pursuant to this Section 4 shall be by special warranty deed, subject to all encumbrances of record. All conveyances of Lots by Declarant shall be deemed made and accepted subject to the aforesaid

option, and on the condition that the Owner convey the Lot to Declarant upon the timely exercise by Declarant of its option to repurchase. The obligations set forth in this Section 4 shall bind each Lot Owner's and Builder's successors and assigns.

Section 5. General Amendments. The covenants and restrictions of this Declaration shall run and bind the land for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated as hereinafter provided. This Declaration may be terminated only with the consent of the Owners entitled to cast at least eighty percent (80%) of the votes of the Association. This Declaration may be amended with the consent of the Owners entitled to cast at least sixty-seven percent (67%) of the votes of the Association. The foregoing notwithstanding, however, during Declarant's Development Period, this Declaration may not be amended or terminated without Declarant's consent; and no termination and no amendment relating to the maintenance or ownership of any permanent detention or retention pond shall be effective unless reviewed and approved by the governmental office having jurisdiction for watershed protection. In addition, during the Declarant Development Period, no alteration, amendment or modification to this Declaration shall be made without the written consent of Declarant being first had and obtained. No alteration, amendment or modification of any easement rights established in favor of any property not a part of the Properties shall be effective without the written consent of the owner(s) of such property. Any notice of termination or amendment must: (1) be executed on behalf of the Association by its duly authorized officers; (2) contain an attestation by the officers executing the instrument on behalf of the Association that the requisite Owner and Declarant approval has been obtained and is evidenced by written acknowledgment(s) signed by the Owners approving the termination or amendment and, as the case may be, if required, Declarant, and that such acknowledgments have been made a part of the Minute Book of the Association; and (3) be properly recorded in the Office of the Register of Deeds, Wake County, North Carolina. For the purpose of this section, additions to existing property by Declarant pursuant to Section 2 of Article V shall not constitute an "amendment." In the event this Declaration is terminated in accordance with the provisions hereinabove provided, Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner for any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay a pro rata share of the cost of the maintenance of all permanent retention or detention ponds.

Notwithstanding the terms of the immediately preceding paragraph of this Section 5 for a period of thirty (30) years after the recordation of this Declaration, Declarant, without obtaining the approval of any Member or any Owner or Owners other than Declarant, shall have the unilateral right, in its sole and absolute discretion, to make any amendments or modifications hereto which Declarant deems necessary or desirable, including, without limitation, amendment or modifications to any procedural, administrative or substantive provision of this Declaration such as amendments or modifications to controls, covenants, conditions, restrictions, easements, guidelines, charges and liens.

Section 6. Release of Property. For a period of thirty (30) years after the recordation of this Declaration, Declarant shall have the right, in its sole and absolute discretion, without the consent of the Association, any Association Member or any other Owner, to release any portion of the Property then owned by Declarant from the terms of this Declaration by recording a release in the Office of the Register of Deeds of Wake County, North Carolina. After the recordation of such release, the portion of the Property described thereon shall not be subject to the terms of this Declaration.

Section 7. Landscaping of Islands. Landscaping of islands within the rights-of-way of private and public streets shall be the responsibility of the Association. Such areas shall remain neat, clean, attractive and safe. Damaged, unsafe or dead plants must be removed by the Association. Neither the County nor the State will be liable for any accidents or damage caused by such

encroachment within the rights-of-way and the Association shall hold harmless the public and indemnify the County and State from such liability . The cost of maintaining landscape islands is a Common Expense.

Section 8. Gender. Where required for proper interpretation, words in the singular shall include the plural; the masculine gender shall include the neuter and the feminine, and vice versa. The terms "heirs, executors, administrators and assigns" shall include "successors, legal representatives and assigns".

Section 9. Captions. Captions are solely for the purpose of facilitating reference, and terms such as "herein", "hereof" and "hereunder", or other terms of similar import, shall be deemed to refer to this Contract as a whole and not to any particular section.

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IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 21st day of JULY, 2011.

TOLL NC III LP, a North Carolina limited liability company

By: TOLL NC GP CORP., its general partner

By: [Signature]
 Name: THOMAS J. ANHUT
 Title: GROUP PRESIDENT

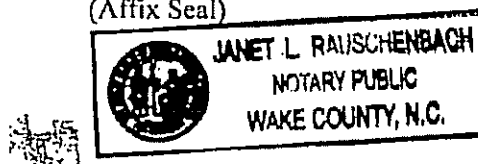
State of NORTH CAROLINA

County of WAKE

I, the undersigned Notary Public of the County or City of WAKE and State aforesaid, certify that THOMAS J. ANHUT personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this 21 day of JULY, 2011.

[Signature]
 My Commission Expires: 6/7/2015
JANET L. BAUSCHENBACH Notary's Printed or Typed Name

(Affix Seal)



Toll NC II LP joins in the execution of this Declaration to evidence its consent to subjecting Tracts Q - V on the attached Exhibit A to the terms of this Declaration this the 21 day of July, 2011.

TOLL NC II LP, a North Carolina limited partnership

By: TOLL NC GP CORP., its general partner

By: [Signature]
Name: THOMAS J. ANHUT
Title: GROUP PRESIDENT

State of NORTH CAROLINA

County of WAKE

I, the undersigned Notary Public of the County or City of WAKE and State aforesaid, certify that THOMAS J. ANHUT personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this 21 day of JULY, 2011.

[Signature]
My Commission Expires: 6/7/2015
JANET L. RAUSCHENBACH Notary Public
Notary's Printed or Typed Name

(Affix Seal)  JANET L. RAUSCHENBACH
NOTARY PUBLIC
WAKE COUNTY, N.C.

IN WITNESS WHEREOF, the undersigned officers of the Hasentree Owners Association, Inc. hereby certify that this Amended and Restated Declaration has received the requisite approval pursuant to Article XVI, Section 5 of the Declaration this 21st day of July, 2011,

Hasentree Owners Association, Inc., a North Carolina non-profit corporation

By: [Signature]
HOA President

State of NORTH CAROLINA
County of WAKE

I, the undersigned Notary Public of the County or City of WAKE and State aforesaid, certify that ROBERT A. SCHOOLEY personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this 21 day of JULY, 2011.

(Affix Seal)

[Signature]
My Commission Expires: 6/7/2015
JANET L. BAUSCHENBACH Notary Public
Notary's Printed or Typed Name
 JANET L. RAUSCHENBACH
NOTARY PUBLIC
WAKE COUNTY, N.C.

EXHIBIT ALegal DescriptionTract A

BEGINNING at a point located in the eastern line of that property owned by Three Blind Mice, said point being located North 46° 35' 10" East 2555.91 feet from N.C.G.S. Monument "Guide" having a Y Coordinate of 811,39533 and an X Coordinate of 2,117,677.25 (NAD 83), runs thence from the place of beginning with the eastern line of the Three Blind Mice property North 03° 31' 16" East 1,453.79 feet to an existing iron pipe; runs thence North 41° 17' 31" West 918.35 feet to an existing iron pipe; runs thence South 88° 19' 55" West 2,165.32 feet to an existing iron pipe; runs thence North 02° 22' 17" East 1,427.51 feet to an existing iron pipe; runs thence North 86° 00' 29" East 1,481.31 feet to an existing iron pipe; runs thence North 28° 38' 31" West 2,053.60 feet to an existing iron pipe; runs thence South 81° 26' 00" East 40.00 feet to a new iron pipe; runs thence North 87° 34' 31" East 1,727.46 feet to an existing iron pipe; runs thence North 17° 02' 22" West 1,690.08 feet to an existing iron pipe; runs thence North 76° 54' 08" East 1,102.91 feet to an existing iron pipe; runs thence North 78° 17' 19" East 1,598.67 feet to an existing iron pipe; runs thence South 00° 38' 03" West 1,774.47 feet to an existing iron pipe; runs thence North 76° 10' 01" East 163.87 feet to an existing iron pipe; North 80° 59' 30" East 206.09 feet to an existing iron pipe; runs thence South 00° 50' 08" West 167.35 feet to an existing iron pipe; runs thence North 88° 35' 27" East 402.82 feet to an existing iron pipe; runs thence North 89° 27' 59" East 763.30 feet to an existing iron pipe; runs thence South 00° 18' 31" West 1,337.27 feet to a stone; runs thence North 89° 23' 25" West 1,141.45 feet to an existing iron pipe; runs thence South 00° 35' 37" East 682.64 feet to an existing iron pipe; runs thence South 01° 33' 18" East 1,089.14 feet to an existing iron pipe; runs thence South 89° 56' 11" East 613.12 feet to an existing iron pipe; runs thence South 10° 14' 22" East 474.00 feet to an existing iron pipe; runs thence South 26° 27' 41" West 1,067.19 feet to a monument; runs thence North 79° 29' 59" West 151.51 feet to an existing iron pipe; runs thence South 04° 46' 38" East 251.93 feet to an existing iron pipe; runs thence South 03° 41' 35" West 197.69 feet to an existing iron pipe; runs thence South 07° 26' 28" West 156.05 feet to an existing iron pipe; runs thence South 12° 14' 53" West 214.88 feet to an existing iron pipe; runs thence South 15° 11' 44" West 204.87 feet to an existing iron pipe; runs thence South 17° 27' 15" West 145.03 feet to an existing iron pipe; runs thence South 14° 19' 45" West 292.48 feet to a monument; runs thence North 11° 00' 31" West 1,971.85 feet to a monument; runs thence South 31° 27' 46" West 1,608.16 feet to an existing iron pipe; runs thence South 28° 39' 19" East 665.57 feet to an existing iron pipe; runs thence South 07° 25' 26" East 520.25 feet to an existing iron pipe; runs thence North 75° 11' 21" West 217.65 feet to an existing iron pipe; runs thence North 67° 57' 33" West 310.65 feet to an existing iron pipe; runs thence North 62° 22' 36" West 194.13 feet to an existing iron pipe; runs thence North 54° 08' 42" West 470.41 feet to an existing iron pipe; runs thence North 52° 20' 31" West 177.19 feet to an existing iron pipe, said pipe being the point and place of BEGINNING and containing 576.377

acres as shown on that survey entitled Survey for Three Blind Mice, a North Carolina General Partnership of the Hasentree Company Tract dated August 25, 2000 by Elingburg Land Survey, Co., P.A.

TOGETHER WITH AND INCLUDING that certain easement known as the "Keith Easement" containing 1.34 acres described in that deed of easement recorded in Book 3384, page 221, Wake County Registry which description is incorporated herein by reference.

LESS AND EXCEPT from Tract A the following property:

BEGINNING at a new iron pipe, said pipe having NC Grid Coordinates of Y=819,924.08 and X=2,121,305.09 (NAD '83), runs thence North 00° 38' 03" West 895.48 feet to an existing iron pipe; runs thence South 78° 17' 19" West 598.75 feet to a new iron pipe; runs thence South 36° 40' 45" East 964.94 feet to a new iron pipe, said pipe being the point and place of BEGINNING and containing 6.012 acres as shown on that map entitled "Recombination Survey of the Waterford, LLC and W.G. Parker Tracts dated December 18, 2001 and recorded in Book of Maps 2002, page 418, Wake County Registry.

BEING all of that approximately 1.34 ± acre area designated as "Hasentree Road (Private)" as shown on that map entitled "Survey for Leon G. Keith" dated November 30, 1988 by W. Graham Cawthorne, Jr., Registered Land Surveyor and recorded in Book of Maps 1989, page 179 Wake County Registry.

COMMENCING at a computed point in the southeastern corner of that 17.881 acre tract as shown on Book of Maps 2007, Page 1608, Wake County Registry; runs thence South 78° 17' 19" West 55.05 feet to a computed point, said point being the point and place of BEGINNING, runs thence South 78° 17' 19" West 999.97 feet to a computed point; runs thence South 76° 54' 07" West 1102.91 feet to a computed point; runs thence South 17° 02' 22" East 1668.04 feet to a computed point; runs thence North 89° 13' 53" East 362.55 feet to a computed point; runs thence North 12° 06' 10" East 59.47 feet to a computed point; runs thence North 47° 47' 38" East 180.13 feet to a computed point; runs thence North 45° 00' 42" West 30.61 feet to a computed point; runs thence North 15° 04' 28" West 64.75 feet to a computed point; runs thence North 22° 37' 41" West 156.30 feet to a computed point; runs thence North 81° 52' 23" West 17.01 feet to a computed point; runs thence North 45° 55' 42" East 425.21 feet to a computed point; runs thence North 03° 00' 51" East 45.75 feet to a computed point; runs thence North 33° 42' 03" West 26.01 feet; runs thence North 67° 23' 18" West 31.27 feet to a computed point; runs thence North 90° 00' 00" West 21.65 feet to a computed point; runs thence North 41° 38' 43" East 28.96 feet to a computed point; runs thence North 62° 09' 17" East 14.06 feet to a computed point; runs thence North 34° 52' 48" East 56.39 feet to a computed point; runs thence North 22° 00' 48" East 66.37 feet to a computed point; runs thence North 22° 00' 48" East 98.03 feet to a computed point; runs thence North 22° 00' 48" East 34.22 feet to a computed point; runs thence North 22° 00' 48" East 162.57 feet to a computed point; runs thence North 55° 12' 56" East 135.12 feet to a computed point; runs thence North 48° 50' 57" East 119.42 feet to a computed point; runs thence North 44° 36' 20" East 315.22 feet to a computed point; runs thence North 82° 59' 24" East 89.10 feet to a computed point; runs thence South 01° 28' 45" East 78.96 feet to a

computed point; runs thence South 13° 34' 33" East 71.74 feet to a computed point; runs thence South 20° 23' 02" East 68.74 feet to a computed point; runs thence North 69° 32' 43" East 259.56 feet to a computed point; runs thence North 18° 39' 24" West 78.24 feet to a computed point; runs thence North 00° 48' 34" West 139.08 feet to a computed point; runs thence North 82° 17' 30" East 51.05 feet to a computed point; runs thence South 32° 26' 40" East 364.83 feet to a computed point; runs thence South 57° 19' 41" East 354.59 feet to a computed point; South 82° 05' 22" East 61.57 feet to a computed point; North 36° 40' 46" West 116.83 feet to a computed point; runs thence North 36° 40' 40" West 964.85 feet to a computed point, said point being the point and place of BEGINNING and containing 50.050 acres as shown on that survey entitled "Northern Portion of the Hasentree Corp. Property..." dated July 5, 2007 by Chance Surveying Company, Inc.

Tract B

COMMENCING at a point having NCGS grid coordinates of Y=812,233.88 and X=2,117,679.56 (NAD 83). Runs thence North 53° 32' 08" East 349.59 feet to a point; runs thence North 60° 19' 59" West 11.21 feet to a point; runs thence North 55° 52' 13" East 800.78 feet to an existing iron pipe; runs thence North 88° 22' 01" West 519.51 feet to a point; runs thence North 88° 07' 57" West 552.46 feet to a point, said point being the point and place of BEGINNING; runs thence North 11° 31' 47" East 443.11 feet to an axle; thence with the Northern line of Marvin Anderson Ray North 63° 59' 36" East 1089.38 feet to a point in the center line of Keith Road - State Road 1921 (60' right-of way); runs thence with the center line of Keith Road the following courses and distances: South 77° 59' 40" East 103.75 feet to a point; South 69° 01' 35" East 158.50 feet to a point; South 61° 19' 19" East 167.50 feet to a point; South 54° 07' 02" East 144.52 feet to a point; South 44° 17' 18" East 161.07 feet to a point; South 40° 50' 56" East 312.30 feet to a point; and South 44° 55' 17" East 132.58 feet to a point; runs thence away from the center line of Keith Road and with the Western line of that property now or formerly owned by Hasentree Company North 03° 31' 16" East 1453.79 feet to a point and North 41° 17' 31" West 918.35 feet to a point; runs thence continuing with the boundary line of that property now or formerly owned by Hasentree Company South 88° 19' 55" West 2,083.01 feet to a point; runs thence North 47° 46' 34" West 104.87 feet to a point; runs thence South 03° 37' 31" West 73.02 feet to a point; runs thence South 03° 37' 31" West 46.73 feet to a point; runs thence South 03° 36' 57" West 36.34 feet to a point; runs thence with the Eastern line of that property now or formerly owned by Coleman B. Davis South 00° 24' 26" West 491.05 feet to a point; thence with the Eastern line of that property now or formerly owned by Ester B. Davis South 00° 46' 57" East 519.58 feet to a point and thence with the Eastern line of that property now or formerly owned by William B. Ray South 04° 15' 56" West 1196.87 feet to a point; runs thence away from the Ray property and with the Northern property line of property also owned by Three Blind Mice South 88° 58' 23" East 780.41 feet to a point said point being the point and place of BEGINNING and containing 113.979 acres as shown that survey entitled "Three Blind Mice, a North Carolina General Partnership" dated April 18, 2000 by Elingburg Land Survey Company, PA, being the same property described in that Deed recorded in Book 3475, page 182 Wake County Registry.

Traet C

BEGINNING at a point said point having North Carolina grid coordinates of Y=812,233.88 and X=2,117,679.56 (NAD 83); runs thence with the Northern right-of-way of North Carolina Highway 98 (a variable right-of-way) the following calls: North 82° 09' 02" West 420.21 feet to a point; North 72° 39' 33" West 507.75 feet to a point; South 82° 39' 58" West 310.81 feet to a point; North 82° 02' 16" West 909.44 feet to a pole; North 83° 05' 53" West 259.13 feet to a point; thence along a curve to the left with a chord bearing and distance of South 86° 52' 16" East 150.52 feet and a radius of 2524.39 feet to a point; runs thence away from the right-of-way line of North Carolina Highway 98 North 01° 36' 13" West 109.49 feet to a point; North 01° 38' 30" West 69.54 feet to a point; North 01° 30' 37" West 28.23 feet to a point; runs thence South 88° 19' 29" East 48.66 feet to a point; South 88° 20' 15" East 124.75 feet to a point; runs thence South 88° 20' 23" East 1438.91 feet to a point; runs thence North 04° 15' 56" East 213.60 feet to a point; runs thence South 88° 58' 23" East 780.41 feet to a point; runs thence South 88° 07' 57" East 552.46 feet to a point; runs thence South 88° 22' 01" East 519.51 feet to an existing iron pipe; runs thence with the Western line of that property now or formerly owned by Leon G. and Ina Bell Keith South 55° 52' 13" West 800.78 feet and continuing with said Keith property the following two calls: South 60° 19' 59" East 11.21 feet to a point and South 53° 32' 08" West 349.59 feet to a point said point being the point and place of BEGINNING and containing 30.245 acres as shown on that survey entitled "Three Blind Mice, a North Carolina General Partnership" dated April 18, 2000 by Elingburg Land Survey Company, P.A., and being the same property described in that Deed recorded in Book 3908, page 261 Wake County Registry.

LESS AND EXCEPT from Traet C the following property:

BEING all of that area designated as "Proposed Elevated Utility Tank Site (Typ)" as shown on that map entitled "Hasentree Golf Community Phase I" dated October 26, 2005 by Elingburg Land Survey Co., P.A. and recorded in Book of Maps 2006, page 829 Wake County Registry.

TOGETHER WITH AND INCLUDING an easement for access, ingress, and egress and for the installation, maintenance and repair of utilities over and under that area designated as "30' Utility Easement" as shown on that map entitled "Hasentree Golf Community Phase I" dated October 26, 2005 by Elingburg Land Survey Co., P.A. and recorded in Book of Maps 2006, page 829 Wake County Registry.

COMMENCING at a point located North 12° 49' 51" West 1,020.38 feet from NC Grid Monument 'Guide', said point having NC GRID Coordinates of North 811,935.7260, East 2,117,677.2500 thence leaving said point in an easterly direction North 72° 09' 28" East 262.03 feet to a point, said point being the point and place of BEGINNING, runs thence along a curve to the right with a radius of 100.00 feet, length of 381.36 feet, a tangent of 286.33 feet and delta of 218° 20' 13"; runs thence North 45° 00' 18" West 21.07 feet to a point; runs thence along a curve to the right with a radius of 100.00 feet, a length of 588.03 feet, a tangent of 20.42 feet and a delta of 336° 55' 02" to a point; runs thence South 45° 00' 18" West to a point; runs thence along a curve to the left with a radius of 100.00 feet, a

length of 183.01 feet, a tangent of 12398 feet and a delta of $104^{\circ} 51' 20''$ to a point, said point being the point and place of BEGINNING containing 1.458 acres more or less.

TOGETHER WITH AND INCLUDING an access easement for ingress, egress and regress to the above referenced property and described as follows:

BEGINNING at a point located North $12^{\circ} 49' 51''$ West 1,020.38 feet from NC Grid Monument 'Guide', said point having NC GRID Coordinates of North 811,935.7260, East 2,117,677.2500 thence leaving said point in an easterly direction North, $72^{\circ} 09' 28''$ East 262.03 feet to a point; runs thence along a curve to the right with a radius of 100 feet, a length of 23.64 feet, a tangent of 11.88 feet and a delta of $13^{\circ} 52' 50''$ to a point; runs thence South $72^{\circ} 09' 28''$ East 269.11 feet to a point in the eastern line of Future Road, runs thence with the eastern line of Future Road along a curve to the right with a radius of 705.00 feet, a length of 20.72 feet, a tangent of 10.36 feet and a delta of $01^{\circ} 41' 03''$ to a point, said point being the point and place of BEGINNING containing 0.1217 acres more or less.

Tract D

BEGINNING at a new iron pipe having NC Grid Coordinates of Y=819,924.08 and X=2,121,305.09 (NAD '83) runs thence South $36^{\circ} 40' 46''$ East 728.20 feet to a new iron pipe; runs thence North $63^{\circ} 02' 43''$ East 50.71 feet to a new iron pipe; runs thence South $36^{\circ} 40' 40''$ East 454.86 feet to an existing iron pipe; runs thence South $01^{\circ} 56' 15''$ East 39.11 feet to an existing iron pipe; runs thence South $88^{\circ} 35' 27''$ West 402.82 feet to an existing iron pipe; runs thence North $00^{\circ} 50' 08''$ East 167.35 feet to an existing iron pipe; runs thence South $80^{\circ} 59' 30''$ West 206.09 feet to an existing iron pipe; runs thence South $76^{\circ} 10' 01''$ West 163.87 feet to an existing iron pipe; runs thence North $00^{\circ} 38' 03''$ East 878.99 feet to a new iron pipe, said pipe being the point and place of Beginning and containing 7.630 acres as shown on that map entitled "Recombination Survey of the Waterford, LLC and W.G. Parker Tracts dated December 18, 2001 and recorded in Book of Maps 2002, page 418, Wake County Registry.

LESS AND EXCEPT from Tract D the following property:

COMMENCING at a computed point in the southeastern corner of that 17.881 acre tract as shown on Book of Maps 2007, Page 1608, Wake County Registry; runs thence South $78^{\circ} 17' 19''$ West 55.05 feet to a computed point, said point being the point and place of BEGINNING, runs thence South $78^{\circ} 17' 19''$ West 999.97 feet to a computed point; runs thence South $76^{\circ} 54' 07''$ West 1102.91 feet to a computed point; runs thence South $17^{\circ} 02' 22''$ East 1668.04 feet to a computed point; runs thence North $89^{\circ} 13' 53''$ East 362.55 feet to a computed point; runs thence North $12^{\circ} 06' 10''$ East 59.47 feet to a computed point; runs thence North $47^{\circ} 47' 38''$ East 180.13 feet to a computed point; runs thence North $45^{\circ} 00' 42''$ West 30.61 feet to a computed point; runs thence North $15^{\circ} 04' 28''$ West 64.75 feet to a computed point; runs thence North $22^{\circ} 37' 41''$ West 156.30 feet to a computed point; runs thence North $81^{\circ} 52' 23''$ West 17.01 feet to a computed point; runs thence North $45^{\circ} 55' 42''$ East 425.21 feet to a computed point; runs thence North $03^{\circ} 00' 51''$ East 45.75 feet to a computed point; runs thence North $33^{\circ} 42' 03''$ West 26.01 feet; runs thence North $67^{\circ} 23'$

18" West 31.27 feet to a computed point; runs thence North 90° 00' 00" West 21.65 feet to a computed point; runs thence North 41° 38' 43" East 28.96 feet to a computed point; runs thence North 62° 09' 17" East 14.06 feet to a computed point; runs thence North 34° 52' 48" East 56.39 feet to a computed point; runs thence North 22° 00' 48" East 66.37 feet to a computed point; runs thence North 22° 00' 48" East 98.03 feet to a computed point; runs thence North 22° 00' 48" East 34.22 feet to a computed point; runs thence North 22° 00' 48" East 162.57 feet to an computed point; runs thence North 55° 12' 56" East 135.12 feet to a computed point; runs thence North 48° 50' 57" East 119.42 feet to a computed point; runs thence North 44° 36' 20" East 315.22 feet to a computed point; runs thence North 82° 59' 24" East 89.10 feet to a computed point; runs thence South 01° 28' 45" East 78.96 feet to a computed point; runs thence South 13° 34' 33" East 71.74 feet to a computed point; runs thence South 20° 23' 02" East 68.74 feet to a computed point; runs thence North 69° 32' 43" East 259.56 feet to a computed point; runs thence North 18° 39' 24" West 78.24 feet to a computed point; runs thence North 00° 48' 34" West 139.08 feet to a computed point; runs thence North 82° 17' 30" East 51.05 feet to a computed point; runs thence South 32° 26' 40" East 364.83 feet to a computed point; runs thence South 57° 19' 41" East 354.59 feet to a computed point; South 82° 05' 22" East 61.57 feet to a computed point; North 36° 40' 46" West 116.83 feet to a computed point; runs thence North 36° 40' 40" West 964.85 feet to a computed point, said point being the point and place of BEGINNING and containing 50.050 acres as shown on that survey entitled "Northern Portion of the Hasentree Corp. Property..." dated July 5, 2007 by Chance Surveying Company, Inc.

Tract E

BEGINNING at a point having NC Grid Coordinates of Y=815,402.70 and X=2,122,406.96, said point being located North 49° 43' 44" East 6,198.87 feet from N.C.G.S. Monument "Guide" having NC Grid Coordinates of Y=811,395.73 and X=2,117,677.25, runs thence North 10° 14' 22" West 474.00 feet to an existing iron pipe; runs thence North 89° 56' 11" West 613.12 feet to an existing iron pipe; runs thence North 01° 33' 18" West 1,089.14 feet to an existing iron pipe; runs thence North 00° 35' 37" West 682.64 feet to an existing iron pipe; runs thence South 89° 23' 25" East 850.79 feet to a new iron pipe; runs thence along a centerline of a creek the following calls and distances which all run to computed points: South 11° 05' 40" East 29.61 feet; South 06° 32' 12" East 49.49 feet; South 12° 09' 05" West 38.49 feet; South 29° 17' 23" West 65.82 feet; South 32° 18' 48" East 39.73 feet; South 21° 12' 55" West 38.24 feet; South 12° 49' 25" East 44.40 feet; South 09° 54' 13" East 52.02 feet; South 23° 29' 45" East 45.24 feet; South 18° 41' 46" West 54.03 feet; South 07° 48' 59" East 28.89 feet; South 35° 42' 09" East 39.37 feet; South 44° 34' 20" East 64.24 feet; South 12° 00' 55" East 34.00 feet; South 88° 27' 50" West 52.56 feet; South 62° 59' 37" West 30.22 feet; South 35° 30' 32" East 43.34 feet; South 68° 37' 21" East 22.60 feet; South 80° 06' 45" East 21.47 feet; South 03° 49' 13" East 33.26 feet; South 51° 04' 46" West 44.39 feet; South 05° 16' 28" East 28.16 feet; South 52° 19' 16" East 28.80 feet; North 82° 04' 55" East 23.14 feet; South 58° 52' 19" East 13.38 feet; South 23° 36' 22" West 25.97 feet; South 45° 34' 14" West 31.88 feet; South 28° 19' 44" East 12.83 feet; South 06° 29' 45" East 18.97 feet; South 13° 07' 15" East 78.93 feet; South 16° 05' 45" East 58.81 feet; South 30° 12' 26" West 19.75 feet;

South 82° 38' 39" West 25.45 feet; South 23° 13' 19" East 45.50 feet; South 71° 41' 42" East 12.49 feet; South 03° 45' 05" East 2929 feet; North 84° 19' 31" West 20.54 feet; South 76° 25' 28" West 19.30 feet; South 22° 45' 40" West 33.28 feet; South 12° 34' 56" West 55.89 feet; South 09° 35' 20" West 88.86 feet; South 09° 45' 25" West 86.99 feet; South 15° 10' 27" East 44.23 feet; South 16° 19' 59" East 29.97 feet; South 21° 53' 20" East 23.81 feet; South 26° 25' 09" West 35.53 feet; South 63° 01' 57" West 46.78 feet; South 50° 51' 58" West 38.79 feet; South 03° 41' 40" East 57.32 feet; South 30° 06' 42" East 108.40 feet; South 23° 59' 33" East 128.57 feet; South 11° 53' 42" East 87.93 feet; South 33° 11' 07" East 38.95 feet; South 69° 15' 49" West 34.00 feet; South 33° 28' 49" West 50.24 feet; South 33° 11' 56" East 33.76 feet; South 45° 49' 32" East 76.72 feet; South 65° 39' 09" East 64.78 feet; South 84° 47' 31" East 62.56 feet; South 61° 43' 49" East 45.61 feet; South 08° 04' 15" West 41.49 feet; South 38° 29' 23" West 81.45 feet; South 27° 26' 04" East 47.26 feet to a new iron pipe; runs thence with the northern and western line of the property owned by the United States of America Falls Lake Project North 58° 29' 59" West 308.29 feet to a monument; runs thence South 26° 27' 41" West 205.74 feet to an existing iron pipe, said pipe being the point and place of BEGINNING and containing 37.389 acres as shown on that map entitled "Recombination Survey of the Waterford LLC and E.H. and M.O. Brevoort Tracts" dated 8 August 2002 by Elingburg Land Survey Co., PA.

Tract F

East Side - .999 acres

COMMENCING at an existing iron pipe having NC Grid Coordinates (NAD '83) of N=814,656.05 and E=2,116,844.27, runs thence with the western line of that property now or formerly owned by Waterford LLC North 00° 24' 26" East 491.10 feet to an existing iron pipe located in the southern right of way line of Keith Road, NCSR 1921, runs thence with the southern right of way line of Keith Road the following calls: South 88° 13' 42" West 9.83 feet to an existing iron pipe; thence along a curve to the right with a chord bearing and distance of South 78° 38' 20" West 179.00 feet and a radius of 626.40 feet to an existing iron pipe; thence along a curve to the right with a chord bearing and distance of South 87° 07' 24" West 5.90 feet and a radius of 626.40 feet to an existing iron pipe; runs thence South 01° 42' 39" East 2.93 feet to an existing iron pipe, said point being the point and place of BEGINNING, runs thence South 01° 42' 39" East 290.21 feet to an existing iron pipe; runs thence South 88° 17' 03" West 149.94 feet to a computed point; runs thence North 01° 42' 39" West 290.21 feet to an existing iron pipe in the southern right of way line of Keith Road; runs thence with the southern right of way line of Keith Road North 88° 17' 03" East 149.94 feet to a point, said point being the point and place of BEGINNING, and containing 0.999 acres as shown on that map entitled "Boundary Survey of Coleman B. Davis Tracts & L.F. Perry Tract" dated July 20, 2005 by Elingburg Land Survey Co., P.A.

Tract G

East Side - 4.615 acres

BEGINNING at an existing iron pipe having NC Grid Coordinates (NAD '83) of N=814,656.05 and E=2,116,844.27, runs thence South 88° 34' 59" West 389.58 feet to a point; thence North 00° 05' 16" East 251.44 feet to a point; thence South 89° 14' 06" West

311.27 feet to a computed point in the eastern right of way line of Stony Hill Road, SR 1917; runs thence with the eastern right of way line of Stony Hill Road North $01^{\circ} 26' 24''$ East 201.87 feet to a new iron pipe located at the common corner of the eastern right of way line of Stony Hill Road, and the southern right of way line of Keith Road, NCSR 1921; runs thence with the southern right of way line of Keith Road the following calls: North $88^{\circ} 13' 11''$ East 191.85 feet to an existing iron pipe; thence North $88^{\circ} 15' 41''$ East 165.98 feet to a new iron pipe; runs thence away from the southern right of way line of Keith Road South $01^{\circ} 42' 39''$ East 292.86 feet to a computed point; runs thence South $88^{\circ} 17' 03''$ West 149.94 feet to an existing iron pipe; runs thence North $01^{\circ} 42' 39''$ West 293.14 feet to a new iron pipe located in the southern line of Keith Road; runs thence along the southern line of Keith Road the following calls, along a curve to the left having a chord bearing and distance of North $87^{\circ} 07' 24''$ East 5.90 feet and a radius of 626.40 feet to an existing iron pipe; thence along a curve to the left with a chord bearing and distance of North $78^{\circ} 38' 20''$ East 179.00 feet and a radius of 626.40 feet to an existing iron pipe; thence North $88^{\circ} 13' 42''$ East 9.83 feet to an existing iron pipe in the western line of that property owned by Waterford LLC; thence with the Waterford line South $00^{\circ} 24' 26''$ West 491.10 feet to the point and place of BEGINNING and containing 4.615 acres as sham on that map entitled "Boundary Survey of Coleman B. Davis Tracts & L.F. Perry Tract" dated July 20, 2005 by Elingburg Land Survey Co., F.A.

Tract H

West Side - 36.615 acres

COMMENCING an a new iron pipe located in the western right of way line of Stony Hill Road, NCSR 1917, said pipe having NC Grid Coordinates of N=814,639.87 and E=2,116,082.70, runs thence North $00^{\circ} 39' 45''$ East 121.53 feet to a new iron pipe, said pipe being the point and place of BEGINNING, runs thence with the western right of way line of Stony Hill Road the following calls: North $00^{\circ} 39' 45''$ East 12.69 feet to an existing iron pipe; North $00^{\circ} 38' 16''$ East 142.92 feet to an existing iron pipe; thence North $00^{\circ} 43' 29''$ East 214.82 feet to an existing iron pipe; runs thence away from the right of way of Stony Hill Road North $87^{\circ} 38' 14''$ West 390.21 feet to an existing iron pipe; thence North $01^{\circ} 56' 28''$ East 629.49 feet to an existing iron pipe; thence North $88^{\circ} 34' 43''$ West 1281.51 feet to a new iron pipe; thence South $00^{\circ} 02' 13''$ East 581.52 feet to an existing iron pipe; thence North $89^{\circ} 54' 16''$ West 173.25 feet to an existing iron pipe; thence South $02^{\circ} 19' 39''$ East 539.63 feet to a computed point; thence North $87^{\circ} 40' 21''$ East 1797.66 feet to a new iron pipe, said pipe being the point and place of BEGINNING and being Lot 4 and containing 36.615 acres as shown on that map entitled "Exhibit Plat for Creedmoor Partners, LLC" by Elingburg Land Survey Co., P.A. dated February 15, 2006.

Tract I

BEING all of Tract 2 containing 25.001 acres as shown on that map entitled "Recombination Plat of Tract 2, Waterford, LLC, Tract 3 Rhonda E. Davis" dated 6 November 2006 by Chance Survey Company, P.A., and recorded in Book of Maps 2007, page 380 Wake County Registry.

Tract J

BEGINNING at a point located South 88° 34' 59" West 389.58 feet from a point having NC Grid Coordinate (NAD'83) of N=814,656.05 and E=2,116,844.27; runs thence South 89° 06' 56" West 311.48 feet to an existing iron pipe located in the eastern right of way line of Stony Hill Road, NCSR 1917, a 60' right of way; runs thence with the eastern right of way line of Stony Hill Road North 00° 08' 01" East 252.09 feet to an existing iron pipe; runs thence with the line of the Davis Tract North 89° 14' 06" East 311.27 feet to a point; runs thence with the line of the Davis Tract South 00° 05' 16" West 251.44 feet to a point, said point being the point and place of BEGINNING and containing 1.799 acres described as the Perry Tract as shown on that survey entitled "Boundary Survey Coleman B. Davis Tracts & L.F. Perry Tract" dated July 20, 2005 by Elingburg Land Survey Co., P.A.

Tract K

BEGINNING at a new iron pipe having NC Grid Coordinates (NAD '83), N=812,730.17 and E=2,116,746.18, runs thence North 88° 20' 23" West 311.08 feet to a point, runs thence North 04° 16' 09" East 1,402.06 feet to a point; runs thence South 89° 52' 27" East 311.57 feet to a point; runs thence South 04° 15' 56" West 1,410.47 feet to a point, said point being the point and place of BEGINNING and containing 10.032 acres as shown on that map entitled Exhibit Plat Larry H. Ray Tract dated 18 January 2006 by Elingburg Land Survey Co., P.A.

Tract L

Beginning at a computed point located in the eastern right of way line of Purnell Road, a 60 foot public right-of-way, said point located South 45° 04' 01" East 269.75 feet from the centerline PI of Mangum Dairy and Purnell Road, runs thence with the southeastern line of that property owned by Elise B. & Darin Lee Ray North 48° 34' 28" East 225.00 feet to an existing iron pipe; runs thence with the southwestern and northwestern line of that property owned by Joseph M. & Shirley Harrison as South 39° 00' 00" East 19145 feet and South 48° 27' 23" West 226.75 feet to an existing iron pipe in the eastern right of way of Purnell Road; runs thence with the eastern right of way of Purnell Road North 38° 29' 24" West 194.00 feet to a computed point, said point being the point and place of BEGINNING and containing 1.00 acres as shown on that survey entitled Survey for David Fowlkes dated June 12, 2006 by Ben L. Bryan, P.A.

Tract M (Ray Tract):

COMMENCING at an existing iron pipe having NC Grid Coordinates (NAD '83) of N=812,730.17 and E=2,116,746.18, runs thence North 88° 20' 23" West 311.08 feet to a point, said point being the point and place of BEGINNING, runs thence North 88° 20' 23" West 1127.89 feet to an existing iron pipe located in the eastern right of way line of Stoney Hill Road - S.R. 1917, runs thence along the eastern right of way line of Stoney Hill Road the following calls: North 63° 21' 36" East 73.00 feet; North 61° 30' 55" East 101.34 feet; North 57° 24' 12" East 99.06 feet; North 53° 33' 07" East 122.57 feet; North 50° 02' 32" East 108.25 feet; North 46° 55' 13" East 110.72 feet; North 44° 19' 58" East 71.39 feet; North 41° 43' 24" East 64.98 feet; North 38° 45' 46" East 65.40 feet; North 35° 33' 28" East 59.70 feet;

North 32° 40' 15" East 64.36 feet; North 30° 38' 38" East 51.98 feet; North 28° 24' 03" East 105.35 feet; North 26° 11' 06" East 98.31 feet to a new iron pipe; runs thence away from the eastern right of way line of Stoney Hill Road North 80° 30' 23" West 200.10 feet to an existing iron pipe; thence North 19° 26' 28" East 119.83 feet to an existing iron pipe; thence South 79° 26' 57" East 16.76 feet to an existing iron pipe; thence North 00° 24' 57" East 222.95 feet to a new iron pipe; runs thence North 84° 10' 43" West 223.03 feet to a new iron pipe located in the eastern right of way line of Stoney Hill Road, runs thence with the eastern right of way line of Stoney Hill Road North 04° 08' 46" West 213.66 feet to a new iron pipe; runs thence away from the eastern right of way line of Stoney Hill Road South 89° 52' 27" East 384.76 feet to a point; runs thence South 04° 16' 09" East 1,402.06 feet to a point, said point being the point and place of BEGINNING and containing 15.554 acres as shown on that survey entitled "Exhibit Plat Larry H. Ray Tract" dated 18 January 2006 by Elingburg Land Survey Co., P.A.

Tract N (Ray Tract):

BEING all of that tract or parcel of land containing approximately 6/10 of an acre and more fully described in that deed recorded in Book 12218, page 1379 Wake County Registry.

Tract O (Ray Tract):

BEING all of that 1.047 acre tract shown on that map entitled "Survey for Dowd Bryant Harrison" dated November 6, 1998 by Cawthorne, Moss & Panciera, P.C. and recorded in Book of Maps 1998, page 2123 Wake County Registry and being the same land described in that deed recorded in Book 8583, page 331 Wake County Registry.

Tract P:

COMMENCING at a point located North 12° 49' 51" West 1,020.38 feet from NC Grid Monument 'Guide', said point having NC GRID Coordinates of North 811,935.7260, East 2,117,677.2500 thence leaving said point in an easterly direction North 72° 09' 28" East 262.03 feet to a point, said point being the point and place of BEGINNING, runs thence along a curve to the right with a radius of 100.00 feet, length of 381.36 feet, a tangent of 286.33 feet and delta of 218° 20' 13"; runs thence North 45° 00' 18" West 21.07 feet to a point; runs thence along a curve to the right with a radius of 100.00 feet, a length of 588.03 feet, a tangent of 20.42 feet and a delta of 336° 55' 02" to a point; runs thence South 45° 00' 18" West to a point; runs thence along a curve to the left with a radius of 100.00 feet, a length of 183.01 feet, a tangent of 129.98 feet and a delta of 104° 51' 20" to a point, said point being the point and place of BEGINNING containing 1.458 acres more or less.

TOGETHER WITH AND INCLUDING an access easement for ingress, egress and regress to the above referenced property and described as follows:

BEGINNING at a point located North 12° 49' 51" West 1,020.38 feet from NC Grid Monument 'Guide', said point having NC GRID Coordinates of North 811,935.7260, East 2,117,677.2500 thence leaving said point in an easterly direction North 72° 09' 28" East 262.03 feet to a point; runs thence along a curve to the right with a radius of 100 feet, a

length of 23.64 feet, a tangent of 11.88 feet and a delta of $13^{\circ} 52' 50''$ to a point; runs thence South $72^{\circ} 09' 28''$ East 269.11 feet to a point in the eastern line of Future Road, runs thence with the eastern line of Future Road along a curve to the right with a radius of 705.00 feet, a length of 20.72 feet, a tangent of 10.36 feet and a delta of $01^{\circ} 41' 03''$ to a point, said point being the point and place of BEGINNING containing 0.1217 acres more or less.

LESS AND EXCEPT FROM TRACTS A, B, C, D, E, F, G, H, I, J, K, L, M, N, O and P the following Tracts I, II, III and IV:

Tract I:

BEING all of that 13.171 acre tract designated as Open Space Future Sports Complex as shown on that plat entitled, "Subdivision Plat of Hasentree Community Phase I" (Sheet 2 of 7) dated October 26, 2005 by Elingburg Land Survey Co., P.A. and recorded in Book of Maps 2006, page 830 Wake County Registry.

Tract II:

BEING all of that 4.305 acre tract designated as Hasentree Golf Community Golf Course/Open Space as shown on that plat entitled, "Subdivision Plat of Hasentree Community Phase I" (Sheet 4 of 7) dated October 26, 2005 by Elingburg Land Survey Co., P.A. and recorded in Book of Maps 2006, page 832 Wake County Registry.

Tract III:

BEING all of that 10.836 acre tract designated as Hasentree Golf Community Golf Course/Open Space as shown on that plat entitled, "Subdivision Plat of Hasentree Community Phase I" dated October 26, 2005 by Elingburg Land Survey Co., P.A. and recorded in Book of Maps 2006, pages 829, 830, 831, 832, 833, 834 and 835 Wake County Registry.

Tract IV:

All property designated as "Hasentree Golf Community Golf Course/Open Space" as shown on that plat entitled, "Subdivision Plat of Hasentree Community Phase I" dated October 26, 2005 by Elingburg Land Survey Co., P.A. and recorded in Book of Maps 2006, pages 829, 830, 831, 832, 833, 834 and 835 Wake County Registry.

Tract Q: Ray Property — 29.93 acres

Beginning at an iron pipe in the right of way for Slater Drive and being the northeastern corner of property of James M. Adams, Sr., now or formerly, (PIN 1821-32-0350); runs thence N. 35 deg. 16 min. 02 sec. E. 441.74' to an iron pipe in the right of way for S.R. 1922 (Camp Kanata Road); thence N. 35 deg. 16 min. 02 sec. E. 858.46' to an iron stake in the eastern right away for Camp Kanata Road; thence N. 35 deg. 16 min. 02 sec. E. 623.64' to an

iron stake in the right of way for Camp Kanata Road; thence N. 62 deg. 35 min. 35 sec. W. 13.07' to an iron stake the southeastern corner of property of James M. Adams, Sr., now or formerly, identified on the plat hereinafter described as Tract 2 (PIN 1821-54-4313); thence N. 61 deg. 57 min. 47 sec. W. 29.88' to a point in the right of way for Camp Kanata Road and being the northeastern corner of property of Linda K. Rice, now or formerly, (PIN 1821-54-5104); thence with the southeastern line of said Rice property S. 36 deg. 41 min. 11 sec. W. 209.27' to an iron stake; thence with the southwestern line of said Rice property N. 61 deg. 23 min. 49 sec. W. 210.27' to an iron stake; thence with the northwestern line of said Rice property N. 36 deg. 50 min. 39 sec. E. 207.26' to an iron stake in the southwestern line of said Adams Tract 2 property; thence with said Adams property N. 61 deg. 49 min. 28 sec. W. 273.84' to an iron stake and N. 62 deg. 32 min. 06 sec. W. 133.39' to an iron stake, the northeastern corner of property of James M. Adams, Sr., now or formerly, and identified on the plat hereinafter described as Tract 1 (PIN 1821-33-6693); thence with the eastern line of said Adams Tract 1 property S. 55 deg. 59 min. 39 sec. W. 883.16' to an iron stake, and S. 08 deg. 38 min. 39 sec. W. 773.29' to an iron stake, the northern corner of property of Alexandra Sawyer and Kenneth C. Sawyer, now or formerly, (PIN 1821-43-2071); thence with the eastern line of said Sawyer property S. 27 deg. 00 min. 59 sec. E. 217.50' to an iron stake in the eastern right of way for Slater Drive; thence with the eastern right of way for Slater Drive S. 27 deg. 23 min. 20 sec. E. 482.19' to the Point and Place of Beginning, containing 29.93 acres, according to that plat of survey dated June 16, 2006, entitled "FINAL PLAT, PROPERTY SURVEYED FOR JAMES M. ADAMS, SR." and prepared by Summit Consulting Engineers; and being all of that property of Roy Wayne Ray having Wake County PIN 1821-43-6772 and REID 0058667, and conveyed by Leroy Ray and wife, Melissie B. Ray, to Roy Wayne Ray by that deed recorded in Book 3089, page 895, Wake County Registry.

Tract R: Tharrington Property

Being all of that parcel of land, identified as PIN 1821-03-31-7537, containing 2.9905 acres, according to that map entitled "Exhibit B Access Easement Plat to Serve Margaret S. Barnette & Richard A. Tharrington", prepared by Bass, Nixon & Kennedy, Inc., dated 10/18/2005, and now on file in the Office of the Register of Deeds of Wake County in Book of Maps 2006, page 66, to which map reference is hereby made for a more particular description of same.

Together with rights of ingress, egress and regress over that 30' Permanent "Access Easement", plus rights to those Temporary Construction Easements on either side of the said 30' Permanent Access Easement for roadway construction and to construct and maintain proper slope elevation, all as shown on that plat recorded in Book of Maps 2006, page 66, Wake County Registry.

Also together with those rights and obligations of the Grantee in that "Letter of Consent Agreement for Improvements within North Carolina Department of Transportation Road Right-of-Way Easement No. DACW21-2-95-0910 (NC Hwy #98), Falls Lake Project, Wake County, North Carolina", dated August 19, 2005.

Tract S: Scarboro and Macon Tracts**Parcel 1:**

Beginning at an iron stake being the northernmost corner of property of Roy W. Ray (PIN 1821-42-6772), now or formerly, runs thence with the northwestern line of said Ray property S. 55 deg. 59 min. 39 sec. W. 883.16' to an iron stake and S. 08 deg. 38 min. 39 sec. W. 773.29' to an iron stake, the northernmost corner of property of Alexandra Sawyer and Kenneth C. Sawyer (PIN 1821-43-2071), now or formerly; thence with the northwestern line of said Sawyer property S. 38 deg. 16 min. 15 sec. W. 457.86 feet to an iron stake in the northern right of way line of a 60-foot access easement (PIN 1821-42-4916); thence with the northern line of said right of way S. 38 deg. 07 min. 31 sec. W. 206.48' to a point and N. 70 deg. 30 min. 38 sec. W. 315.81' to a point, the northeastern corner of property of Grady S. Macon and Joyce J. Macon (PIN 1821-32-4717), now or formerly; thence with the southeastern line of said Macon property S. 14 deg. 47 min. 28 sec. W. 62.18' to a point in the northern line of other property belonging to said Macons (PIN 1821-32-6664), now or formerly; thence with the southern line of said 60-foot access easement and the northern line of said Macon property S. 70 deg. 34 min. 26 sec. E. 352.65' to a point and N. 38 deg. 16 min. 04 sec. E. 234.02' to a point and continuing with said 60-foot access easement and the northern line of another tract belonging to said Macons (PIN 1821-32-4504), now or formerly, N. 70 deg. 20 min. 24 sec. E. 30.16' to an iron stake; thence with the eastern line of the said third tract of the Macons S. 13 deg. 59 min. 04 sec. E. 282.06' to an iron stake in the northerly line of property of James M. Adams, Sr. (PIN 1821-32-0350), now or formerly; thence with the northern line of said Adams property S. 83 deg. 44 min. 33 sec. W. 942.00' to an iron stake (N 812410.75, E 2122998.43), S. 85 deg. 55 min. 34 sec. W. 185.48' to an iron stake, N. 86 deg. 56 min. 52 sec. W. 177.64' to an iron stake, and N. 05 deg. 26 min. 41 sec. E. 49.83' to an iron stake in the eastern line of property of US Army Corp of Engineers (PIN 1800-10-2847), now or formerly; thence with the eastern line of said Corp of Engineers property N. 04 deg. 47 min. 53 sec. E. 752.01' to an iron stake, N. 30 deg. 14 min. 28 sec. E. 390.12' to an iron stake, N. 68 deg. 03 min. 27 sec. W. 406.62' to an iron stake, and N. 14 deg. 05 min. 24 sec. E. 667.07' to an iron stake in the southern line of property of Earl H. Brevoort and Marjorie O. Brevoort (PIN 1821-37-8156), now or formerly; thence with the southern line of said Brevoort property S. 84 deg. 49 min. 00 sec. E. 791.83' to an iron stake and N. 68 deg. 07 min. 03 sec. E. 994.60' to an iron stake in the westernmost corner of property of Peggy A. Harding, et al, (PIN 1821-64-6461), now or formerly; thence with the southern line of said Harding property S. 85 deg. 23 min. 49 sec. E. 89.56' to an iron stake and S. 71 deg. 05 min. 42 sec. E. 263.54' to an iron stake; thence S. 62 deg. 33 min. 12 sec. E. 223.39' to the Point and Place of Beginning, containing a total of 66.77 acres, and being Tract 1 according to that plat entitled "Final Plat Scarboro Property", dated June 27, 2005, and prepared by Summit Consulting Engineers.

TOGETHER WITH a right of way for ingress, egress and regress along the existing 60-foot easement leading in an easterly direction from the above described properties to State Road 1922 (Camp Kanata Road) as shown on that deed recorded in Book 2529, Page 82, Wake County Registry and as shown and referenced on that plat recorded in Book of Maps 1990, Page 695, Wake County Registry.

Parcel 2:

Beginning at an iron stake being the northernmost corner of property of Roy W. Ray (PIN 1821-42-6772), now or formerly, and the easternmost corner of Tract 1 described above, runs thence with the northern line of Tract 1 N. 62 deg. 33 min. 12 sec. W. 223.39' to an iron stake in the southern line of property of Peggy A. Harding, et al, (PIN 1821-64-6461), now or formerly; thence with the southern line of said Harding property S. 78 deg. 16 min. 02 sec. E. 221.55' to an iron stake, S. 62 deg. 39 min. 58 sec. E. 77.14' to a point, S. 62 deg. 19 min. 58 sec. E. 580.72' to a point in the right of way for SR 1922 (Camp Kanata Road); thence within the right of way for said road S. 28 deg. 02 min. 18 sec. W. 63.92' to a point; thence with the northeastern line of property of Curtis E. Rice and Linda K. Rice (PIN 1821-54-5104), now or formerly, and the aforesaid Ray property N. 61 deg. 57 min. 47 sec. W. 239.88' to an iron stake, N. 61 deg. 49 min. 28 sec. W. 273.84' to an iron stake, and N. 62 deg. 32 min. 06 sec. W. 133.39' to the Point and Place of Beginning, containing 1.08 acres, and being Tract 2 according to that plat entitled "Final Plat Scarboro Property", dated June 27, 2005, and prepared by Summit Consulting Engineers; and being all of that property conveyed by Frank M. Marshall and wife, Nellie P. Marshall to E. W. Scarboro and wife, Claire P. Scarboro, by deed recorded in Book 2467, page 688, Wake County Registry.

Tract T: Conover Property

Beginning at an iron pipe (control corner) marking the intersection of the northwestern line of that 60-foot access easement described in Book 2305, page 151, Wake County Registry (now Slater Drive) and the northeastern line of that 60-foot access easement described in Book 2393, page 517, Wake County Registry, said iron pipe being distant S. 83 deg. 11 min. 06 sec. W. 223.08' from a P.K. nail in the centerline of S.R. 1922 (Camp Kanata Road); runs thence along a line within the right of way for Slater Drive S. 51 deg. 53 min. 27 sec. W. 505.00' to a stake in the southeastern right of way of Slater Drive; thence along the southeastern right of way for Slater Drive S. 38 deg. 11 min. 18 sec. W. 251.60' to a stake, the easternmost corner of the property conveyed to Edward W. Lowery by deed recorded in Book 5176, page 176, Wake County Registry; thence along the lines dividing the property herein described and the Edward W. Lowery property the following five courses and distances, N. 47 deg. 27 min. 08 sec. W. 197.60', N. 23 deg. 55 min. 30 sec. W. 126.94', S. 84 deg. 20 min. 26 sec. W. 171.64', S. 00 deg. 15 min. 36 sec. E. 315.00', and N. 89 deg. 44 min. 24 sec. E. 302.98' to a stake in the southwestern right of way of Slater Drive; thence along the southwestern right of way for Slater Drive S. 38 deg. 11 min. 31 sec. W. 290.10' to a stake in the northern line of the property, now or formerly, of Margaret S. Barnett, et al., thence along the northern line of said Barnett Property N. 81 deg. 17 min. 02 sec. W. 316.32' to a stake, the northeastern corner of the property, now or formerly, of Macon Elton and Annie Keith Lowery; thence along the northern line of the Lowery property N. 78 deg. 00 min. 14 sec. W. 461.91' to a stake; thence along the northeastern line of said Lowery property and the property, now or formerly, of J. D. and Sandra Clark Lowery N. 67 deg. 42 min. 13 sec. W. 1,018.17' to a stake in the western line of the property of the U.S. Government (Falls Lake); thence along the lines dividing the property herein described and the U.S. Government property the following four courses and

distances, N. 09 deg. 50 min. 43 sec. E. 289.83', S. 82 deg. 59 min. 12 sec. E. 415.06', N. 21 deg. 34 min. 37 sec. E. 172.46', and S. 80 deg. 42 min. 07 sec. E. 212.82' to a stake in the western line of the property, now or formerly, of Grady S. and Joyce T. Macon; thence along the western line of the said Macon property S. 11 deg. 13 min. 29 sec. W. 49.89' to a stake, the southwestern corner of the said Macon Property; thence along the southern line of the said Macon property S. 81 deg. 04 min. 08 sec. E. 177.61' and S. 88 deg. 08 min. 27 sec. E. 185.46', continuing thence along the southern line of said Macon property, the southern line of the property, now or formerly of Phyllis Slater and the southern line of the property, now or formerly, of Anne H. Shannon N. 89 deg. 36 min. 21 sec. E. 1,416.23' to the Point of Beginning, containing 28.058 acres, all in accordance with survey and plat entitled "Survey for Amy Anderson of the William Ray Lowery Property" by Al Prince & Associates, P.A., dated August 27, 1996.

Tract U: Mantooth Property

Being all of a tract indicated as Lot 1 on that map prepared by W. Graham Cawthorne, Jr., RLS entitled "Survey for William Lowery", dated June 19, 1989, and recorded in Wake County Book of Maps 1989, page 786. Lot 1 contains 2.019 acres.

Tract V

Beginning at an iron stake at the northwestern corner of property of Triangle Real Estate Development, LLC, now or formerly, (PIN 1821-42-2881), a common corner with James M. Adams, Sr., now or formerly, (Book 11868, page 106) and in the southern right of way line for Slater Drive (Road); runs thence with properties belonging to the said Adams S. 70 deg. 20 min. 24 sec. W. 30.16 feet to a point, S. 38 deg. 16 min. 04 sec. W. 234.02 feet to a point, N. 70 deg. 34 min. 26 sec. W. 352.65 feet to a point, N. 14 deg. 47 min. 28 sec. E. 62.18 feet to a point, S. 70 deg. 30 min. 38 sec. E. 315.81 feet to a point, and N. 38 deg. 07 min. 31 sec. E. 206.48 feet to an iron stake at the southwestern corner of property of Alexandra Sawyer and Kenneth C. Sawyer, now or formerly, (PIN 1821-43-2071), a common corner with property owned by the said James M. Adams, Sr., and in the northern right of way line for Slater Drive (Road); and thence crossing the right of way line for Slater Drive (Road) S. 57 deg. 57 min. 26 sec. E. 76.50 feet to the Point and Place of Beginning, and being the westernmost portion of the right of way for Slater Drive (Road), containing 0.8 acre, according to that plat dated June 16, 2006, entitled "FINAL PLAT, PROPERTY SURVEYED FOR JAMES M. ADAMS, SR., NEW LIGHT TWP., WAKE COUNTY, NORTH CAROLINA", and prepared by Summit Consulting Engineers, and being all of PIN 1821-32-8753.

BK014414PG00334

Exhibit 1

Illustration of Article VIII, Section 35, Example 2

**WAKE COUNTY
REGISTER OF DEEDS
ADDED FOR SCANNING
PURPOSES ONLY**

EAGLESON LANE
50' PRIVATE R/W

RALEIGH

NORTH CAROLINA

S35°24'53"E 140.03'

151

152

153

0.919 ACRES
40,010.7 SQ. FT.

50' REAR YARD

VARIABLE WIDTH GOLF
COURSE EASEMENT

GOLF COURSE
- TREE CONSERVATION
BUFFER

N35°08'50"W 141.05'

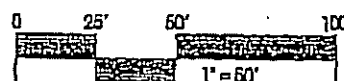
HOLE #11

HASENTREE GOLF COMMUNITY
GOLF COURSE/OPEN SPACE

VARIABLE WIDTH GOLF COURSE EASEMENT

Exhibit 1

December 2008



WITHERS & RAVENEL

ENGINEERS | PLANNERS | SURVEYORS

111 MacKenna Drive Cory, North Carolina 27513 Tel 910-467-3548 Fax 910-467-3543

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BK014414PG00336

Exhibit 2

Illustration of Article VIII, Section 35, Example 3

**WAKE COUNTY
REGISTER OF DEEDS
ADDED FOR SCANNING
PURPOSES ONLY**

FOR GRAPHICAL PURPOSES ON
PRELIMINARY - NOT A SURVEY



HASENTREE
RALEIGH NORTH CAROLINA

EAGLESON LANE
50' PRIVATE R/W

CHD: N42°12'21"W
CHD: 139.93'
R: 1525.00'

60' FRONT YARD

142

0.936 ACRES
40,758.9 SQ. FT.

143

141

54°21'36"W 284.13'

20' SIDE YARD

20' SIDE YARD

54°13'38"W 295.96'

20' REAR YARD

VARIABLE WIDTH LANDSCAPE EASEMENT

20' NATIVE GRASS EASEMENT

VARIABLE WIDTH GOLF COURSE EASEMENT

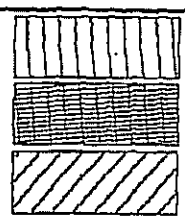
GOLF COURSE
TREE CONSERVATION
BUFFER

S37°21'40"E 140.78'

HOLE #13

HASENTREE
GOLF COMMUNITY
GOLF COURSE/OPEN SPACE

LEGEND



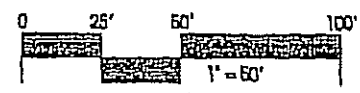
VARIABLE WIDTH LANDSCAPE EASEMENT

20' NATIVE GRASS EASEMENT

VARIABLE WIDTH GOLF COURSE EASEMENT

Exhibit 2

December 2008



WITHERS & RAVENEL
ENGINEERS | PLANNERS | SURVEYORS

111 Withers Drive Cary, North Carolina 27511 Tel 919-417-2540 Fax 919-417-1515 www.withers-ravenel.com
S:\0144-14PG00337\0144PG00337.dwg Plot Date: 9/2/2008 PLOTTER: HPGLA & RAVENEL

BK014414PG00338

Exhibit 3

Illustration of Article VIII, Section 35 (j) Easements

**WAKE COUNTY
REGISTER OF DEEDS
ADDED FOR SCANNING
PURPOSES ONLY**

FOR GRAPHICAL PURPOSES OF
PRELIMINARY- NOT A SURVEY



HASENTREE
RALEIGH NORTH CAROLINA

HASENTREE WAY
50' PRIVATE R/W

CHD: N19°08'54"W
CHD: 171.99'
R: 1325.00'

259

260

1.113 ACRES
48,486.9 SQ. FT.

261

60' FRONT YARD

20' SIDE YARD

20' SIDE YARD

574°00'05"W 315.15'

S68°21'06"W 299.81'

REAR YARD

GOLF COURSE
- TREE CONSERVATION
BUFFER

20' NATIVE GRASS EASEMENT

VARIABLE WIDTH GOLF
COURSE EASEMENT

HASENTREE GOLF COMMUNITY
GOLF COURSE/ OPEN SPACE

S13°02'31"E 142.40'

HOLE #8

LEGEND

REAR YARD

20' NATIVE GRASS EASEMENT

VARIABLE WIDTH GOLF COURSE EASEMENT

Exhibit 3

December 2008



WITHERS & RAVENEL

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111 Wadsworth Dr., Cov., Md. 21030 231-1111 231-1111 231-1111 www.1111.com

15063-719071250000 000000 00 00 0000 000000 000000 000000



BOOK:014414 PAGE:00266 - 00340

Yellow probate sheet is a vital part of your recorded document.
Please retain with original document and submit for rerecording.



Wake County Register of Deeds
Laura M. Riddick
Register of Deeds

This Customer Group _____ # of Time Stamps Needed

This Document _____ New Time Stamp
_____ # of Pages 75 JP 22.004-1/2006

THE HASENTREE CLUB

2025 Membership Pricing Options

	MEMBERSHIP CATEGORIES	FULL GOLF	LIMITED GOLF	INTERMEDIATE GOLF	RESIDENT SOCIAL	NON-RESIDENT SOCIAL <i>Limited Av</i>
	MONTHLY DUES	\$850	\$595	\$465	\$215	\$245
	INITIATION FEE	\$30,000	\$23,000	\$15,000	\$3,000	\$3,000
GOLF	18-Hole Champion Golf Course	✓	✓	✓	*	*
	Driving Range	✓	✓	✓	—	—
	Golf Cart Fees	\$	\$	\$	\$	\$
	Lockers	\$	\$	\$	—	—
SPORTS	Fitness	✓	✓	✓	✓	✓
	Pool	✓	✓	✓	✓	✓
	Tennis	✓	✓	✓	✓	✓
DINING & SOCIAL	Dining	✓	✓	✓	✓	✓
	Social	✓	✓	✓	✓	✓
XLIFE	Play Away	\$25 per month	\$25 per month	\$25 per month	—	—
	Access Advantage	\$20 per month	\$20 per month	\$20 per month	—	—
	XLife Social	—	—		\$15 per month	\$15 per month



Available benefit

\$ Additional fee



Six times per household, per year, accompanied by a Golf Member with applicable greens and cart fees required. Can play 4-Rounds at limited golf hours with X-life Social Added.

Join today! Contact the Membership Office for more information.

Kyle Headley | Kyle.Headley@invitedclubs.com

919.321.9386 | hasentreecountryclub.com



*Some restrictions may apply. All rates are subject to increases and applicable taxes. Benefits are subject to the benefit terms and conditions, which may be found on clubcorpnetwork.com, and benefits may be amended, modified or discontinued by member's home club or Associate Clubs International at any time. Offers exclude to-go orders except as noted, alcohol, service charges and applicable taxes. Discounts do not apply to certain dining venues or premium/limited menu items, as determined by the participating club. All offers are subject to availability. Access restrictions may apply within local or neighboring markets. See Club for details. © ClubCorp USA, Inc. All rights reserved.



THE HASENTREE CLUB

ADDITIONAL CLUB INFORMATION

Golf

Adult Guest Rates

Weekday 18 Hole	\$80
Weekday 9 Hole	\$48
Weekend 18 Hole	\$95
Weekend 9 Hole	\$60

Rental Clubs \$65 each
with Full Paid Guest Fee.

*Rates do not include cart fee.

Junior Guest Fees

Children 15 and Under.
Rates include cart fee.

18 Hole	\$25
9 Hole	\$15

Cart Fees

18 Holes	\$25
9 Hole	\$16

Push Cart Fees

18 Hole	\$13
9 Hole	\$9

Additional Fees:

Bag Storage	\$120 / year
Pushcart Trail Fee	\$200 / year
Locker Rental	\$240 / year
Golf Handicap	\$30/ year

Tennis

Private Lessons

30 min private lesson	\$32
30 min Head Pro lesson	\$36
45 min private lesson	\$45
45 min Head Pro lesson	\$50
1 hr private lesson	\$55
1 hr Head Pro lesson	\$60
1.5 hr private lesson	\$70
1.5 Hr Head Pro lesson	\$80
1 hr semi-private lesson	\$33
1 hr Head Pro semi lesson	\$38
1.5 hr semi-private lesson	\$43
1 hr 3 ppl private clinic	\$41
1 hr 4 ppl private clinic	\$22
1.5 hr 3 ppl private clinic	\$34
1.5 hr 4 ppl private clinic	\$29
1.5 hr 5 ppl private clinic	\$24

1 hr drop in clinic with online registration	\$16
1 hr drop in clinic drop in rate	\$18
Tennis Guest Fee	\$10

Fitness

Private Personal Training

60 minutes	\$80
45 minutes	\$65
30 minutes	\$50

Pool

Pool Guest Fees Adult \$5
Children (Ages 6-11) \$3
5 & under are complimentary

Food & Beverage

Wine Club Membership:
\$350 annual fee

No Monthly or Quartley Food
& Beverage Minimum

Child Development Corner

Drop-In Childcare
1 Child \$10/ Hour
2 Children \$15/Hour

Reservations required for
infant drop-in childcare.

Friday Night Kids Events \$35
Saturday Night Kids Events \$45





THE HASENTREE CLUB

MEMBERSHIP PACKAGES

SOCIAL MEMBERSHIP

Limited Offering

Includes: Unlimited access to Family Activity Club including pool facilities, fitness center, tennis courts, dining and social programming for all ages.

INTERMEDIATE GOLF MEMBERSHIP

Capacity of 40

Includes: Access to create tee times after 12pm on Tuesday, Wednesday, & Thursday and Sunday after 2pm at our beautiful Tom Fazio golf course. Access to golf practice facilities are permitted 1-hour prior to time you have access to the tee sheet on the days above, 5-day advanced tee time privileges, unlimited access to the Family Activity Club, including the tennis facilities, fitness center, aquatic complex, social programming (for all ages), and dining.

FULL ACCESS GOLF MEMBERSHIP

Capacity of 350

Includes: Unlimited golf access to our beautiful Tom Fazio golf course and practice facilities, 9-day advanced tee time privileges, optional Play Away (\$25/mo.) and Access Advantage (\$20/mo.) Unlimited access to the Family Activity Club, including the tennis facilities, fitness center, aquatic complex, social programming (for all ages), and dining.

LIMITED ACCESS GOLF MEMBERSHIP

Capacity of 100

Includes: Access to create tee times Sunday after 2pm - Thursday end-of-day at our beautiful Tom Fazio golf course and use of the practice facilities within the same timeframe, 7-day advanced tee time privileges, optional Play Away (\$25/mo.) and Access Advantage (\$20/mo.) Unlimited access to the Family Activity Club, including the tennis facilities, fitness center, aquatic complex, social programming (for all ages), and dining.

Join today! Contact the Membership Office for more information.

Kyle Headley | Kyle.Headley@invitedclubs.com

919.321.9386 | hasentreecountryclub.com



*Some restrictions may apply. All rates are subject to increases and applicable taxes. Benefits are subject to the benefit terms and conditions, which may be found on clubcorpnetwork.com, and benefits may be amended, modified or discontinued by member's home club or Associate Clubs International at any time. Offers exclude to-go orders except as noted, alcohol, service charges and applicable taxes. Discounts do not apply to certain dining venues or premium/limited menu items, as determined by the participating club. All offers are subject to availability. Access restrictions may apply within local or neighboring markets. See Club for details. © ClubCorp USA, Inc. All rights reserved.



THE HASENTREE CLUB

XLIFE BENEFITS

XLIFE PLAY AWAY BENEFITS

Exclusively for Golf Members

- Up to two rounds per club, per month (play rates and cart fees apply) at hundreds of country clubs across U.S., Mexico and Canada with 30-day advance tee times
- Access to premium Callaway rental clubs at a preferred rate (\$25 per set, subject to availability)
- Access to City Clubs both locally and when traveling with 25% off evening dining at participating city and stadium clubs
- Access to an industry-leading network of hundreds of private clubs, renowned resorts and destinations, great hotel benefits, car rentals and more (fees may apply for golf or other amenities at participating locations)

XLIFE ACCESS ADVANTAGE BENEFITS

Exclusively for Golf Members

- Up to four rounds per month with a maximum of two rounds per club (play rates and cart fees apply); 7-day advance tee times with access Sunday noon through Friday noon; Limited tee times available

XLIFE SOCIAL BENEFITS

Exclusively for Non-Golf Members

- Unlimited Access to Invited's entire club portfolio for Dining, Racquet, Fitness, & Aquatic amenities.
- Ability to create 12 tee times a year within the Limited Golf Hours of Sunday 12pm - Friday 12pm. Green fees and cart fees apply.
- Ability to create 4 tee times in a calendar year at Hasentree. Green fees and Cart fee apply.

Join today! Contact the Membership Office for more information.

Kyle Headley | Kyle.Headley@invitedclubs.com

919.321.9386 | hasentreecountryclub.com



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THE HASENTREE CLUB

MEMBERSHIP BENEFITS AND CLASSIFICATIONS

ClubLife

RESORT-STYLE LIVING, PERFECTED. Imagine living in a community where every day is like vacationing at home, living in a setting with unparalleled services and amenities catering to your entire family. A place where possibilities are endless, where your dream living becomes a reality, and where neighbors become lifelong friends.

- Hasentree boasts a stunning layout that is both fun and challenging for golfers of all skill levels. Our Tom Fazio designed golf course features a 7,074-yard, par-71 layout. For non-golfers who appreciate the beauty of our stunning course and manicured ground, Hasentree also offers miles of nature trails and walkways around the lake.
- We offer six lighted tennis courts for all-season play, four Har-Tru® hydro clay courts and two hard courts featuring QuickStart lines for juniors. Our tennis camps, clinics, training, round robins, and social events feature expert instruction by our elite tennis professionals.
- Hasentree offers state-of-the-art Technogym equipment. Technogym is a global leader in fitness operating in over 100 countries and was named the official supplier to the Paris 2024 Olympics. Members can enjoy connect fitness equipment designed for optimal performance. Personalized training programs and digital services will all be accessible through the Technogym App.
- Our Fitness Center has a variety of challenging classes in our Group Fitness Room, ranging from yoga to TRX and more. We offer Personal Training with a certified and highly experienced trainer who will motivate and support you to exceed your personal fitness expectations.
- Hasentree offers three pools, all staffed by certified lifeguards, including a six-lane, 25-yard competition pool, a zero-entry children's splash pool with interactive water features, and the "Hasenator" 90-foot double-loop waterslide - a beloved feature among children and adults of all ages.
- Our very own swim team, the "Hasentree Hammerheads," is for swimmers of all skill levels ages 18 and under to compete in North Carolina's largest summer recreation youth swim league, the Tarheel Swimming Association.
- Hasentree features its own community restaurant, The Oak, and bar, Tavern at Oak. Serving delicious, rustic, Southern cuisine, the Oak Restaurant allows the convenience of fine dining just steps from your home. The menu even highlights local, sustainable foods.

Join today! Contact the Membership Office for more information.

Kyle Headley | Kyle.Headley@invitedclubs.com

919.321.9386 | hasentreecountryclub.com



*Some restrictions may apply. All rates are subject to increases and applicable taxes. Benefits are subject to the benefit terms and conditions, which may be found on clubcorpnetwork.com, and benefits may be amended, modified or discontinued by member's home club or Associate Clubs International at any time. Offers exclude to-go orders except as noted, alcohol, service charges and applicable taxes. Discounts do not apply to certain dining venues or premium/limited menu items, as determined by the participating club. All offers are subject to availability. Access restrictions may apply within local or neighboring markets. See Club for details. © ClubCorp USA, Inc. All rights reserved.

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WAKE COUNTY, NC 350
LAURA M RIDDICK
REGISTER OF DEEDS
PRESENTED & RECORDED ON
08/31/2012 AT 12:22:59

BOOK:014909 PAGE:02186 - 02194

STATE OF NORTH CAROLINA :

**AMENDMENT TO AMENDED AND
RESTATED DECLARATION
OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR HASENTREE**

COUNTY OF WAKE :

Prepared by and Return to: Alison R. Cayton of Manning, Fulton & Skinner P.A. (Box 133)

THIS AMENDMENT TO AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR HASENTREE ("Amendment") is made this 29th day of August, 2012, by TOLL NC III LP, a North Carolina limited partnership (the "Declarant");

WHEREAS, the Declarant enters into this Amendment pursuant to its authority under Article XV, Section 5 of that Amended and Restated Declaration of Covenants, Conditions and Restrictions for Hasentree recorded July 27, 2011 and recorded in Book 14414, page 266, Wake County Registry (the "Declaration"); and

WHEREAS, pursuant to Article XII Sections 1 and 2 of the Declaration, Declarant desires to designate the property described on Exhibit A attached hereto as a Neighborhood and in so doing, impose additional restrictions on the Neighborhood, provide for a specific level of service within the Neighborhood, and permit certain activities within the Neighborhood.

NOW, THEREFORE, in consideration of the premises and other benefits to the property described herein, Declarant hereby declares that the property identified and described on Exhibit A attached hereto and incorporated herein by reference shall be and hereby is designated as the Hasentree Golf Villa Neighborhood ("Golf Villa Neighborhood") and is subjected to the following additional covenants, conditions and restrictions, in addition to those contained in the Declaration.

1. Article I of the Declaration is hereby amended to add the following definitions:

Section 39. "Golf Villa Committee" shall mean and refer to the representatives of the Golf Villas which govern certain matters pertaining to the Golf Villas and is comprised of those Golf Villas Owners as designated in the Bylaws.

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Section 40. "Golf Villa Expenses" shall mean and refer to any and all expenditures made by or financial liabilities of the Association, together with any allocations to reserves, pursuant to and in accordance with this Declaration and the Bylaws, that are allocated solely to the Golf Villas. Golf Villa Expenses shall be determined by the Golf Villa Committee in its sole discretion, pursuant to the additional terms and limitations contained in Article XVI of the Declaration.

Section 41. "Golf Villa Lots" shall mean and refer to those lots designated on **Exhibit A** attached to this Amendment and any additional Golf Villa Lots designated by the Declarant within the Property. Golf Villa Lots may be designated by the Declarant on additional property that is annexed into the Hasentree community.

2. There is hereby added a new Article XVI entitled: "Golf Villa Neighborhood" which shall provide as follows:

ARTICLE XVI

GOLF VILLA NEIGHBORHOOD

Section 1. Composition of the Golf Villa Neighborhood. The Golf Villa Neighborhood shall consist of all of the Golf Villa Lots. For all purposes the Golf Villa Committee, as a Committee of the Association, shall act as an agent of the Association on behalf of the Owners of the Golf Villa Lots as a group, with the responsibility of arranging for the management of the Golf Villa Neighborhood, and performing all of the other acts that may be required or permitted to be performed by or on behalf of the Golf Villa Neighborhood by the Declaration, Articles and Bylaws.

Section 2. Golf Villa Services and Restrictions. The following services and restrictions shall apply to the Golf Villa Lots:

- (a) Reclaimed Water Irrigation Easement. Pursuant to the requirement of Section 2.2 of the Heater Water Agreement, Declarant reserves an easement for irrigation on the Hasentree Golf Villas Lots with Reclaimed Water.
- (b) Landscape Maintenance. The Association shall maintain the lawns and landscaping located on the Lots within the Golf Villa Neighborhood pursuant to the terms of this Section 2 (b) of Article XVI. The Association shall provide maintenance for the basic lawn and landscaping package provided by the Builder for each Lot. The Golf Villa Committee shall determine, in its sole discretion, the level of maintenance, if any, for plantings in excess of the basic landscaping package provided for each Lot, and the Golf Villa Committee shall have the option but not the obligation to provide maintenance for plantings in excess of the basic landscaping package for a Lot. The Owner of a Lot shall be responsible at its sole cost and expense for additional lawn and landscaping maintenance in excess of that maintenance provided by the Golf Villa Committee. The costs of maintenance provided by the Golf Villa Committee

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shall be paid from the Golf Villa Neighborhood Assessment against lots within the Hasentree Golf Villas Neighborhood. Such maintenance shall include those matters reflected on a landscape maintenance responsibility chart maintained by the Golf Villa Committee, as those matters may be revised from time to time by the Golf Villa Committee, and shall include but not be limited to lawn mowing, fertilizing, mulching, and edging, with such frequency as the Golf Villa Committee shall determine is necessary to provide such Golf Villa Lots with an appearance consistent with a first class residential subdivision. The Golf Villa Committee may discontinue the landscaping maintenance obligations described in this Section 2 with respect to the Hasentree Golf Villas Neighborhood only upon the written consent of Owners holding ninety percent (90%) of the votes entitled to be cast by the Golf Villa Owners within the Hasentree Golf Villas Neighborhood and, during the Declarant Development Period, the written consent of Declarant.

- (c) Landscape Maintenance Easements. Declarant hereby reserves, for the benefit of itself, its successors and assigns, grants to the Golf Villa Committee, its successors and assigns, employees, agents and subcontractors, a nonexclusive perpetual easement at all times over the Golf Villa Lots for the purpose of maintaining the lawn and landscaping located on Golf Villa Lots. The easement described in this Section expressly permits access within fenced areas of any Golf Villa Lot. Further, any fences within the Hasentree Golf Villas Neighborhood must provide for an unlocked rear yard gate to permit the landscaping services provided in Section 2(b) of this Article XVI. Failure of the Golf Villa Committee or its contractors or agents to provide the services described in this Article XVI, Section 2 due to denial of access within a fenced area of a Golf Villa Lot, for example, if the gate is locked or if there is a dog in the fenced area, shall not be a breach of the responsibilities of the Golf Villa Committee as required herein. No Golf Villa Lot Owner may waive or otherwise escape liability for the Golf Villa Neighborhood Assessments by denying access to any portion of a Golf Villa Lot to the Golf Villa Committee or the contractors or agents of the Golf Villa Committee for the purposes described in this Section.

Section 3. Determination of Golf Villa Neighborhood Expenses and Golf Villa Neighborhood Assessments Against Golf Villa Lots.

(a) Fiscal Year. The fiscal year of the Golf Villa Neighborhood shall be January 1 through December 30 unless otherwise determined by the Golf Villa Committee.

(b) Preparation and Approval of Budget.

(1) At least thirty (30) days before the beginning of each fiscal year, the Golf Villa Committee shall adopt a budget for the Golf Villa Neighborhood containing an estimate of the total amount considered necessary to pay for the landscaping for those parts of the Golf Villa Lots as to which it is the responsibility of the Golf Villa Neighborhood to maintain and the cost of wages, materials, insurance premiums, services, supplies and other expenses that may be declared to be Golf Villa Expenses by the Declaration or by a resolution of the Golf Villa Committee and which will be required during the ensuing fiscal year for the administration,

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operation and maintenance of the services provided to the Golf Villa Neighborhood. The budget shall reflect the separate assessment of any individual Golf Villa Expenses against a specific Golf Villa Lot and the Owner thereof.

(2) Such budget may also include such reasonable amounts as the Golf Villa Committee considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. At least thirty (30) days before the beginning of each fiscal year, the Golf Villa Committee shall send to each Golf Villa Owner a copy of the budget in a reasonably itemized form which sets forth the amount of the Golf Villa Expenses and any special assessment payable by each Golf Villa Lot. Such budget shall constitute the basis for determining each Golf Villa Lot's assessment for the Golf Villa Expenses. Any budget increasing assessments by less than twelve percent (12%), is ratified unless ninety percent (90%) of the total vote of each class of Golf Villa Lot Owners vote to reject the budget at a duly called meeting of the Golf Villa Neighborhood. Any budget increasing assessments in excess of twelve percent (12%) must be approved by an affirmative vote of two-thirds (2/3) of each class of Owners of the Golf Villa Lots who are voting in person or by proxy, at a meeting duly called for such purpose

(c) Assessment and Payment of Golf Villa Expenses. The total amount of the estimated funds required from assessments for the operation of the Golf Villa Neighborhood set forth in the budget adopted by the Golf Villa Committee shall be assessed against each Golf Villa Lot, except for Golf Villa Lots owned by the Declarant, pursuant to the authority of the Golf Villa Committee as a committee of the Association as contained in this Article XVI and pursuant to the Association's authority in Article IV of the Declaration. The assessment for Golf Villa Expenses shall be a lien against each Golf Villa Lot. The assessments for Golf Villa Expenses shall be collected in advance on a monthly, quarterly, annually or other periodic basis established by the Golf Villa Committee. Any amount accumulated in excess of the amount required for actual expenses and reserves may, at the discretion of the Golf Villa Committee, be placed in reserve accounts, or be placed in a special account to be expended solely for the general welfare of the Golf Villa Members. Any net shortage may be assessed promptly against the Golf Villa Lots and shall be payable either: (1) in full with payment of the next assessment due; or (2) in not more than three (3) equal monthly installments, as the Golf Villa Committee may determine.

(d) Special Assessment for Golf Villa Expenses. The Golf Villa Committee shall levy a special assessment during any calendar year for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement related to the services provided solely to the Golf Villa Lots, including fixtures and personal property; provided, however, that any such special assessment must be approved by the vote of at least sixty seven percent (67%) of the votes entitled to be cast by the owners of the Golf Villa Lots.

(e) Reserves. The Golf Villa Committee may build up and maintain reasonable reserves for working capital, operations (including losses due to insurance deductibles), contingencies and replacements associated with the services provided within the Golf Villa Neighborhood.

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(f) Initial Budget and Initial Capital Payment.

(1) Upon taking office, the first Golf Villa Committee elected or designated pursuant to the Bylaws shall determine the budget for the period commencing thirty (30) days after such election and ending on the last day of the fiscal year in which such election occurs. Assessments shall be levied and become a lien against the Golf Villa Lots during such period.

(2) The Declarant, as the agent of the Golf Villa Committee, may collect from each initial purchaser at the time of settlement an "initial capital payment" equivalent to three times the estimated monthly assessment for Golf Villa Expenses for such purchaser's Golf Villa Lot. The Declarant will deliver the funds so collected to the Golf Villa Committee to provide the necessary working capital for the Golf Villa Neighborhood. Such funds may be used for certain prepaid items, initial equipment, supplies, organizational costs and other start-up costs, and for such other purposes as the Golf Villa Committee may determine.

(g) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Golf Villa Committee to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Golf Villa Owner's obligation to pay the allocable share of the Golf Villa Expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Golf Villa Owner shall continue to pay each monthly installment at the monthly rate established for the previous fiscal year until notified of the monthly payment which is due at least ten (10) days after such new annual or adjusted budget is adopted.

(h) Accounts. All sums collected by the Golf Villa Committee with respect to assessments against the Golf Villa Owners or from any other source may be commingled into a single fund.

Section 4. Voting Rights. For every matter that the Owners of the Golf Villa Lots vote on pursuant to this Section XIV, the Owners of the Golf Villa Lot shall have the same number of votes as such Owner is allocated as a Lot owner in Hasentree pursuant to Article III of this Declaration. Thus the Declarant shall have the number of votes allocated to the Class B Member pursuant to Article III of this Declaration and the Owners of the Golf Villa Lots have the number of votes allocated to the Class A Members pursuant to Article III of this Declaration.

Section 5. Annexation. The Declarant, in its sole discretion, may designate additional land presently within Hasentree as a part of the Golf Villa Neighborhood. Upon annexation of additional land to Hasentree, the Declarant, in its sole discretion, may designate such additional land as part of the Golf Villa Neighborhood.

Section 6. Amendments. Amendments to this Article XVI of the Declaration and any other amendment to this Declaration specific only to the Golf Villa Neighborhood shall not be effective until approved by 80% of votes allocated to the Golf Villa Lots, and during the Declarant Development Period, the Declarant.

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Notwithstanding the terms of the immediately preceding paragraph of this Section 6 for a period of thirty (30) years after the recordation of this Amendment, Declarant, without obtaining the approval of any Member or any Owner or Owners of Golf Villa Lots other than Declarant, shall have the unilateral right, in its sole and absolute discretion, to make any amendments or modifications hereto which Declarant deems necessary or desirable, including, without limitation, amendment or modifications to any procedural, administrative or substantive provision of this Declaration such as amendments or modifications to controls, covenants, conditions, restrictions, easements, guidelines, charges and liens.

[SIGNATURES ON FOLLOWING PAGES]

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IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 29th day of AUGUST, 2012.

TOLL NC III LP, a North Carolina limited liability company

By: TOLL NC GP CORP., its general partner

By: [Signature]
Name: THOMAS J. ANHUT
Title: GROUP PRESIDENT

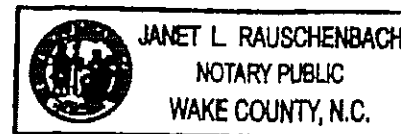
State of NORTH CAROLINA

County of WAKE

I, the undersigned Notary Public of the County or City of WAKE and State aforesaid, certify that THOMAS J. ANHUT, GROUP PRESIDENT personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this 29 day of AUGUST, 2012

[Signature]
My Commission Expires: 6/7/2015
JANET L. RAUSCHENBACH
Notary Public
Notary's Printed or Typed Name

(Affix Seal)



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EXHIBIT A
GOLF VILLA NEIGHBORHOOD
LEGAL DESCRIPTION

Tract 1:

BEING all of Lots 319 through 333, Lots 335 through 345 and Lots 347 through 348 as shown on those plats entitled, "Subdivision Plat of Hasentree Golf Community Phase Five – Open Space" dated May 2, 2007 by Chance Surveying Company and recorded in Book of Maps 2007, pages 2508, 2509, 2510 and 2511, Wake County Registry, and as re-recorded as to certain lots on the following plats:

- (a) that plat entitled "Recombination Plat of Hasentree Golf Community Phase Five-Open Space for Toll NC III, LP" and recorded in Book of Maps 2011, page 114 Wake County Registry; and
- (b) that plat entitled "Recombination Plat Open Space Plat Two Hasentree Golf Community for Toll NC III, LP" and recorded in Book of Maps 2011, pages 291 and 292 Wake County Registry; and
- (c) that plat entitled "Recombination Plat of Hasentree Golf Community Phase Five-Open Space Survey for Toll NC III, L.P." and recorded in Book of Maps 2011, pages 1245 and 1246 Wake County Registry.

Tract 2:

BEING all of that 13.210 acre tract as shown on those plats entitled "Final Plat of Hasentree Golf Community Subdivision and Right-of-Way Dedication – Phase 11 and Recombination of Hasentree Lake Open Space" dated May 12, 2011 and last revised August 23, 2011 by ESE of North Carolina, PC and recorded in Book of Maps 2011, pages 976, 977 and 978 Wake County Registry.

Tract 3:

BEING all of Lots 163 through 171C as shown on those plats entitled "Recombination Plat Open Space Plat Two Hasentree Golf Community for Toll NC III LP" dated December 29, 2010 by Chance Surveying Co., Inc. and recorded in Book of Maps 2011, pages 291 & 292 Wake County Registry.

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BOOK:014909 PAGE:02186 - 02194

Yellow probate sheet is a vital part of your recorded document.
Please retain with original document and submit for rerecording.



Wake County Register of Deeds
Laura M. Riddick
Register of Deeds

This Customer Group _____
of Time Stamps Needed

This Document _____
New Time Stamp
of Pages 9 8C

22/03/11/2009

AMENDED AND RESTATED
BY LAWS
OF
HASENTREE OWNERS ASSOCIATION, INC.

WHEREAS, by that Consent of Board of Directors of Hasentree Owners Association, Inc. dated May 3, 2006 the By Laws of the Hasentree Owners Association, Inc. ("By Laws") were adopted; and

WHEREAS, Toll NC III LP, a North Carolina limited partnership subsequently acquired Hasentree and was the assignee pursuant to an Assignment of Declarant Rights effective February 25, 2010 to Assign Declarant Rights to Hasentree to Toll NC III LP, all as more fully described in the Assignment; and

WHEREAS, pursuant to Article XI, of the By Laws, the By Laws may be amended at any time by the consent of the Owners entitled to cast at least sixty-seven percent (67%) of the votes of the Association and the consent of the Declarant; and

WHEREAS, Declarant is entitled to cast at least sixty-seven percent (67%) of the votes of the Association and has consented to the Amendment and Restatement of the By Laws; and

WHEREAS, the Board of Directors has proposed to amend and restate the By Laws; and

WHEREAS, Declarant as Declarant and as owner of that portion of the Property entitling it to cast 67% of the votes in the Association, has consented to these Amended and Restated By Laws.

NOW, THEREFORE, the By Laws are hereby amended by striking it and all amendments and supplements thereto in their entirety and substituting in its place the terms of these Amended and Restated By Laws as follows:

ARTICLE I

PLAN OF COMMON ELEMENTS CONTROL

Section 1. **Lands affected.** Toll NC III, LP., a North Carolina limited liability company, hereafter known as the "DECLARANT", is the owner of certain lands lying near the City of Raleigh, Wake County, North Carolina, more particularly described in an Amended and Restated Declaration of Covenants, Conditions, Easements and Restrictions for Hasentree (herein "Declaration"), and has submitted a portion of said lands to membership control pursuant to the Declaration.

Section 2. **Name.** The lands on which said Declaration is imposed shall be known as Hasentree.

Section 3. **Applicability of Bylaws.** All present and future owners, mortgagees, lessees, and occupants within the Property, and their agents, servants, and employees, and any other persons who may make use of the facilities of the Property in any manner, are subject to these Bylaws and to the Rules and Regulations adopted pursuant hereto, and to any amendments to these Bylaws and Rules and Regulations upon the same being duly adopted.

The acceptance of a deed or conveyance to, or the entering into a lease to, or the act of occupancy of, any Lot (as defined herein) within the Property by any person shall conclusively establish the acceptance and ratification by such person of these Bylaws (and any Rules and Regulations adopted pursuant hereto), the Articles of Incorporation, and the Declaration as they may be amended from time to time, and shall constitute and evidence an agreement by such persons to comply with those governing documents.

Section 4. **Definitions.** All defined terms not otherwise defined within these Bylaws shall have the same definition as stated in the Declaration.

ARTICLE III

OFFICES

Section 1. The principal office of the Association shall be located at 2310 T.W. Alexander Dr, Ste. G, Raleigh, NC 27617.

Section 2. The registered office of the Association may, but need not be, identical with the principal office, but shall be located in North Carolina.

Section 3. The Association may have such other offices, either within or without the State of North Carolina, as the Board may from time to time determine or as the affairs of the Association may require.

ARTICLE IV

ASSOCIATION OF LOT OWNERS

Section 1. **Members.** The qualification of Members, the manner of their admission to membership and termination of such membership shall be as set forth in the Articles of Incorporation of the Association and the Declaration.

Section 2. **Annual Meetings.** An annual meeting of the Association shall be held for the purpose of electing Members of the Board of Directors and for the transaction of such other business as may be properly brought before the meeting. The annual meetings shall be held at a time and place selected by the Board of Directors each year. So long as Declarant maintains Class B membership, there shall be no annual meeting for the election of Members of the Board of Directors.

Section 3. **Substitute annual meetings.** If an annual meeting is not held on the day designated in the Bylaws, a substitute annual meeting may be called in the same manner as a special meeting. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 4. **Special meetings.** Special meetings of the Association may be called at any time by the President, a majority of the Members of the Board of Directors or by the President upon the written request of the Lot Owners of not less than ten percent (10%) of the voting interests of Class A Members as established by the Declaration.

Section 5. **Place of meetings.** All meetings of the Association shall be held at such place in the County where the Property is located as shall be designated in the notice of the meeting.

Section 6. Notice of meetings. Written or printed notice stating the place, day and hour of the meeting shall be hand-delivered or mailed by US mail, postage prepaid or sent by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the Lot Owner, not less than ten (10) nor more than sixty (60) days prior to the date of the meeting by the Secretary to each person entitled to vote at such meeting, unless a different time period is required by the Declaration.

In the case of an annual meeting, substitute annual meeting, or special meeting, the notice of meeting shall state the time and place of the meeting as well as the items on the agenda to be considered, including, but not limited to, the general nature of any proposed amendment to the Declaration or Bylaws, any budget matters, or any proposal to remove an officer or director.

When a meeting is adjourned for thirty (30) days or more, notice of the reconvening of the adjourned meeting shall be given as in the case of an original meeting. When a meeting with a quorum is adjourned for less than thirty (30) days in any one adjournment, it shall not be necessary to give notice of the reconvening of the adjourned meeting other than by an announcement at the meeting at which the adjournment is effective.

Notice requirements set forth herein shall apply unless a different number is required by the Declaration or Articles of Incorporation for any specific action.

Section 7. Quorum. Unless a different percentage is required in the Articles of Incorporation, Declaration or a specific provision in these Bylaws, the presence in person or by proxy at the beginning of any meeting of Members constituting ten (10%) percent of the total votes entitled to be cast shall constitute a quorum. Unless otherwise expressly provided in the Declaration, Articles of Incorporation or a specific provision of these Bylaws, any action, consistent with the notice of such meeting, may be taken at any meeting of the Association at which a quorum is present upon the affirmative vote of the Members having a majority of the total votes present at such meeting.

If a quorum is not present at the opening of any meeting, the meeting may be adjourned from time to time by vote of a majority of the voting interests present, either in person or by proxy, and shall be reconvened at the date and time determined at the adjourned meeting, subject to the notice requirements set forth in Section 6 of this Article. Upon the reconvening of any meeting adjourned for lack of a quorum, the quorum required at such subsequent meeting shall be one-half (1/2) that required at the preceding meeting.

Quorum requirements set forth herein shall apply unless a different number is required by the Declarant for any specific action.

Section 8. Voting Members; proxies. There shall be one person with respect to each Lot who shall be entitled to vote the voting interest of that Lot at any meeting of the Association, herein referred to as the "Voting Member". A Lot Owner shall have the number of votes based on the number of Lots recorded as of February 25, 2010, should two (2) or more Lots be recombined into one (1) Lot. The Voting Member may be the Owner of a Lot, or an Owner designated by a majority of the several Owners of a Lot, or may be some other person designated by such Owner or Owners to act as proxy on his or their behalf and who need not be an Owner. Designation of the Voting Member or of a proxy shall be made in writing to the Secretary and shall be revocable at any time prior to the meeting by actual notice to the Secretary by the Owner or a majority of the Owners. Once a meeting has been commenced a Lot Owner may not revoke a proxy given except by written notice of revocation delivered to the person presiding over the meeting. A proxy is void if not dated and signed by the Owner or a majority of the owners of a Lot, and a proxy shall terminate at the time specified in the proxy or one year from that date, whichever is earlier.

Section 9. Voting rights; multiple Owners. If only one of the multiple Owners of a Lot is present at a meeting of the Association, he is entitled to cast the vote allocated to the Lot. If more than one of the multiple Owners are present, the votes allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the multiple Owners. Majority agreement is conclusively presumed if any one of the multiple Owners casts the votes allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot. If a Lot is owned by more than one person, each Owner of the Lot may vote or register protest to the casting of votes by the other Owners of the Lot through a duly executed proxy. Fractional voting is prohibited.

Section 10. Voting rights; cumulative voting. The vote cast by, or on behalf of, the Owner or Owners of a Lot shall be that voting interest specified in the Articles of Incorporation. In all elections for members of the Board of Directors, no voting member shall be entitled to vote on a cumulative voting basis for the director or directors to be elected, and the candidate or candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed elected.

Section 11. Waiver of notice. Any Lot Owner, at any time, may waive notice of any meeting of the Association in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Lot Owner at any meeting of the Association shall constitute a waiver of notice by him of the time and place thereof except where a Lot Owner attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called. If all of the voting members are present at any meeting of the Association, no notice shall be required, and any business may be transacted at any meeting.

Section 12. Informal action by Lot Owners. Any action which may be taken at a meeting of the Association may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the persons who would be entitled to vote upon such an action at a meeting and filed with the Secretary of the Association to be kept in the Association minute book.

ARTICLE V

BOARD OF DIRECTORS

Section 1. General powers. The business shall be managed and directed by the Board of Directors of the Association or by such executive committees as the Board may establish pursuant to these Bylaws. If any of the authority of the Board of Directors is vested in any committee, one Member of each such committee shall be a Board Member.

Section 2. Initial Board. There shall be an initial Board of three directors, appointed by the Declarant, who shall serve until their successors are appointed or elected and qualified as herein provided.

Section 3. Subsequent number and qualification. Until such time as the Class B Membership shall terminate, Declarant shall be the only Member to select, or elect the Board of Directors.

Notwithstanding the foregoing the Declarant may, at any time, voluntarily surrender its right as a Class B Member and to appoint members of the Board of Directors before the occurrence of those events of termination set forth in the Articles of Incorporation.

At such time as Declarant's Class B Membership rights to appoint the members of the Board of Directors expires or is surrendered, the terms of the directors appointed by Declarant shall thereupon immediately terminate and the vacancies thereby created shall be filled by the Members of the Association upon a meeting called for that purpose to serve until the next annual meeting of Members. At the end of such period where Declarant's Class B Membership rights have terminated or upon surrender of those rights and if all Lots have not been transferred by Declarant, the Declarant for all purposes shall be deemed a Lot Owner and shall be entitled to vote in such elections as any other Lot Owner. During the times when it has the right to designate Directors, the Declarant shall have the right in its sole discretion to replace any Director or Directors it appointed and to designate their successors.

Section 4. Election of directors. Except for the appointed directors provided for in Section 3 of this Article while Declarant is a Class B Member, and as otherwise provided in Section 5 of this Article, the directors shall be elected at the annual meeting of the Association; and those candidates who receive the highest number of votes shall be elected.

Section 5. Number, Term and Qualification. The initial number of directors of the Association shall be three (3). At the first annual meeting of the Association after which transition to homeowner control has taken place, the number of Directors may be increased to seven (7). At this first annual meeting after transition, the Members may elect two (2) directors to serve for a term of one (1) year, two (2) directors to serve for a term of two (2) years, and three (3) directors to serve for a term of three (3) years, should they elect to increase the number of directors to seven (7). If the Members elect to continue to maintain a board of three (3) Members, they shall elect a one (1), two (2) and three (3) year director. At subsequent annual meetings thereafter, the Members shall elect the number of directors needed to fill the vacancy or vacancies created by the director or directors whose term(s) expire to serve for a term of three (3) years. After the transition to homeowner control has taken place, directors shall be Members of the Association in good standing.

Section 6. Nomination. Nomination for election to the Board of Directors may be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting. The Nominating Committee may make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members.

Section 7. Removal. Any elected director may be removed from office, with or without cause, by the affirmative vote of sixty-seven percent (67%) of the voting interests of Lot Owners present and entitled to vote at a special meeting called for that purpose; provided that Class A Members shall have no vote in, or right to remove a director appointed by Declarant so long as the Class B Membership exists. If any directors are so removed, new directors may be elected at the same meeting.

Section 8. Vacancies. An elective vacancy occurring in the Board of Directors, including directorships not filled by the voting Members, may be filled by a majority of the remaining directors, though less than a quorum, or by the sole remaining director.

Section 9. Compensation. The Board of Directors shall receive reimbursement for expenses, but shall receive no compensation for their services unless expressly allowed by the Association upon the affirmative vote of its Members.

Section 10. Executive committees. The Board of Directors may, by resolution adopted by a majority of the number of directors fixed by these Bylaws, designate two (2) or more directors to constitute an executive committee, which committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the Property.

Section 11. Powers. The Board of Directors shall have the powers necessary for the administration of the affairs of the Association as specified by law, the Declaration or these Bylaws, and may do all such acts and things, except such acts as by law, by the Declaration, or by these Bylaws may not be delegated to the Board of Directors.

Section 12. Duties. It shall be the duty of the Board of Directors to:

- (a) Administer, operate, maintain and repair the Common Elements.
- (b) Enter upon any Lot and perform any repairs, maintenance or construction for which the Association is responsible at reasonable times and hours and with as little inconvenience to the Lot Owner as practicable. The Association shall repair any damages to the Lot caused by such repair, maintenance or construction, and all costs incurred in performing these duties shall be a Common Expense of the Property, unless the Board shall determine that the repairs, maintenance or construction was necessitated by the negligence, misuse, unlawful act, or act in violation of the Declaration, these Bylaws or the Rules and Regulations of the Association by the Lot Owner, its family members, guests, invitees, tenants or contract purchasers, in which event such costs may be assessed against the Lot Owner, as by the Declaration prescribed.
- (c) Determine the Common Expenses arising from the costs of administration, operation, care, upkeep, maintenance, repair and construction of the Common Elements, including, without limitation, reserves for repair, reconstruction or replacement.
- (d) Fix and assess in the manner provided by law and in the Declaration, the proportionate part of the Common Expenses of each Lot Owner within the Property.
- (e) Collect and enforce the collection of Assessments in the manner provided by law and in the Declaration, including, but not limited to legal proceedings for the enforcement of liens and provide written evidence of payment upon request therefor.
- (f) Employ, supervise and dismiss personnel, managers or independent contractors necessary to the maintenance and operation of the Common Elements.
- (g) Adopt, amend, publish and enforce reasonable Rules and Regulations that it deems advisable and necessary for the proper administration, operation, maintenance, conservation, and beautification of the Property and for the health, comfort, safety, and general welfare of the Owners and occupants of the Lots. Copies of the published Rules and Regulations and amendments thereto shall be given to all the Owners and occupants and the Association and Property shall be administered, operated and maintained in conformity with such Rules and Regulations.
- (h) Designate depositories for Association funds and the officers, agents and/or employees having the authority to deposit and withdraw such funds; and, in its discretion, to require such officers, agents or employees to be bonded in such amounts as it deems necessary.
- (i) Sign all mortgages, deeds of trust, agreements, contracts, vouchers for payment of expenditures, deeds and other instruments in such manner as from time to time shall be determined

by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the President and the Secretary.

(j) Procure and maintain adequate insurance of such nature and in such amounts as is provided in the Declaration, and such other insurance as the Board may deem necessary or appropriate, including, without limitation hazard insurance, liability insurance and officers and directors liability coverage.

(k) Appoint such committees as are provided for in these Bylaws and the Declaration or as otherwise deemed appropriate by the Board, including, but not limited to a Nominating Committee and an Architectural Committee.

(l) Exercise their powers in good faith and do and perform such other matters and things not expressly prohibited by law, the Declaration, or these Bylaws as are necessary and appropriate to the proper administration, operation and maintenance of the Association.

(m) Prepare an annual budget in which there shall be established the assessments of each Lot Owner for the Common Expenses.

(n) Pay all taxes, charges and assessments which are or may become liens against any part of the Common Elements owned in fee by the Association, and assess the same against the Members and their respective Lots.

(o) Enforce by legal means or proceedings the provisions of the Articles of Incorporation, the Bylaws, the Declaration and the Rules and Regulations promulgated hereunder.

(p) Establish fines and penalties for late payment of assessments and for violations of the Declaration, Bylaws and the Rules and Regulations and to provide for the suspension of voting rights of any Member, or its Lot occupants as well as the right to use any Common Elements during any period in which such Member shall be in default in the payment of any assessment levied by the Association and to suspend such voting rights and other privileges for a period not to exceed sixty (60) days after notice and hearing for other infractions.

(q) Impose reasonable charges for services especially provided to one or more Lot Owners which charges or costs should not otherwise be a Common Expense.

(r) Institute, defend or intervene on behalf of the Association in litigation or administrative procedures affecting the Property.

(s) Cause additional improvements to be made to the Common Elements.

(t) Grant easements, leases, licenses, and concessions through or over the Common Elements.

(u) Exercise all other duties to which similar organizations have the power to perform and as by law provided.

(v) Maintain, repair and replace Common Elements including private streets.

Section 13. Persons who may serve. Every elected Member of the Board shall be a Lot Owner unless the Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, in which event any officer, director, agent or employee of such corporation, partner of such partnership, beneficiary or trustee of such trust, or manager of such other legal entity,

shall be eligible to serve as a Member of the Board, but Members of the Board appointed by the Declarant need not be Owners.

Section 14. Liability of the Board. The Members of the Board of Directors shall not be liable to the Lot Owners for any mistake of judgment, negligence or otherwise except as Lot Owners or for their own individual willful misconduct or bad faith. The Association shall indemnify and hold harmless each of the Members of the Board against all contractual liability to others arising out of contracts made by the Board on behalf of the Association unless any such contracts shall have been made in bad faith or contrary to the provisions of the Declaration or these Bylaws. It is intended that the Members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association, except to the extent of their liability as Lot Owners. It is also intended that the liability of any Lot Owner arising out of any contracts made by the Board of Directors or out of the aforesaid indemnity in favor of the Members of the Board shall be limited to such proportions of the total liability thereunder as his voting interest in the Common Elements bears to the interest of all of the Lot Owners. Every agreement made by the Board or by the manager on behalf of the Association shall provide that the Members of the Board of Directors, or the manager, as the case may be, are acting only as agents for the Association, and shall have no personal liability thereunder (except as Lot Owners), and that each Lot Owner's liability thereunder shall be limited to such proportion to the total liability thereunder as its voting interest in the Association bears to the voting interest of all Lot Owners.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Organizational meeting. The initial Board of Directors shall meet prior to conveyance of the first Lot by the Declarant. No notice to the Directors shall be necessary in order to legally constitute such meeting, provided that a quorum shall be present.

Section 2. Regular meetings. A regular meeting of the Board shall be held immediately after and at the same place as the annual meeting or substitute annual meeting of the Association. The Board may provide by adoption of an appropriate resolution for the time and place within the County in which the Property is located, for other regular meetings of the Board.

Section 3. Special meetings. Special meetings of the Board may be called by or at the request of the President or by any two (2) Directors. Such meetings may be held at any place within the County in which the Property is located.

Section 4. Notice of meetings. Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board shall give actual notice, oral or written, to all Directors of the time, place and purpose of such meeting at least two (2) days prior thereto.

Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting except where a Director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called.

Section 5. Waiver of notice. Any Member of the Board of Directors may give written waiver of notice at any time of any meeting of the Board, and such waiver shall be deemed equivalent to the giving of such notice. If all of the Members of the Board are present at any meeting thereof, no notice shall be required and any business may be transacted at such meeting.

Section 6. Quorum. A majority of the number of Directors fixed by these Bylaws shall be required for and shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 7. Manner of acting. Except as otherwise provided in this section, the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

A vote of a majority of the number of Directors fixed by the Bylaws shall be required to adopt a resolution constituting an executive committee.

Section 8. Organization. Each meeting of the Board of Directors shall be presided over by the President and in the absence of the President, by the Vice President, and in the absence of the Vice President, by any person selected to preside by vote of the majority of the Directors present. The Secretary, or in his absence, an Assistant Secretary, or in the absence of both the Secretary and the Assistant Secretary, any person designated by the presiding officer of the meeting shall act as Secretary of the meeting.

Section 9. Informal action of Directors. Any action taken by a majority of the Directors without a meeting shall constitute Board action if written consent to the action in question is signed by all the Directors and filed with the minutes of the proceedings of the Board, whether done before or after the action is taken.

Section 10. Minutes. The Board, and all committees to which the Board shall have delegated any of its authority, shall keep minutes of all the proceedings of the Board and the committees.

Section 11. Fidelity bonds. The Board of Directors shall require any officer, employee or agent of the Association handling or responsible for Association funds to be covered by an adequate fidelity bond. The premiums on such bond shall constitute a Common Expense.

ARTICLE VII

OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President, a Secretary, a Treasurer and such Vice Presidents, Assistant Secretaries, Assistant Treasurers and other officers as the Board of Directors may from time to time elect. Any two (2) or more offices may be held by the same person, except that the office of President and Secretary may not be held by the same person.

Section 2. Election and term. A director designated by the Declarant shall serve as President so long as the Declarant designates the Board members. All other officers of the Association shall be elected by the Board of Directors, and such elections may be held at the regular annual meetings of the Board; provided, however, that prior to the first annual meeting, the Declarant shall appoint the officers from among the initial Board.

Each officer shall hold office for a period of one (1) year or until his death, resignation, retirement, removal, disqualification or his successor is elected and qualified.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board with or without cause, and any officer or agent appointed or

designated by the Declarant may be removed by the Declarant with or without cause. Such removal, however, shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Compensation. No officer shall receive any compensation, from the Association for acting as such, but the Board may reimburse any officer for any direct expenses incurred by him in the performance of his duties as such officer and such reimbursement shall be a Common Expense.

Section 5. President. The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall supervise and control the management of the Property. The President shall, when present, preside at all meetings of the Board and of the Association, and, in general, shall perform all duties incident to the office of the President and such other duties as may be prescribed from time to time by the Board. The President shall prepare, execute (with the Secretary), certify, and record amendments to the Declaration on behalf of the Association.

Section 6. Vice President. The Vice President, and if there be more than one (1), the Vice Presidents shall, in the absence or disability of the President, have the powers and perform the duties of said office. In addition, each Vice President shall perform such other duties and have such other powers as shall be prescribed by the President.

Section 7. Secretary. The Secretary shall keep accurate records of the acts and proceedings of all meetings of the Association and of the Board. The Secretary shall give, or cause to be given, all notices required by law and these Bylaws, and the Secretary shall have general charge of the minute books and records of both the Association and of the Board. The Secretary shall sign such instruments as may require his signature, and, in general, shall perform all duties incident to the office of Secretary and such other duties as may be assigned to him from time to time by the President or by the Board of Directors.

Section 8. Treasurer. The Treasurer shall have custody of all Association funds and securities and shall receive, deposit, or disburse the same under the direction of the Board of Directors. He shall keep full and accurate records of the finances of the Association in books specially provided for that purpose. He shall cause a true statement to be prepared as of the close of each fiscal year setting forth, in reasonable detail, the assets and liabilities of the Association, the changes in surplus for such fiscal year, and the result of the operations of the Association. The statement shall be filed and kept available for inspection by any Lot Owner for a period of three (3) years and the Treasurer shall hand-deliver, mail or send by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the Lot Owner, a copy of the latest statement to each Lot Owner and Member of the Board of Directors annually on or before thirty (30) days prior to the annual meeting of the Association covering the preceding calendar year. The Treasurer shall also prepare and file all reports and returns required by Federal, State or local laws, and shall generally perform all other duties as may be assigned to him from time to time by the President or the Board of Directors.

Section 9. Assistant Secretaries and Treasurers. The Assistant Secretaries and Assistant Treasurers, if any, shall, in the absence or disability of the Secretary or the Treasurer, respectively, have all the powers and perform all of the duties of those officers, and they shall, in general, perform such other duties as shall be assigned to them by the Secretary or Treasurer, respectively, or by the President or Board of Directors.

ARTICLE VIII

OPERATION OF THE PROPERTY

Section 1. Determination of assessments and fixing of assessments. The Board of Directors, from time to time, and at least annually, shall prepare a budget for the Common Elements, determine the amount of the "Common Expenses" (as defined in the Declaration) payable by the Lot Owners to meet the expenses of the Common Elements, and shall allocate and assess the Common Expenses as "Assessments" among the Lot Owners thereof as set forth in the Declaration. A part of the Common Expenses of the Common Elements shall include, among other things, and without limitation, the administrative expenses of the Association, and maintenance, repair and replacement costs of the Common Elements, utilities costs, Lot acquisition costs and the costs of all premiums for insurance obtained pursuant to the provisions of the Declaration. The budget of the Association in the discretion of the Board, and as necessary, may include, without limitation, amounts for: funding deficits for any prior year; repayment of any loan to the Association, a reserve for working capital; a reserve for maintenance and replacement; and a general operating reserve.

Section 2. Payment of Assessments. All Lot Owners shall be obligated to pay the Assessments assessed by the Board of Directors pursuant to the provisions of Article IV of the Declaration at such time or times as the Board shall determine.

No Lot Owner shall be liable for the payment of any part of the Assessments assessed against his Lot subsequent to a consummated sale, transfer or other conveyance by him (made in accordance with the provisions of the Declaration and applicable restrictions of record) of such Lot. A purchaser of a Lot shall be jointly and severally liable with the seller for the payment of the Assessments assessed against such Lot prior to the acquisition by the purchaser of such Lot, without prejudice to the purchaser's right to recover from the seller the amounts paid by the purchaser therefor. Provided, that a first-lien mortgagee or other purchaser of a Lot at a foreclosure sale of such Lot shall not be liable for, and such Lot shall not be subject to, a lien for the payment of Assessments assessed prior to such foreclosure sale, and such unpaid assessed Assessments shall be deemed to be Assessments collectible from all of the Lot Owners, including such purchaser, his successors and assigns.

Section 3. Collection of assessments. The Board of Directors shall assess Assessments against the Lot Owners from time to time as set forth in the Declaration and at least annually, and shall take prompt action to collect any Assessments due from any Lot Owner which remains unpaid for more than thirty (30) days from the due date of the payment thereof. In the event of an increase in such Assessments, the Board of Directors shall advise each Lot Owner by hand-delivery, mail or by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the Lot Owner, of such increased assessment at least one (1) month prior to the date of which the first increased payment is due.

Section 4. Default in payment of Assessments. In the event of default by any Lot Owner in paying to the Board of Directors the Assessments as determined by the Board, such Lot Owner shall be obligated to pay interest at the rate as set forth in the Declaration on such Assessments from the due date thereof, together with a late payment charge established by the Board for nonpayment and with all expenses, including reasonable attorneys' fees incurred by the Board in any proceeding brought to collect such unpaid Assessments. The Board shall have the right and duty to attempt to recover such Assessments, together with a late payment charge and the interest thereon and the expenses of the proceeding, including reasonable attorneys' fees in any action to recover the same brought against such Lot Owner, or by foreclosure of the lien on such Lot.

Default in payment of the Assessments assessed against any Lot shall occur thirty (30) days after the due date thereof, if not then paid.

Section 5. Foreclosure of liens for unpaid Assessments. In any action brought by the Board to foreclose on a Lot because of unpaid Assessments, the Lot Owner shall be required to pay a reasonable rental for the use of his Lot, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board, acting on behalf of all Lot Owners, or on behalf of any one or more individual Lot Owners, if so instructed, shall have the power to purchase such Lot at the foreclosure sale and to acquire, hold, lease, mortgage, convey, or otherwise deal with the same, subject, however, to applicable restrictions of record. A suit to recover money judgment for unpaid Assessments may be maintainable without foreclosing or waiving the lien securing the same.

Section 6. Statement of Assessments. The Board of Directors shall promptly provide any Lot Owner, its grantee or contract purchaser making written request therefor, a written statement of all unpaid Assessments due from such Lot Owner.

Section 7. Maintenance and repair. Maintenance and repair of the Lots and Common Elements shall be accomplished in the manner described in the Declaration and by the parties identified for that purpose in the Declaration.

Section 8. Use of Common Elements. The Common Elements shall be used only for the purposes for which they are intended in furnishing services and facilities for the use and enjoyment of the Lot Owners.

Until all of the Lots of the Declarant referred to in Article I, Section I, hereof have been sold, neither the Lot Owners nor the Board shall interfere with the sale of remaining Declarant owned Lots. Declarant may make such use of the unsold Lots and the Common Elements as may facilitate such completion and sale, including, but not limited to, the rental of the same, showing of the Lots and the display of signs and maintenance of a sales office.

Section 9. Rules of conduct. Rules and Regulations concerning the use of the Common Elements may be promulgated and amended by the Board. Copies of such Rules and Regulations shall be furnished by the Board to each Lot Owner, and all amendments and new Rules and Regulations shall be furnished to Lot Owners prior to the time that amendment or new rule or regulation becomes effective.

Section 10. Utility charges. All charges for utilities used in connection with the maintenance and use of the Common Elements shall be a Common Expense.

ARTICLE IX

RECORDS AND AUDITS

The Board of Directors or the manager shall keep detailed records of actions of the Board and the manager, minutes of the meetings of the Board of Directors, minutes of meetings of the Association, and financial records and books of accounts, including a chronological listing of receipts and expenditures, which, among other things, shall contain the amount of each assessment of the Assessments against each Lot, the date when due, and amounts paid thereon, and the balance remaining unpaid, and including maintenance and repair expenses of the Common Elements and any other expenses incurred. The financial record and books of account shall be available for examination by any Lot Owner or his duly authorized agent or attorney at convenient hours on working days by prior arrangement with the Board or the manager. An income and expense statement and balance sheet of the Association shall be made available to all Lot Owners on or before seventy five (75) days following the close of each fiscal year, covering the preceding year. All books and records shall be kept in accordance with good and accepted accounting practices.

ARTICLE X

OPERATION PRIOR TO INITIAL MEETING OF BOARD

Prior to the first meeting of the initial Board of Directors, all functions of the Association and of the Board of Directors as herein set forth shall be performed and carried out by the Declarant through its officers and agents.

ARTICLE XI

AMENDMENT OF BYLAWS

Section 1. Amendment by Owners. Except as provided in Section 2 below, these Bylaws may be amended by the affirmative vote of the voting Members having at least sixty-seven percent (67%) of the aggregate voting interests, cast in person or by proxy at a meeting duly held in accordance with the provisions of the Bylaws. Such amendment shall be executed in the name of the Association and recorded in the Office of the Register of Deeds of the county in which the Property is located. No such amendment shall be effective until duly recorded as aforesaid.

Section 2. Amendment by Declarant or the Board. The Declarant, for so long as it controls the Board and remains a Class B Member, may amend these Bylaws without the consent of the Owners:

(a) To conform to the requirements of any law or governmental agency having legal jurisdiction over the Property or to qualify the Property or any Lots therein for mortgage or improvement loans made or insured by a governmental agency, Federal National Mortgage Association or Government National Mortgage Association or to comply with the requirements of law or regulations of any corporation or agency regarding purchase of mortgage interests in Lots by such agency.

(b) To further completion and development of the project as by the Declaration or by law provided and to facilitate and exercise any rights reserved unto Declarant as provided on the Declaration or by law.

ARTICLE XII

CONFLICTS

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting President of the Hasentree Owners Association, Inc.;
and

THAT the foregoing Amended and Restated Bylaws of Hasentree Owners Association, Inc. constitute the Amended and Restated Bylaws of said Association, as duly adopted by the Declarant and members of the Association having 67% of the votes of the Association.

IN WITNESS WHEREOF, I have executed this Certification in the name of and on behalf of the Hasentree Owners Association, Inc. this _____ day of _____, 2011.

HASENTREE OWNERS ASSOCIATION, INC.

By: _____
Ryan Switzer, President

State of North Carolina

County of Wake

I, the undersigned Notary Public of the County or City of _____ and State aforesaid, certify that Ryan Switzer personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this _____ day of _____, 20____.

My Commission Expires: _____

Notary Public
Notary's Printed or Typed Name

(Affix Seal)

Section 2. Meetings. Annual meetings of the Golf Villa Neighborhood shall be held prior to the beginning of each fiscal year.

Section 3. Place of Meetings. Meetings of the Golf Villa Neighborhood shall be held in Wake County, North Carolina, at such place as may be designated by the Golf Villa Committee in the notice of such meetings.

Section 4. Special Meetings. Special meetings of the Golf Villa Neighborhood may be called at any time by: (a) the President- Golf Villas; (b) a majority of the Members of the Golf Villa Committee; or (c) by the President – Golf Villas upon the written request of the Owners of the Golf Villa Lots of not less than ten percent (10%) of the voting interests of Class A Member Owners of Golf Villa Lots as established by the Declaration. At the termination of the Declarant Control Period, a special meeting of the Golf Villa Neighborhood shall be held at which time the members of the Golf Villa Committee shall be elected by the Golf Villa Members, other than the Declarant, to serve terms as provided in Article XIV, Section 2(b) of these Bylaws.

Section 5. Notice of Meetings. The Secretary of the Golf Villa Committee shall notify each Golf Villa Owner of each annual or regularly scheduled meeting of the Golf Villa Neighborhood at least ten (10) but not more than sixty (60) days, prior to such meeting, stating the time, place and purpose thereof.

In the case of an annual meeting, substitute annual meeting, or special meeting, the notice of meeting shall state the time and place of the meeting as well as the items on the agenda to be considered, including, but not limited to, the general nature of any proposed amendment to the Declaration or Bylaws, any budget matters, or any proposal to remove an member of the Golf Villa Committee.

When a meeting is adjourned for thirty (30) days or more, notice of the reconvening of the adjourned meeting shall be given as in the case of an original meeting. When a meeting with a quorum is adjourned for less than thirty (30) days in any one adjournment, it shall not be necessary to give notice of the reconvening of the adjourned meeting other than by an announcement at the meeting at which the adjournment is effective.

Notice requirements set forth herein shall apply unless a different number is required by the Declaration or Articles of Incorporation for any specific action.

Section 6. Quorum and Adjournment of Meetings. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Golf Villa Owners representing ten percent (10%) or more of the votes of the Golf Villa Neighborhood shall constitute a quorum at all meetings of the Golf Villa Neighborhood. If a quorum is not present at the opening of any meeting, the meeting may be adjourned from time to time by vote of a majority of the voting interests present, either in person or by proxy, and shall be reconvened at the date and time determined at the adjourned meeting, subject to the notice requirements set forth in this Article. Upon the reconvening

of any meeting adjourned for lack of a quorum, the quorum required at such subsequent meeting shall be one-half (1/2) that required at the preceding meeting.

Quorum requirements set forth herein shall apply unless a different number is required by the Declarant for any specific action.

Section 7. Voting Members; proxies. There shall be one person with respect to each Golf Villa Lot who shall be entitled to vote the voting interest of that Golf Villa Lot at any meeting of the Golf Villa Neighborhood, herein referred to as the "Voting Member". A Golf Villa Lot Owner shall have the number of votes based on the number of Golf Villa Lots recorded as of February 25, 2010, should two (2) or more Lots be recombined into one (1) Lot. The Voting Member may be the Owner of a Golf Villa Lot, or an Owner designated by a majority of the several Owners of a Golf Villa Lot, or may be some other person designated by such Golf Villa Lot Owner or Golf Villa Lot Owners to act as proxy on his or their behalf and who need not be an Owner. Designation of the Voting Member or of a proxy shall be made in writing to the Secretary – Golf Villas and shall be revocable at any time prior to the meeting by actual notice to the Secretary – Golf Villas by the Golf Villa Owner or a majority of the Golf Villa Owners. Once a meeting has been commenced a Golf Villa Lot Owner may not revoke a proxy given except by written notice of revocation delivered to the person presiding over the meeting. A proxy is void if not dated and signed by the Golf Villa Lot Owner or a majority of the owners of a Golf Villa Lot, and a proxy shall terminate at the time specified in the proxy or one year from that date, whichever is earlier.

Section 8. Voting rights; multiple Golf Villa Lot Owners. If only one of the multiple Owners of a Golf Villa Lot is present at a meeting of the Association, he is entitled to cast the vote allocated to the Golf Villa Lot. If more than one of the multiple Golf Villa Lot Owners are present, the votes allocated to that Golf Villa Lot may be cast only in accordance with the agreement of a majority in interest of the multiple Golf Villa Lot Owners. Majority agreement is conclusively presumed if any one of the multiple Golf Villa Lot Owners casts the votes allocated to that Golf Villa Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Golf Villa Lot. If a Golf Villa Lot is owned by more than one person, each Owner of the Golf Villa Lot may vote or register protest to the casting of votes by the other Owners of the Golf Villa Lot through a duly executed proxy. Fractional voting is prohibited.

Section 9. Voting rights; cumulative voting. The vote cast by, or on behalf of, the Owner or Owners of a Golf Villa Lot shall be that voting interest specified in the Declaration or the Articles of Incorporation. In all elections for members of the Golf Villa Committee, no voting member shall be entitled to vote on a cumulative voting basis for the Golf Villa Committee member to be elected, and the candidate or candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed elected.

Section 10. Waiver of notice. Any Golf Villa Lot Owner, at any time, may waive notice of any meeting of the Golf Villa Neighborhood in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Golf Villa Lot Owner at any meeting of the

Golf Villa Neighborhood shall constitute a waiver of notice by him of the time and place thereof except where a Golf Villa Lot Owner attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called. If all of the voting members are present at any meeting of the Golf Villa Neighborhood, no notice shall be required, and any business may be transacted at any meeting.

Section 11. Informal action by Golf Villa Lot Owners. Any action which may be taken at a meeting of the Golf Villa Neighborhood may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the persons who would be entitled to vote upon such an action at a meeting and filed with the Secretary – Golf Villas to be kept in the Golf Villa Neighborhood minute book.

2. There is added a new Article XIV to the By Laws which provides as follows:

ARTICLE XIV

GOLF VILLA COMMITTEE

Section 1. Powers and Duties. The Golf Villa Committee shall have all of the powers and duties necessary for the administration of the affairs of the Golf Villa Neighborhood. The Golf Villa Committee may delegate to one (1) of its members the authority to act on behalf of the Golf Villa Committee on such matters, if any, which may arise between meetings of the Golf Villa Committee. In addition to the duties imposed by these Bylaws or by any resolution of the Golf Villa Neighborhood that may hereafter be adopted, the Golf Villa Committee shall on behalf of the Golf Villa Neighborhood:

- (a) Prepare and adopt an annual budget for the Golf Villa Neighborhood, in which there shall be expressed the assessments of each Golf Villa Lot for the Golf Villa Expenses.
- (b) Make assessments against Golf Villa Lots to defray the costs and expenses of the Golf Villa Neighborhood, establish the means and methods for collecting such assessments from the Owners of the Golf Villa Lots and establish the period of the installment payment of the annual assessment for Golf Villa Expenses.
- (c) Provide for the operation, care, upkeep, and maintenance of all of the property and duly authorized services of the Golf Villa Neighborhood.
- (d) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of landscaping within the Golf Villa Neighborhood and provide services for the Golf Villa Neighborhood as authorized by the Golf Villa Neighborhood and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed part of the Golf Villa Neighborhood.

(e) Collect the assessments for Golf Villa Expenses from the Owners of the Golf Villa Lots, deposit the proceeds thereof in bank depositories designated by the Golf Villa Committee and use the proceeds to carry out the administration of the Golf Villa Neighborhood.

(f) Adopt and amend rules with respect to the Golf Villa Neighborhood; Provided, however, that such Rules shall not be in conflict with the Declaration.

(g) Open bank accounts on behalf of the Golf Villa Neighborhood and designate the signatories thereon.

(h) Make, or contract for the maintenance and replacement of the landscaping on the Golf Villa Lots, and other services in accordance with the Declaration and these Bylaws (to the extent the Golf Villa Neighborhood is responsible for the maintenance, repair and replacement of specific components of the Golf Villa Neighborhood), after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(i) Enforce by legal means the provisions of the Declaration, these Bylaws and the rules with respect to the specific aspects of the Declaration applicable to the Golf Villa Neighborhood, act on behalf of the Owners of the Golf Villa Lots with respect to all matters arising out of any condemnation or eminent domain proceeding affecting the Golf Villa Neighborhood, and notify the Owners of the Golf Villa Lots of any litigation against the Golf Villa Neighborhood involving a claim in excess of ten percent (10%) of the amount of the annual budget.

(j) Pay the cost of all authorized services rendered to the Golf Villa Neighborhood and not billed to individual Owners of Golf Villa Lots.

(k) Keep books with detailed accounts in chronological order of the receipts and expenditures affecting the Golf Villa Neighborhood, and the administration of the Golf Villa Neighborhood, specifying the expenses of the Golf Villa Neighborhood. Such books and vouchers accrediting the entries therein shall be available for examination by the Owners of the Golf Villa Lots, their attorneys, accountants, Mortgagees and authorized agents during normal business hours on business days at the times and in the manner set and announced by the Golf Villa Committee for the general knowledge of the Golf Villa Neighborhood. All books and records shall be kept in a manner verifiable upon an audit. The books and records shall be subject to an independent audit upon the request of the Owners of the Golf Villa Lots to which at least 33 1/3% of the votes in the Golf Villa Neighborhood appertain. The cost of such audit shall be a Golf Villa Expense.

(l) Do such other things and acts not inconsistent with the Declaration, Articles and Bylaws which the Golf Villa Committee may be authorized to do by a resolution of Association. Notwithstanding the foregoing, the Golf Villa Neighborhood may agree, by a vote of seventy five percent (75%) of the aggregate votes allocated to the Golf Villa Owners, to allow the Association to perform the powers and duties of the Golf Villa Neighborhood and Golf Villa Committee.

Section 2. Number and Term of Office.

(a) Designated Members. During the Declarant Control Period, the Declarant shall be entitled to designate members of the Golf Villa Committee. The initial Golf Villa Committee shall consist of three (3) Persons, all of whom shall be designated by the Declarant. At the expiration of the term of office of all members of the Golf Villa Committee designated by the Declarant, all successor members of the Golf Villa Committee shall be elected to serve for a term of three (3) years.

(b) Elected Members. No later than the first annual meeting of the Golf Villa Neighborhood after the end of the Declarant Control Period, the Golf Villa Committee shall be composed of five (5) Persons. An elected member of the Golf Villa Committee shall serve for a term of three (3) years unless elected to fill a vacancy, in which case such member shall serve pursuant to the terms of these Bylaws. Except for resignation or removal, the members of the Golf Villa Committee shall hold office until their respective successors shall have been elected by the Golf Villa Neighborhood.

Section 3. Election of Golf Villa Committee.

(a) Elections Committee. At each annual meeting of the Golf Villa Neighborhood, the Golf Villa Committee may appoint an Elections Committee consisting of a member of the Golf Villa Committee whose term is not then expiring and at least three (3) other Owners of Golf Villa Lots. The Elections Committee, if established, shall develop election procedures and administer such procedures as are approved by the Golf Villa Committee providing for election of members of the Golf Villa Committee by ballot of the Owners of the Golf Villa Lots at annual meetings and, where appropriate, special meetings.

(b) Qualifications. No Person shall be eligible for election as a member of the Golf Villa Committee unless such Person is (alone or together with one (1) or more other persons) the Owner of a Golf Villa Lot or an agent (Officer, partner, etc.) or an employee of the Owner of a Golf Villa Lot, a Mortgagee (or a designee of a Mortgagee) or a designee of the Declarant, No Person shall be elected as a member of the Golf Villa Committee or continue to serve as a member of the Golf Villa Committee if the Owner of the Golf Villa Lot is more than sixty (60) days delinquent in meeting a financial obligation to the Golf Villa Neighborhood or if a lien has been filed against such Person's Golf Villa Lot.

Section 4. Removal or Resignation of Members of the Golf Villa Committee. Except with respect to members of the Golf Villa Committee designated by the Declarant, at any regular or special meeting of the Golf Villa Neighborhood duly called, any one (1) or more of the members of the Golf Villa Committee may be removed with or without cause by a majority vote of the Owners of the Golf Villa Lots and a successor may then and there be elected to fill the vacancy. Any member of the Golf Villa Committee whose removal has been proposed by the Owners of the Golf Villa Lots shall be given at least seven (7) days notice of the time, place and purpose of the meeting and shall be given an opportunity to be heard at the meeting. A member of the Golf Villa Committee may resign at any time and, except for a member of the Golf Villa Committee designated by the

Declarant, a member of the Golf Villa Committee who was a the Owner of a Golf Villa Lot at the time of election shall be deemed to have resigned upon disposition of such Owner's Golf Villa Lot, or if not in attendance at three (3) consecutive regular meetings of the Golf Villa Committee, unless the minutes reflect the Golf Villa Committee's consent to such absences.

Section 5. Vacancies. Vacancies on the Golf Villa Committee caused by any reason other than the removal of a member thereof by a vote of the Owners of the Golf Villa Lots shall be filled by a vote of a majority of the remaining members of the Golf Villa Committee at a special meeting of the Golf Villa Committee held for such purpose promptly after the occurrence of any such vacancy, even if the members present at such meeting may constitute less than a quorum because a quorum is impossible to obtain because of said vacancy. Members of the Golf Villa Committee elected by the Owners of the Golf Villa Lots or the Golf Villa Committee to fill a vacancy shall serve the remainder of the term of office of the member being replaced. During the Declarant Control Period, the Declarant shall designate the successor to any member of the Golf Villa Committee previously designated by the Declarant who resigns or is removed.

Section 6. Meetings of the Golf Villa Committee.

(a) **Regular Meetings.** Regular meetings of the Golf Villa Committee may be held on the Property at such time as shall be determined from time to time by a majority of the members thereof, but such meetings shall be held at least annually during each fiscal year.

(b) **Special Meetings.** Special meetings of the Golf Villa Committee may be called by the President - Golf Villa of the Golf Villa Neighborhood on three (3) days notice to each member of the Golf Villa Committee, which notice may be hand-delivered or mailed by US mail, postage prepaid or sent by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the Lot Owner, and which notice shall state the time, place and purpose of the meeting. Special meetings of the Golf Villa Committee shall be called by the President - Golf Villa or Secretary of the Golf Villa Committee in like manner and on like notice on the written request of at least three (3) members of the Golf Villa Committee.

(c) **Notice.** Notice of meetings of the Golf Villa Committee shall be given to each member thereof, and shall be either hand-delivered or mailed by US mail, postage prepaid or sent by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the Lot Owner, at least three (3) days prior to the day named for such meeting. No notice of the organizational meeting shall be necessary if such meeting is held immediately following the annual meeting.

(d) **Waiver of Notice.** Any member of the Golf Villa Committee may at any time, in writing, waive notice of any meeting of the Golf Villa Committee and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Golf Villa Committee, in person or by telephone communication, at any meeting of the Golf Villa Committee shall constitute a waiver of notice by such member of the time, place and purpose of such meeting. If all members are present at any meeting of the Golf Villa Committee,

Committee, no notice shall be required and any business may be transacted at such meeting.

(e) **Quorum of Members of the Golf Villa Committee.** At all meetings of the Golf Villa Committee a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting while a quorum is present shall constitute the decision of the Golf Villa Committee. If at any meeting of the Golf Villa Committee there shall be less than a quorum present, a majority of those present may adjourn or recess the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice. A member of the Golf Villa Committee who participates in a meeting by means of telephone communication shall be deemed present at the meeting for all purposes.

Section 7. Action Without Meeting. Any action by the Golf Villa Committee required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Golf Villa Committee shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Golf Villa Committee.

Section 8. Compensation. No member of the Golf Villa Committee shall receive any compensation from the Golf Villa Neighborhood for acting as such. Reimbursement of expenses incurred by members of the Golf Villa Committee on behalf of the Golf Villa Neighborhood shall be permissible.

Section 9. Golf Villa Committee as Agent. The Golf Villa Committee shall have the power to act as agent for the Owners of all of the Golf Villa Lots and for each of them, to manage, control and deal with the interests of such Owners of the Golf Villa Lots in the Golf Villa Neighborhood to permit the Golf Villa Committee to fulfill all of its powers, rights, functions and duties. The Golf Villa Committee shall also have the power to act as agent for each Owner of the Golf Villa Lots, each Mortgagee, other named insureds and their beneficiaries and any other holder of a lien or other interest in the Golf Villa Neighborhood to: (i) adjust and settle all claims arising under insurance policies purchased by the Golf Villa Executive Committee, (ii) execute and deliver releases upon the payment of claims and (iii) act on their behalf in any condemnation proceeding or action of eminent domain affecting the Golf Villa Neighborhood.

Section 10. Liability of the Golf Villa Committee. The members of the Golf Villa Committee shall not be liable to the Lot Owners for any mistake of judgment, negligence or otherwise except as Lot Owners or for their own individual willful misconduct or bad faith. The Association shall indemnify and hold harmless each of the Members of the Golf Villa Committee against all contractual liability to others arising out of contracts made by the Golf Villa Committee on behalf of the Association unless any such contracts shall have been made in bad faith or contrary to the provisions of the Declaration or these Bylaws. It is intended that the Members of the Golf Villa Committee shall have no personal liability with respect to any contract made by them on behalf of the Association, except to the extent of their liability as Lot Owners. It is also intended that the liability of any Lot Owner arising out of any contracts made by the Golf Villa Committee or out of the aforesaid indemnity in favor of the members of the Golf Villa Committee shall be limited to such

proportions of the total liability thereunder as his voting interest in the Common Elements bears to the interest of all of the Lot Owners. Every agreement made by the Golf Villa Committee or by the manager on behalf of the Association shall provide that the Members of the Golf Villa Committee, or the manager, as the case may be, are acting only as agents for the Association, and shall have no personal liability thereunder (except as Lot Owners), and that each Lot Owner's liability thereunder shall be limited to such proportion to the total liability thereunder as its voting interest in the Association bears to the voting interest of all Lot Owners.

3. There is added a new Article XIV to the By Laws which provides as follows:

ARTICLE XIV

OFFICERS OF THE GOLF VILLA COMMITTEE

Section 1. Designation and Duties. The principal officers of the Golf Villa Committee shall be the President - Golf Villa, the Secretary and the Treasurer, all of whom shall be elected by the Golf Villa Committee. Each Officer shall perform such duties as are normally associated with such office in parliamentary organizations, and shall perform such other duties as may be assigned to such office by resolution of the Association or the Golf Villa Committee. If any officer is unable for any reason to perform the duties of the office, the President - Golf Villa (or the Golf Villa Committee if the President - Golf Villa fails to do so) may appoint another qualified person to act in such officer's stead on an interim basis.

Section 2. Election of Officers. The officers of the Golf Villa Committee shall be elected annually at the organizational meeting of each new Golf Villa Committee and shall hold office at the pleasure of the Golf Villa Committee. Any officer may hold more than one (1) position; provided, however, that the offices of President - Golf Villa and Secretary shall be held by two (2) different individuals. Except for death, resignation or removal, the Officers shall hold office until their respective successors shall have been elected by the Golf Villa Committee.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of all members of the Golf Villa Committee any Officer may be removed, either with or without cause, and a successor may be elected at any regular meeting of the Golf Villa Committee or at any special meeting of the Golf Villa Committee called for such purpose.

Section 4. President - Golf Villa. The President - Golf Villa shall be the chief executive Officer of the Golf Villa Committee; preside at all meetings of the Golf Villa Neighborhood and of the Golf Villa Committee; have general and active direction of the business of the Golf Villa Neighborhood subject to the control of the Golf Villa Committee; see that all orders and resolutions of the Golf Villa Committee are carried into effect; and appoint committees from time to time as the President - Golf Villa may decide is appropriate to assist in the conduct of the affairs of the Golf Villa Neighborhood.

Section 5. Secretary. The Secretary shall keep the minutes of all meetings of the Golf Villa Neighborhood and of the Golf Villa Committee; have charge of such books and papers as the

Golf Villa Committee may direct; give or cause to be given all notices required to be given by the Golf Villa Neighborhood (such notices may be distributed by the management agent, if any); maintain a register setting forth the place to which all notices to Golf Villa Owners and Mortgagees hereunder shall be delivered; and, in general, perform all duties incident to the office of Secretary.

Section 6. Treasurer. The Treasurer shall be responsible for Golf Villa Neighborhood funds and securities; keep full and accurate financial records and books of account showing all receipts and disbursements; prepare all required financial data; deposit all monies and other valuable effects in the name of the Golf Villa Committee or the Golf Villa Neighborhood, in such depositories as may from time to time be designated by the Golf Villa Committee; and, in general, perform all the duties incident to the office of Treasurer.

Section 7. Compensation of Officers. No officer shall receive any compensation from the Golf Villa Neighborhood for acting as such Officer unless such compensation is approved by a majority of the Golf Villa Owners, in which event such compensation shall be reasonable and customary. Officers may be reimbursed for any expenses incurred in carrying out the functions of office if consented to by the Golf Villa Committee.

4. In the event of any conflict or inconsistency between the terms of this Amendment and the By Laws, the terms of this Amendment shall prevail, and the term "By Laws" shall hereafter mean the By Laws as modified by this Amendment. Except as herein modified, all terms and provisions of the By Laws are hereby ratified and confirmed and shall remain in full force and effect throughout the existence of the Association. The Declarant, for so long as it controls the Golf Villa Committee and remains a Class B Member, may amend Article XIII and Article XIV of the Bylaws without the consent of the Owners of the Golf Villa Lots. Other than as expressly provided herein, no amendment to any part of the By Laws added by this Amendment that specifically affect the Golf Villa Lots shall be effective unless first approved by 80% of the votes allocated to the Golf Villa Lots.

IN WITNESS WHEREOF, the Association has duly executed this Amendment on the day and year first above written.

[SIGNATURE LINES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this ____ day of _____, 2012.

TOLL NC III LP, a North Carolina limited liability company

By: TOLL NC GP CORP., its general partner

By: _____
Name: _____
Title: _____

State of _____

County of _____

I, the undersigned Notary Public of the County or City of _____ and State
aforesaid, certify that _____
_____ personally appeared before me this day and acknowledged the due execution of the
foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or
seal this _____ day of _____, 20____.

My Commission Expires: _____

Notary Public
Notary's Printed or Typed Name

(Affix Seal)



THE HASENTREE CLUB

RULES AND REGULATIONS

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THE HASENTREE CLUB

RULES AND REGULATIONS

These Rules and Regulations have been established to govern the use of the Club Facilities provided at The Hasentree Club and to promote the health, safety, welfare and enjoyment of all persons using the Club Facilities. It is the intent of management of The Hasentree Club to limit these Rules and Regulations to the minimum required for the enjoyment of the Club Facilities by all members, immediate family members and their guests. The obligations of enforcing these Rules and Regulations for the good of all users is placed primarily in the hands of a trained staff whose principal responsibility is to assure members of all the courtesies, comforts and services to which a member at The Hasentree Club is entitled. It is further the responsibility of the membership to be familiar with these Rules and Regulations and to abide by them at all times.

GENERAL CLUB RULES

1. The days and hours of operation of all Club Facilities and the services provided at The Hasentree Club will initially be established by Hasentree Country Club I LLC, (d/b/a The Hasentree Club) considering the season of the year and other circumstances. Use of the Club Facilities is only available during operating hours. Certain facilities will be closed from time to time for maintenance, repairs and other purposes deemed appropriate.
2. **MEMBERS, IMMEDIATE FAMILY MEMBERS AND THEIR GUESTS USE THE GOLF FACILITIES AND ALL OTHER CLUB FACILITIES AT THE HASENTREE CLUB AT THEIR OWN RISK.**
3. Members, immediate family members and their guests must abide by all rules established by the Club as they may be amended from time to time and members are responsible for ensuring that their immediate family members and guests comply with all rules of the Club.
4. No member or group of members acting in concert shall allow the same guest to frequently use the Club Facilities as a substitute for membership.
5. All state and local laws concerning the sale of alcoholic beverages will be strictly enforced. Alcoholic beverages will not be served or sold, or permitted to be consumed, at The Hasentree Club during hours prohibited by law. Alcoholic beverages will not be served or sold to any person not permitted to purchase or consume the same under the laws of the State of North Carolina, or any applicable federal, state or local ordinance or regulation. All alcoholic beverages consumed on the Club Facilities must be purchased at The Hasentree Club.
6. Proper attire, decorum and consideration of the comfort of others must be observed at all times.
7. Members, immediate family members and guests are not allowed in the golf cart and golf club storage areas, golf course maintenance area or other service or restricted areas of the Club Facilities.

8. Dogs and other pets, with the exception of guide dogs, are not permitted on the Club Facilities. Members are responsible for any damage caused by a dog or other pet owned by the member or under the member's control.
9. All food and beverage consumed on the Club Facilities must be purchased at The Hasentree Club. Outside catering is not permitted, unless otherwise permitted in writing by the General Manager. Employees are not permitted to deliver food or beverages of any kind to locations away from the immediate area where sold, unless permitted by the General Manager.
10. Members, immediate family members and their guests may not supervise, give direction to, reprimand, discipline or abuse any of the Club's employees, verbally or otherwise. Verbal or physical abuse or harassment of employees is not tolerated. All employees of the Club are under the supervision of the General Manager and no member, immediate family member or guest shall request any employee to perform personal tasks while on duty at the Club Facilities, send any employee off the Club Facilities for any reason or request the personal use of the Club's furnishings or equipment which are not ordinarily available for use by members. Any employee not rendering courteous and prompt service should be reported to the General Manager immediately. All such reports will be given prompt attention.
11. Self-parking is permitted only in areas clearly identified for parking. Parking must be confined to spaces designated in the paved parking lot. Parking on grass areas, at the front entrance, in the delivery area of the clubhouse, fire lanes or in any way which blocks the normal flow of traffic is not permitted. "No Parking" signs and reserved parking designations must be observed. Violators may be towed at the vehicle owner's expense.
12. Advertisements in any form, and solicitations of any kind, are prohibited on the Club Facilities and shall not be posted or circulated on the Club Facilities without the prior written approval of the General Manager.
14. There shall be no solicitation in the name of, or on behalf of, The Hasentree Club nor shall the name or logo of The Hasentree Club be used for any purpose, without the prior written approval of the General Manager.
15. Smoking is permitted only in designated areas of the Club Facilities, unless otherwise approved by the Club.
16. Loud or offensive language is not tolerated at any time.
17. No firearms or other weapons of any kind are permitted on the Club Facilities at any time.
18. To facilitate the proper management of the Club Facilities, all complaints, criticisms or suggestions relating to the operations of the Club Facilities must be in writing, signed and addressed to the General Manager.
19. The roster of members at The Hasentree Club is the property of the Club and will only be furnished to members in the sole discretion of the General Manager. Members shall not give the membership roster to anyone who is not a member at The Hasentree Club for any reason whatsoever. Unauthorized release of the membership roster by a member is a serious breach of Club policy. Violations will be reviewed by the Club and may result in the suspension or termination of membership or other appropriate disciplinary action.
20. Absolutely no fireworks are permitted anywhere on the Club Facilities unless part of a fireworks exhibit organized and conducted by the Club.

21. No performance by entertainers is permitted on the Club Facilities unless approved by the General Manager.
22. Use of all or any portion of the Club Facilities may be restricted or reserved by the Club from time to time and not available for use by members.
23. The Club reserves the right to modify the privileges of membership, including but not limited to, establishing rules governing access and sign-up privileges with respect to the golf and other facilities provided at The Hasentree Club.
24. The personnel of the Club have full authority to enforce these Rules and Regulations and all infractions will be reported to the General Manager.
25. Any defined terms used herein which are not specifically defined in these Rules and Regulations shall have the same meaning given to such terms in the Plan for the Offering of Memberships.
26. The Club reserves the right to amend these Rules and Regulations as it deems appropriate from time to time. All amendments to these Rules and Regulations shall be effective when posted on the bulletin board at the clubhouse or mailed to the members.

MONTHLY CLUB CHARGING PRIVILEGES AND BILLING PROCEDURE FOR MEMBERS

1. The opportunity to charge to a member's or designee's personal Club account is extended as a privilege of membership at The Hasentree Club and is subject to continuing review and approval by the Club. The Club reserves the right to eliminate the use of Club accounts and monthly billings for members and to require that all dues, fees and other charges incurred at the Club be charged to a member's personal credit card or bank account.
2. Members are granted charging privileges upon approval by the Club. Monthly statements reflecting all usage activity incurred by the Member for the previous month and including all Club Fees for the upcoming month and or year and all payments received by the Club from the Member will be closed on the last day of each month and will typically be sent to the Members within five days either by postal service and/or electronically. All statements are due and payable upon receipt and in no event later than the 20th day of the month in which the statement was sent. Members may pay the statement in full by check mailed to the Club or pre-arranged preauthorized ACH (Automated Clearing House) electronic funds transfer provided by the Club and available by contacting the Club Controller. In each Member's application, the Member is required to designate and maintain (2) two active credit cards (Visa or MasterCard only) with an active expiration date at all times during the period of membership. Members whose monthly statements are not paid in full by the 20th day of the month in which it was billed, authorize the Club to charge the full balance due to the credit card on file and agree to pay an Alternative Payment Method Convenience Fee as set by the Club and subject to change by the Club. A late charge and/or Finance Charge will be added to all outstanding balances in accordance with the Rules and Regulations if the statement is not paid in full by the last day of the month. Member privileges are suspended if outstanding balances are not paid in full by the last day of each month and will remain suspended until payment in full has been received by the Club.

3. The Club shall also be entitled to collect from the member any and all costs and expenses incurred by the Club in attempting to collect any amount(s) owed to the Club, including without limitation attorneys' fees, collection fees and court costs, regardless of whether legal action is filed.
4. The Club must be notified in writing immediately if a membership card is lost. The member shall be responsible for all charges placed on the club account until receipt of written notice of card loss is received by the Club. For each membership card replaced, a card replacement fee will be automatically billed to the member's club account.
5. All charges must be signed legibly by the person making the charge and the member's last name and club account number must be printed on the charge ticket.
6. Members are responsible for the payment of all charges incurred by their immediate family members and guests.
7. It is the responsibility of each user to retain receipts for charges incurred at The Hasentree Club. Copies of the monthly charges will not be included in the monthly statement. Receipts will only be mailed upon request if a charge is disputed.

DISCIPLINARY ACTION

1. Membership privileges and/or use privileges of any member, immediate family member or guest may be suspended or terminated by the Club or such other disciplinary action may be taken which is deemed appropriate by the Club, including, but not limited to, the imposition of a fine, if, in the sole judgment of the Club, the member, immediate family member or guest:
 - a. submits false information on the Application for Membership Privileges, which if had been truthfully disclosed, would have rendered the applicant ineligible for membership privileges;
 - b. permits the unauthorized use of a member's membership card or club account;
 - c. exhibits unsatisfactory behavior, deportment or appearance or acts in any other manner determined to not be in the best interest of The Hasentree Club or its members or staff;
 - d. fails to pay the membership deposit, initiation fee, Club Fees or any other amount owed to the Club in a proper and timely manner or habitually fails to pay the Club Fees or any other amount owed to the Club in a timely manner;
 - e. fails to abide by these Rules and Regulations established for use of the Club Facilities, as may be amended from time to time;
 - f. treats the personnel or employees of the Club in an unreasonable or abusive manner;
 - g. fails to accompany a guest when required by the Club;
 - h. is convicted of a felony or any other crime involving moral turpitude; or
 - i. engages in conduct that is improper or likely to endanger the welfare, safety, harmony or reputation of The Hasentree Club or its members or staff.

2. The member, immediate family member or guest shall be notified of any proposed disciplinary action and shall be given an opportunity to be heard by the Club (either telephonically, in writing or in person) to show cause why the individual should not be disciplined in accordance with these rules. If the individual desires to be heard, they must provide a written request for a hearing to the Board within seven days after receipt of the Club's notice to the individual of the proposed action. Upon receipt of the written request for a hearing, the Club shall set a time and date for a hearing. The hearing may be conducted in person or telephonically, as determined by the Board in its sole discretion. THE DETERMINATION OF THE HEARING SHALL BE FINAL AND CONCLUSIVE.
3. Depending on the severity of the violation in the discretion of the Board, membership privileges of the offending individual may be suspended by the Club pending a final resolution. Notwithstanding the requirement for notice and a hearing, the Club may immediately suspend the privileges of any member, immediate family member or guest, for non-payment of the initiation fee, Club Fees or any other amount owed to the Club or if the Club determines, in its sole discretion, that such person's conduct, if repeated, would pose a threat to the health, welfare, safety, harmony or reputation of the Club or its members or staff or that the time period involved in complying with the hearing procedures would render the hearing procedure ineffective to address or prevent a recurrence of such person's conduct within such time period. Following any such immediate suspension, the Club will then proceed with the hearing procedures described above.
4. The Club may at any time restrict, suspend or terminate, for cause or causes described in this section, the privilege of any member, immediate family member or guest to use any or all of the Club Facilities provided at The Hasentree Club. A member may also be subject to discipline for the actions of his/her immediate family members and guests. No such member shall on account of any such restriction or suspension be entitled to a refund of any initiation fee, Club Fees or any other amounts previously paid to the Club. During the restriction or suspension, Club Fees shall continue to accrue and shall be paid in full prior to reinstatement as a member in good standing.
5. In the event a membership is terminated, then such terminated member shall lose all privileges to use the Club Facilities. Any member who has had membership privileges terminated for any reason other than the failure to meet eligibility requirements for membership shall, for a period of one year from termination, be eligible for membership privileges at The Hasentree Club or permitted to use the Club Facilities as a guest or in any other manner. Residents of Hasentree are required to continue to pay Club dues even after termination.

LOSS OR DESTRUCTION OF PROPERTY OR INSTANCES OF PERSONAL INJURY

1. Each member as a condition of membership, and each immediate family member and guest as a condition of invitation to use the Club Facilities, assumes sole responsibility for his/her property. The Club is not responsible for any loss or damage to any private property used or stored at the Club Facilities.
2. Any personal property that has been left in or on the Club Facilities and remains unclaimed for six months or more may be sold by the Club, with or without notice, at a public or private sale, or may be otherwise disposed of in any manner deemed appropriate by the Club, and the proceeds, if any, shall belong to the Club.

3. Property or furniture belonging to the Club shall not be removed from the room in which it is placed or from the Club Facilities, without prior approval of the General Manager. Each member at The Hasentree Club is responsible for any property damage and/or personal injury occurring at the Club Facilities, or at any activity or function operated, organized, arranged or sponsored by the Club, caused by the member and his/her immediate family members and guests. The cost of repairing or replacing any such equipment, furnishings or property of the Club shall be charged to the member's club account.
4. The Club shall not be responsible or liable for any personal injuries and/or property damages occurring at the Club Facilities, including but not limited to, those resulting from the actions of others.

MEMBERS, IMMEDIATE FAMILY MEMBERS AND GUESTS USE THE CLUB FACILITIES AND ALL OTHER FACILITIES PROVIDED AT THE HASENTREE CLUB AT THEIR OWN RISK. The game of golf can be a dangerous activity and injuries may result from using the golf facilities and riding in a golf cart, from using the other facilities provided at the Club, from adverse weather conditions, including lightning and from participating in events and other activities held by the Club from time to time either on or off the Club Facilities.

MEMBERS ACKNOWLEDGE THAT USE OF THE CLUB FACILITIES INVOLVES CERTAIN RISKS, INCLUDING, WITHOUT LIMITATION, THE RISK OF OPERATING OR RIDING IN A GOLF CART, BEING STRUCK BY GOLF BALLS AND GOLF CLUBS AND OTHER OBJECTS UTILIZED OR LOCATED AT A GOLF AND COUNTRY CLUB FACILITY, ADVERSE WEATHER CONDITIONS INCLUDING LIGHTNING, FROM PARTICIPATING IN EVENTS AND OTHER ACTIVITIES HELD BY THE CLUB FROM TIME TO TIME EITHER ON OR OFF THE CLUB FACILITIES AND OTHER ACTIVITIES INCIDENTAL TO USE OF THE CLUB FACILITIES. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH MEMBER HEREBY ASSUMES ALL SUCH RISKS FOR THE MEMBER AND HIS/HER IMMEDIATE FAMILY MEMBERS AND GUESTS AND HEREBY FURTHER WAIVE AND RELEASE FOR SUCH MEMBER AND HIS/HER IMMEDIATE FAMILY MEMBERS AND GUESTS, ANY CLAIMS OR CAUSES OF ACTION WHICH HE, SHE OR THEY MAY HAVE AGAINST THE CLUB, TOLL BROTHERS, HASENTREE COUNTRY CLUB I LLC AND ANY MANAGEMENT FIRM RETAINED TO OPERATE THE CLUB FACILITIES ON A DAY-TO-DAY BASIS OR THEIR DIRECTORS, OFFICERS, SHAREHOLDERS, PARTNERS, MANAGERS, MEMBERS, EMPLOYEES, AFFILIATES, REPRESENTATIVES, AGENTS, HEIRS, SUCCESSORS AND ASSIGNS AND THE FAMILY MEMBERS OF EACH OF THEM, ARISING OUT OF PERSONAL INJURIES AND/OR PROPERTY DAMAGES WHICH HE, SHE OR THEY MAY SUSTAIN AS A RESULT OF USING THE CLUB FACILITIES OR PARTICIPATING IN ANY EVENT OR ACTIVITY HELD BY THE CLUB FROM TIME TO TIME EITHER ON OR OFF THE CLUB FACILITIES, SUCH WAIVER SPECIFICALLY INCLUDES, WITHOUT LIMITATION, ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR IN CONNECTION WITH ANY ACT OR OMISSION, WHETHER DUE TO NEGLIGENCE OR OTHERWISE, OF THE CLUB, TOLL BROTHERS, HASENTREE COUNTRY CLUB I LLC OR ANY MANAGEMENT FIRM RETAINED TO OPERATE THE CLUB FACILITIES ON A DAY-TO-DAY BASIS OR THEIR DIRECTORS, OFFICERS, SHAREHOLDERS, PARTNERS, MANAGERS, MEMBERS, EMPLOYEES, AFFILIATES, REPRESENTATIVES, AGENTS, HEIRS, SUCCESSORS AND ASSIGNS AND THE FAMILY MEMBERS OF EACH OF THEM.

5. Should any member, immediate family member or guest file a legal action against Toll Brothers, Hasentree Country Club I LLC or any management firm retained to operate the Club Facilities on a day-to-day basis for any claim, the member shall be liable to Toll Brothers, Hasentree Country Club I LLC and any management firm for all costs and expenses incurred by them in the defense of such legal action, including without limitation reasonable attorneys' fees, court costs, and fees (including fees required in connection with appellate proceedings).

RESERVATIONS AND CANCELLATIONS

1. The Club will determine the hours of operation and the level of service provided at the dining facilities from time to time. The Club may require reservations for dinner and special events. Reservations will be taken on a first-come, first-served basis by pre-registering with the appropriate personnel at The Hasentree Club. Reservations for dining will be held for only fifteen minutes after the reserved time.
2. Reservations and a minimum of twenty-four hours notice are requested to accommodate groups of ten or more or groups seeking special accommodations.
3. Members are required to make reservations in advance for all special events and Club sponsored parties. A full charge will be levied against those members who fail to cancel their reservations during the cancellation period. The Club will establish the cancellation policy from time to time.
4. Dining room activities for groups will be permitted only with the permission of the General Manager.
5. Tables in the dining facilities will be assigned on a first-come, first-served basis. Reservations for particular tables may not be able to be accommodated.
6. Reservations for private parties must be made at least three weeks in advance, unless waived by the Club. A non-refundable deposit may be required and cancellations must be made at least one week in advance. If cancellation is not timely, the member will be charged for each person reserved.

SERVICE CHARGE AND HOLIDAY FUND

1. A service charge percentage, as determined from time to time by the Club, will be added to all food and beverage sales.
2. The Club may provide the members with an opportunity to contribute to a Holiday Fund for employees. The Club employs many people and this Holiday Fund provides the membership with an opportunity to show their appreciation. Management of the Club Facilities shall be responsible for the distribution of these funds. All funds contributed to the Holiday Fund shall be distributed to the employees.

CHILDREN

1. The Club may post policies at the entrance to a particular facility prohibiting use of such facility by persons under a specified age, or restricting use of such facility by children under a specified age unless accompanied and supervised by an adult. These policies must be observed at all times.
2. Any person who brings a child to the Club Facilities is responsible for such child's conduct and safety while on the Club Facilities. Parents are responsible for and must control their children with due regard to the wishes and comfort of other members.
3. Children under twelve years of age are not permitted on the Club Facilities unless accompanied by an adult or enrolled in a Club sponsored event.

4. Children under the lawful drinking age are not permitted in any bar or lounge unless otherwise permitted by the Club.
5. Children under sixteen years of age are not permitted in the men's and women's locker rooms, unless accompanied by a parent.

CLUBHOUSE ATTIRE

1. Specific dress requirements pertaining to the clubhouse will be established prior to completion of the clubhouse.
2. The Club shall establish the dress requirements depending on the time of day and the particular area being used.
3. Members shall dress in a fashion befitting the surroundings and atmosphere of The Hasentree Club and in a manner consistent with the specific dress policies and rules established by the Club for particular areas and activities. Members are responsible for advising their guests of the dress requirements.
4. For evening dining, appropriate dress will be announced in the monthly calendar.
5. The dress standards of the Club may be changed or waived by management from time to time for special activities and functions.
6. Golf shoes must be confined to designated areas when worn inside the clubhouse. Metal spikes are not permitted.

MAILING ADDRESSES

1. Each member is responsible for filing with the Membership Office his/her current mailing address and any changes thereto, to which monthly statements, notices, bulletins and other correspondence are to be mailed. Members shall be deemed to have received written communication from the Club as of the date delivered, if personally delivered or, if mailed, on the third business day following the date of deposit with the United States Postal Service, first class postage prepaid addressed to the Club Member at the address on file with the Membership Office. In the absence of an address filing with the Membership Office, any Club mailing may, with the same effect as described above, be addressed as the General Manager determines is most likely to cause its prompt delivery.
2. The Club must be notified in writing of any change of address. Failure to do so shall constitute a waiver of the right to receive Club notices, bulletins and other communications and is a violation of these Rules and Regulations.

CLUB SERVICES AND ACTIVITIES

1. The Club provides a variety of social, cultural and recreational events in which members are encouraged to participate.

2. The Club desires to encourage the use of the Club Facilities by members and other persons permitted by the Club for private parties, on any day or evening, provided it does not materially interfere with the normal operation of The Hasentree Club, or with the services regularly available to the members.
3. Private parties are not permitted on the Club Facilities unless prior approval is obtained from the General Manager. The person sponsoring the private party shall be fully responsible for the conduct of the guests, for any damage caused by the guests and the installation of party decor and shall be responsible for the removal of all such party decor following the event. The person sponsoring the party shall be responsible for the payment of any charges not paid by individuals attending the party or other function.
4. Special event functions will be scheduled from time to time at the discretion of the Club.

LOCKER ROOMS

1. ***Complete Locker Room regulations will be established prior to clubhouse completion.***
2. The Club is not responsible for any articles placed in the lockers or left in the locker rooms.
3. All clothing must be kept in lockers. Clothing left out will be collected and put in a storage room and if not reclaimed within six months will be disposed of by the Club.
4. Anyone responsible for undue carelessness in keeping the locker rooms clean and orderly will be subject to disciplinary action or fine by the Club.

GUEST PRIVILEGES

Guest of members and designees may be extended guest use privileges subject to payment of applicable guest fees and charges and compliance with the rules and regulations established by the Club. Guest privileges may be limited, denied, withdrawn or revoked at any time by the Club. Although it is the intention of the Club to accommodate guests without inconvenience to the members, the Club may limit the number of guests that accompany a member or designee on any given day or other time period. All guests shall be either houseguests or day guests. A "houseguest" is defined as a guest temporarily residing in a member's or designee's residence in the residential community known as "Hasentree" and any other eligible communities designated by the Club from time to time. All other guests of a member and designee shall be considered "day guests".

Day Guests

1. Day Guests may not use the golf and tennis facilities more than six times during any membership year, excluding the participation in Club tournaments and other Club-sponsored events.
2. Sponsoring members and designees must register their guests with the Membership Office. Day guests must be accompanied by the member or designee at all times when using any facility of the Club (unless other arrangements are approved in advance by the General Manager), and will be charged guest fees for use of the facilities as determined from time to time by the Club.

3. Day guests will be allowed to use the facilities only in accordance with the privileges of the membership of the sponsoring member or designee upon payment of use fees.
4. Day guests must have their guest card with them at all times while using the Club Facilities.
5. Day guest privileges may be limited by the Club, from time to time, in the sole discretion of the Club.
6. Fees and charges for any services may be paid directly by the guest or may be charged to the sponsoring member's or designee's Club account. Sponsoring members and designees shall be responsible for all unpaid fees and charges incurred by their guests.
7. Sponsoring members and designees are responsible for the conduct of their guests while on the Club Facilities. If the manner, deportment or appearance of any guest is deemed to be unsatisfactory, the sponsoring member or designee shall, at the request of the Club, cause such guest to leave the Club Facilities.

Houseguests

1. Houseguests must be registered by the sponsoring member with the Membership Office. Application forms requesting houseguest privileges may be obtained from the Membership Office. Houseguest privileges will be extended to guests of a member or designee while that guest is residing in the member's or designee's residence in Hasentree and such other eligible communities as may be designated by the Club from time to time. To provide use privileges for a houseguest, the sponsoring member or designee must initiate the application for houseguest privileges at least two business days prior to the arrival date of the houseguest.
2. Guest cards for houseguests will be issued for the length of stay, up to a maximum of two weeks. Houseguests may be charged a temporary houseguest membership fee for each one-week period. At the expiration of the card, renewals of houseguest privileges will be granted at the discretion of the Club.
3. Houseguests will be allowed to use the Club Facilities only in accordance with the privileges of the membership of the sponsoring member or designee upon payment of use fees.
4. Houseguests are permitted to use the Club Facilities without being accompanied by the member or designee in accordance with the rules and regulations established by the Club from time to time.
5. The sponsoring member or designee does not have to give up membership privileges for the period of time the houseguest is in residence.
6. The houseguest, upon approval of the Club, will be issued temporary charge privileges. Houseguests will have the opportunity to pay his or her charges at the Club at the end of their stay. The sponsoring member or designee is responsible for all unpaid charges made by his or her houseguests which are unpaid after the customary billing and collection procedure of the Club for houseguests.
7. The Club must be notified of a cancellation at least two days prior to the arrival date of the houseguest. Failure to advise the Club of a cancellation may result in the member's or designee's Club account being charged the full houseguest fee.
8. Houseguests must have their guest card with them at all times while using the Club Facilities.

9. Houseguest privileges may be limited by the Club, from time to time, in the sole discretion of the Club. Notice of such limitation will be given by the Club.
10. The sponsoring member and designee shall be responsible for the conduct of a houseguest while on the Club Facilities. If the manner, deportment or appearance of any houseguest is deemed to be unsatisfactory, the sponsoring member or designee shall, at the request of the Club, cause such houseguest to leave the Club Facilities.

GOLF RULES

General Golf Rules

1. The Rules of Golf of the United States Golf Association ("U.S.G.A.") together with the Rules of Etiquette as adopted by the U.S.G.A. shall be the rules of The Hasentree Club, except when modified by local rules.
2. The hours of play shall be posted in the Golf Shop. The golf course will be closed from time to time for general maintenance on such days and during such times as may be determined by the Club.
3. The Club may from time to time sponsor golf activities and tournaments for members, immediate family members and guests, corporate and other group outings, fund-raising events and charitable events. During these activities use of the golf course and golf practice facilities by members and immediate family members will be restricted or possibly prohibited.
4. All players, especially children and beginning golfers, are expected to learn and observe the fundamentals of golf etiquette, the proper on-course repair of ball marks on greens, raking of sand bunkers and filling of divots.
5. "Cutting-in" is not permitted at any time. All play shall start at #1 tee unless otherwise directed by Golf Shop personnel.
6. Under no circumstances are players permitted to start play from residences and all players must check in and register in the Golf Shop before beginning play.
7. Practice is not allowed on the golf course. The golf practice facilities must be used for all practice.
8. Speed of play will be strictly enforced. Slow play is not tolerated. In the interest of all, players should play without delay. No player should play until the players in front are safely out of range.
9. Foursomes are expected to complete an eighteen-hole round of golf in not more than four hours and 20 minutes. If a foursome or other group of players is unable to maintain adequate speed of play and fails to keep their place on the course, they must allow the following group to play through. Player assistants have the authority to stop a slow playing group to allow the following group(s) to play through or to require the slow playing group to pick up their balls and move forward to catch up with the group ahead.
10. Continued slow play by players will be noted and the golf staff will attempt to improve such player's skills to enable them to complete play within the required pace of play. If such efforts do not result in the required completion time, the Club may limit the play of such players to times other than primary playing times.

11. All players who stop for any reason after playing nine holes must occupy the next tee before the following players arrive at the tee or they will lose their position on the golf course and must get permission from the starter to resume play.
12. Players are requested to pick up tees after driving. Players should be careful in discarding broken tees since the tees damage the mowers and puncture golf cart tires.
13. While playing on the course, each player must use a separate set of golf clubs; the sharing of golf clubs is not permitted.
14. All tournament play must be approved in advance by the Golf Professional.
15. Appropriate golf attire is required for all players on the golf course and golf practice facilities. Members are expected to ensure that immediate family members and guests adhere to such rules. Members should remind their guests of the dress policy prior to arrival at the Club to avoid embarrassment for the member and guest. This dress code is mandatory for all players. Improperly dressed golfers will be asked to change before playing. If you are in doubt concerning your attire, please check with the Golf Shop before starting play. Denim is not permitted.

	<u>Acceptable</u>	<u>Not Acceptable</u>
Gentlemen:	Shirts with collars, golf shirts, slacks and golf shorts are considered appropriate attire. Mock neck shirts are acceptable.	Tank tops, tee shirts, fishnet tops, cut-offs, jams, sweat pants, jeans, cargo pants, swimming attire, gym shorts, tennis shorts or other athletic shorts are not permitted.
Ladies:	Dresses, skirts, skorts, slacks and golf shorts and golf shirts are considered appropriate attire.	Halter tops, tank tops, tee shirts, fishnet tops, cut- offs, sweat pants, swimming attire, short shorts, jeans, cargo pants, tennis skirts or tennis shorts are not permitted.
Shoes:	Spikeless golf shoes are recommended on the golf facilities.	Metal spikes are not permitted. Shoes other than spikeless golf shoes must be approved by the Golf Shop.

Please note that all shorts (including both Gentlemen and Ladies' shorts) shall not be shorter than 4 inches above the knee. Shorts in excess of 4 inches above the knee are not acceptable.

WARNING: Softspikes and other spikeless shoes are made from material that can cause slipping and falling under certain circumstances. To reduce the risk of injury, exercise caution when walking on wood, steep slopes, dead grass and on hard surfaces such as ice, rocks, concrete, tile and hardwood floors. Worn cleats should be replaced promptly.

16. The golf course may not be used for any purpose except golf. Any non-golf activities such as picnicking, biking, kite flying, soccer, football, recreational walking, jogging, walking of pets, skateboarding, roller skating and similar activities are not permitted on the cart paths or golf course unless approved in advance by the General Manager. Fishing in golf course lakes and ponds is not permitted.

17. Children under the age of sixteen must be accompanied by an adult while playing golf, unless playing in a Club-sponsored tournament. Children aged twelve to sixteen may be allowed use of the golf facilities without being accompanied by an adult after successfully completing a Junior Development Course administered by the Golf Professional. Golfers between sixteen and twenty-three years of age may be required to complete the Junior Development Course if they, in the view of the Golf Professional, do not possess the adequate knowledge of golf and its rules of etiquette.
18. **ALL GOLFERS USE THE GOLF FACILITIES AT THEIR OWN RISK.** If lightning is in the area, all golf play shall cease and players should seek appropriate shelter immediately.
19. Management may close the golf course to play at any time, in its sole discretion.
20. No beverage coolers are permitted on the golf course unless supplied by the Club.
21. "Discontinued Play" policy for inclement weather is as follows: (i) less than three holes played -- full eighteen-hole credit; (ii) less than thirteen holes played -- nine-hole credit. It is the sole responsibility of the player to apply for a credit from the Golf Shop on the day play is discontinued.
22. No person shall remove golf balls from water hazards without prior authorization from the Golf Professional, except that players may, during the course of play, retrieve or play a golf ball that is in play by the player.
23. Foursomes control the speed of play. Singles, twosomes and threesomes should not expect to play through foursomes and should not exert any pressure on the groups ahead. Foursomes shall have the right of way.
24. Twosomes may play at the discretion of the Golf Shop personnel. Twosomes and singles will be grouped with other players, if available, with starting times to be determined by Golf Shop personnel. Singles may not reserve starting times.
25. Fivesomes may be permitted on the golf course only under those limited circumstances as may be permitted by the General Manager or Golf Professional. All players must take a golf cart and must adhere to the Pace of Play Policy
26. "Course closed" or "hole closed" signs are to be adhered to without exception.
27. Lessons by unauthorized professionals on the golf facilities are not permitted.
28. The use of privately-owned golf carts is not permitted by the Club.
29. The Club will have outings on the golf course from time to time.
30. The Club will establish a walking policy from time to time. All players must use a golf cart or carry their own bag. The Club reserves the right to restrict or prohibit the carrying of golf bags and may require the use of golf carts during certain times. Pull carts are permitted only if approved by the Club, and subject to rules and regulations, as may be amended from time to time.

Hours Of Play

1. The hours of play and Golf Shop hours will be posted in the Golf Shop.
2. The Golf Course Superintendent is authorized to determine when the golf course is suitable for play. The decision of the Golf Course Superintendent shall be final. In the absence of the Golf Course Superintendent, the Golf Professional on duty shall make this decision.

Golf Starting Times

1. All players must have a starting time reserved through the Golf Shop. Initially, Golf Members may reserve a golf starting time ten days in advance. The Club may change the advance sign-up privileges to reserve golf starting times from time to time. The staff will assign the starting time depending on availability.
2. Starting times may be made in person or by phone during Golf Shop hours.
3. Persons reserving a golf starting time must give their name and membership number and the names of all of the players in their group at the time of reservation.
4. Starting time changes must be approved by the Golf Shop.
5. Any player with a reserved starting time shall notify the Golf Shop of any cancellation as soon as possible. Players who fail to cancel their starting time twenty-four hours prior to their scheduled starting time may be charged a no-show fee established by the Club.

Registration

1. All golfers must check in and register in the Golf Shop before beginning play. Members must present their membership cards upon registration.
2. Failure to check in and register at least ten minutes prior to a reserved golf starting time may result in re-assignment, cancellation of the starting time and/or a no-show fee being charged to the member's club account.
3. Players late for their starting time lose their right to the starting time and shall begin play only at the discretion of the starter.

Practice Facility

1. The practice facility is open during normal operating hours as posted in the Golf Shop. At times to be posted in the Golf Shop, the practice facility will be closed for general maintenance.
2. Range balls are for use on the practice facility only and may not be removed from the practice facility. Range balls may not be used on the golf course. Each player using the practice facility must use the range balls provided by the Club.
3. Retrieving and replaying range balls after they have been hit on the practice facility is not permitted.
4. Golf carts are not permitted on any tee area. Golf carts must be parked in designated areas with all four tires on the paved parking area.
5. Balls must be hit from designated areas only. No hitting is permitted from the rough of the practice facility or the sides of the practice facility.
6. Proper golf attire is required on the practice facility.

Golf Cart Rules

1. Only golf carts provided by the Club may be used on the golf course. Golf carts shall not be used by a member, immediate family member or guest on the Club Facilities without proper assignment by, and registration in, the Golf Shop. Each person riding in a golf cart will be charged the prevailing golf cart rental fee.
2. Golf carts may only be used on the golf course when the golf course is open for play.
3. The Club may require that golf carts remain on cart paths based on course and weather conditions. Players will be informed of this policy prior to beginning play. Exceptions to this "cart on path only" policy for handicap golfers must be obtained from the General Manager.
4. Each operator of a golf cart must be at least sixteen years of age and have a valid automobile driver's license.
5. No more than two persons and two sets of golf clubs are permitted per golf cart. In addition, no more than one golf cart is permitted for every two players in a group.
6. Golf cart operators shall observe all pavement markings, traffic signs and other basic rules of the road and adhere to current golf cart traffic rules and signs as changed from time to time based on golf course conditions.
7. Golf carts must remain on cart paths, without exception, on Par 3 holes.
8. The 90-degree rule will be in effect for access to any ball, unless otherwise specified by the Golf Professional.
10. Golf cart operation is restricted to the designated areas of the golf course and designated cart paths. Except if it is on a designated cart path, at no time shall a golf cart approach within thirty yards of a green or thirty feet of a tee or a bunker, private property, sensitive landscaping or pedestrian sidewalks.
11. Golf carts should be driven in a safe manner. Where possible, do not follow other golf cart tracks and avoid soft areas in the turf.
12. Operation of a golf cart is at the risk of the operator. The cost of repair to a golf cart that is damaged by a member or immediate family member will be charged to the member or, in the case of damage by a guest, the cost of repair will be charged to the sponsoring member.
13. The member using a golf cart accepts and assumes all responsibility for liability connected with operation of the golf cart. Members using a golf cart are fully responsible for any and all damages, including personal injury and property damage, that are caused by the operation of the golf cart by the member and his/her immediate family members and guests, and such members shall also indemnify and hold harmless **Hasentree Country Club I LLC**, Toll Brothers, and any management firm retained to operate the Club Facilities on a day-to-day basis and their directors, officers, shareholders, partners, managers, members, employees, affiliates, representatives and agents, from any and all loss and damages arising from or related to the use and operation of the golf cart by the member and his/her immediate family members and guests.
14. Violations of the golf cart rules may result in loss of golf cart privileges, playing privileges and other disciplinary action deemed appropriate by the Club.

Handicaps

1. Handicaps are computed under the supervision of the Golf Professional in accordance with the current U.S.G.A. Handicap System.
2. Members with a U.S.G.A. approved handicap may participate in Club tournaments. The Club may require a U.S.G.A. approved handicap to participate in Club tournaments. All handicaps submitted may be reviewed by the Golf Professional or the Tournament Committee, as directed.
3. After each round of golf, players must enter their score in the handicap computer located in the Golf Shop. The Golf Shop will assist players with the posting procedures.
4. Failure to post a score may result in the Golf Shop posting a score equal to the lower of: (i) the par score for the golf course, or (ii) the lowest score of the offending player's last twenty rounds.
5. The Golf Professional or Handicap Committee, as determined by the Club, will determine if there are violations by players in turning in their scores and has the right to adjust handicaps.

Golf Course Etiquette

Persons using the golf facilities should do their part to make a round of golf at The Hasentree Club a pleasant experience for everyone. Here are some suggestions:

1. Do not waste time. Players should anticipate the club or clubs they may need and be ready to play when it is their turn. Always be near your ball to play promptly when it is your turn. If a player is delayed in making a shot, it would be courteous for such player to indicate to another player to play.
2. The time required to hole out on and around the green is a chief cause of slow play. Players should study and clear the line of their putt while others are doing the same so as to be ready to putt when it is their turn.
3. Players should be aware of and maintain proper pace of play. If unable to maintain the proper pace of play, the players should allow the players behind to play through. Do the same if you stop to search for a lost ball.
4. Players should ensure that greens are not damaged by putting down bags or the flagsticks and that the hole is not damaged by standing close to it or by removing the flagstick or the ball from the hole. The flagstick should be properly replaced in the hole before the players leave the green. Please do not drag your feet as this causes serious damage to the putting surface.
5. No one should move, talk or stand close to or directly behind the ball or the hole when a player is addressing the ball or making a stroke.
6. When approaching a green, players should park their golf carts on the cart path on the best direct line to the next tee, rather than in front of the green. This can save about ten minutes per round. Never leave the golf cart in front of the green where you will have to go back to get it, while the following players wait for you to get out of the way.
7. When play of a hole is completed, players should leave the green promptly and proceed to the next tee without delay. Do the scoring for the completed hole while the others in your group are playing from the next tee.
8. Any divots made in the fairways should be filled with the soil mix contained in the dispensers located on the golf carts.

9. Repair your ball marks on the greens. If you see un-repaired ball marks, repair them also. Remind your playing partners to observe this courtesy.
10. Enter and leave bunkers at the nearest level point to the green. Players should carefully rake bunkers after use and place the rake outside the bunker.

TENNIS RULES

1. Proper tennis attire shall consist of tennis shoes (not basketball or jogging shoes) and tennis clothing (apparel manufactured expressly for tennis). In cool weather, sweat clothes are permitted in colors or traditional white. Street slacks, jeans or bathing attire is not permitted.
2. Courtesy and consideration should be observed at all times. Players and spectators shall not enter a court or walk across or behind a court while a point is being played. Players should enter their court from the area closest to the back of the court they will use. Disregard for court courtesy should be reported to management.
3. Proper tennis etiquette should be observed at all times. Excessive noise, racquet throwing, ball slamming or profanity is not permitted.
4. The Club may allow members to reserve court times in advance from time to time. Persons requesting a court time must give their name and membership number and the names of the players in their group. No standing reservations will be accepted.
5. Each player must register before playing. A player who fails to register prior to play shall have no standing on the court.
6. Players who fail to cancel their reservation one hour prior to their scheduled court time or who do not register ten minutes prior to their court time may be charged a fee equal to the court fee for guests.
7. At the end of their playing period, players must promptly relinquish their court to the next players. Once a player is off the court, the member may sign up for the next available court time.
8. Doubles may reserve a court for one and one-half hours and singles may reserve a court for one hour (except for certain times designated by management).
9. The Club sign-in sheet will be checked against the reservation sheet each day for "no-shows." A fine established by the Club may be charged for "no-shows."
10. Children under twelve years of age are not allowed on the courts without adult supervision, unless otherwise permitted by management.
11. Children not playing tennis are not permitted on the courts. Parents are urged not to allow unsupervised children to play around the tennis courts.
12. Use of the tennis courts at the Club shall at all times be subject to the control of management, which shall determine the suitability of the tennis courts for play. Courts will be closed when necessary for maintenance operations or when dictated by safety considerations as determined by the Club.

POOL RULES

1. Conduct at the pool must be such as to furnish the greatest pleasure for the greatest number. The Pool Staff has complete authority to enforce all swimming rules. The cooperation of all users is required.
2. All users must register upon entering the pool area.
3. Use of the pool facilities is at the swimmer's own risk.
4. The Club is not responsible for any accidents resulting from the use of the pool or for the loss or theft of bathing suits, articles of clothing or other personal possessions.
5. The Club may limit the number of guests a member may bring to the pool. Guests using the swimming facilities must be accompanied by the sponsoring member. A guest fee will be charged for each guest. Failure to register a guest may result in the imposition of a fine.
6. Playing is not permitted in the lap swimming zones. The last ten minutes of each hour may be designated as "adult swim." Adult swim is for individuals eighteen years of age and older. Children under four may accompany parents in the pool during adult swim times.
7. Diving is not permitted in any area of the pool.
8. Children under the age of twelve may not be dropped off at the pool unsupervised. Children under twelve years of age are permitted in the pool area only if accompanied and supervised by a parent or adult guardian or if such child is taking swimming instructions.
9. Children wearing diapers must wear rubber pants under the suit while in the pool and comply with all applicable laws and regulations. A parent or other supervising adult must accompany the child at all times. Should a child have an accident in the pool, please report it to the Pool Staff immediately and the member or sponsoring member shall be responsible for all costs incurred in any necessary clean-up.
10. Showers are required prior to entering the pool to remove all suntan oils and lotions.
11. All swimmers must wear bona fide swimming attire. Cutoffs, street clothes or other inappropriate attire is not considered appropriate swimwear.
12. Foul or abusive language will not be tolerated and may result in suspension of use privileges.
13. Running, ball playing and noisy or hazardous activity is not permitted in the pool area. Pushing, dunking and dangerous games are not permitted.
14. The throwing of balls, Frisbees, wet clothes, etc. is not permitted.
15. Swim mask, snorkels and fins are not permitted in the pool unless approved by the Pool Staff.
16. Radios and other personal electronic devices may only be used with earphones.
17. Persons leaving the pool area for over thirty minutes must relinquish lounges and chairs by removing all towels and other personal belongings. Saving of chairs for persons absent from the pool area is not permitted.

18. Flotation devices are permitted for non-swimming children up to five years of age. Non-swimming children must be accompanied in the water by their parent or adult guardian. Small toys such as balls, water guns, etc may be permitted depending on the number of persons in the pool and the manner in which the toys are used.
19. Persons with skin disorders or other maladies potentially harmful to others may not use the pool.
20. Glass objects, drinking glasses, beverage coolers and sharp objects are not permitted in the pool area.
21. Pets, skateboards and bicycles are not permitted in the pool area.
22. All food and beverages, including alcoholic beverages, must be consumed only in designated sections of the pool area.
23. All persons using the pool area are urged to cooperate in keeping the area clean by properly disposing of towels, cans, cigarettes, etc.
24. Parties using the pool facilities must be approved in advance by the General Manager.
25. All accidents, no matter how minor, must be reported to the Pool Staff immediately.

EXERCISE RULES

1. Regular operating hours for the exercise facilities will be posted by the Club and may be changed from time to time.
2. Prior to the use of the exercise facilities, a member, immediate family member and any guest will be required to sign a waiver of liability agreeing to hold harmless **Hasentree Country Club I LLC**, Toll Brothers, and any management firm retained to operate the Club Facilities on a day-to-day basis, and their directors, officers, shareholders, partners, managers, members, employees, affiliates, representatives and agents from any and all injuries sustained from the use of the exercise facilities.
3. All users must sign in upon entering the facility.
4. Guest fees may be charged for use of the exercise facilities. If fees are established, the member's club account will be billed for all guest fees.
5. Members, immediate family members and guests should first consult their physician before using any of the exercise facilities.
6. Casual workout attire is acceptable at the exercise facilities. Tee shirts, gym shorts or warm-up pants are appropriate for men and leotards, tights, tee shirts, gym shorts or warm-up pants are appropriate for women.
7. Smoking and alcoholic beverages are prohibited at the exercise facilities. No food or drink, except water, may be brought into the exercise facility.
8. It is the responsibility of each user to obtain instruction on how to use the equipment prior to using such equipment, and the equipment is only to be used in accordance with such instructions.

9. It is the responsibility of all persons using the exercise facilities to consult with their physician, and such person should be in good physical condition and have no physical, medical or psychological conditions, disabilities, impairments or ailments, chronic or otherwise, which would preclude, impair or prevent them from safely using the exercise facilities, or engaging in active or passive exercise.
10. ALL PERSONS USING THE EXERCISE FACILITIES DO SO AT THEIR OWN RISK. All users assume full risk of loss and responsibility for any injury or damage to their health resulting from use of the exercise facilities.
11. No clothing or personal possessions may be stored under benches or in the common areas.
12. Children under sixteen years of age are not permitted to use the exercise facilities unless supervised by an adult or approved through a club certification program.
13. Horseplay, profanity, disruptive conduct and indiscreet behavior at the exercise facilities are strictly prohibited.
14. Radios and other personal electronic devices may only be used with earphones.
15. Personal trainers are not allowed in the exercise/fitness facilities unless approved in advance or supplied by the Club.



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