



Dear Bedford at Falls River, Master Homeowners Association, Homeowner(s):

We are pleased to Welcome you to the Bedford at Falls River Community. Bedford at Falls River is a 607 acre master planned development based on traditional neighborhood design comprised of 1740 residential units mixed of townhomes and single family homes. Our beautiful community has a large Clubhouse, two swimming pools, tennis courts, various playgrounds, parks and walking/running trails.

Bedford at Falls River is professionally managed by FirstService Residential, Carolinas since January 1, 2022. Your FirstService Residential Management Team is excited to work with you and can be contacted directly as follows:

Ariana Mariakakis	Community Manager	Ariana.Mariakakis@fsresidential.com	919.375.7599
Sherry McGoldrick	Asst. Community Manager	Sherry.McGoldrick@fsresidential.com	919.375.7535
Amber Farrell	Lifestyle Director	Amber.Farrell@fsresidential.com or bedfordlifestyledirector@gmail.com	919.792.0188
FirstService Residential	24/7 Customer Service	24/7 Customer Care Center	855.546.9462

Meet your Management Team:

Ariana Mariakakis, our Community Manager, brings extensive experience in residential community management and operations. With a strong background in overseeing day-to-day community functions, Ariana works closely with the Board of Directors to support effective governance, ensure compliance with the Association's Governing Documents, and maintain the overall integrity of the community. Her responsibilities include managing community operations, coordinating vendor services, and supporting infrastructure planning and improvements. Ariana is committed to fostering well-maintained communities and providing responsive, thoughtful support to residents and Board leadership alike.

Sherry McGoldrick, our Assistant Community Manager, has recently joined the Bedford team. She will serve as a primary point of contact for homeowners submitting Architectural Requests, as she works closely with the Master ARC Committee throughout the review process. Sherry can also assist with general homeowner account questions, including billing inquiries and guidance on setting up or making payments.

Amber Farrell joined the Bedford team in Fall 2023 as the Lifestyle Director. She has a strong customer service background with experience in marketing, event planning and hosting, and more. She manages the daily activities of the Clubhouse including the various clubs and events our beautiful Community offers and Clubhouse Rentals.



Table of Contents

Community Utility Information.....	Pg. 3
Frequently Asked Questions.....	Pg. 3
Accounting & Registration Questions.....	Pg. 3
HOA Payment Address.....	Pg. 4
Lifestyle Related Questions.....	Pg. 5
General Community Related Questions.....	Pg. 5
Management Team Bios.....	Pg. 8
Connect Resident Portal Registration Info.....	Pg. 10
ClickPay (HOA Payment) Registration Info.....	Pg. 11
City of Raleigh Recycling Calendar.....	Pg. 12
Access Card Request Form.....	Pg. 14
Committee Information Sheet.....	Pg. 18
Committee Volunteer Form.....	Pg. 21
Community Mailbox Guidelines.....	Pg. 22
Signage Guidelines.....	Pg. 23
Sub-Association Contact Information.....	Pg. 24



Utility Companies for Bedford at Falls River

- Cable / Telephone / Internet –Google Fiber:
<https://fiber.google.com/cities/triangle/>
 - Trash / Recycling / Yard Waste Collection – City of Raleigh: 919-996-3245
 - To order an additional recycling cart, call: 919-996-3245
 - Trash Collection Days: Wednesday
 - Recycling & Yard Waste Collection Days: Every other week on Wednesday
 - Water & Sewer – City of Raleigh
 - Customer Care & Billing - customercare@raleighnc.gov
 - Phone: 919-996-3245
 - Payments: 888-905-3169
 - Web Self Service - <https://ubwss.raleighnc.gov/wss/login>
 - Electric Services – [Duke Energy](#): 800.452.2777
 - Gas Services – [Dominion Energy](#): 877-776-2427
-

Below, you can find some frequently asked questions, or FAQ's, as they relate to our Community.

Account Related and Registration Questions:

- **Question:** Does Bedford at Falls River have a website?
- **Answer:** Yes. You can register for the Connect Resident Portal at:
<https://bedfordfallshoa.connectresident.com> In this website, you can review your account balance, pay your monthly assessment fees, check on work orders, request architectural modifications, etc. (Please refer to the Connect Resident Portal Registration Flyer on page 10.)
- **Question:** When are the HOA assessments due, and what is the frequency?
- **Answer:** Your HOA assessments are to be paid monthly, due by the first of every month.
- **Question:** How do I set up for auto-draft of my monthly HOA fees?
- **Answer:** You will need to obtain your 8-digit account number from Management and then go to www.ClickPay.com/firstservice to register to set up automatic payments. You can call ClickPay- directly to get your account set-up by calling 888-354-0135. (Please refer to the ClickPay Flyer on page 11.)



- **Question:** Where can I find my Account number?
- **Answer:** You can contact the Customer Care Center at 855.546.9468 to obtain your account number or email our Community Manager, or Assistant Community Manager directly.
- **Question:** I logged into my ClickPay account and noticed that there is a “unit number,” but I don’t have an apt/suite number. Why is this there?
- **Answer:** Your account will show your address with a “unit number” for example: 12345 Bedfordtown Drive, #XXXX. This 4-digit unit number is a unique code that links our accounting system back to your Connect Portal account.
- **Question:** Can I pay with debit or credit for my monthly assessments?
- **Answer:** Yes. You can set up for this method of payment through your ClickPay account. Please note that there is a service fee that is applied for debit or credit card payments. This will be outlined directly in ClickPay.
- **Question:** Can I mail my monthly HOA payment, or set up bank bill pay? If so, where do I send them?
- **Answer:** Yes. Please use the following address and ensure that you note your 8-digit account number in the memo line if you are mailing a check.

**Bedford at Falls River Master Association
c/o FirstService Residential
PO Box 30407
Tampa FL 33630-3407**

- **Question:** I made my payment through ClickPay, but my Connect Portal still reflects a balance. When will my Connect Portal show the payment was received?
- **Answer:** Connect is 24-48 hours behind our accounting system from when payment is received. The website will reflect a 0.00 balance the following business day.
- **Question:** I mailed my payment, or the bank issued payment, and it still has not reflected on my Connect Portal account. When can I anticipate it to show a zero balance?
- **Answer:** It takes about 5 to 7 business days for your payment to be received at the Lockbox address. Once payment is received, it is processed within 24-hours. Then it will reflect on our accounting side within 24-hours, to then show on your end another 24-hours later. You should anticipate to see your payment processed on your Connect Portal about 10-business days after payment has been sent.



Lifestyle Related Questions:

- **Question:** How do I get my pool pass or tennis court pass?
- **Answer:** All new owners can receive (1) pass for free by contacting the Lifestyle Director after move-in. Additional passes (and replacement passes) may be purchased. The form for replacement can be found by on the Connect Resident Portal. Please send all pool pass requests to the Lifestyle Director.
- **Question:** Can I pick-up my access card in the office?
- **Answer:** You can pick-up your access cards at the Clubhouse or at the Pool Gate during pool season. Once a request is processed, you will receive confirmation when your card is ready for pickup. During off-season, you will need to schedule pickup from the Clubhouse office with the Lifestyle Director.
- **Question:** I want to rent the Clubhouse for my son/daughter/mother/father's birthday; how do I go about doing this?
- **Answer:** You can submit a request to rent the Clubhouse directly through your Resident Portal page or by contacting the Lifestyle Director directly. You can check the community calendar in the Portal to determine if your preferred day is available.
- **Question:** I made a reservation to rent the Clubhouse and have made a payment already; however, now I need to cancel my event; can I get a refund?
- **Answer:** There is a cancellation period where refunds can be processed. Please reach out to the Lifestyle Director directly at: bedfordlifestyledirector@gmail.com for further assistance.
- **Question:** Can I rent the pavilion near the Clubhouse, or any of the tennis/pickleball courts?
- **Answer:** No. The pavilion and courts are first-come, first-served.

General Community Related Questions:

- **Question:** I want to make an exterior change to my home; like adding a fence, planting/removing trees; do I need approval?
- **Answer:** Yes. The Community Guidelines are posted on the Connect Resident Portal. You must fill out an ARC Request and provide the required documentation as noted in the Guidelines. Architectural Applications are completed through Smartwebs which is accessed through the Connect Portal. If you have any questions, please contact the Assistant Manager directly.
- **Question:** I live in a Townhome/Sub-Association, do I still need approval for exterior changes?
- **Answer:** Yes. Residents that lives in the sub-association must get approval from their ARC Committee before being submitted to the Master ARC. Once the sub-association ARC make their decision, the Master ARC Committee will then review and provide their decision. You will receive an email with their decision and a copy of your approval or denial letter will be uploaded into Smartwebs for your records.



- **Question:** How can I contact my Sub-Association Community Manager?
- **Answer:** Please reference the Sub-Association contact information page in this packet.

- **Question:** I put in an ARC request for a modification, how long do I have to wait to receive a response?
- **Answer:** The Committee has a 30-day review period as per the Guidelines. They also meet every month, on the 3rd Wednesday of the month, with review occurring in between their meetings.

- **Question:** When does the Board of Directors Meet?
- **Answer:** The Board of Directors meet on the 4th Thursday of every month. They hold quarterly open forum meetings for residents to address concerns and ask questions. Those meetings are in March, June and September.

- **Question:** When is the Annual Meeting of the Members?
- **Answer:** Mid-November

- **Question:** Where can I find a copy of the reserve study or community financials?
- **Answer:** These documents as well as other Association documents are posted on the Connect Resident Portal for homeowner review and convenience.

- **Question:** How do I report a violation of the governing documents?
- **Answer:** Please email, with photo documentation, providing address, date & time to the Community Manager, or Assistant Manager directly.

- **Question:** I noticed that something on the Common Area is in need of repair, who do I report this to?
- **Answer:** Please log into your Connect Resident Portal and file a service request. The Community Manager will receive this notice and assign it accordingly. You can track the progress by logging into your account.

- **Question:** Are signs permitted?
- **Answer:** Only for sale signs are permitted on residential property. No signs are permitted to be installed on Common property.

- **Question:** Are there committees within Bedford? If so, what kind of Committees are there?
- **Answer:** There are 8 different committees. Please refer to the Committee Information page.

- **Question:** How can I volunteer to serve on a Community Committee?
- **Answer:** You can fill out the Community Volunteer Form located on the Connect Portal and email it directly to our Community Manager. The form is also included in this welcome packet



- **Question:** How can I get connected with the neighbors of Bedford on social media?
- **Answer:** Please reach out to the Lifestyle Director to be added to the Community Facebook page. This page is managed by a member of the Board and the Lifestyle Director and is a source for HOA events and updates. Please review the group rules upon joining before submitting posts.

If you have any questions, please don't hesitate to contact either one of your FirstService Residential Management Team members, or the 24/7 Customer Care at 855.546.9462.

Sincerely,

Ariana Mariakakis

Ariana Mariakakis
FirstService Residential, Carolinas
On behalf of the Bedford at Falls River Homeowners Association

Ariana Mariakakis



Ariana Mariakakis, our Community Manager, brings extensive and strong experience in residential community management and a practical, hands-on approach to daily operations. She works closely with the Board of Directors to support effective governance, ensure compliance with the Association's Governing Documents, and keep the community running smoothly. Ariana oversees vendor coordination, assists with infrastructure planning and projects, and helps ensure community standards are maintained. She is known for her responsiveness, attention to detail, and commitment to supporting both residents and Board leadership in a thoughtful and approachable manner.

Amber Farrell

Amber Farrell joined the Bedford team as the Lifestyle Director in October 2023 and has been with FirstService Residential since September 2022.

A veteran of the service and hospitality industry, Amber brings a strong background in customer service, marketing, social media, and event planning. Amber holds degrees in both Marketing and International Studies, equipping her with a unique perspective on fostering community engagement.

Passionate about creating memorable experiences, Amber is dedicated to continuing Bedford's valued traditions while introducing fresh, exciting events to keep our community connected. She is working diligently to curate experiences that bring neighbors together and enhance the Bedford lifestyle.

Feel free to reach out - she is always happy to hear new ideas and connect with residents!



WELCOME HOME

Enjoy all the services and amenities our community has to offer. We're proud to be professionally managed by FirstService Residential.



FirstService Residential
CONNECT

You're Invited to Register to Connect™!

FirstService Residential is excited to present FirstService Residential Connect™ Resident Portal, a tool that makes it easy to stay connected to your community association – anytime (24 hours a day/7 days a week), from anywhere. With just a few clicks, you can:

- ▶ Communicate with your property manager, board members and neighbors
- ▶ Access community forms and documents
- ▶ Pay association fees
- ▶ And so much more!

We've built in additional security safeguards to make sure your information is secure, so all residents must register to use the new FirstService Residential Connect Resident Portal. Register today!



Step 1: Log onto <https://bedfordfallshoa.connectresident.com> **Step**

2: Click **Resident Access** and select the option to **Register** **Step 3:**

Register with both your mobile phone number and email address

FirstService Residential Connect™ is another way that FirstService Residential makes a difference, every day, in the communities we manage.

If you have any questions or need any assistance, please call our FirstService Residential Customer Care Center at 855.546.9462.

Download the app today!





FirstService
RESIDENTIAL

Association Dues Made Easy

Pay Your Dues Online

Residents have a convenient and secure way to pay association dues online through our provider, **ClickPay**. If you aren't already taking advantage of this payment option, we request that you create your account today and begin making individual or automatic recurring payments online.

Get Started: www.ClickPay.com/FirstService

- {I}** Click **Register** and then create your online profile with **ClickPay**

Link Your Home using the account number found on your statement or coupon

- {i}** Select your preferred **Payment Option** (e-check for FREE or credit card for a fee)

Set up **Automatic Payments** or click **Pay Now** to make one-time payments



DISC VER

e Check



Payments by e-check can be made at no cost if recurring payments are set up. Fees apply to payments made one-time payments and payments made by credit or debit card. Please note the date you make your payment on ClickPay is not the date it is reflected on your account. Payments by-check (ACH) before 9:00PM EST will debit from your bank account and settle the next business day. Payments by debit or credit card can take 3-4 business days to settle.

Online Payment Support

For help with your account or setting up payments online, please contact **ClickPay** online at www.ClickPay.com/GetHelp or call **1.888.354.0135**

Powered by

Routeware

RECYCLE FOR A GREENER FUTURE

RECYCLABLE PLASTIC



Bottles, tubs, jugs and jars
(Empty and rinse - no pumps)

RECYCLABLE METAL



All cans
(Empty and rinse)

RECYCLABLE GLASS



Bottles and jars
(Empty and rinse)

RECYCLABLE PAPER



Paper, cartons and cardboard
(Flatten cardboard)



HAZARDOUS AND NON-HAZARDOUS MATERIALS NOT ACCEPTED

- Aerosol cans
- Aluminum foil
- All batteries (car, lithium, etc.)
- Ceramic items
- Clothing or textiles
- Diapers
- Disposable cups
- Electronics

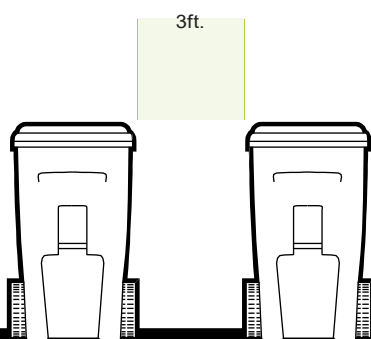
- Food-tainted items
- Hazardous waste
- Household glass
- Medical waste
- Plastic bags/ wrap
- Scrap metal/ wood
- Shredded paper
- Styrofoam, including peanuts

- Tangles (cords, hoses, wires, etc.)
- Tires
- Toys



Please **DO NOT** bag your recyclables!

HOW TO BEST PLACE YOUR CONTAINER

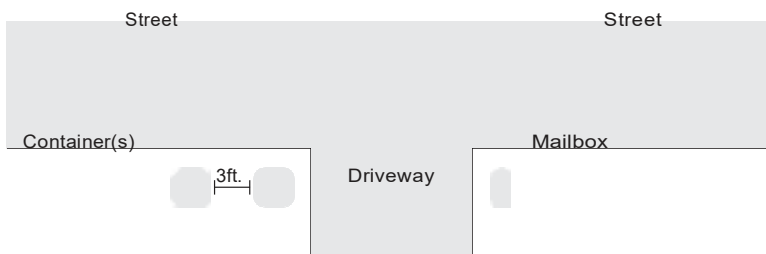


So we can serve you safely, please be sure to keep your container

AT LEAST 10 FEET AWAY FROM:

- Mail Boxes
- Vehicles
- Street Lights
- Electrical Posts

The container opening must face the street with the handles and wheels facing your home. See right for the best placement of your container.





Request for Access Cards

Please fill out this form in its entirety. Incomplete forms will not be accepted.

Homeowner Name : _____

Property Address : _____

Number of Cards : _____

Phone: _____

Email: _____

_____ I understand that there shall be no more than 3-access cards issued per household

_____ I will submit this form to management via email or hand it to the community manager in person.

_____ I understand that I will not receive my access card(s) until I pay for the cards via the direct link sent to me by management.

Signature: _____

Date: _____

Circle one:

I am requesting replacements for lost, stolen or damaged cards. YES / NO

If YES:

If you are purchasing a replacement card and have multiple cards for your household, please provide the cards currently in your possession so as to ensure they are not deactivated upon issuance of a new card. Lost or stolen cards are deactivated upon notification.

Bedford at Falls River, Homeowners Association Committees

The overall function of Board committees is to broaden community input and perspective in areas requiring special focus, oversight, or review. All committees are comprised of community homeowners who are appointed by and report to the Board of Directors. A member of the Board is designated to serve as the liaison between the committee and the full Board to ensure continuity and effectiveness over time. Working in tandem with Board members, committees assist with some of the oversight duties of the Board which helps strengthen and sustain the quality of life within the HOA community.

1. Architectural Review Committee (Mandatory: see *Covenants and Declarations* for full details)

Purpose: To monitor and review homeowner applications for architectural changes/improvements in accordance with Bedford covenants and declarations on a regular basis and make recommendations to the HOA Board of Directors to meet the ongoing needs of the Bedford community.

Role: Follow the Bedford Architectural Review Committee (ARC) standards, guidelines, and processes to ensure that homeowner applications for changes/improvements fully comply. Recommend appropriate actions and effectively convey relevant information.

Membership: One member of the committee will be a Board member and will serve as liaison between the committee and the Board. The core committee will be comprised of up to 5 volunteer members who will be members in good standing in the Bedford community. The committee will have a chair who will facilitate appropriate research, communication, and development of recommendations for full Board review.

2. Communications Committee

Purpose: To monitor and review the current status of community communications on a regular basis and make recommendations to the HOA Board of Directors for changes/improvements to meet the ongoing needs of the Bedford community.

Role: Review the Bedford website and community postings to ensure they effectively convey appropriate information. Review and/or develop communication topics. Develop/conduct homeowner surveys to determine interests and needs.

Membership: One member of the committee will be a Board member and will serve as liaison between the committee and the Board. The core committee will be comprised of up to 5 volunteer members who will be members in good standing in the Bedford community. The committee will have a chair who will facilitate appropriate research, communication, and development of recommendations for full Board review.

3. Facilities Committee

Purpose: To monitor and review the current status of HOA common property and facilities on a regular basis and make recommendations to the HOA Board of Directors for actions needed to meet the ongoing needs of the Bedford community and maintain its resources.

Role: Review HOA common property, facilities, and amenities to ensure the physical resources of the community are functioning effectively. Keep the Board of Directors informed regarding pending issues or actions requiring attention. Establish checklists and recommend maintenance standards as needed.

Membership: One member of the committee will be a Board member and will serve as liaison between the

committee and the Board. The core committee will be comprised of up to 5 volunteer members who will be members in good standing in the Bedford community. The committee will have a chair who will facilitate appropriate research, communication, and development of recommendations for full Board review.

4. Government Relations Committee

Purpose: To monitor and review the current status of state and federal government programs or initiatives on a regular basis and make recommendations to the HOA Board of Directors for actions needed to meet the ongoing needs of the Bedford community.

Role: Review city, county, state and federal regulatory, legislative, and policy issues impacting the Bedford community to ensure community awareness and compliance. Keep the Board of Directors informed regarding pending issues or actions requiring attention. Establish information links with city, county, state and federal representatives as needed.

Membership: One member of the committee will be a Board member and will serve as liaison between the committee and the Board. The core committee will be comprised of up to 5 volunteer members who will be members in good standing in the Bedford community. The committee will have a chair who will facilitate appropriate research, communication, and development of recommendations for full Board review.

5. Landscape Committee

Purpose: To monitor and review the current status of community landscapes/plantings to ensure that they meet the standards of health, beauty, and appropriateness throughout Bedford and meet the future needs of the community.

Role: Review community landscapes/plantings on a monthly basis to ensure appropriate standards are maintained. Keep the Board of Directors informed regarding pending issues or actions requiring attention. Recommend changes/improvements to maintain the look and feel of landscapes under the control of the HOA as needed.

Membership: One member of the committee will be a Board member and will serve as liaison between the committee and the Board. The core committee will be comprised of up to 5 volunteer members who will be members in good standing in the Bedford community. The committee will have a chair who will facilitate appropriate research, communication, and development of recommendations for full Board review.

6. Playground Committee

Purpose: To monitor, review, and analyze the current status of community playgrounds on a regular basis and make recommendations to the HOA Board of Directors for changes/improvements to meet the ongoing needs of the Bedford community.

Role: Evaluate issues, conduct background work, review future needs and plans and develop recommendations for Board review. Provide monthly status reports to the Board.

Membership: One member of the committee will be a Board member and will serve as liaison between the committee and the Board. The core committee will be comprised of up to 5 volunteer members who will be members in good standing in the Bedford community. The committee will have a chair who will facilitate appropriate research, communication, and development of recommendations for full Board review.

7. Safety/Security Committee

Purpose: To monitor and review the current status of community safety programs on a regular basis and make recommendations to the HOA Board of Directors for changes/improvements to meet the ongoing needs of the Bedford community.

Role: Review safety information for the Bedford community to ensure community members, assets, and resources are protected and preserved to the extent possible.

Membership: One member of the committee will be a Board member and will serve as liaison between the committee and the Board. The core committee will be comprised of up to 5 volunteer members who will be members in good standing in the Bedford community. The committee will have a chair who will facilitate appropriate research, communication, and development of recommendations for full Board review.

* * * * *

Role of Committee Chairs:

1. Work in partnership with the Bedford Board of Directors to ensure community betterment.
2. Serve as the primary point of contact for the Board of Directors in the committee's area of focus/expertise.
3. Facilitate communication within and among committee members (develop "team" approach)
4. Set agenda for committee meetings and communicate in advance of meetings.
5. Preside over meetings (establish ground rules, follow agenda, manage time effectively, etc.)
6. Provide monthly status reports to the Board of Directors. Represent the committee to the full Board as needed. Escalate issues requiring attention to the Board.



BEDFORD AT FALLS RIVER COMMITTEE VOLUNTEER FORM

Homeowner Name: _____

Homeowner Address: _____

Email: _____

Phone: _____

Number of Years Residing within Bedford: _____

Interested in serving on the following Committee:

- ☐ Architectural Review Committee
- ☐ Communications Committee
- ☐ Facilities Committee
- ☐ Government Relations Committee
- ☐ Landscape Committee
- ☐ Playground Committee
- ☐ Safety/Security Committee
- ☐ Social Committee

Comments Regarding Interest and Experience:

Bedford at Falls River Mailbox Regulations

The Bedford at Falls River Declaration states the following:

Section 17. Mailboxes and Newspaper Boxes. All mailboxes, unless affixed to the Dwelling (which may occur only if approved by the Architectural Review Committee or if required by any Local Ordinance), shall be affixed to a substantial pole or stand permanently placed in the ground and shall not be located within a sidewalk. Newspaper boxes shall conform to the architectural guidelines for color, if any. Architectural guidelines with respect to mailboxes and newspaper boxes may require, prohibit, restrict or specify any or none of the following: location and type of support; style; material; color; size; height; and use or cover of the structure with respect to the surrounding and/or intended to be placed on a mailbox or newspaper box, or affixed thereto. There may be different mailbox and newspaper box requirements for the various phases, sections or subdivisions within the Property.

Architectural Guidelines Dated March, 2013

MAILBOXES

1. A standard mailbox and post design has been provided at each address. Replacements are available through Carolina Mailboxes, 877.845.0850. Alternates or alteration of the standard mailbox will not be allowed. Website: <http://www.carolinamailboxes.com>

Mailbox Maintenance

All homeowners are required to maintain their mailbox in an attractive manner per the Declaration. Should you need assistance with maintenance, please contact one of the vendors below. *** The HOA does not endorse the work of either vendor

Andy Pickle
ampickle@aol.com
919-669-7604

Brett Cooper, The Mailbox Man
netcooper@yahoo.com
919-341-9611



Bedford at Falls River HOA

Guidelines Regarding Signs and Flags

(Updated: January 2026)

The Declarations outline the basic rules regarding the posting of signs within properties of the Bedford at Falls River Community (**Article IX, Section 26**). The Bedford at Falls River HOA Board of Directors (The Board) has established guidelines regarding the use of flags in order to maintain the aesthetics of the community.

The following chart highlights the prohibitions and the limited exceptions approved by The Board. Signs and flags should be tasteful and respectful of neighbors. Bedford residents may be assessed fines for failure to observe the community's sign and flag rules and regulations.

Signs		
Prohibitions	Exceptions	Length of exception
No signs on resident property or in the devil strip (area between the sidewalk and the street). This includes all commercial contractor signs. No signs may be placed anywhere on HOA Common Property without prior Board approval.	1) Home Security Signage 2) Real Estate Signs are permitted on properties 3) Celebration signs for, anniversaries, graduations, births, birthdays, etc. 4) Signs for yard sales 5) Political Signs	1) N/A 2) Until transfer of ownership / closing on the home 3) Maximum of 7 days 4) Day before / day of the event 5) Election period (currently 45 days before and 7 days after an election)
Flags		
Prohibitions	Exceptions	Length of exception
No more than 3 flags (including garden flags) can be visible from the street or alleyway.	1) Up to 3 additional flags are permitted to celebrate a special event (game day, college rivalry, holiday, etc.)	1) Maximum of 3 days

Bedford at Falls River

Sub Association List

Community Name	Management Information	Street Addresses
Clock Tower	William Douglas Management 919-459-1860 Katie Jessup kthames@wmdouglas.com	Cloud Mist Circle
Commons	Towne Properties Danielle Flippo (919) 878-8787 Danielleflippo@towneproperties.com	Bankshill Road Lofty Heights Place Shadow Elms Lane Sunny Corners Court Willow Pines Place
Georgetown (Phase 25)	PPM Kat Zollinger Kat@ppmral.com 919.848.4911	Happy Lane Saint Paul's Square
Towns	Charleston Management Dawn Lynn Crawford (919) 847-3003 dcrawford@charlestonmanagement.com	Cheery Knoll Settle In Lane Winding Waters
Villas	Associa HWR, Inc. Betsy Dienes 919.786.8015 edienes@hrw.net	Edmundson Avenue Shadow Pines Street Van Hessen Drive
Vineyard	PPM Kat Zollinger Kat@ppmral.com 919.848.4911	All Points View Way (4720, 4722, 4724) Bouncy Day Court Brimming Lake Court Dunlin Lane(2300- 2307) Flowerbed Court

Any Architectural Requests from properties that belong to a sub-association **MUST** be forwarded to the sub-association contact for review. The results of the sub-association review **MUST** be provided along with the application to the Master Bedford ARC.

Wake County, NC 130
Laura M Riddick, Register Of Deeds

Presented & Recorded 04/05/2002 10:01:56

Book : 003366 Page : 00335 - 00331

DECLARATION
FOR
BEDFORD AT FALLS RIVER

(Prepared By and Hold For: Kenneth L. Eagle, ROD 215)

TABLE OF CONTENTS
OF
DECLARATION
FOR BEDFORD AT FALLS RIVER

ARTICLE I	
DEFINITIONS	2
ARTICLE II	
THE PROPERTIES; ANNEXATION; WITHDRAWAL; SUBDIVISION DECLARATION	11
Section 1. Existing Property	11
Section 2. Annexation of Additional Property	12
Section 3. Order of Development and Annexation	13
Section 4. Withdrawal of Properties from the Declaration	13
Section 5. Effect of Annexation or Withdrawal	14
Section 6. Subdivision Declaration	14
ARTICLE III	
ASSOCIATION	15
Section 1. Minimum List of Functions and Services	15
Section 2. Other Functions and Services	17
Section 3. Storm Water Management	19
Section 4. Conveyance or Dedication of Common Property	21
Section 5. Mortgage and Pledge of Common Property	22
Section 6. Liability Limitations	22
Section 7. Merger or Consolidation	23
ARTICLE IV	
RIGHTS IN AND TO COMMON PROPERTY	24
Section 1. Owners' Easements of Enjoyment and Access	24
Section 2. Delegation of Use	25
Section 3. Conveyance of Title to the Association	26
Section 4. Rights and Responsibilities as to Common Property Easements	26
Section 5. Leases	27
Section 6. Ingress and Egress; Utilities	27
ARTICLE V	
MEMBERSHIP AND VOTING RIGHTS	27
Section 1. Membership	27

Table Of Contents

Section 2. Classes of Voting Members	28
Section 3. Non-Voting Membership	29
Section 4. Voting Rights	29

ARTICLE VI

ASSESSMENTS AND OTHER CHARGES	29
-------------------------------------	----

Section 1. Creation of the Lien and Personal Obligation for Assessments	29
Section 2. Liability for Assessments After Change in Membership Status	30
Section 3. Nature, Purpose and Use of Assessments	30
Section 4. Maximum Annual Assessment and Annual Assessment	31
Section 5. Reduced Assessment Amount; Assessment Deficit.	32
Section 6. Commencement of Assessments	33
Section 7. Operating Budget	34
Section 8. Establishing the Annual Assessment	34
Section 9. Collection of Assessments; Penalties for Late Payment	35
Section 10. Special Assessments	35
Section 11. Certification of Assessments Paid	36
Section 12. Assessment Lien and Foreclosure	36
Section 13. Lien Priority	37
Section 14. Exempt Property	38
Section 15. Reserve Funds	38
Section 16. Operating Fund Assessment	38
Section 17. Additional Assessments for Limited Common Property	38
Section 18. No Default Under Insured Mortgage	39

ARTICLE VII

INSURANCE	39
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Section 1. General Provisions	39
Section 2. Property Insurance	40
Section 3. Liability Insurance	41
Section 4. Other Insurance	41
Section 5. Owners' Insurance	42

ARTICLE VIII

REPAIR AND RESTORATION OF THE PROPERTIES	42
--	----

Section 1. When Required	42
Section 2. Eminent Domain	43

Table Of Contents

ARTICLE IX

USE OF THE PROPERTIES; PROTECTION OF COMMON ELEMENTS 44

Section 1. Use of the Properties.....	44
Section 2. Owner Liability.....	45
Section 3. Legal Requirements.....	45
Section 4. New Construction	45
Section 5. Rules of the Association.....	45
Section 6. Temporary Structures Prohibited.....	45
Section 7. Wetlands; Neuse River Buffers.....	45
Section 8. Animals.....	46
Section 9. Antennas and Other Attachments.....	47
Section 10. Boats, etc.....	47
Section 11. Fences, Walls and Hedges.....	47
Section 12. Harmful Discharges.....	47
Section 13. Home Businesses	48
Section 14. Hunting; Discharge of Firearms	48
Section 15. Landscaping; Utility Lines	48
Section 16. Lighting.....	49
Section 17. Mailboxes and Newspaper Tubes.....	49
Section 18. Motorized Vehicles; On-Street Parking.....	49
Section 19. Noises	50
Section 20. Nuisance and Other Matters.....	50
Section 21. Obstructions, etc.....	51
Section 22. Prohibition on Use for Streets.....	51
Section 23. Restricted Actions by Owners.....	52
Section 24. Restrictions on Rental of Dwellings.....	52
Section 25. Sewer Systems.....	52
Section 26. Signs.....	52
Section 27. Soil Erosion Control.....	53
Section 28. Tree Cutting	53
Section 29. Utility Yards.....	53
Section 30. Water Systems	54
Section 31. Exclusion for Declarant and Builders	54

ARTICLE X

ARCHITECTURAL APPROVAL..... 54

Section 1. Architectural Review Committee - Jurisdiction and Purpose	54
Section 2. Composition and Duration.....	55
Section 3. Procedure.....	55
Section 4. Completion of Construction.....	58

Table Of Contents

Section 5. Compensation.	58
Section 6. Limitation of Liability.	58
Section 7. Violation; Enforcement.	58
 ARTICLE XI	
EASEMENTS	59
Section 1. Easements Reserved by Declarant	59
Section 2. Easements Reserved for the Association	60
Section 3. Easement Reserved for the City and Public Utilities	61
Section 4. Easements Shown On Recorded Plats	61
Section 5. Easement for Encroachments	62
Section 6. Restriction on Easements	62
 ARTICLE XII	
OWNER AND SUB-ASSOCIATION MAINTENANCE RESPONSIBILITIES ..	62
Section 1. Duty to Maintain	62
Section 2. Enforcement	63
Section 3. Unimproved Portions of the Properties.	64
 ARTICLE XIII	
MORTGAGEES	64
Section 1. Notice to Board	64
Section 2. Requirements of Mortgagee	64
Section 3. Obligation of Association to Mortgagees	64
Section 4. Mortgagees Not Obligated to Collect Assessments	65
 ARTICLE XIV	
AMENDMENT OF DECLARATION	66
Section 1. Amendment by Declarant	66
Section 2. Amendment by the Members	66
Section 3. Prohibited Effects of Amendment	67
 ARTICLE XV	
DURATION OF DECLARATION; DISSOLUTION OF ASSOCIATION	68
Section 1. Duration	68
Section 2. Dissolution of the Association	68
Section 3. Termination or Dissolution During Declarant Control Period	70

Table Of Contents

ARTICLE XVI	
COMMERCIAL PROPERTY	70
ARTICLE XVII	
RALEIGH CITY CODE REQUIREMENTS	70
Section 1. Applicability	70
Section 2. Party Walls	71
Section 3. Private Streets	72
Section 4. City of Raleigh Greenways	72
ARTICLE XVIII	
GENERAL PROVISIONS	73
Section 1. Enforcement	73
Section 2. Severability of Provisions	73
Section 3. Notice	74
Section 4. Titles	74
Section 5. Number and Gender	74
Section 6. No Exemption	74
Section 7. Subdivision, Combination of Lots; Plat Re-recording	75
Section 8. Changes in Planned Development Conditional Use Overlay District and/or Cluster Unit Development Plan	75
Section 9. Association Contracts and Leases During Declarant Control Period ..	75
Section 10. Conflicts	76
Section 11. Assignment.	76
Section 12. Costs and Reasonable Attorneys' Fees	76
Section 13. Rule Against Perpetuities	76
Section 14. Reserved Rights.	77
Section 15. Legal Requirements.	77
Section 16. Marketable Title Act.	77
EXHIBIT A	79
EXHIBIT B	80

STATE OF NORTH CAROLINA
COUNTY OF WAKE

DECLARATION FOR
BEDFORD AT FALLS RIVER

THIS DECLARATION FOR BEDFORD AT FALLS RIVER is made on the date hereinafter set forth by BRANDYWINE, L.L.C., a Virginia Limited Liability Company, doing business in North Carolina as BRANDYWINE OF VIRGINIA, L.L.C. (hereinafter referred to as "Declarant"):

WITNESSETH:

WHEREAS, Declarant is the owner of approximately 620 acres of real property located in the City of Raleigh, Neuse Township, Wake County, North Carolina, which property is more fully described in the deeds recorded in Book 8795, Page 2671 and Book 8795, Page 2666, Wake County Registry;

AND WHEREAS, Declarant intends to develop such real property, together with any additional real property subjected (or annexed, those terms being used interchangeably herein) to the Declaration, all of such real property being referred to herein as the "Properties", into a mixed-use planned community to be known as BEDFORD AT FALLS RIVER (herein sometimes referred to as "Bedford" or the "Community" or the "Subdivision"), which may contain single-family attached and detached dwelling units, multifamily dwelling units, retail, commercial and/or office facilities to serve the Community, open space and recreational facilities, and other uses consistent with the zoning of the Properties;

AND WHEREAS, Declarant desires to provide for the maintenance and upkeep of certain common area within the Community, to provide for enforcement of covenants and restrictions applicable to the Community and to provide a vehicle for ensuring that storm water drainage systems and facilities within the Community are properly maintained, and, to that end, desires to subject the property within the Community to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Properties and each owner thereof;

WHEREAS, Declarant has deemed it advisable to create an organization to own, maintain and administer certain common area, to administer and enforce covenants and restrictions applicable to the Community, and to collect and disburse the assessments and charges hereinafter created, and Declarant has therefore incorporated under North Carolina law as a nonprofit corporation, the BEDFORD AT FALLS RIVER MASTER ASSOCIATION, INC., for the purpose of exercising the aforesaid functions;

NOW, THEREFORE, Declarant hereby declares that the real property described in EXHIBIT A attached hereto and made a part hereof and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be owned, held, transferred, sold, conveyed, used and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in

the Declaration, which shall run with such real property and be binding on all parties owning any right, title or interest in said real property or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I DEFINITIONS

The following words and terms, when used in the Declaration or any amendment hereto, or any Supplemental Declaration, unless amended or unless the context clearly indicates otherwise, are defined as follows (when these and other defined words or terms herein have an initial capital letter or letters, their use in the Declaration has the defined meaning only when used with the same initial capital letter or letters,). Terms and words used herein without definition shall have the meanings, if any, specified therefor in the "Definitions" section of the Act or, if not defined in the Act, in the "Definitions" section of the Nonprofit Corporation Act, and, in the event of any conflict between the definitions contained herein and the definitions contained in the Act or the Nonprofit Corporation Act, the Act or Nonprofit Corporation Act, as appropriate, shall control:

(a) "Act" is defined as Chapter 47F of the North Carolina General Statutes, known as the North Carolina Planned Community Act, as from time to time amended.

(b) "Apartment Unit" is defined as a Dwelling Unit in a building located on a portion of the Properties that contains one or more other Apartment Units, and which Apartment Units have been approved as Apartment Units by Approved Plans and primarily are occupied or intended for occupancy by tenants or sub-tenants of the Owner of the building in which such Apartment Units are located. Provided, however, the foregoing definition shall not preclude the Owner of the Development Parcel on which the Apartment Units are located from living in an Apartment Unit. Typically, when a portion of the Properties is developed into Apartment Units, it will consist of multiple buildings, each containing one or more Apartment Units.

(c) "Articles" is defined as the Articles of Incorporation of the Association, including all duly adopted amendments thereto.

(d) "Association" is defined as the **BEDFORD AT FALLS RIVER MASTER ASSOCIATION, INC.**, a North Carolina nonprofit corporation, its successors and assigns.

(e) "Board" is defined as the Board of Directors of the Association, and is the "Executive board" as defined in the Act. The Board is responsible for the management and administration of the Association. Unless reserved by or for the Declarant in the Declaration, other Governing

Documents or applicable Legal Requirements, all rights, powers, easements, functions, services, obligations and duties of the Association may be performed or directed by the Board on behalf of the Association.

(f) "Builder" is defined as a Person, other than the Declarant, who regularly is in the business of constructing Dwellings for resale to other Persons, and who purchases or becomes the Owner of one or more Lots or Development Parcels within the Community for the purpose of constructing thereon one or more Dwellings for resale to other Persons. "Builders" shall mean and refer to all such persons or entities.

(g) "Bylaws" is defined as the Bylaws of the Association as they may now or hereafter exist, including all duly adopted amendments thereto.

(h) "City" is defined as the City of Raleigh, North Carolina, the County of Wake, North Carolina, the State of North Carolina, the United States of America and all other governmental entities and quasi-governmental entities that have jurisdiction over the Properties, whichever governmental entity or entities is/are applicable.

(i) "Common Property" and "Common Area" is defined as (i) all real property and Improvements thereon owned in fee by the Association for the common use, enjoyment or benefit of the Members of the Association, and (ii) all rights and easements of the Association in, on, under and to any real property not owned in fee by the Association, together with all Improvements on such real property that are owned or maintained by the Association, each such easement or right also being referred to herein as a "Common Property Easement". Common Property generally will be established either by a plat or map recorded in the Wake County Registry and identified on such plat or map as "Common Area", "Common Property", "Open Space", "Private Open Space", "Landscape Easement", "Sign Easement", "Street Island", or some other similarly descriptive term, or by an instrument conveying real property or an easement or right therein to the Association (typically, an instrument granted to or reserved by or on behalf of the Association or by or on behalf of the Declarant for later transfer or assignment to the Association, for the use, enjoyment or benefit of the Members or the Properties). This definition of Common Property also includes Limited Common Property, which is a sub-classification of Common Property. All Common Property shall be maintained by the Association as provided herein.

Common Property also includes all other property and Improvements, if any, required to be included as such by the Raleigh City Code (the "Code"), as the same may be amended from time to time. As of the date of the Declaration, Common Area is defined in Section 10-3003 of the Code as follows:

"Property intended for the use and benefit of the residents of a particular development; common areas include: (1) any private street, (2) any storm water device that serves more than one (1) dwelling unit, (3) any utility line located outside public street rights-of-way and public utility easements, and not located on an individual lot, (4) any site or facility designated a common area on any recorded plat or in any declaration of covenant, and (5) any City Code required shared facility or open space."

Provided, however, all real property, private streets and private utility lines owned by, or under the jurisdiction of, a Sub-Association are Sub-Association Common Property as defined herein and are not the Common Property of the Association.

(j) "Common Expenses" is defined as: (i) expenses of maintenance of Common Property, including repair, restoration and replacement thereof; (ii) *ad valorem* taxes and public assessments, if any, levied against the Common Property or other assets of the Association (but specifically excluding *ad valorem* taxes on real property on, under or over which the Association has an easement or other similar right of use); (iii) premiums for hazard, liability and other insurance insuring the Common Property or Association, its officers, directors and employees, if any; (iv) fees and expenses of attorneys, accountants, and other persons and entities employed by the Association for Association business; (v) expenses declared to be or described as Common Expenses by the provisions of the Declaration; (vi) expenses determined by the Board of Directors of the Association or by the Members to be Common Expenses; and (vii) all other expenses incurred by the Association in performing its functions and providing services under the Governing Documents and Legal Requirements, including operating, management and administrative expenses.

(k) "Condominium" is defined as a portion of the Properties on which a condominium has been created pursuant to the North Carolina Condominium Act (Chapter 47C of the North Carolina General Statutes, as amended from time to time).

(l) "Condominium Unit" is defined as a physical portion of a Condominium designated for separate ownership or occupancy. *See* N.C.G.S. § 47C-1-103(25).

(m) "Declarant" is defined as BRANDYWINE, L.L.C., a Virginia limited liability company. The term "Declarant" also includes any Person to whom or which Declarant assigns or delegates the rights and obligations of Declarant under the Declaration by an assignment of Declarant's rights recorded in the Wake County Registry.

(n) "Declarant Control Period" is defined as the period of time between the date of recording of the Declaration and ending on the date on which the first of the following occurs:

- (1) the later of 5:00 p.m. on: (i) the date that is ten (10) years after the date on which the Declaration is recorded, or (ii) the date that is five (5) years after the date of recording of the most recent Supplemental Declaration executed by the Declarant subjecting real property to the Declaration; provided, however, that, notwithstanding the provisions of subparagraph (ii) below, once the Declarant Control Period has ended as a result of the expiration of one of the foregoing time periods, the recording thereafter of a Supplemental Declaration adding property to the Declaration shall not reinstate the Declarant Control Period. Notwithstanding the foregoing, if Declarant is delayed in the development of the Community as a result of a sanitary sewer, water or building permit moratorium, or as the result of some other cause or event beyond Declarant's control, then the applicable time period shall be extended by the amount of time of the delay, up to a maximum total extension time of three (3) years; or
- (2) subject to the provisions of Article V of the Declaration, the date on which the total number of votes entitled to be cast by the Class A Members other than Builders equals the total number of votes entitled to be cast by the Class B Member and the Builders; provided, however, that the Class B membership shall be reinstated automatically from time to time as Declarant acquires sufficient additional votes through annexation of additional real property to the Declaration such that the total number of votes entitled to be cast by Declarant and the Builders exceeds the total number of votes entitled to be cast by the Class A members other than Builders; or
- (3) voluntary termination of the Class B membership by a written instrument executed by Declarant and recorded in the Registry.

(o) "Declaration" is defined as this "Declaration For Bedford At Falls River", and including all duly adopted amendments hereto.

(p) "Development Parcel" is defined as any portion of the Properties that is owned by a Person other than the Declarant and is not a Lot or Exempt Property. The Owner of a Development Parcel, within fifteen (15) days after recording any plat of any portion of a Development Parcel that subdivides it into Lots or otherwise, shall provide a copy of such recorded plat (including plats related to the establishment of a Condominium) to the Association and, during the Declarant Control Period, to the Declarant. Typically, when a Development Parcel is improved without being subdivided into Lots on which detached or attached Dwellings are to be constructed, it will consist of a Condominium or contain buildings in which Apartment Units are located.

(q) "Dwelling" or "Dwelling Unit" is defined as any building or portion thereof within the Properties which is used or occupied, or intended for use or occupancy, as a residence by an individual or by one family unit, whether by the Owner thereof or by tenants or lessees of the Owner, and specifically shall include detached dwellings located on separate Lots, attached dwellings located on separate Lots (for example, townhomes, in which more than one Dwelling may be located in a single building, but each Dwelling is on a separate Lot under Legal Requirements), Apartment Units, and Condominium Units. A detached dwelling, an attached dwelling, an Apartment Unit or Condominium Unit shall be deemed to constitute a Dwelling upon issuance of a certificate of occupancy therefor.

(r) "Exempt Property" is defined as all portions of the Properties included within any of the following categories:

- (1) Common Property;
- (2) Sub-Association Common Property;
- (3) property owned by, or dedicated to and accepted by the City or a utility, including property within the right-of-way of publicly-dedicated streets and roads;
- (4) property owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of North Carolina, unless it contains a Dwelling used as a residence.

Exempt Property shall not be subject to the assessments provided for herein, and the Owner of such Exempt Property shall have no voting rights in the Association based on ownership of such Exempt Property. Furthermore, unless and until such time, if any, as it loses its Exempt status, all Exempt Property owned by the City or a utility provider, and all Exempt Property within publicly-dedicated street rights-of-way, shall be exempt from all of the provisions of the Declaration, except for any easements over such Exempt Property reserved in the Declaration by or for the Declarant, the Association, the City or any other Person.

Exempt Property that loses its status as Exempt (*e.g.*, property within a publicly-dedicated street right-of-way that has been closed as a public street, property formerly owned by the City which has been conveyed to an Owner, Exempt Property conveyed by a tax-exempt charitable or nonprofit organization to a non-tax-exempt person or organization) shall be reclassified as a Lot, Development Parcel or Unsubdivided Land, as appropriate, and shall be subject to all of the terms and provisions of the Declaration in the same manner and to the same extent as other Lots, Development Parcels or Unsubdivided Land.

(s) "Governing Documents" is defined as the Declaration, the Articles of Incorporation, the Bylaws, and all applicable Supplemental Declarations and Subdivision Declarations.

(t) "Improvement" or "improvement" is defined as any improvement of or on any portion of the Properties, including Dwellings and other structures (specifically including exterior materials, colors, size, location and architectural style of same), decks, patios, driveways, motor vehicle parking areas, storage areas located outside of a Dwelling, recreational areas, equipment and facilities located outside of a Dwelling, mailboxes, exterior antennae, dishes and other apparatus to receive or transmit radio, television or microwave or other signals, fences, walls, landscaping, poles, flags and other outdoor decorative items, ponds, lakes, clearing, grading and other site preparation, swimming pools, exterior lights, signs located outside of a Dwelling, and all other exterior improvements. The definition of Improvements includes both initial Improvements and all subsequent alterations, changes and additions to same. "Initial Improvements" is defined as all of the Improvements constructed or placed on any Parcel of the Properties in accordance with Approved Plans at the time of issuance of a certificate of occupancy for the Dwellings or buildings thereon.

(u) "include" or "including" is defined as being inclusive of, but not limited to, the particular example(s) described, unless otherwise clearly obvious from the context.

(v) "Legal Requirement" is defined as any duly adopted and applicable law, ordinance, regulation or requirement of the United States of America, the State of North Carolina, the City of Raleigh, North Carolina, the County of Wake, North Carolina, or any other governmental entity or quasi-governmental entity or agency having jurisdiction over the Properties, including any branch, department or division of any of the foregoing governmental and quasi-governmental entities.

(w) "Limited Common Property" and "Limited Common Area" are defined as Common Property that is established by the Declarant or the Association for the benefit of a particular phase, section, subdivision, Development Parcel or Lot within the Community and which has been designated as such by the Declarant or the Association. Limited Common Property is separate and distinct from Sub-Association Common Property. Examples of Limited Common Property include landscaped medians and alleys behind Dwellings in particular sections of the Community.

(x) "Limited Common Expenses" is defined as all expenses of the type included within the term Common Expenses, but that are related solely and specifically to Limited Common Property. Limited Common Expenses shall be paid by assessments against Members who own, or who own property within, the particular phase, section or subdivision, Development Parcel or Lot for or on which the associated Limited Common Property has been established.

(y) "Lot" is defined as any portion of the Properties with delineated boundary lines, as shown on a plat recorded in the Registry or as physically existing thereon (for example, an Apartment Unit), that is intended for construction of a Dwelling thereon, or on which a Dwelling has been constructed. With respect to a detached Dwelling or an attached Dwelling, a portion of the Properties typically becomes a Lot upon the recording of a plat. With respect to a Condominium Unit, it becomes a Lot when the Condominium plat and plans are recorded. With respect to an Apartment Unit, it becomes a Lot when it becomes a Dwelling as defined herein. Solely for the purpose of establishing an Owner of a Development Parcel or the Declarant, as the Owner of Unsubdivided Land, as a Member of the Association with respect to such portions of the Property, this definition of Lot also includes a Development Parcel and Unsubdivided Land (under Section 47F-3-101 of the Act, "the membership of the Association shall at all times consist exclusively of the lot owners"); otherwise, Development Parcels and Unsubdivided Land constitute different forms of portions of the Properties under the Declaration. In the event that any Lot is increased or decreased in size by recombination or re-subdivision through the recording of a new plat, the newly platted lot thereafter shall constitute a Lot.

(z) "maintain", "maintaining", "maintenance" or any substantially similar term used in the Declaration, is defined to include any one or more of the following, as the context requires: acquisition, purchase, construction, re-construction, installation, maintenance, upkeep, cleaning, renewal, alteration, repair, replacement, repainting, remodeling, restoration, removal, improvement, administration, operation, use, planting, mowing, cutting, trimming, pruning, fertilizing, watering and preservation.

(aa) "Master Plan" is defined as the most current version of the drawing approved by the Declarant that depicts the conceptual plan for development of the Properties. If there is any conflict between the Master Plan and a Subdivision Plan, the Subdivision Plan shall control.

(bb) "Member" is defined as each Person who or which holds membership in the Association.

(cc) "mortgage" or "deed of trust" (the terms being used interchangeably herein) is defined as any mortgage, deed of trust or other instrument that creates a security interest in real property, and includes all acts required to create such security interest.

(dd) "Mortgagee" means an institutional lender (including any of the following: commercial bank, savings bank, savings and loan association, trust company, credit union, industrial loan association, insurance company, pension fund or business trust, including real estate investment trust, any other lender regularly engaged in financing the purchase, construction or improvement of real estate, or any assignee of loans made by such lender, or any combination of any of the foregoing

entities) which holds a first lien deed of trust encumbering a Lot. Only for the purposes of the notice and inspection rights contained in the Declaration in the portions hereof dealing specifically with Mortgagees, amendment of the Declaration and termination of the Declaration, the term "Mortgagee" also shall include the Federal Housing Administration (FHA), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal National Mortgage Association (FNMA), the Department of Veterans Affairs (VA), the Government National Mortgage Association (GNMA) and any other public or private secondary mortgage market agency participating in purchasing, guaranteeing or insuring Mortgages which has notified the Board of such participation in writing (each of whom generically is referred to herein as a "Secondary Mortgage Market Agency"). Where the approval of Mortgagees is required, such approval consists of any one or more of the following: (i) written approval; (ii) any written waiver of approval rights; (iii) a letter stating no objection; or (iv) presumptive approval if a Mortgagee does not respond to a notice from the Association requesting approval by notifying the Association, in the manner required herein for giving notices, within thirty (30) days after the Association gives notice to the Mortgagee of the request for approval.

(ee) "Nonprofit Corporation Act" is defined as the "North Carolina Nonprofit Corporation Act", currently contained in Chapter 55A of the North Carolina General Statutes, and including all amendments, supplements and replacements thereof as enacted from time to time.

(ff) "Owner" is defined as the owner of record, whether one or more Persons, of fee simple title to any portion of the Properties, including contract sellers and owners of an equity of redemption, but excluding those having an interest as a result of a contract to purchase, option to purchase, or as security for the performance of an obligation.

(gg) "Parcel", as that term is used herein, includes and refers to a tract of Unsubdivided Land, a Development Parcel, or a Lot.

(hh) "Person" is defined to include any natural person, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture or other legal or commercial entity.

(ii) "Plans" is defined as the plans and specifications for a proposed Improvement showing (where applicable) the size, shape, dimensions, materials, exterior finishes and colors, location on the applicable portion of the Properties, driveway, parking areas, provisions for storm water drainage, decorative landscape planting and other decorative landscaping features, floor plans and elevations, and other items specified from time to time in any applicable architectural guidelines. "Approved Plans" are Plans that have been approved by the Architectural Review Committee (or by the Board, on appeal from the Architectural Review Committee).

(jj) "Properties" is defined as the real property described in **Exhibit A** to the Declaration and any additional property annexed pursuant to Article II of the Declaration.

(kk) "Raleigh City Code" is defined as the ordinances of the City of Raleigh, North Carolina, that exist from time to time, and including the rules and regulations adopted pursuant to such ordinances.

(ll) "Recreational Amenities" shall mean those portions of the Common Property on which a swimming pool, tennis courts, volleyball courts, tot lots, trails, parks and/or other recreational facilities, including associated parking and other improvements, have been constructed or placed for use by the Class A Members and their family members, tenants and guests as provided herein, and for use by Recreational Users as provided herein.

(mm) "Recreational User" is defined as each natural Person, other than a Class A Member (and such Class A Member's family members, tenants and guest) who, subject to rules, regulations and fees adopted by the Board, has been granted the right to use the Recreational Amenities. A Recreational User shall have no voting rights in the Association, but a Recreational User shall be subject to all of the rules and regulations for use of the Recreational Amenities applicable to Owners, as well as any additional rules and regulations adopted from time to time by the Association.

(nn) "Registry" is defined as the office of the Register of Deeds for Wake County, North Carolina, or any successor office in which deeds, plats, easements, mortgages and deeds of trust are recorded.

(oo) "Sub-Association" is defined as an entity organized for the purpose of owning, managing and/or maintaining that Sub-Association's Common Property (including, with regard to a condominium, its common elements) and including, without limitation, a property owners association in a townhome development or condominium. Assessments imposed upon the Members of the Association by the documents establishing or governing a Sub-Association or subjecting an applicable portion of the Properties thereto shall be in addition to, and not in lieu of, assessments imposed upon such Members by the Declaration.

(pp) "Sub-Association Common Property" and "Sub-Association Common Area" are defined as portions of the Properties owned or maintained by a Sub-Association for the use, enjoyment and/or benefits of its members. All private streets and open space owned by, or under the jurisdiction of, a Sub-Association are Sub-Association Common Property. "Sub-Association Limited Common Property" and "Sub-Association Limited Common Area" are defined as Sub-Association Common Property that is established for the benefit of a particular phase, section,

subdivision, or portion of that portion of the Properties subject to the jurisdiction of the Sub-Association.

(qq) "Subdivision Plan" is defined as the most current development plan approved by the City for the applicable portion of the Properties, as evidenced by a plat recorded in the Registry.

(rr) "Unsubdivided Land" is defined as all portions of the Properties owned by the Declarant and which are not Lots or Exempt Property. After the end of the Declarant Control Period, all Unsubdivided Land shall be treated in the same manner as Development Parcels for purposes of assessments and voting under the Declaration.

(ss) "utility" or "public utility" (the terms being used interchangeably herein) is defined as any one or more of the following used in any part or all of the Properties: electricity; telephone; Internet service; water; sanitary sewer; natural gas; television; and any other service or facility generally recognized as a public utility or determined to be a public utility by the Developer (during the Declarant Control Period, and thereafter, by the Board); "utility provider" or "public utility provider" (the terms being used interchangeably herein) is defined as the Person who provides a utility to any part or all of the Properties.

(tt) "utility apartment" is defined as a portion of a Dwelling Unit that complies with all of the following requirements: (i) it physically is part of the Dwelling Unit or part of a garage attached to or detached from the Dwelling Unit; (ii) it is occupied by a Person or family unit other than the Person or family unit that occupies the Dwelling Unit of which it is a part; (iii) the utility apartment contains a floor area not in excess of 1/4 of the gross floor area of the Dwelling Unit, exclusive of the utility apartment (for example, if the Dwelling Unit contains 2,000 square feet, the utility apartment may contain a maximum of 500 square feet); and (iv) the utility apartment complies with all Legal Requirements.

ARTICLE II THE PROPERTIES; ANNEXATION; WITHDRAWAL; SUBDIVISION DECLARATION

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed, used and occupied subject to the Declaration, and which is within the jurisdiction of the Association, is described on **Exhibit A** attached hereto, and constitutes the Properties at the time of the recording of the Declaration.

Section 2. Annexation of Additional Property.

(a) Annexation by the Declarant. At any time before the end of the Declarant Control Period, any part or all of the real property described in Exhibit B to the Declaration (hereinafter the "Exhibit B Property") may be annexed to the Declaration by the Declarant without the consent of the Members by the recording of a plat showing the portion of the Exhibit B Property to be annexed and of a "Supplemental Declaration" extending the operation and effect of the Declaration thereto. Any or all of the Exhibit B Property may be annexed and subjected to the Declaration as one parcel or as several parcels at different times. Nothing here shall be deemed to require the Declarant to annex any part or all of the Exhibit B Property.

(b) Other Annexation. If the Declarant desires to annex real property to the Declaration that is not of a type described in the immediately preceding subsection, or if the Declarant desires to annex real property to the Declaration after the end of the Declarant Control Period, or if a Person other than the Declarant desires to annex real property to the Declaration, such real property may be annexed to the Declaration only by the affirmative vote of sixty-seven percent (67%) or more of the votes cast by the Members present at a duly called meeting of the Association (and, during the Declarant Control Period, including a majority of the votes cast at such duly called meeting of the Association by the Members other than the Declarant), and the recording in the Registry of a Supplemental Declaration signed by the owner of such real property, the appropriate officers of the Association certifying the required meeting and vote, and by the Declarant during the Declarant Control Period.

(c) Conditions of Annexation. Any real property to be annexed to the Declaration must be contiguous (which term includes on the opposite side of a street right of way) to some portion of the Properties already subject to the Declaration. All annexations of real property to the Declaration, if required by Legal Requirements, must be approved by the City of Raleigh, the Federal Housing Administration and/or Veterans Administration.

(d) Supplemental Declaration. Each Supplemental Declaration shall be effective to annex real property to the Declaration only upon obtaining all approvals required by the Declaration and upon its recording in the Registry, and the effective date of such annexation shall be the later of the date specified therein, if any, or the date of recording. Each Supplemental Declaration shall describe the real property annexed and shall reference the Declaration. A Supplemental Declaration need not be in any specific form and need not be titled Supplemental Declaration (for example, it may be contained in a deed from the Declarant conveying the real property being annexed), but it shall clearly indicate the intention to subject such real property to the Declaration. Any Supplemental Declaration may specify such use restrictions and may contain such other terms, covenants, restrictions, easements, affirmative obligations, assessments, charges and liens, not inconsistent with

the Declaration, as the Person annexing such real property to the Declaration may determine, which provisions may be more, but not less, restrictive than the provisions of the Declaration. Except for such more restrictive provisions, the Declaration shall control over any provision of any Supplemental Declaration that conflicts or is inconsistent with the Declaration.

(e) **Class B Votes Attributable to Annexed Property.** The annexation of Class B Property shall result in the addition of the following Class B member votes in the Association: (i) if there is a Master Plan for the annexed property approved by the City of Raleigh, the additional number of Class B votes attributable thereto shall be equal to the number of residential units approved for such annexed property multiplied by three; (ii) provided, however, if a Subdivision Plan is approved for any part or all of such annexed property, and the number of approved residential units under the Subdivision Plan is different from the number of residential units approved for such portion of the annexed property under the Master Plan, the number of Class B votes shall be adjusted in accordance with the Subdivision Plan. Until such time as there is a Master Plan or Subdivision Plan approved for the annexed property, there shall be no Class B votes for such annexed property.

(f) **Conveyance of Common Property in Annexed Property.** Prior to the conveyance of the first Lot or Dwelling Unit within any newly annexed property to any Person other than a Builder, the owner of the annexed property shall convey to the Association all Common Property, if any, located within the newly annexed property. Title to such Common Property shall be conveyed in the same manner as set forth in Section 3 of Article IV of the Declaration.

Section 3. Order of Development and Annexation. It is the Declarant's intent to develop the Properties it owns in accordance with the Master Plan, as modified from time to time. Provided, however, but subject to applicable Legal Requirements, the Master Plan shall not obligate the Declarant to develop any particular portion of the Properties now or in the future, the Declarant shall not be required to follow any particular sequence or order of development of the Properties, and the Declarant may annex or consent to annex additional real property to the Declaration before completing development of the portion of the Properties previously subjected to the Declaration.

Section 4. Withdrawal of Properties from the Declaration.

(a) At any time and from time to time during the Declarant Control Period the Declarant, in its sole discretion, without the approval or joinder of the Association or any Owner or other person or entity except the Owner of the portion of the Properties being withdrawn and the City of Raleigh (if required) may record in the Registry a "withdrawal declaration" to withdraw one or more portions of the Properties from the Declaration, provided each portion of the Properties to be withdrawn either is (i) dedicated or to be dedicated to public use; or (ii) conveyed or to be conveyed to the City; or (iii) zoned, used or intended for use for commercial or non-residential purposes. All portions of

the Properties withdrawn from the Declaration shall be identified either by a plat recorded in the Registry or by a metes and bounds description. The withdrawal shall be effective on the date the withdrawal declaration is recorded in the Registry, or on such later date specified therein.

(b) After the end of the Declarant Control Period, at any time and from time to time one or more portions of the Properties may be withdrawn from the Declaration, provided such portion of the Properties to be withdrawn either is (i) dedicated or to be dedicated to public use; or (ii) conveyed or to be conveyed to the City; or (iii) zoned, used or intended for use for commercial or non-residential purposes, and the withdrawal has been approved by the Owner of such portion of the Properties and by the affirmative vote of sixty-seven percent (67%) or more of the votes cast by the Members present at a duly-called meeting of the Members for which the notice of the meeting includes notice of the proposal to withdraw such portion of the Properties, and such withdrawal is approved by the City of Raleigh (if required).

(c) Following approval of any such withdrawal, the Association and the Owner of the portion of the Properties to be withdrawn from the Declaration shall record a withdrawal declaration particularly describing the withdrawn portions of the Properties by reference to a plat recorded in the Registry or by a metes and bounds description. The withdrawal shall be effective on the date the withdrawal declaration is recorded in the Registry, or on such later date specified therein.

Section 5. Effect of Annexation or Withdrawal. Other than as specifically limited by the Governing Documents or any applicable Legal Requirement, the Declarant shall have full power to add to, subtract from, or make changes in, the Master Plan, and annex real property to and withdraw real property from the Declaration, regardless of the fact that such actions may affect the relative voting strength of any class of membership in the Association or reduce the number of Owners subject to assessment under the Declaration. All portions of the Exhibit B Property not annexed to the Declaration may be developed in any manner allowed under applicable Legal Requirements, without regard to the provisions of the Declaration. Any portion of the Properties that is withdrawn from the Declaration may be developed in any manner allowed under applicable Legal Requirements, and shall be released from the terms and provisions of the Declaration, except that all easements specifically affecting such withdrawn portions of the Properties, as shown on plats recorded in the Registry or as described in documents recorded in the Registry, shall remain in force and effect.

Section 6. Subdivision Declaration. Declarant contemplates that there will be within the Properties several separate and distinct residential phases, sections, or subdivisions. Because such phases, sections or subdivisions may have varying lot sizes, types of Dwelling Units, marketing considerations and other differences, it may be necessary or desirable to impose additional and different covenants and restrictions on such phases, sections or subdivisions which are applicable

solely to such phase, section or subdivision (the foregoing being referred to herein as a "Subdivision Declaration"). Accordingly, the Declarant or other person who or entity which owns any such phase, section or subdivision of the Properties may subject such phase, section or subdivision to such Subdivision Declarations as the Declarant or other person or entity, in his, her or its sole discretion, may from time to time determine; provided, however, that during the Declarant Control Period no person other than the Declarant may subject any phase, section or subdivision of the Properties to any Subdivision Declaration unless the Declarant consents in writing thereto. More than one phase, section or subdivision may be subjected to the same Subdivision Declaration. Any Subdivision Declaration may specify such use restrictions and may contain such other terms, covenants, restrictions, easements, affirmative obligations, assessments, charges and liens, not inconsistent with the Declaration, as the person or entity subjecting such real property to the Subdivision Declaration may determine, which provisions may be more, but not less, restrictive than the provisions of the Declaration. Except for such more restrictive provisions, the Declaration shall control over any provision of any Subdivision Declaration that conflicts or is inconsistent with the Declaration.

ARTICLE III ASSOCIATION

Section 1. Minimum List of Functions and Services. The following are the "Minimum List of Functions and Services" which the Association shall do, provide, perform, accept, or be responsible for, as the case may be:

(a) The Association shall carry out the Association's obligations and business under the terms of the Governing Documents, including legal, financial, accounting and communications services, and shall provide or procure the administrative services necessary in connection therewith.

(b) The Association shall maintain the Common Property, including portions thereof located in easements granted to or reserved by the Association or by Declarant on behalf of the Association. In determining the level of maintenance to be performed by the Association, the Board may give due consideration to the extent to which the City or any other Person is responsible for and performs such maintenance.

(c) The Association shall accept transfer of ownership from Declarant of any and all Common Property.

(d) The Association shall accept from Declarant any and all assignments of Declarant rights under the Declaration or any Supplemental Declaration, including assumption of all obligations

which are incident to such assignments as they relate to any Common Property, architectural approvals or other functions or services performed or provided by the Association.

(e) The Association shall accept from Declarant any and all appointments of the Association as the agent of Declarant for administration and enforcement of any of the provisions of the Declaration or any Supplemental Declaration, and shall assume all obligations which are incident to such appointments as they relate to any Common Property, architectural approvals or other functions or services performed or provided by the Association.

(f) The Association shall operate the Architectural Review Committee(s) as and when provided in the Declaration.

(g) The Association shall keep records of all its acts and corporate business, and, in particular, the Association shall keep financial records sufficiently detailed to enable the Association to comply with the Act.

(h) The Association shall make available to each Member making written request therefor an annual financial report and, upon either the (i) the affirmative vote of majority of the votes cast by the Members present at a duly called meeting of the Association, or (ii) the written request of the Members possessing twenty-five percent (25%) or more of the total votes of all the Members of the Association, shall have such report audited (at the expense of the Association) by an independent certified public accountant, which audited report shall be made available to each Member making written request therefor.

(i) The Association shall make available for inspection by the Members and Lenders, upon reasonable request and during normal business hours, current copies of the Governing Documents, the rules and regulations of the Association, and the books, records and financial statements of the Association.

(j) As required by the Governing Documents and Legal Requirements, the Association shall establish a proposed annual operating budget, shall establish the amount of and collect assessments, and shall establish reserve funds.

(k) The Association shall hold meetings and give proper notice thereof, as required by the Governing Documents and applicable Legal Requirements.

(l) The Association shall pay all applicable ad valorem property taxes and City assessments, if any, on the Common Property and other assets of the Association.

(m) The Association shall obtain and maintain insurance as required in the Declaration.

(n) The Association shall be responsible for storm water management as provided in this Declaration.

Section 2. Other Functions and Services. The Association is authorized, but not required (except as specified in the immediately preceding Section 1), to do, provide, perform, accept, or be responsible for any or all of the following:

(a) The Association may take all actions its deems necessary to enforce and implement the provisions of the Governing Documents, and to perform any of the functions or services delegated to the Association by the Governing Documents and, in connection therewith, except as specifically limited by the Declaration, the Association shall have all of the rights and powers described in Section 47F-3-102 of the Act as it from time to time exists.

(b) The Association may grant easements, leases, licenses and concessions through or over the Common Property, as the Board determines from time to time to be in the best interests of the Association.

(c) Subject to the terms of any encroachment agreement between the Association and the City, the Association may maintain grass and landscaping within street rights of way in or adjacent to the Properties, with such frequency and in such manner as determined by the Board. In determining the level of maintenance to be performed by the Association, the Board may give due consideration to the extent to which the City or any other Person is responsible for and performs such maintenance. The Association may enter into encroachment and other agreements with the City to enable it to perform such maintenance.

(d) To the extent that such services are not, in the opinion of the Board, provided adequately by the City, the Association may provide services of a governmental nature for maintenance of portions of the Properties not owned by the Association.

(e) The Association may make reasonable rules and regulations for the use and operation of the Common Property, and amend them from time to time. Provided, however, any such rule or regulation adopted by the Board may be amended or repealed by the affirmative vote of a majority of the votes cast by the Members present at a duly called meeting of the Association.

(f) The Association may enter into agreements or contracts with utility companies with respect to utility installation, consumption and service matters relating to the Common Property.

(g) The Association may borrow funds to pay costs of operation of the Association, which borrowing may be secured by assignment or pledge of Association rights against Owners who are delinquent in payment of assessments or by liens on other Association assets, as determined by the Board, subject to the Governing Documents and applicable Legal Requirements.

(h) The Association may enter into contracts to maintain one or more bank accounts.

(i) The Association may sue or defend in any court of law on behalf of the Association, and may employ attorneys and other necessary professionals in connection therewith.

(j) The Association may adjust the amount, collect, and use insurance proceeds to repair damage to or replace Common Property, and if proceeds are insufficient to repair damage to or replace same, levy special assessments (in the manner provided herein) to cover the deficiency.

(k) The Association may provide insect and pest control and other services for the Properties to the extent that it is deemed necessary or desirable, in the sole discretion of the Board;

(l) The Association may employ a manager or firm to manage the business and property of the Association (herein also referred to as a "property manager" or "management company"), and may employ independent contractors or other employees as the Board may deem necessary.

(m) The Association may retain the services of legal and accounting firms and such other professionals and/or tradesmen as it deems necessary and appropriate.

(n) The Association may contract with Declarant or any other Person for performance of services which the Association is required to perform pursuant to the terms hereof, such contracts to be at competitive rates and upon such terms and for such consideration as the Board may deem proper, advisable and in the best interests of the Association.

(o) The Association may establish from time to time the nonprofit corporation tax status of the Association for federal and State of North Carolina income tax purposes, as determined by the Board to be in the best interests of the Association.

(p) The Association may contract with other nonprofit corporations or associations which exist for purposes substantially similar to those for which the Association exists, with respect to the maintenance of property owned by such corporation or association.

(q) The Association may impose reasonable charges for late payment of assessments and, after notice and an opportunity to be heard, suspend privileges or services provided by the

Association (except rights of access to Lots and rights of access to easements in Common Property that provide public utility services to Lots) during any period that assessments or other amounts due and owing to the Association remain unpaid for a period of thirty (30) days or longer.

(r) After notice and an opportunity to be heard, the Association impose reasonable fines or suspend privileges or services provided by the Association (except rights of access to Lots and rights of access to easements in Common Property that provide public utility services to Lots) for reasonable periods for violations of the Declaration, the Bylaws or other Governing Documents.

(s) In addition to the insurance coverages required by the Declaration, the Association may obtain and maintain such other insurance coverage as the Board determines to be in the best interests of the Association.

(t) In addition to the foregoing, exercise all powers and rights authorized under the Act.

Section 3. Storm Water Management. Except for the maintenance responsibilities placed on Owners by this Section or assumed or undertaken by other Persons (for example, a Sub-Association), the Association, as a Common Expense, shall: (i) maintain all storm water easements (also referred to herein as "storm water drainage easements" or "drainage easements") in the Properties that are shown on plats of the Properties recorded in the Registry or established by written instruments recorded in the Registry, and which either are located on the Common Property or benefit or serve more than one (1) Lot; and (ii) maintain the storm water management facilities, if any, on or serving the Properties, which are part of the storm water management system for the Properties as shown on approved Subdivision Plans or other plans approved by the City. Storm water management facilities include ponds, natural areas and/or planted or landscaped areas into which storm water drains or in which storm water is collected, and also include drains, pipes and other equipment or apparatus used for handling storm water drainage. Provided, however, such maintenance obligations shall cease and terminate, or be reduced, at such time as the City, through a department of public works or some other agency or division, elects to maintain, in whole or in part, the storm water drainage easements and storm water management facilities, or some other Person is providing the necessary maintenance. Following any such assumption of maintenance by the City or other Person, the Association may, without obligation, continue to provide maintenance to the extent that the City or other Person fails to provide adequate maintenance, in the opinion of the Board. The Owner of any Parcel on or over which a storm water drainage easement (or portion thereof) is located shall be responsible for the following with respect thereto: (i) mowing of grass with reasonable frequency, where applicable; (ii) removal of debris and other matter to the best of the Owner's ability, where such debris or matter has impeded or threatens to impede the free flow of storm water over or through the drainage easement or any storm water management facilities located therein. Such Owner's responsibility shall include notification of the Association of any

defects in any fencing, if any surrounding or within a storm water drainage easement or storm water management facility, any debris or other matter which the Owner feels is beyond the Owner's reasonable ability to remove, and any excessive erosion within a storm water drainage easement. The Owner of a Parcel on which a storm water drainage easement is located shall not obstruct that easement in any manner. The Owner of a Parcel served by a storm water drainage easement shall keep such Parcel clear of all debris and other matter which, if carried by water flow into or onto the area of the storm water drainage easement, might significantly impede the free flow of storm water over or through the easement or any storm water drainage facilities therein. Notwithstanding anything to the contrary herein, each Owner of a Parcel, and not the Association, shall be responsible for maintenance of all storm water drainage facilities and facilities used exclusively in connection with such Parcel or the Improvements thereon, including guttering, and pipes and drains for transportation of storm water from such Parcel into a storm water drainage easement or into a storm water management facility that is part of the storm water management system for the Properties.

Declarant, during the Declarant Control Period, and thereafter, the Association, subject to any approval required by the City, may at any time and from time to time relocate, abandon and/or release one or more storm water drainage easements in the Properties, provided that such relocation, abandonment or release does not materially adversely affect any portion of the Properties, including the Common Property.

With respect to its obligations under this Section, the Association shall pay or post all bonds or other financial requirements under Legal Requirements, and the Association may enter into agreements with one or more Persons for collecting or managing any part or all of the storm water from the Properties in a location outside of the Properties. Such agreements may include payments from the Association for the services provided by such Person in collecting or managing such storm water from the Properties.

Declarant hereby informs all Owners, Recreational Users and other Persons who may from time to time deal with or come in contact with the Properties, that as storm water drains from the Properties into any of the storm water management facilities for the Properties, it is possible that substances or materials that may be classified or regulated as "hazardous substances" or "toxic substances" or other regulated substances or materials under Legal Requirements relating to the environment, may accumulate in such storm water management facilities. Accordingly, each Owner, Recreational User and other Person hereby is put on notice of the foregoing possibility, and agrees to assume the risk that such accumulation may occur. In addition, each Owner further acknowledges that at some future time it may be necessary for such substances to be removed from the storm water management facilities or otherwise handled in accordance with Legal Requirements, and for such storm water management facilities to be cleaned-up following such removal or other handling, that the costs associated with such removal, handling and/or clean-up are Common Expenses, and that

an additional annual assessment or a special assessment may be required to pay for such removal and/or resultant clean-up of the Storm Water Retention Facility.

Section 4. Conveyance or Dedication of Common Property. The Association, upon complying with the minimum required voting percentage under applicable provisions of the Act for conveyance or dedication of Common Property (at the time of recording of the Declaration Section 47F-3-112 of the Act requires the affirmative vote of eighty percent (80%) of the votes in the Association), and, in addition thereto, only after obtaining (i) the written agreement or consent of those Class A Members who have, or the affirmative vote at a duly called meeting of the Association of those Class A Members who have, sixty-seven percent (67%) or more of the total number of votes allocated to the Class A Members, and (ii) during the Declarant Control Period the written consent of Declarant, the Association, may dedicate portions of Common Property to public use, and may convey or exchange portions of Common Property, for any purpose approved by such Members (and, during the Declarant Control Period, also approved by Declarant), including any one or more of the following purposes: (i) to eliminate unintentional encroachments of Improvements or easements; (ii) to correct any building or other setback violations; (iii) to adjust boundary lines of portions of the Properties; and (iv) to facilitate the orderly subdivision and development of the Properties as determined by the Board. All such conveyances shall be subject to the following: (i) no such conveyance (either alone, or in conjunction with other conveyances) results in a reduction of the portion of the Common Property that constitutes "open space" required by the City below the minimum amount of "open space", if any, required by the City; (ii) if required by applicable Legal Requirements, the City approves any boundary line adjustment; (iii) the exchanged properties are of like value and utility; (iv) any boundary line adjustment is approved by the Owners of all portions of the Properties affected by the adjustment; (v) each Parcel contiguous to Common Property prior to the conveyance remains contiguous to Common Property after the conveyance, unless otherwise approved by the affected Owner; (vi) the conveyance does not materially conflict with any applicable Subdivision Plan; (vii) no conveyance of Common Property deprives any Parcel of its rights of access and support; and (viii) any conveyance of real property to the Association must be free and clear of all encumbrances except for the Declaration and any applicable Supplemental Declaration, street rights of way or access easements, greenway easements and easements for utilities and storm water drainage.

Any of the foregoing real property acquired by the Association shall be part of the Common Property and, without further act of the Association or its Members, shall be released from all provisions of the Declaration (and any applicable Supplemental Declaration) except those applicable to the Common Property. The portion of the Common Property dedicated, conveyed or exchanged by the Association, without further act of the Association or its Members, shall cease to be Common Property and shall be subject to those provisions of the Declaration (and any applicable Supplemental Declaration) that would have been applicable to such real property had it not been

Common Property, except that, if required by the City, such portion of the Common Property may be conveyed by the Association to the City free and clear of all of the terms of the Declaration and any applicable Supplemental Declaration.

In addition to the foregoing requirements, during the Declarant Control Period any conveyance or dedication of Common Property also shall require approval by the United States Department of Housing and Urban Development ("HUD") or its designee and/or by the United States Veterans Administration ("VA") or its designee unless, at the time of such conveyance or dedication, applicable HUD or VA regulations no longer require such approval.

Section 5. Mortgage and Pledge of Common Property. The Association, upon complying with the minimum required voting percentage under applicable provisions of the Act for conveyance or dedication of Common Property (at the time of recording of the Declaration Section 47F-3-112 of the Act requires the affirmative vote of eighty percent (80%) of the votes in the Association), and, in addition thereto, upon (i) the written agreement or consent of those Class A Members who have, or the affirmative vote at a duly called meeting of the Association of those Class A Members who have, sixty-seven percent (67%) or more of the total number of votes allocated to the Class A Members, and (ii) during the Declarant Control Period, the written consent of Declarant, shall have the power and authority to mortgage the Common Property and to pledge its assets as security for loans made to the Association, which loans shall be used by the Association in performing its functions and providing services under the Declaration. Declarant may, but shall not be required to, make loans to the Association, subject to the foregoing and further subject to approval by such Person of the use to which such loan proceeds will be put and the terms pursuant to which such loans will be repaid. Notwithstanding anything in the Declaration to the contrary, at any time that there is any unpaid amount owed to Declarant under any loan made by it to the Association, without Declarant's written consent the annual assessments shall not be reduced below the amounts in effect at the time such loan first was made.

In addition to the foregoing requirements, during the Declarant Control Period any mortgage or pledge of Common Property also shall require approval by the United States Department of Housing and Urban Development ("HUD") or its designee and/or by the United States Veterans Administration ("VA") or its designee unless, at the time of such mortgage or pledge, applicable HUD or VA regulations no longer require such approval.

Section 6. Liability Limitations. Except as otherwise required by applicable Legal Requirements, neither Declarant nor any current or former Member of the Association, nor the Board, nor any director on the Board, nor any officer of the Association, nor any shareholder, director, officer, member, manager, agent or employee of Declarant, shall be personally liable for debts contracted or incurred by the Association or for a tort of another current or former Member,

whether or not such other current or former Member was acting on behalf of the Association. Neither Declarant nor the Association, or any of the shareholders, directors, officers, partners, members, managers, agents or employees of same, acting in those official capacities, shall be liable for any incidental or consequential damages for failure to inspect any Owner's Parcel or Improvements thereon, or for failure to maintain the same (provided, however, as required herein Declarant shall maintain all portions of the Properties it owns, and, except as otherwise specifically provided herein, directors on the Board and officers of the Association shall have all of the other obligations and liabilities of an Owner under the Declaration with respect to portions of the Properties owned by such Persons). The Association shall indemnify all Association directors and officers, and members of the Architectural Review Committee and other committees of the Board, as required by the Articles and Bylaws.

Neither the Board, the Association, the Declarant, nor any current or former Member of the Association, shall be considered as a bailee of any personal property stored or placed on the Common Property (including vehicles parked on the Common Property), whether or not exclusive possession of the particular area is given to the Person who owns such personal property, nor shall any of the foregoing Persons (other than the Person who owns the personal property) be responsible for the security of such personal property or for any loss or damage thereto. The Association shall not be liable for any failure of or interruption to any service to be obtained by the Association or paid for as a Common Expense, or for personal injury or property damage which is caused by the elements or by any Owner or any other Person, or which results from electricity, water, snow or ice which may leak or flow from or over any portion of the Properties or from any pipe, drain, conduit, appliance or equipment, or any secondary or consequential damages of any type resulting from the foregoing. No diminution, offset or abatement of any assessment or other charge shall be claimed or allowed for inconvenience or discomfort arising from maintenance of the Common Property or from any action taken by the Association to comply with any Legal Requirement. This Section is not intended, nor shall it be construed, to relieve any insurer of its contractual obligations under any policy benefitting the Association or any Owner.

Section 7. Merger or Consolidation. Upon a merger or consolidation of the Association with another association in accordance with all applicable Legal Requirements, the properties, rights and obligations of the Association, by operation of law, may be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association, by operation of law, may be added to the properties, rights and obligations of the Association as the surviving corporation pursuant to a merger. The surviving or consolidated association shall be considered the Association under the Declaration and may administer the terms and provisions of the Declaration and any applicable Supplemental Declaration, together with the terms and provisions of any declarations, covenants and restrictions applicable to other property under the jurisdiction of the surviving or consolidated Association, as a common plan. Other than

as specifically stated in the plan of merger or consolidation approved pursuant to all applicable Legal Requirements, no merger or consolidation shall effect any revocation of the provisions of the Declaration with respect to the Properties, including the limits on any assessment or any other matter substantially affecting the interests of the members of the Association. During the Declarant Control Period, no merger or consolidation of the Association with another association shall be valid without the written consent of Declarant. In addition to all applicable Legal Requirements, any merger or consolidation of the Association with another association shall be effective and legally valid only upon the affirmative vote by sixty-seven percent (67%) or more of the votes cast by the Class A Members of present at a duly called meeting of the Association.

In addition to the foregoing requirements, during the Declarant Control Period any merger or consolidation also shall require approval by the United States Department of Housing and Urban Development ("HUD") or its designee and/or by the United States Veterans Administration ("VA") or its designee unless, at the time of such merger or consolidation, applicable HUD or VA regulations no longer require such approval.

ARTICLE IV RIGHTS IN AND TO COMMON PROPERTY

Section 1. Owners' Easements of Enjoyment and Access. Except as limited by the provisions of this Section 1 and by the rules and regulations adopted by the Members and/or the Board, every Owner shall have a right and easement of enjoyment in, use of and access to, from, and over the Common Property, which right and easement shall be appurtenant to and shall pass with title to every Parcel, subject to the following:

(a) subject to the provisions of the Raleigh City Code, the right of the Association to charge reasonable admission and other fees for the use of any Recreational Amenities and to limit the use thereof to Owners who occupy a Dwelling on the Properties and to their families, tenants and guests, as provided in Section 2 of this Article IV, and to Recreational Users.

(b) subject to any applicable notice and hearing requirements of the Act, the right of the Association to fine an Owner and/or suspend the rights (voting and other) and easements of enjoyment in and to the Common Property of an Owner or such Owner's family members, lessees or guests, for any period during which any assessment or other amount owed by the Owner to the Association remains unpaid, and for a reasonable period of time for any violation or infraction or of the Governing Documents, the Act or the Association's published rules and regulations by an Owner or such Owner's family members, lessees or guests. Provided, however, no such suspension shall constitute a waiver or discharge of the Owner's obligation to pay any assessment or other charge