WAKE COUNTY, NC 168
LAURA M RIDDICK
REGISTER OF DEEDS
PRESENTED & RECORDED ON
09/14/2016 14:50:51

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(Return to White Oak Properties, Inc., 21 Glenwood Avenue, Raleigh, NC, 27603)
NORTH CAROLINA

DECLARATION OF CONDOMINIUM

WAKE COUNTY

THIS DECLARATION OF CONDOMINIUM is made and entered into the 14 day of September, 2016, by PW North Shore LLC, a North Carolina Limited Liability Company, ("Declarant"), pursuant to the provisions of Chapter 47C of the North Carolina General Statutes.

1. ESTABLISHMENT.

Declarant is the owner of a leasehold interest in real property within North Carolina State University's Centennial Campus located within Wake County, North Carolina, more particularly described in Paragraph 2 below; and

Declarant intends to construct a single building on the Property containing a maximum of five (5) residential units and to sell and convey the same to various purchasers subject to the covenants, conditions and restrictions hereinafter set forth; and

Declarant intends to assign all of its rights in the ground lease of the real property to the Association concurrently with the filing of this Declaration in the Wake County Registry; and

Declarant may, in its sole discretion, elect to exercise certain development rights whereby within certain time limits it may unilaterally expand the Condominium to include up to twenty four (24) additional buildings, built one at a time or in various combinations, containing a total of three hundred and five (305) additional units. Any future buildings constructed in North Shore shall be of similar, materials. Future buildings, if built, may be larger than the building described herein but they too shall use similar materials and employ compatible and complimentary design features.

Declarant intends and desires by the filing of this Declaration of Condominium to submit the property described in Paragraph 2 below and improvements to be constructed thereon together with all of the appurtenances thereto to the provisions of Chapter 47C of the North Carolina General Statutes, (NORTH CAROLINA CONDOMINIUM ACT), and hereby declares the same to be known and identified as "NORTH SHORE, a condominium." Declarant will convey the property subject to certain protective covenants, conditions and restrictions as hereinafter set forth.

2. PROPERTY DESCRIPTION.

All that certain property situated, lying and being in Wake County, North Carolina, and being more particularly described on the schedule marked Exhibit "A" attached hereto and incorporated herein by reference (the "Property"), together with the improvements to be constructed thereon as referenced in Exhibit "B", including complete descriptions and plans of the units with their respective locations and dimensions. A more specific description can be found in Condominium File 2016, Pages 189- 196 Wake County Registry which are incorporated herein by reference. Such plans bear a verified statement that they are an accurate copy of the building plans.

All units in the Condominium will be subject to the Unit Disclosure and Ground Lease Addendum contained in Exhibit B of the Memorandum of Ground Lease recorded in Book 16065, Page 338 Wake County Registry.

3. FORM OF ADMINISTRATION.

The property of the Condominium and its business shall be managed, controlled, directed and administered by the North Shore Homeowners Association, Inc. (hereinafter the "Association") as provided in the Articles of Incorporation and By-Laws of the Association, which Articles of Incorporation and By-Laws are attached hereto as Exhibits "C" and "D" and made a part hereof. Each Unit Owner shall be member of the Association. The Condominium shall be a sub-association of the North Shore Master Homeowners Association, Inc. (hereinafter "Master Association") and further subject to the MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTH SHORE AT CENTENNIAL CAMPUS previously recorded in Book 15666, Page 1242 of the Wake County Registry on May 22, 2014 (hereinafter "Master Declaration").

The Master Declarant and/or the Master Association shall have the power to levy assessments of the Master Association against the Units and to collect same from the Unit Owners in the same manner as the Association. All Unit Owners shall be subject to and shall comply with all applicable provisions of the Master Declaration. Each Unit Owner shall be entitled to enjoy all applicable easements, rights and privileges set forth in the Master Declaration. Each Unit Owner shall be a Member of the Master Association and shall be subject to and beneficiaries of all covenants, conditions, restrictions, easements, dues assessments, rights and privileges set forth in the Master Declaration.

The Association shall have the authority to enter into such agreements with the Master Association, including granting easements in favor of the Master Association as it may deem advisable for the maintenance, operation, regulation, conservation and beautification of the Property and for the health, comfort, safety, security, and general welfare of the owners and occupants of the Property. The Association may at any time and from time to time enter into an agreement with the Master Association to provide for the billing and collection of annual dues and special assessments under the Master Declaration and the subsequent turnover of such amounts to the Master Association as applicable. Unless otherwise agreed, if the Association pays all dues or assessments owed to the Master Association in a timely manner and elects to collect such dues or assessments to reimburse the Association for such up-front payment, the Association shall be deemed to have the right, but not the obligation, to enforce and collect any dues or assessments of the Master Association against a Unit Owner in the same capacity as the Master Association would have, and the Association shall have the right to enforce such collection rights pursuant to this Declaration and/or the applicable Master Declaration.

The Association may enter into agreements with the Master Association for the provision of community services and the collection of dues. More particularly the Association may enter into an agreement with the Master Association to assist the Association in performing any functions or providing, or enabling them to provide, any of the services the Association is required or authorized to perform or provide under the Association's governing documents. Further, the Association may contract with other nonprofit corporations or associations, including the Master Association, that exist for purposes substantially similar to those for which the Association exists with respect to the Maintenance of property, common area, or common elements owned by any such corporation or association. The Association may also be merged or consolidated with the Master Association or any association affiliated with Centennial Campus pursuant to Article VI, Section 9 of the Master Declaration.

Whenever there is a conflict between the provisions of the Master Declaration and those herein of the Association, the provisions of the Master Declaration shall control, and likewise whenever there is a conflict between the provisions of the Articles and Bylaws of the Master Association with those of the Association, the provisions of the Articles and Bylaws of the Master Association shall control provided however that in the event of a discrepancy, no provision of this Declaration shall be less restrictive or more permissive that a similar provision in the Master Declaration.

All powers granted in this Declaration or the By-Laws to the Association shall be exercisable by the Board of Directors, except as expressly provided in the Declaration, the By-Laws, or Chapter 47C of the North Carolina General Statutes.

Declarant shall transfer control of the Association to the Unit Owners on or before 31 December, 2016.

4. UNIT DESIGNATION.

Declarant does hereby establish within the Property five (5) units and does hereby designate all such units for separate ownership. Each unit owner's interest in the estate will be held in fee simple. Each unit is identified by a specific numerical designation with a separate street address as shown on Exhibit "B". Each unit is bounded both as to horizontal and vertical boundaries by the interior surface of its perimeter walls, ceilings, and floors, which are shown on the aforesaid plans filed in the Wake County Registry. Mechanical equipment, stairways, and appurtenances located within any unit and designed to serve only that unit shall be a part of the unit.

Each Unit Owner has an unrestricted right of ingress and egress to his or her unit, unless same is limited as a result of special uses noted in paragraph 12 herein. This right shall be perpetual, subject however to the term of the ground lease, and it shall pass with the unit estate as transfers of unit ownership might occur. Any conveyance, encumbrance, judicial sale or other transfer (voluntary or involuntary) of an individual interest in the common elements will be void unless the unit to which that interest is allocated is also transferred.

The land area of North Shore will not be owned in fee simple by the Association. Instead, it will be controlled by a ground lease between the Declarant and the property owner, THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND OF NORTH CAROLINA STATE UNIVERSITY, an entity created and existing pursuant to N.C. Gen. Stat. §116-36, and its successors and assigns The lease will be initially executed in favor of the Declarant. Concurrently with the filing of the declaration in the Wake County Registry, the lease interest in the Property of the Condominium will be lawfully assigned to the Association. The lease will have a term of 99 years from its execution date. Prior to the filing of this Declaration in the Wake County Registry, the Declarant will prepay all rent due for the lease term. Under the terms of the lease, the association and its unit owners will be required to pay all ordinary home ownership expenses including insurance, utilities, maintenance, master homeowner association assessment, real estate taxes and any other special ownership costs arising from Centennial Campus and North Carolina State University. A more specific description of the Property can be found in Condominium File No. 2016, Pages 189-196, Wake County Registry which is incorporated herein by reference. Such plans bear a verified statement that they are an accurate copy of the building plans.

5. PARTY WALLS.

The walls, flooring and ceilings connecting adjacent units are "party walls" and are situated on or about the boundary line separating units. In the case of any walls, flooring and ceilings that are herein described as party walls, all furring, wallboard, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished flooring, and any other materials constituting any part of the finished surfaces thereof are a part of the unit and all other portions of such walls, floors or ceilings are a part of the common elements, pursuant to GS 47C-2-102(1).

Each wall which is built as a part of the original construction of a unit and placed on the dividing line between the units shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Declaration, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

The cost of reasonable repair and maintenance of a party wall shall be shared by the owners who make use of the wall in proportion to such use. Notwithstanding any other provisions of this Declaration, a Unit Owner who by his negligent or willful act causes a party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

6. COMMON AREAS AND FACILITIES.

The common areas and facilities consist of all parts of the multi-unit building situated on the Property other than individual units therein. The Association shall have the responsibility for maintaining the common areas and facilities. The common areas and facilities shall include without limitation the following:

(a) The land on which the building is erected and all land described in Paragraph 2 above.

(b) All foundations, columns, girders, beams, supports and other structural members.

(c) The roof and all exterior walls and interior walls except those partition walls and all ceilings, floors, and stairways wholly within a unit.

(d) All central appurtenant installments for operations and for services ,if any, such as power, lights, telephone, security system, cable TV, elevator, cold water for common building usage, heat and air conditioning for common building usage, including pipes, ducts, wiring, cables and conduits, whether located in common areas or in units and all other central mechanical equipment spaces.

(e) All waterlines, storm drainage pipes and facilities, sanitary sewer pipes and sanitary sewer facilities located on the Property.

(f) All of the parts of the property and all apparatus installations existing in the building or upon the property for common use necessary or convenient to the existence, maintenance, or safety of the property.

(g) All landscaping and other site improvements immediately adjoining each building and within the strip of land between the sidewalk and adjacent street along the front of each building, all porch stoops leading to the sidewalk from each building unit entrance, and all driveway pads between the rear of a building unit and the adjoining Private Alley.

(h) Any easements benefitting the Association for the operations, maintenance, repair, or replacement of any common facilities on or over land not owned or controlled by the Association.

The sidewalks and streets along the front of each building, including all parking areas along such streets, will be controlled and maintained by North Carolina State University or its designee. The Private Alleys behind each building, including parking areas within such Private Alleys, all landscaped areas along the exterior of such Private Alleys, and all areas designated for dumpsters and garbage collection, will be owned, controlled and maintained by the North Shore Master Homeowners Association, Inc. and shall be deemed "Common Area" under the Master Declaration. Declarant will release such areas to North Carolina State University and the North Shore Master Homeowners Association, Inc., as applicable, upon Declarant's completion of the improvements thereon in accordance with Declarant's development obligations. Each Unit owner will be obligated to contribute to the cost of maintenance of such areas, as more particularly set forth in the declarations applicable to the Property.

7. LIMITED COMMON AREAS AND FACILITIES.

Limited Common Areas and Facilities shall mean and include those common areas and facilities reserved for useby a certain Unit or Units to the exclusion of other Units, including any deck, open porch, patio, and stoop, steps which directly connect the unit to the public sidewalk, balcony, garage or any assigned parking spaces on the Property. Each Unit Owner is hereby granted an exclusive and irrevocable license to use and occupy such Limited Common Areas and Facilities as are associated with such Unit Owner's Unit. The cleanliness and orderliness of the Limited Common Areas and Facilities shall be the responsibility of the individual Unit Owner, but the responsibility for maintenance, painting, repair and replacement thereof, together with control over the exterior decoration of same, shall be and remain with the Association. Some Unit Owners may have more or less Limited Common Areas than others. There are no Limited Common Areas and Facilities except as provided in this Paragraph 7.

8. PERCENTAGE OF OWNERSHIP IN COMMON AREAS.

Each unit shall have a fee simple undivided ownership interest in the common areas as more specifically set forth in Exhibit "B1" attached herewith. Except as provided in Paragraphs 22 and 24 of this Declaration, the percentage of common area per unit shall not be changed without the unanimous consent of the owners herein.

Every owner of a Unit shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment.

Each Unit together with its undivided interests in the common areas and facilities, shall, for all purposes be and is hereby declared to be, and to constitute a separate parcel of real property and the Unit Owner thereof shall be entitled to the exclusive ownership and possession of his unit subject only to the covenants, restrictions, and easements herein and by the By-Laws, rules, regulations and resolutions adopted pursuant thereto.

9. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS.

The Declarant, for each unit owned within the Property, hereby covenants, and each owner of any unit by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association the annual assessments or common charges to be established and collected as hereinafter provided. All units will be allocated full assessments no later than sixty days after the first unit is conveyed.

The annual and special assessments, together with the interest, and costs and reasonable attorney's fees incurred in the collection thereof, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest and costs and reasonable attorney's fees incurred in the collection thereof, shall also be the personal obligation of the person (or persons) who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

The assessments levied by the Association shall be used exclusively to promote and protect the recreation, health, safety, and welfare of the residents, for the improvement and maintenance of the common areas and facilities of North Shore and Centennial Campus, the building and improvements situated upon the Property and to pay ad valorem taxes and public improvement assessments levied against the common areas.

In addition to the foregoing, due and assessments may also be due under the Master Declaration (Article VI) with particular reference to the Centennial Campus Maintenance Payment.

Any lien for delinquent common expense assessments or other charges that the Association has on a unit will be subordinate to a first mortgage on the unit, if the mortgage was recorded before the delinquent assessment was due. Any such lien for a common expense assessment will not be affected by the sale or transfer of the unit estate, unless a foreclosure of a first mortgage is involved, in which case the foreclosure will extinguish the lien for any assessments that were payable before the foreclosure sale, but will not relieve any subsequent Unit Owner from paying further assessments.

During any period in which the Declarant retains control of the Association, Declarant shall fund all annual operating budget deficits, if any, caused by a shortfall between the assessments collected and the expenses of the Association. Declarant's deficit funding obligation may be satisfied with in-kind payments of services or materials. Declarant's deficit funding obligation does not include any expenses the Association is unable to meet because of nonpayment of any assessment by Owners, or because of unusual or extraordinary expenses not included in the annual operating budget.

10. WORKING CAPITAL FUND.

A working capital fund shall be established by the Declarant in order to meet unforeseen expenditures or to purchase any additional equipment or services. The working capital fund shall be initially funded by the Declarant in an amount equal to two months of the estimated common charges for each unit. The Declarant is expressly prohibited from using the working capital funds to defray any of its expenses, reserve contributions or construction costs or to make up any budget deficits while it is in control of the Association. Each unit's share of the working capital fund shall be collected at the time the sale of the unit is closed. Any amounts paid into this fund shall not be considered as advance payments of regular assessments. At such time that each unit's share of the working capital fund is paid in by a Unit Owner as provided herein, the Declarant shall be reimbursed out of the working capital fund for that amount previously paid by the Declarant to the working capital fund on behalf of the unit. The working capital fund shall be transferred to the Association for deposit to a segregated fund when control of the Association is transferred to the Unit Owners by the Declarant.

11. AMOUNT OF LIEN.

The lien for each unit as described in Paragraph 9 above shall be based on the percentage share in common areas as described in Paragraph 8 above. Said lien shall be perfected upon filing in the Office of the Clerk of Superior Court, Wake County, North Carolina.

The Grantee of a unit shall be jointly and severally liable with the Grantor for all unpaid assessments against the latter for his proportionate share of the common expenses up to the time of the grant or conveyance, without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor. However, any such Grantee shall be entitled to a statement from the manager or Board of Directors, as the case may be, setting forth the amount of the unpaid assessments against the Grantor and such Grantee shall not be liable for, nor shall the unit conveyed be subject to a lien for, any unpaid assessment in excess of the amount therein set forth.

12. USE OF BUILDING. The use of the property of the condominium shall be in accordance with the following provisions:

The buildings and each of the units (5 total) shall be used only for residential purposes.

A limited number of surface parking spaces are available for the exclusive use of the unit owners and their guests. Parking in the condominium community will be limited and subject to regulation by the Association and Master Association. The streets and sidewalks are or will be owned by and subject to the regulation of The Board of Trustees of the Endowment Fund of North Carolina State University (hereinafter "Master Declarant") and University. The private alleys are owned and controlled by the Master Association.

The use of the building and units are further restricted by the By-Laws of the Association. No unit may be subdivided into smaller units or any portions thereof sold or otherwise transferred without first amending the By-Laws to show the changes in the units to be effected thereby.

No more than two persons over the age of eighteen unrelated by blood or marriage shall reside in any single unit for more than thirty consecutive days in any one calendar year. Unless they are unit owners, no undergraduate students under the age of twenty five years of age shall reside in any unit for more than ten consecutive days in any one calendar year.

The common areas and facilities shall be used only for the purposes for which they are intended and the furnishing of services for the enjoyment of the units.

No noxious or offensive activity shall be conducted upon any unit nor shall anything be done thereon which may be or may become an annoyance or nuisance or shall interfere with the peaceful possession or quite enjoyment of property by Unit Owners.

No animals, livestock or poultry of any kind shall be kept or maintained on any unit or in any dwelling except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes. All household pets shall be kept on a leash at all times when outside the units.

No outside radio or television antennas, including satellite dishes or receivers, shall be erected on any unit unless and until permission for the same has been granted by the Association, such permission not being unreasonably withheld.

No signs shall be permitted on or about the units. No signs shall be installed on the building face.

All window coverings (i.e., curtains, blinds, draperies, shades, etc.) shall be installed and maintained in accordance with rules and regulations created by the Association to regulate same.

Unit Owners shall not park or store any boat, camper, trailer, trailer vehicle, or similar vehicle anywhere on the premises. No trucks shall be permitted except for standard 2-ton or less pickup trucks or smaller sized trucks.

Any lease or rental agreements involving the units shall be in writing and shall be subject to the requirements of the Association documents and Association rules and regulations governing same. No more than twenty five (25%) twenty five percent of the units may be leased to non-unit owners at any one time. This provision may be changed by the Board of Directors without a vote of the unit owners if it is to exclusively comply with changing regulations or the Federal National Mortgage Association or other similar agencies having jurisdiction over final mortgages for units similar to those herein.

13. PERSON TO RECEIVE SERVICE OF PROCESS.

G. Roland Gammon, III is hereby designated to receive service of process in any action which may be brought against or in relation to this condominium. The address of such person is: Twenty One Glenwood Avenue, Suite 203, Raleigh, NC, 27603. The person so designated to receive service of process may be changed by the Board of Directors.

14. EASEMENTS.

Each Unit Owner shall have an easement in common with all other owners over all other units to use all pipes, wires, ducts, cables, conduits, public utilities and other common facilities located in any of the other units and serving each unit. Except as provided in Paragraph 12, the Declarant hereby conveys to each Unit Owner an easement and right of access to any and all common areas, open spaces, yards and parking areas for the common use of all owners. The Association shall have the right to establish the rules and regulations pursuant to which the owner of any unit, and family, guests and invitees may be entitled to use the common areas.

Each unit shall be subject to an easement in favor of the other owners of all other units to use the pipes, ducts, cables, wires, conduits, public utility lines and other common facilities serving other units located in such unit. The Board of Directors shall have the right of access to each unit to inspect the same, to remove violations therefrom and maintain, repair, or replace facilities contained therein or which serve other units in the building. Each Unit Owner shall specifically have an easement to maintain all components of the heating and air conditioning system serving his unit in their present location as shown in the plan attached hereto.

The Board of Directors may hereafter agree that easements for utility purposes for the benefit of the Property, including the right to install, lay, maintain, repair, and replace water lines, pipes, sewer lines, telephone wires and electrical conduits, wires over, under and along any portion of the common areas in each unit hereby grants the Board of Directors irrevocable power of attorney to execute, acknowledge, and record for and in the name of each Unit Owner such instruments as may be necessary to effectuate the foregoing. An easement is hereby established over all common areas for the benefit of applicable governmental agencies for the setting, removing, and reading of water meters, maintaining and replacing water, drainage and drainage facilities, firefighting, law enforcement, garbage collection and the delivering of mail.

All water lines which serve the development not located in public street rights-of-way and all sewer lines which serve the development and not located in either public street right-of-way shall be owned and maintained by the Association.

15. DISCLAIMER BY CITY OF RALEIGH

Pursuant to its Municipal Code, the City of Raleigh refuses to be responsible for failing to provide any emergency or regular public service to such developments or their occupants when such failure is due to the lack of access to certain roads or streets that are not public due to inadequate design or construction, blocking of access routes or any other factor within the control of the Declarant, Association, or occupants. The Raleigh Fire Department has similar policies and thereby refuses to be responsible for failing to provide any emergency or regular service to such developments or their occupants when such failure is due to the lack of access to certain roads or streets that are not public due to inadequate design or construction, blocking of access routes or any other factor within the control of the Declarant, Association, or occupants.

Accordingly, the Board of Directors is hereby empowered to make all efforts to assure that there is adequate access to all units and shall not allow any blocking of access or defects in access to remain uncorrected.

16. PARTITIONING.

The common areas and facilities shall not be divided nor shall any right to a partition thereof exist. Nothing herein contained ever shall be deemed to prevent ownership of a condominium unit by the entireties, jointly or in common or in other form permitted by law.

17. DAMAGE, DESTRUCTION AND CONDEMNATION.

Except as herein provided, upon receipt of insurance proceeds, damage to or destruction of the building shall be promptly repaired and restored by the Board of Directors. If the cost of such repair and restoration exceeds the amount of insurance proceeds received by the association, the Unit Owners shall be liable for assessment of any deficiency; provided, however, each Unit Owner shall be responsible for payment of the costs and repairs to his Unit that are not covered by insurance due to the applicability of any deductible provision, and if more than one unit is damaged, the affected Unit Owners shall pay the cost of the deductible in proportion to the damages sustained. Notwithstanding the foregoing if the building be more than two-thirds destroyed by fire or any other casualty or the same taken by condemnation and the owners of 67% of the units and 51% of the votes of units estates that are subject to mortgages held by eligible mortgage holders resolve not to proceed with reconstruction or restoration, then in that event, the property shall be deemed to be owned as tenants in common by the Unit Owners and subject to the provisions of North Carolina General Statues Section 47C-2-118 as the same exists as the date hereof.

Implied approval by an eligible mortgage holder shall be assumed when an eligible mortgage holder fails to submit a response to any written proposal within sixty (60) days after it receives proper notice of the proposal, provide the notice was delivered by certified mail or registered mail with a "return receipt" requested.

In any related proceedings, negotiations, settlements or agreements, the Association shall be designated to represent the Unit Owners. In such event, each Unit Owner shall appoint the Association as an attorney-in-fact for this purpose. The Association shall appoint an Insurance Trustee to act on behalf of the Unit Owners in connection with the settlement of any condemnation awards or insurance claims and to administer the allocation of proceeds among the various interested parties.

Any losses, awards or proceeds from the condemnation, destruction or liquidation of all or a part of the property shall be payable to the Association's Insurance Trustee for the benefit of the Unit Owners and their mortgage holders. Any distribution of funds in connection with the termination of the project shall be made based on the relative value of each unit and in accordance with the formula that is used to determine the Unit Owner's individual interest in the common elements.

Any reconstruction or repair shall be in accordance with the plans and specifications of the original building, portions of which are attached hereto.

18. INSURANCE.

The insurance which shall be carried upon the property shall be governed by the following provisions:

(i) Casualty or physical damage insurance shall be carried in an amount equal to the full replacement value (i.e., 100% of full "replacement cost") of all buildings and all improvements on the Property owned either by the Association or the Unit Owners and all personal property included within the Property described in Exhibit "A" hereto, except such personal property as may be owned by the Unit Owners with a replacement cost endorsement and an inflation guard endorsement, without deduction or allowance for depreciation (as determined annually by the Board of Directors with the assistance of the insurance company affording such coverage), such coverage to afford protection against at least the following:

(a) loss or damage by fire or other hazards covered by the standard coverage endorsement together with coverage for common expenses with respect to condominium units during any period of repair or reconstruction; and

(b) such other risks as from time to time customarily shall be covered with respect to buildings similar to the building in construction, location and use, including, but not limited to, vandalism, malicious mischief, windstorm and water damage, subject to such deductible amounts not in excess of Two Thousand Five Hundred Dollars ($2,500.00) as the Board of Directors shall determine. All Casualty Insurance policies shall be purchased by the Association for the benefit of the Association, the Unit Owners and their respective mortgagees, as their interests may appear and shall provide (a) for the issuance of certificates of insurance with mortgagee endorsements to the holders of mortgages on the Units, if any, and (b) that the insurer waives its rights of subrogation against the Unit Owners, Occupants and the Unit Owners Association. All casualty insurance policies shall provide that all proceeds payable as a result of casualty losses shall be paid to the Board of Directors as trustees, for each of the Unit Owners in the percentages established in this Declaration for the purposes elsewhere stated herein, and for the benefit of the Association, the Unit Owners, and their respective mortgagees as their interests may appear.

(ii) The Association shall insure itself, the members of the Board, the Unit Owners, and the Occupants against liability for personal injury, disease, illness or death and for injury to or destruction of property occurring upon., in or about, or arising from or relating to the Condominium Project or any portion thereof, including, without limitation, water damage, legal liability, hired automobile, non-owned automobile and off-premises employee coverage, such insurance to afford protection in such amount and with such coverage as shall be deemed necessary by the Association. All liability insurance shall contain cross-liability endorsements to cover liabilities of the Unit Owners as a group to a Unit Owner. In the event the insurance effected by the Association on behalf of the Unit Owners and Occupants against liability for personal injury or property damage arising from or relating to this Condominium Project shall, for any reason, not fully cover any such liability, the amount of any deficit shall be a Common expense to the Unit Owners, and any Unit Owners who shall have paid all or any portion of such deficiency in an amount exceeding his proportionate share thereof based on his percentage of interest in the common areas shall have a right of contribution from the other Unit Owners according to their respective percentage of interest in the common areas. Notwithstanding the foregoing, in the event a covered loss arises out of a condition located wholly within a unit, the Owner of said unit shall be solely responsible for any applicable deductible. If not promptly paid, the Association may assess the Unit Owner and the same shall become a lien against the unit as provided herein

(iii) Premiums upon insurance policies purchased by the Association shall be paid by the Association at least thirty (30) days prior to the expiration date of such policies and shall be assessed as Common expenses.

(iv) All insurance policies shall be written with a company or Companies licensed to do business in the State of North Carolina and holding a rating of "A+" or better in Best's Insurance Guide.

(v) Exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors or its authorized representative.

(vi) In no event shall the insurance coverage obtained and maintained pursuant to the requirements hereof be brought into contribution with insurance purchased by the Owners of the condominium units or their mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Unit Owners Association pursuant to the requirements hereof shall exclude such policies from consideration.

(vii) All policies shall provide that such policies may not be canceled or substantially modified without at least thirty (30) days prior written notice to any and all insureds named thereon, including any and all mortgagees of the condominium units.

(viii) All policies of casualty insurance shall provide that, notwithstanding any provisions thereof which give the carrier the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the Board of Directors (or any Insurance Trustee) or when in conflict with the provisions of this Declaration or the provisions of the North Carolina Unit Condominium Act as the same may be in force from time to time.

(ix) All policies of insurance shall contain a waiver of subrogation by the insurer as to any and all claims against the Association, the Board of Directors thereof, the Owners of any condominium unit and/or their respective agents, employees or invitees, and any defenses based upon co-insurance or invalidity arising from the acts of the insureds.

(x) The Association shall comply with all reporting requirements of a Sub-Association as set forth in the Master Declaration, including without limitation, the insurance reporting requirements of Article VI, Section 7 of the Master Declaration.

(x) Notwithstanding anything herein to the contrary, in the event of a loss covered by the insurance described in Article 18(i) of this Declaration, each Unit Owner shall be responsible for payment of the costs and repairs to his Unit that are not covered by insurance due to the applicability of any deductible provision, or if more than one unit is damaged, the affected Unit Owners shall pay the cost of the deductible in proportion to the damages sustained. If not promptly paid, the Association may assess the Unit Owner(s) and the same shall become a lien against the unit(s) as provided herein.

19. UNIT OWNERS POLICIES OF INSURANCE.

The Unit Owner of any condominium unit shall obtain and keep in force, at the Unit Owner's expense, a condominium unit owners insurance policy (an HO-6 policy or a policy providing equivalent coverage). Said policy shall at a minimum provide coverage for (i) any improvements and betterments to the unit made or acquired at the expense of the Unit owner and (ii) any gap insurance that may exist by virtue of the deductible applicable to the Association's master insurance policy maintained pursuant to Article 18(i). It is recommended that Unit Owners also obtain coverage in sufficient amounts to insure against loss or damage to personal property used in or incidental to the occupancy of the condominium unit, additional living expenses, vandalism or malicious mischief, theft, personal liability and the like. Every Unit Owner shall provide to the Board of Directors upon request a copy of the Unit Owner's policy of insurance or other certificate of coverage evidencing the existence of the insurance required herein.

20. UNITS SUBJECT TO DECLARATION.

All present and future owners, tenants, occupants of units and employees of owners and tenants shall be subject to, benefited by and shall comply with the provisions of this Declaration, by the By-Laws and any rules and regulations as may be adopted in accordance with the By-Laws. In accordance herewith, the Declaration, By-Laws and rules and regulations may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any unit shall constitute an agreement that the provisions of this Declaration, By-Laws, and any rules and regulations which may be adopted are accepted and ratified by such owner, tenant, or occupant and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such unit as though provisions were made a part of each and every deed, conveyance or lease. When there are unsold units in the project, the Declarant also shall enjoy the same rights and assume the same duties under this Declaration as they relate to each unsold unit but for the payment of assessments on unsold and unoccupied units (see Paragraph 9).

21. CONSTRUCTION.

In interpreting any and all provisions of this instrument, the Exhibits attached hereto and subsequent deeds and deeds of trust covering individual units, the actual location of the unit shall be deemed conclusively to be the property intended to be conveyed, reserved or encumbered notwithstanding any minor deviations, either horizontally or vertically, from the locations indicated in Condominium File 2016, Pages 189-196 Wake County Registry or in minor variations in the description of the unit contained herein. To the extent that such minor deviations in location do or shall exist, a valid easement therefor and for the maintenance thereof does and shall exist.

22. AMENDMENT.

The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended only by the affirmed vote of or a written agreement signed by Unit Owners of units to which at least sixty-seven (67%) of the votes in the Association are allocated.

Amendments of a material nature shall be agreed to by Unit Owners of units to which at least sixty-seven percent (67%) of the votes in the Association are allocated and by eligible mortgage holders who represent at least fifty-one percent (51%) of the votes of units that are subject to mortgages held by eligible mortgage holders. The term "eligible mortgage holders" shall mean those holders of a first mortgage on a condominium unit who have submitted a written request that the Association notify them of any proposed action requiring the consent of a specified percentage of eligible mortgage holders.No amendment to the Declaration shall be effective until duly recorded in the Office of the Register of Deeds of Wake County, North Carolina. Upon recording, all Unit Owners and their successors and assigns shall be bound by said amendment.

A material change shall be considered as one which changes any of the following:

- voting rights;
- increases in assessments that raise the previously assessed amount by more than 25%, assessment liens, or the priority of assessment liens;
- reductions in reserves for maintenance, repair, and replacement of common elements;
- responsibility for maintenance and repairs;
- reallocation of interests in the general or limited common elements or rights to their use;
- redefinition of any unit boundaries;
- convertibility of units into common elements or vice versa;
- expansion or contraction of the project, or the addition, annexations, or withdrawal of property to or from the project;
- hazard or fidelity insurance requirements;
- imposition of any restrictions on the leasing of units;
- imposition of any restrictions on a Unit Owner's right to sell or transfer his or her unit;
- a decision by the Association to establish self-management if professional management had been required previously by Association documents or by an eligible mortgage holder;

- restoration or repair of the project (after damage or partial destruction) in a manner other than that specified in the documents; or

- any provisions that expressly benefit mortgage holders, insurers or guarantors.

Implied approval by an eligible mortgage holder shall be assumed when an eligible mortgage holder fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provided the notice was delivered by certified mail or registered mail with a "return receipt" requested.

This Declaration may further be unilaterally amended by the Declarant for the purpose of recording a verified statement of a registered architect or licensed professional engineer certifying that the plans heretofore filed or being filed simultaneously with such amendment fully depicting the layout, ceiling and floor elevations, unit numbers and dimensions of the units as built.

23. RIGHTS OF CONDOMINIUM MORTGAGE HOLDERS, INSURERS OR GUARANTORS

Upon receipt of written request by a holder, insurer or guarantor of a mortgage on any unit in the project, the Association shall furnish timely written notice regarding the following:

- any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage;

- any 60-day delinquency in the payment of assessments or charges owed by the Unit Owner of any unit on which it holds the mortgage;

- a lapse, cancellation or material modification of any insurance policy maintained by the Association; and

- any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

Any interested mortgage holder, insurer, or guarantor shall send a written request to the Association stating both its name and address and the unit number or address of the unit on which it has (or insurers or guarantees) the mortgage.

24. ARBITRATION.

The Association, the Board of Directors and each Unit Owner, by accepting a deed to a unit, agrees that any party may require that any unresolved matter between the parties be submitted to binding arbitration pursuant to the Uniform Arbitration Act set forth in N.C. Gen. Statute 1-567.1 et seq. as the same shall be amended from time to time. The fees and expenses of arbitration shall be paid as set forth in the award and shall not be common expense unless all Unit Owners so agree in writing or unless such award is to be paid by the Association.

25. SEVERABILITY.

The invalidity of any provisions of the Declaration shall not be deemed to impair or affect in any manner the validity and enforceability or effect of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provisions had never been included herein.

26. WAIVER.

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

27. GOVERNING LAW.

This Declaration and the By-Laws attached hereto shall be construed and controlled by and under the laws of the State of North Carolina.

28. DEFINITION.

Any terms used herein which are defined in the North Carolina Condominium Act shall have the meaning specified in the Act unless a contrary intention fairly appears.

29. RESERVATION OF DECLARANT RIGHTS.

Declarant reserves the following special Declarant rights for the Property:

(a) To complete, within ten (10) years of the date of recordation of this Declaration of Condominium, any and all improvements indicated on the plats and plans of this Property or adjacent property, up to an additional three hundred (300) units contained within twenty four (24) additional residential condominium buildings which may be built one at a time or in combinations thereof.

(b) To file amended or supplemental instruments to make this Declaration of Condominium applicable to the additional buildings and units to be constructed on the Property.

(c) To change the percentage of interest in the common areas and facilities allocated to each unit. Such allocation basis shall be based the relative pro rata square footage of each condominium unit within North Shore. Any change in the percentage of interest in the common areas and facilities will be reflected on Exhibits attached to the Amendments or Supplements to this Declaration of Condominium.

(d) To withdraw from this Declaration of Condominium any portion of the Property (and improvements thereon) required to be dedicated or conveyed to North Carolina State University and/or the North Shore Master Homeowners Association, Inc. for control and maintenance, including those portions of the Property designated for sidewalks and streets (including parking areas along such streets) and Private Alleys (including parking areas within such Private Alleys, all landscaped areas along the exterior of such Private Alleys, and all areas designated for dumpsters and garbage collection).

Nothing contained herein shall restrict the right or the ability of the Declarant to assign its interest in the rights set forth in this paragraph 24.

30. DISCLAIMERS BY MASTER DECLARANT AND UNIVERSITY.

Neither Master Declarant nor the University has participated in the design, development, construction, or marketing of North Shore. MASTER DECLARANT AND THE UNIVERSITY MAKE NO WARRANTY, EXPRESS OR IMPLIED AND EXPRESSLY DISCLAIM ANY OR ALL ORAL, WRITTEN, OR IMPLIED REPRESENTATIONS OR COMMITMENTS AS TO THE SUITABILITY OR FITNESS OF THE PROPERTY OR ANY IMPROVEMENTS CONSTRUCTED OR TO BE CONSTRUCTED THEREON FOR ANY PURPOSE, AS TO THE EXISTENCE OR NON-EXISTENCE OF RADON OR ANY OTHER SUBSTANCE ON OR ABOUT THE PROPERTY, OR AS TO THE MERCHANTABILITY, VALUE, QUALITY, CONDITION OR SALABILITY OF THE PROPERTY OR ANY IMPROVEMENTS CONSTRUCTED THEREON.

As of the date of the recording of this Declaration, it is possible future phases of development of the Property may never be completed or may be delayed indefinitely. MASTER DECLARANT AND THE UNIVERSITY MAKE NO WARRANTY, EXPRESS OR IMPLIED AND EXPRESSLY DISCLAIM ANY OR ALL ORAL, WRITTEN OR IMPLIED REPRESENTATIONS OR COMMITMENTS AS TO ANY FUTURE CONSTRUCTION AT THE PROPERTY. FURTHERMORE, MASTER DECLARANT AND THE UNIVERSITY MAKE NO WARRANTY, EXPRESS OR IMPLIED AND EXPRESSLY DISCLAIM ANY OR ALL ORAL, WRITTEN OR IMPLIED REPRESENTATIONS OR COMMITMENTS AS TO THE EFFECTS OR IMPACTS, IF

ANY, WHICH ANY SUCH FUTURE CONSTRUCTION MIGHT HAVE ON INGRESS OR EGRESS TO THE PROPERTY AND WHETHER SUCH CONSTRUCTION MAY CAUSE CERTAIN INCONVENIENCES TO OWNERS, OCCUPANTS, OR THE ASSOCIATION.

The Property is located adjacent to or in proximity to Lake Raleigh, which is owned by the State and managed by the University. Master Declarant has no ownership interest in or rights to manage Lake Raleigh. NEITHER ACCESS TO, NOR USE OR ENJOYMENT OF, LAKE RALEIGH IS GRANTED TO ANY OWNER BY OWNERSHIP OF ANY LOT OR ANY PORTION THEREOF, NOR TO ANY OCCUPANT, NOR TO THE ASSOCIATION, EXCEPT AS EXPRESSLY STATED IN THE LAKE RALEIGH LICENSE AGREEMENT, AND MASTER DECLARANT MAKES NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE AVAILABILITY, TERMS, OR CONDITIONS OF ANY SUCH AGREEMENT.

LAKE RALEIGH IS NOT COMMON PROPERTY OF NORTH SHORE, IS NOT LOCATED ON THE PROPERTY, AND IS SUBJECT TO THE EXCLUSIVE CONTROL OF THE UNIVERSITY AND STATE. MASTER DECLARANT MAKES NO REPRESENTATIONS OR WARRANTIES, AND SHALL HAVE NO LIABILITY, WITH RESPECT TO (A) THE CONTINUED EXISTENCE OF LAKE RALEIGH; (B) THE PURITY OR ANY OTHER CHARACTERISTIC OF THE WATER IN LAKE RALEIGH; (C) THE MAINTENANCE OF ANY PARTICULAR WATER LEVEL AT ANY TIME OR SEASON IN LAKE RALEIGH; AND (D) ANY RIGHT TO USE FOR ANY PURPOSE OR ANY RIGHT TO ACCESS LAKE RALEIGH. PERSONAL, SPORTING, RECREATIONAL, OR OTHER USES OF LAKE RALEIGH BY THEIR VERY NATURE INCLUDE THE POTENTIAL FOR SERIOUS BODILY INJURY, INCLUDING DEATH. DECLARANT MAKES NO AND EXPRESSLY DISCLAIMS ANY AND ALL ORAL, WRITTEN, OR IMPLIED REPRESENTATIONS OR COMMITMENTS THAT LAKE RALEIGH IS AVAILABLE, FIT, USABLE, OR APPROPRIATE FOR ANY TYPE OR MANNER OF PERSONAL, SPORTING, RECREATIONAL, OR OTHER USE. THE OWNERS AND ASSOCIATION HEREBY EXPRESSLY ASSUMES ALL RISKS ATTENDANT TO THE OWNERSHIP, USE, AND ENJOYMENT OF PROPERTY ADJACENT TO OR IN CLOSE PROXIMITY TO LAKE RALEIGH, INCLUDING THE USE OR MISUSE OF LAKE RALEIGH BY OWNERS, OCCUPANTS, OR THE ASSOCIATION.

31. <u>GROUND LEASEHOLD INTEREST</u>. (The following is a matter of public record in the Master Declaration but the Declarant deems it sufficiently important that it is reprinted here as well.)

Pursuant to the Ground Leases, Master Declarant intends to lease, or has leased, portions of the Property to Declarant. Each Ground Lease will be evidenced by a Memorandum of Ground Lease recorded in the Wake Country Registry, which includes a description of the portion of the Property subject to the Ground Lease. Every Lot and Dwelling Unit thereon acquired by an Owner shall be conveyed by an Assignment of Leasehold Interest from Master Declarant, Declarant or a predecessor Owner, which shall operate as a pro tanto assignment of a leasehold interest in the Lot to the assignee Owner and shall vest the Owner with an exclusive leasehold interest in the Lot until the expiration of the Ground Lease pursuant to which the Declarant acquired the applicable portion of the Property from Master Declarant. The Master Association shall keep a copy of each Ground Lease available for inspection at the principal office of the Master Association as stated in the Bylaws. Upon the sale of any Lot, the Lot Owner shall assign to the subsequent Lot Owner its leasehold interest in the Lot (and its corresponding percentage of undivided leasehold interest as stated in any applicable condominium declaration) by an Assignment of Leasehold Interest. Master Declarant shall not recognize or otherwise be bound by or be deemed to have consented to or approved any Lot sale unless and until the assignor Lot Owner and the assignee Lot Owner execute the Assignment of Leasehold Interest in Condominium Lot in such required form, whereupon such assignee Owner and any first mortgagee thereof shall be entitled to all rights of an Owner and bound by all obligations and liabilities of Lot Owner under the Lot Owner Ground Lease Addendum. The assignor Owner shall remain liable after closing of the sale of any Lot for performance of such Owner's obligations under the Lot Owner Ground Lease Addendum through the date of closing, notwithstanding the assignor Owner's assignment of its leasehold interest in a Lot to a new Lot Owner, except as expressly stated herein.

Every Owner is advised: (i) the Owners have no right to redeem the reversion of any Lot or the Property from Master Declarant at the end of the term of the Ground Lease; (ii) the Owners have no right to remove any Improvements from the Property at the end of the term of the Ground Lease, including any Dwelling Lot, Limited Common Element, Common Elements, or any portion thereof (excluding the personal property of the Owner or occupants); and (iii) the Owners have no right to renew the Ground Lease. Upon expiration of a Ground Lease, all ownership rights of the Owners and any leasehold rights of the Owners and Occupants in the Lots and Dwelling Lots shall cease, and the fee ownership of all Lots and Dwelling Lots shall pass to Master Declarant. The acquisition of any Lot by Master Declarant (including acquisition by reason of an Owner's failure to cure a default under this Declaration, the Bylaws, or the Owner Ground Lease Addendum) shall not merge Master Declarant's fee simple interest with the leasehold interest under the Ground Lease, even if all Lots are acquired by Master Declarant.

As used in this Article, "Common Expenses" shall include those items identified as "Additional Rent" in the Lot Owner Ground Lease Addendum. In addition to other Common Expenses of the Association, such Common Expenses for purposes of this Article include the following items as defined in the Ground Lease Addendum: (a) the Centennial Campus Maintenance Payment; (b) Landlord Expenditures; (c) Utilities; (d) Impositions; (e) Reserves; and (f) any amounts paid or advanced by Master Declarant to cure any default of an Owner under the Ground Lease Addendum or any default of the Master Association under the Master Declaration. Master Declarant shall have the right to recover these Common Expenses pursuant to the terms of this Master Declaration and the Ground Lease Addendum, subject to this Master Declaration.

Though damages would be difficult to measure, the failure of an Owner and/or the Master Association to abide by the terms, covenants, and restrictions contained in the Master Declaration and the rules and regulations applicable to the Property would result in irreparable damage to the University and its reputation. Accordingly, in addition to the other enforcement rights contained in the Master Declaration, the University, during the term of the Master Declaration, shall have the right, but not the obligation, to enforce all rules, regulations, restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of the Master Declaration by proceeding at law or in equity against any person or persons violating or attempting to violate any such rules, regulations, restrictions, conditions, covenants, reservation, liens or charges, either to restrain violation thereof or to recover damages therefor. The University shall have all appropriate remedies at law or in equity to enforce the provisions of the Master Declaration, the Bylaws of the Master Association, and any duly authorized and promulgated rules, regulations, restrictions, conditions, or covenants governing the Property, specifically including the rules and regulations promulgated by the University relating to the Property and Centennial Campus. All rights, remedies and privileges granted or reserved to Master Declarant pursuant to any term, provision, covenant, or condition of the Master Declaration shall be cumulative, and the exercising of any one or more shall not constitute an election of remedies, nor shall it preclude Master Declarant or the University from exercising such other and additional rights, remedies, or privileges as may be available at law or in equity. In addition, the Master Association or any Owner may enforce the terms of the Master Declaration against the Master Association or any Owner, if such Owner or the Master Association fails to comply with the provisions of the Master Declaration.

The Master Association hereby covenants and agrees that it shall exercise its power of enforcement under the Master Declaration to maintain a first-class community consistent in appearance and quality with other residential communities in the Raleigh area, and it shall, upon the request of Master Declarant or the University, enforce any restriction, condition, covenant, reservation, lien or charge contained in the Master Declaration deemed by Master Declarant or the University, in their reasonable discretion, to have been violated, using all remedies available to the Master Association at law or in equity. Master Declarant reserves the right and easement, but not the obligation, to go upon any portion of the Common Area at any time to repair and maintain such Common Area when needed, in Master Declarant's reasonable discretion, to bring such Common Area within the standards required by the Master Declaration or other applicable restrictions or covenants. If Master Declarant enters the Common Area to perform such maintenance or repair, the Master Association shall reimburse Master Declarant in full for the reasonable cost of such work, which shall be collected by the Master Association as Common Expenses. The failure of Master Declarant, the Master Association, or by any Owner to enforce any restrictions, conditions, covenants, reservations, liens, or charges in the Master Declaration shall in no event be deemed a waiver of the right to do so thereafter.

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IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals this the day and year first above written.

DECLARANT:

PW North Shore, LLC, A North Carolina Limited Liabiltiy Company

By: ______________________
G. Roland Gammon, III, Manager

PROPERTY OWNER/MASTER DECLARANT:

THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND OF NORTH CAROLINA STATE UNIVERSITY

By: Scott R Dgl
Name: Scott R. Douglass
Title: Treasurer

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I certify that the following person personally appeared before me this day, acknowledging to me that to me that he voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: G. Roland Gammon, III, Manager of PW North Shore LLC.

Date: 9-14-16

Signature of Notary Public: Caroline E Gaona

Printed/Typed Name of Notary: Caroline E Gaona

My Commission Expires: 2-8-2020

CAROLINE E GAONA
NOTARY
PUBLIC
WAKE COUNTY, N.C.

STATE OF NORTH CAROLINA

COUNTY OF Wake

I, Tabitha Groelle, a Notary Public for Wake County, State of North Carolina, do hereby certify that Scott R. Douglass, Treasurer of THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND OF NORTH CAROLINA STATE UNIVERSITY, an entity organized pursuant to N.C.G.S. §116-36 personally came before me this day and acknowledged that he is Treasurer of THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND OF NORTH CAROLINA STATE UNIVERSITY and that by authority duly given and as as the act of the Board, the foregoing instrument was signed in its name by Scott R. Douglass, Treasurer of THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND OF NORTH CAROLINA STATE UNIVERSITY, by authority given and as the act and deed of said entity.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal, this the 13 day of September, 2016.

Signature of Notary Public: [signature]

Printed/Typed Name of Notary: Tabitha Groelle

My Commission Expires: 9/7/21

TABITHA GROELLE
NOTARY PUBLIC
WAKE COUNTY, N.C.

CONSENT AND SUBORDINATION OF MORTGAGEE

North State Bank, a North Carolina Banking Corporation, holder of that certain Note secured by that certain deed of trust dated June 26, 2015 and recorded in Deed Book 16065 at Page 368 in the Wake County Registry and NSB Trustee Services, LLC, Trustee, do hereby consent to the terms, conditions and covenants in the foregoing Declaration and the Bylaws described therein, and agree that the lien of said deed of trust, and the interest of the beneficiary therein, are subject and subordinate in all respects to the terms, conditions, and covenants in said Declaration, including all exhibits, supplement declarations and other amendments thereto.

IN WITNESS WHEREOF, the undersigned caused this Consent to be duly executed this 13th day of September, 2016.

Trustee:

NSB Trustee Services, LLC,
a North Carolina Limited Liability Company

By: Robert D. Ross
Name: Robert D. Ross
Title: Senior Vice President

VIRGINIA A. WYATT
NOTARY PUBLIC
WAKE COUNTY, NC
MY COMMISSION EXPIRES MAY 7, 2018

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Virginia A. Wyatt, Notary Public of the aforesaid County and State, hereby certify that Robert D. Ross, personally came before me this day and acknowledged that he/she is the Sr. Vice President of NSB Trustee Services, LLC, Trustee, a North Carolina Corporation, and that by authority duly given and as the act of the corporation, he/she executed the foregoing instrument.

WITNESS my hand and official stamp, this 13th day of September, 2016.

Signature of Notary Public: Virginia A. Wyatt

Printed/Typed Name of Notary: Virginia A. Wyatt

My Commission Expires: May 7, 2018

BENEFICIARY:

NORTH STATE BANK,
a North Carolina Banking Corporation

By: [signature]

Name: Mark J. Bolebruch

Title: Senior Vice President

STATE OF NORTH CAROLINA

COUNTY OF Wake

I, Virginia A. Wyatt, Notary Public of the aforesaid County and State, hereby certify that Mark J. Bolebruch, personally came before me this day and acknowledged that he/she is the Sr. Vice President of NORTH STATE BANK, Beneficiary, a North Carolina Banking Corporation and that by authority duly given and as the act of the corporation, he/she executed the foregoing instrument.

WITNESS my hand and official stamp, this 13th day of September, 2016.

Signature of Notary Public: [signature]

Printed/Typed Name of Notary: Virginia A. Wyatt

My Commission Expires: May 7, 2018

VIRGINIA A. WYATT
NOTARY PUBLIC
WAKE COUNTY, NC
MY COMMISSION EXPIRES MAY 7, 2018

Declaration of Condominium
Exhibit A

1201 Twin Branches Way
Property

Unit addresses:

Lease Area 1, LEASE EXHIBIT MAP OF NORTH SHORE CONDOMINIUMS PHASE 1, 1201 Twin Branches Way, Unit 100, Raleigh, NC, 27606

Lease Area 2, LEASE EXHIBIT MAP OF NORTH SHORE CONDOMINIUMS PHASE 1, 1201 Twin Branches Way, Unit 101, Raleigh, NC, 27606

Lease Area 3, LEASE EXHIBIT MAP OF NORTH SHORE CONDOMINIUMS PHASE 1, 1201 Twin Branches Way, Unit 102, Raleigh, NC, 27606

Lease Area 4, LEASE EXHIBIT MAP OF NORTH SHORE CONDOMINIUMS PHASE 1, 1201 Twin Branches Way, Unit 103, Raleigh, NC, 27606

Lease Area 5, LEASE EXHIBIT MAP OF NORTH SHORE CONDOMINIUMS PHASE 1, 1201 Twin Branches Way, Unit 104, Raleigh, NC, 27606

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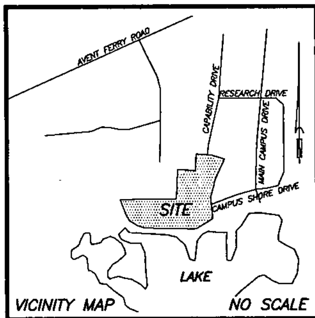


NOTES

EXHIBIT "A"

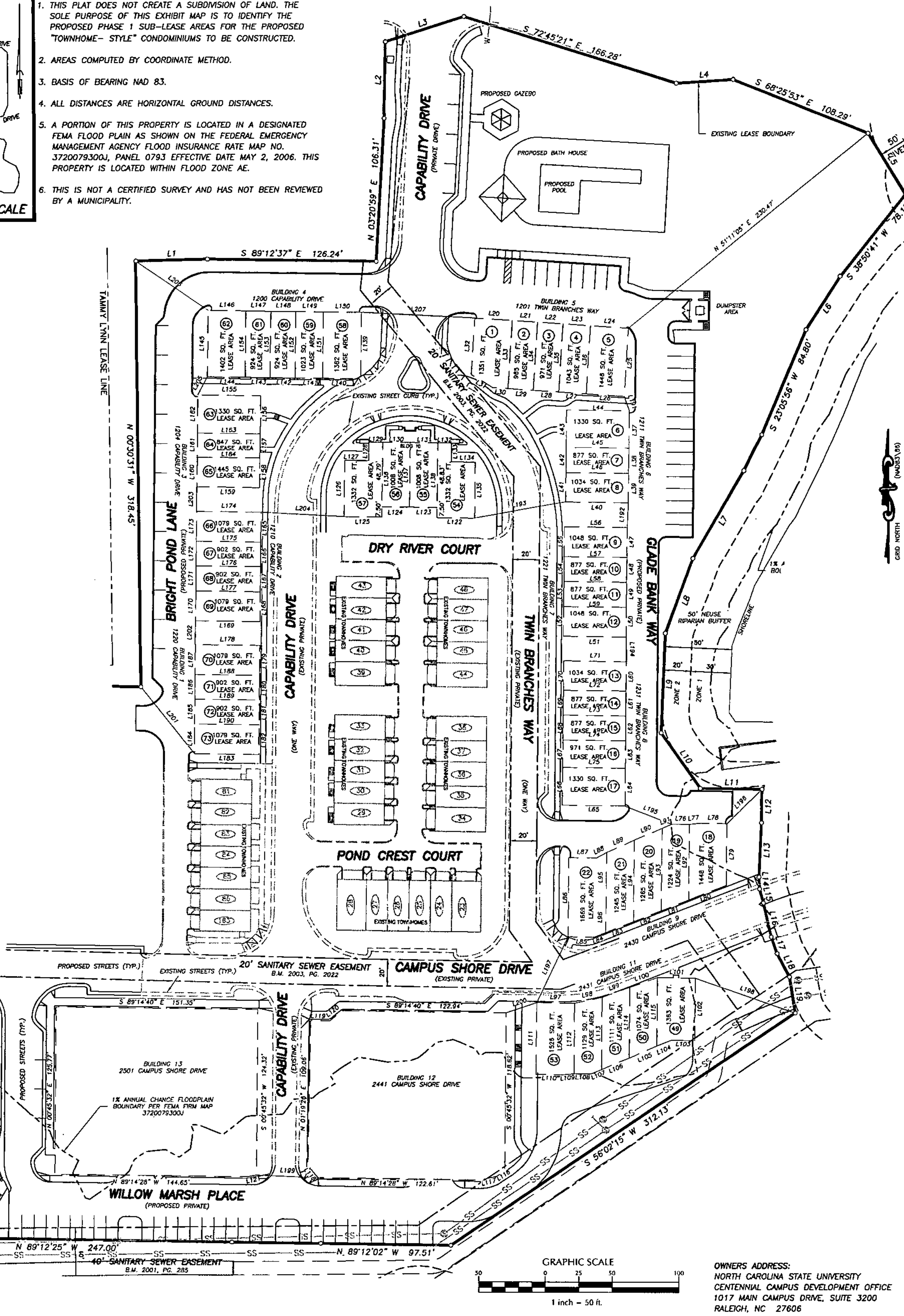
1. THIS PLAT DOES NOT CREATE A SUBDIVISION OF LAND. THE SOLE PURPOSE OF THIS EXHIBIT MAP IS TO IDENTIFY THE PROPOSED PHASE 1 SUB-LEASE AREAS FOR THE PROPOSED "TOWNHOME- STYLE" CONDOMINIUMS TO BE CONSTRUCTED.
2. AREAS COMPUTED BY COORDINATE METHOD.
3. BASIS OF BEARING NAD 83.
4. ALL DISTANCES ARE HORIZONTAL GROUND DISTANCES.
5. A PORTION OF THIS PROPERTY IS LOCATED IN A DESIGNATED FEMA FLOOD PLAIN AS SHOWN ON THE FEDERAL EMERGENCY MANAGEMENT AGENCY FLOOD INSURANCE RATE MAP NO. 3720079300J, PANEL 0793 EFFECTIVE DATE MAY 2, 2006. THIS PROPERTY IS LOCATED WITHIN FLOOD ZONE AE.
6. THIS IS NOT A CERTIFIED SURVEY AND HAS NOT BEEN REVIEWED BY A MUNICIPALITY.

LINE TABLE

LINE	BEARING	DISTANCE
L1	N 88°33'22" E	53.74'
L2	N 01°19'10" E	56.45'
L3	N 72°25'18" E	61.88'
L4	N 86°25'02" E	42.56'
L5	S 31°24'07" E	53.29'
L6	S 32°59'04" W	46.90'
L7	S 30°13'32" W	76.06'
L8	S 20°23'20" W	59.91'
L9	S 02°39'41" W	74.89'
L10	S 35°02'18" E	50.92'
L11	S 89°15'30" E	46.16'
L12	S 01°10'04" W	25.13'
L13	S 02°45'58" W	40.55'
L14	S 02°18'17" E	8.86'
L15	S 15°26'47" E	10.80'
L16	S 12°50'15" E	26.07'
L17	S 19°28'18" E	13.16'
L18	S 27°36'28" E	19.87'
L19	S 08°58'33" E	27.46'
L20	S 86°14'28" E	28.00'
L21	S 86°14'28" E	19.01'
L22	S 86°14'28" E	19.13'
L23	S 86°14'28" E	20.55'
L24	S 86°14'28" E	28.47'
L25	S 03°45'32" W	50.77'
L26	N 86°14'28" W	28.48'
L27	N 86°14'28" W	20.55'
L28	N 86°14'28" W	19.13'
L29	N 86°14'28" W	19.01'
L30	N 86°14'28" W	11.50'
L31	N 58°43'25" W	18.60'
L32	N 03°45'32" E	42.18'
L33	N 03°45'36" E	50.77'
L34	N 03°45'36" E	50.77'
L35	N 03°45'36" E	50.77'
L36	N 03°45'36" E	50.77'
L37	S 00°45'08" W	28.30'
L38	S 00°45'08" W	18.67'
L39	S 00°45'08" W	22.00'
L40	N 89°14'52" W	47.00'
L41	S 00°45'08" W	22.00'
L42	S 00°45'08" W	18.67'
L43	N 00°45'08" E	28.30'
L44	S 89°14'52" E	47.00'
L45	N 89°14'52" W	47.00'
L46	N 89°14'52" W	47.00'
L47	S 00°45'08" W	22.30'
L48	S 00°45'08" W	18.67'
L49	S 00°45'08" W	18.67'
L50	S 00°45'08" W	22.30'
L51	N 89°14'52" W	47.00'
L52	S 00°45'08" W	22.30'
L53	S 00°45'08" W	18.67'
L54	S 00°45'08" W	18.67'
L55	S 00°45'08" W	22.30'
L56	N 89°14'52" W	47.00'
L57	N 89°14'52" W	47.00'
L58	N 89°14'52" W	47.00'
L59	N 89°14'52" W	47.00'
L60	S 00°45'08" W	22.00'
L61	S 00°45'08" W	18.67'
L62	S 00°45'08" W	18.67'
L63	S 00°45'08" W	20.67'
L64	S 00°45'08" W	28.30'
L65	S 89°14'52" E	47.00'
L66	S 00°45'08" W	28.30'
L67	S 00°45'08" W	20.67'
L68	S 00°45'08" W	18.67'
L69	S 00°45'08" W	18.67'
L70	S 00°45'08" W	22.00'
L71	S 89°14'52" E	47.00'
L72	N 89°14'52" W	47.00'
L73	N 89°14'52" W	47.00'
L74	N 89°14'52" W	47.00'
L75	N 89°14'52" W	47.00'
L76	S 89°16'41" E	13.05'
L77	N 83°07'04" E	7.52'
L78	N 89°14'28" W	20.64'
L79	N 00°45'32" E	45.89'
L80	S 68°37'03" W	30.32'
L81	S 68°37'03" W	22.04'
L82	S 68°37'03" W	22.31'
L83	S 68°37'03" W	22.45'
L84	S 68°37'03" W	9.14'
L85	N 89°14'28" W	19.57'
L86	S 00°45'32" W	59.04'
L87	S 89°14'28" E	20.64'
L88	S 62°20'15" W	8.73'
L89	N 65°38'38" E	22.66'
L90	N 67°14'07" E	22.54'
L91	N 67°07'49" E	8.04'
L92	S 00°45'32" W	56.41'
L93	S 00°45'32" W	61.49'
L94	N 00°45'32" E	60.90'
L95	N 00°45'20" E	36.89'
L96	N 01°27'12" E	22.86'
L97	S 89°14'28" E	28.38'
L98	S 77°56'56" W	21.19'
L99	N 69°40'30" E	22.15'
L100	S 70°47'05" W	21.77'
L101	S 89°14'29" E	28.43'
L102	N 00°45'32" E	47.00'
L103	N 89°14'28" W	17.46'
L104	N 67°11'23" E	12.00'
L105	N 67°11'23" E	22.29'
L106	S 67°20'20" W	22.52'
L107	N 67°25'11" E	8.43'
L108	N 89°42'46" W	12.93'
L109	S 83°54'58" W	7.50'
L110	S 89°14'28" E	20.94'
L111	N 00°45'32" E	53.90'
L112	N 00°45'32" E	53.00'
L113	N 00°45'32" E	54.28'
L114	N 00°45'32" E	53.27'
L115	S 00°47'28" W	51.80'
L116	S 56°02'15" W	7.08'
L117	S 75°39'01" W	12.09'
L118	N 39°04'12" W	11.69'
L119	S 89°27'11" E	14.55'
L120	N 50°13'05" E	11.85'
L121	S 78°27'41" W	6.86'
L122	N 89°14'47" W	28.30'
L123	N 89°14'47" W	20.67'
L124	S 89°14'47" E	20.67'
L125	N 89°14'47" W	28.30'
L126	N 00°45'13" E	41.80'
L127	S 89°14'47" E	17.97'
L128	S 00°45'13" W	14.48'
L129	S 89°18'00" E	10.33'
L130	N 89°18'00" W	20.67'
L131	S 89°18'00" E	20.67'
L132	S 89°37'40" E	10.33'
L133	S 00°45'13" W	14.60'
L134	N 89°14'47" W	17.97'
L135	N 00°45'13" E	41.80'
L136	N 00°45'13" E	56.29'
L137	S 00°45'13" W	48.81'
L138	S 00°45'13" W	56.33'
L139	N 00°46'47" E	46.63'
L140	N 89°13'27" W	22.53'
L141	N 89°13'27" W	20.67'
L142	N 89°13'30" W	18.67'
L143	N 89°13'42" W	18.67'
L144	N 89°13'42" W	28.33'
L145	N 00°46'47" E	49.51'
L146	S 89°13'13" E	28.33'
L147	S 89°13'13" E	18.67'
L148	S 89°13'13" E	18.67'
L149	N 89°13'13" W	20.67'
L150	N 89°13'13" W	28.33'
L151	S 00°46'47" W	49.50'
L152	S 00°46'47" W	49.50'
L153	S 00°46'47" W	49.50'
L154	S 00°46'47" W	49.51'
L155	N 89°14'28" W	47.00'
L156	N 00°45'32" E	28.30'
L157	N 00°45'32" E	18.67'
L158	S 00°45'32" W	22.00'
L159	N 89°14'28" W	47.00'

LINE TABLE

LINE	BEARING	DISTANCE
L160	N 00°45'32" E	22.00'
L161	N 00°45'32" E	18.67'
L162	S 00°45'32" W	28.30'
L163	S 89°14'28" E	47.00'
L164	N 89°14'28" W	47.00'
L165	N 00°45'33" E	22.33'
L166	N 00°45'32" E	18.67'
L167	S 00°45'32" W	18.67'
L168	N 00°45'32" E	22.33'
L169	N 89°14'28" W	48.31'
L170	N 00°45'32" E	22.33'
L171	S 00°45'32" W	18.67'
L172	S 00°45'32" W	18.50'
L173	S 00°45'32" W	22.33'
L174	N 89°14'28" W	48.31'
L175	S 89°14'28" E	48.31'
L176	S 89°14'28" E	48.31'
L177	S 89°14'28" E	48.31'
L178	N 89°14'28" W	48.31'
L179	N 00°45'33" E	22.33'
L180	N 00°45'32" E	18.67'
L181	S 00°45'32" W	18.67'
L182	S 00°45'32" W	22.33'
L183	N 89°14'28" W	48.31'
L184	N 00°45'32" E	22.33'
L185	N 00°45'32" E	18.67'
L186	S 00°45'32" W	18.50'
L187	S 00°45'32" W	22.33'
L188	S 89°14'28" E	48.31'
L189	S 89°14'28" E	48.31'
L190	S 89°14'28" E	48.31'
L191	N 19°40'06" W	11.45'
L192	N 02°41'54" E	18.71'
L193	S 79°53'10" W	69.19'
L194	N 00°16'09" W	18.70'
L195	N 68°43'16" W	37.56'
L196	N 45°36'03" E	36.83'
L197	S 25°34'29" W	54.87'
L198	S 70°38'24" E	79.19'
L199	S 87°25'17" E	46.02'
L200	N 71°29'02" E	24.22'
L201	N 38°24'50" W	64.16'
L202	S 00°45'32" W	18.01'
L203	S 00°45'32" W	18.34'
L204	N 86°55'48" W	62.13'
L205	S 28°20'23" W	15.19'
L206	N 55°58'22" W	65.33'
L207	N 87°03'44" W	85.27'



OWNERS ADDRESS:
NORTH CAROLINA STATE UNIVERSITY
CENTENNIAL CAMPUS DEVELOPMENT OFFICE
1017 MAIN CAMPUS DRIVE, SUITE 3200
RALEIGH, NC 27606

REVISIONS:		LEASE EXHIBIT MAP OF		
	DATE: 6-17-2015	NORTH SHORE CONDOMINIUMS PHASE 1		
	SCALE: 1"=50'			
	SURVEYED BY: AB			
	DRAWN BY: TAM			
	CHECK & CLOSURE BY: JSA			
	CAD FILE: BD_15074	TOWNSHIP: SWIFT CREEK	COUNTY: WAKE	STATE: NORTH CAROLINA
	PROJECT NO: 02150085.00	ZONE: CUD TD	P.I.N. 0793.14-44-1504	

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Declaration of Condominium
Exhibit B

1201 Twin Branches Way
Property Improvements

Description of Building and Units

There is three story building consisting of five (5) condominium units each. All units may vary slightly in size (such unit sizes being more particularly defined in plans on record in the Wake County Registry). Construction is principally wood frame with masonry veneer. Interior partitions are wood with sheetrock wallboard. The roof is a membrane surface. Parking will be provided by way of a private garage one the ground floor of the units plus parking in a concrete apron behind the garage plus a limited amount of non-assigned parking nearby. The units will all be exclusively residential. The units have been designed and are being built as residential townhomes, but given that all of the land of North Shore is owned by the State of North Carolina and available by way of any unsubordinated ground lease, the units are required by the NC Building Code to be built as and classified as condominiums.

Unit Designation and Address

Unit sizes vary, such sizes being more carefully described in plans on record in the Wake County Registry. Within the building are the following:

Stairwells: Each unit has its own

Utilities: Each unit has separately metered electric service as well as domestic water and sewer. All units have fire sprinkler systems with central station monitored fire alarms.

Each unit is bounded both as to horizontal and vertical boundaries by the interior surface of its perimeter walls, ceilings, and floors, which are shown on the aforesaid plans filed in the Wake County Registry. Mechanical equipment, stairways, and appurtenances located within any unit and designed to serve only that unit shall be a part of the unit.

1201 Twin Branches Way, Unit 100, Raleigh, NC, 27606
1201 Twin Branches Way, Unit 101, Raleigh, NC, 27606
1201 Twin Branches Way, Unit 102, Raleigh, NC, 27606
1201 Twin Branches Way, Unit 103, Raleigh, NC, 27606
1201 Twin Branches Way, Unit 104, Raleigh, NC, 27606

Declaration of Condominium
Exhibit B1

1201 Twin Branches Way

Schedule of Percentage Ownership of Common Elements

Unit address	Approx. Gross Sq. Ft.	% Ownership
1201 Twin Branches Way		
100	2,371	24.2087%
101	1,792	18.2969%
102	1,630	16.6428%
103	1,630	16.6428%
104	2,371	24.2087%
	9,794	100.00%

Declaration of Condominium
Exhibit C

BY-LAWS
OF
NORTH SHORE
HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

Offices

Article 1. Plan of Unit Ownership. The property located in Wake County, North Carolina, and more particularly described in the Declaration to which By-Laws are attached (hereinafter "Declaration") has been submitted to the provisions of Chapter 47C of the North Carolina General Statutes entitled "North Carolina Condominium Act." The Declaration is being recorded in the Office of the Register of Deeds of Wake County, North Carolina.

Section 2. Applicability of By-Laws. The provisions of these By-Laws are applicable to the property of the condominium and to the use and occupancy thereof. The term "property" as herein used shall include the land, the building (hereinafter interchangeably "building" or "buildings") and all other improvements and structures thereon and all easements, rights and appurtenances belonging thereto, all of which are intended to be submitted to the provisions of Chapter 47C of the North Carolina General Statutes.

Section 3. Application. All present and future owners, mortgagees, lessees, occupants of units and employees of owners and tenants and their families and any other persons who may use the facilities of the property in any manner are subject to the Declaration, these By-Laws and rules and regulations made pursuant hereto and any amendment to these By-Laws upon same being passed and duly set forth in Amended Declaration, duly recorded.

The acceptance of a deed of conveyance or the entering into of a lease or the act of occupancy of a unit shall constitute an agreement that these By-Laws and provisions of the Declaration as they may be amended from time to time, are accepted, ratified, and will be complied with.

ARTICLE II

Unit Owners

Section 1. Organizational Meeting. If not held before, the initial meeting of the Association shall be held on the first Tuesday in ________________, 201___.

Section 2. Annual Meetings. The annual meeting of the Unit Owners for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at 6 o'clock, p.m., on the first Tuesday in December in each year, commencing with the year 201___, if not a legal holiday, and if a legal holiday, then on the next secular day following. Unless otherwise scheduled, the Unit Owners shall vote at each annual meeting to ratify the proposed annual budget for the Association for the following year.

Section 3. Substitute Annual Meeting. If the annual meeting shall not be held on the day designated by these By-Laws, a substitute annual meeting may be called in the manner provided for the call of a special meeting in accordance with the provisions of Section 4 of this Article II and a substitute annual meeting so called shall be designated as and shall be treated, for all purposes, as the annual meeting.

Section 4. Special Meetings. Special meetings of the Unit Owners may be called at any time by a majority of the members of the Board of Directors, or upon the written request of Unit Owners having at least a 20% of the votes in the Association.

Section 5. Place of Meetings. All meetings of Unit Owners shall be held at a place to be designated within the Condominium or such other place within the City of Raleigh as may be designated in the Notice of Meeting.

Section 6. Notice of Meetings. Written or printed notices stating the time and place of a meeting of Unit Owners shall be delivered or mailed not less than ten (10) or more than thirty (30) days prior to the date of such meeting to each person entitled to vote at such meeting.

In case of a substitute annual meeting, notice of the meeting need not specifically state the business to be transacted thereat unless it is a matter other than the election of the Board of Directors on which the vote of the Unit Owners is expressly required by the provisions of the North Carolina Condominium Act. In the case of a special meeting, the notice of meeting shall specifically state the purpose or purposes for which the meeting is called.

Section 7. Quorum. A quorum shall be deemed present throughout any meeting of the Unit Owners until adjourned if the Unit Owners, in person or by proxy, entitled to cast more than one-quarter of the votes are present at the beginning of such meeting.

Section 8. Voting Rights. There shall be one person with respect to each Unit who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known and hereafter referred to as a "Voting Member". Such Voting Member may be the Unit Owner or some other person designated by such Unit Owner to act as proxy on his or their behalf and who need not be a Unit Owner. Such designation shall be made in writing to the Board and shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any designator, or by written notice to the Board by the Unit Owner or Owners. The total number of votes of all Voting Members shall be five (5) and the Unit Owner of each Unit shall possess one vote.

Section 9. Unit Owners. "Unit Owners" shall mean and refer to those persons who own units in the property subject to the Declaration and are entitled to membership as provided in the Declaration.

Section 10. Voting. In all elections for members of the Board of Directors, each Voting Member shall be entitled to vote on a non-cumulative voting basis and the candidates receiving the highest number of votes which respect to the offices to be filed shall be deemed to be elected.

Section 11. Proxies. The votes pertaining to any condominium unit may (and shall in the case of any Unit Owner not a natural person or persons) be cast pursuant to a proxy or proxies duly executed by or on behalf of the Unit Owner, or in cases where the Unit Owner is more than one person, by or on behalf of all such persons. No such proxy shall be revocable except as written notice delivered to the Association by the Unit Owner or by any other such person. Any proxy shall be void if it is not dated or if it purports to be revocable without notice as aforesaid.

Section 12. Presiding Officer. The President, or in his absence, the Vice-President, shall serve as a chairman of every Unit Owner's meeting unless some other person is elected to serve as Chairman by a majority vote of the votes represented at the meeting. The Chairman shall appoint such persons as he deems required to assist with the meeting.

Section 13. Adjournments. Any meeting of the Unit Owners, whether or not a quorum is present, may be adjourned by the holders of a majority of the votes represented at the meeting to reconvene at a specified time or place. It shall not be necessary to give any notice of the reconvened meeting or of the business to be transacted, if the time and place of the reconvened meeting are announced at the meeting which was adjourned. At any such reconvened meeting at which a quorum is represented or present, any business may be transacted which could have been transacted at the meeting which was adjourned.

Section 14. Action of Unit Owners Without a Meeting. Any action which may be taken at a meeting of the Unit Owners may be taken without a meeting if written approval and consent, setting forth the action authorized, shall be signed by a majority of the Unit Owners entitled to vote on the date on which the last Unit Owners signed such approval and upon the filing of such approval and consent with the Secretary of the Association. Such approval and consent so filed shall have the same effect as a unanimous vote of the Unit Owners at a special meeting called for the purpose of considering the action authorized, except in those specific matters for which a vote greater than a majority vote is required by the North Carolina Unit Condominium Act.

Section 15. Availability of Project Documents. The Association shall assure that current copies of the Declaration, Articles of Incorporation, By-Laws, and other rules concerning the project as well as its own books, records, and financial statements are readily available for inspection by Unit Owners or by holders, insurers, and guarantors of first mortgages that are secured by units in the project. These documents will be available during normal business hours.

Section 16. Availability of Audited Financial Statements. Once the Association has been established for a minimum of one full fiscal year, the Association shall provide for the availability of an audited statement for the preceding fiscal year to the holder, insurer, or guarantor of any first mortgage that is secured by a unit in the project on submission of a written request for it.

Section 17. Termination of Legal Status. Following substantial destruction or condemnation of the property, any action by the Association to terminate the legal status of the project shall be agreed to by Unit Owners who represent at least 80% of the total allocated votes in the Association and by eligible mortgage holders who represent at least 51% of the votes of unit estates that are subject to mortgages held by eligible holders.

Any action by the Association to terminate the legal status of the project for reasons other than substantial destruction or condemnation of the property shall be agreed to by Unit Owners who represent at least 80% of the total allocated votes in the Association and by eligible mortgage holders who represent at least 67% of the votes of unit estates that are subject to mortgages held by eligible holders.

Implied approval by an eligible mortgage holder shall be assumed when an eligible mortgage holder fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provide the notice was delivered by certified mail or registered mail with a "return receipt" requested.

Section 18. Rights of Action. The Association, and any aggrieved Unit Owner, shall have the right of action against Unit Owners who fail to comply with the provisions of the project Declaration, By-Laws, Articles of Incorporation and other rules properly enacted by the Association. Unit estate owners shall also be granted similar rights of action against the Association.

Section 19. Rights of Condominium Mortgage Holders, Insurers or Guarantors. Upon receipt of written request by a holder, insurer or guarantor of a mortgage on any unit in the project, the Association shall furnish timely written notice regarding the following:

- any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage;
- any 60-day delinquency in the payment of assessments or charges owed by the Unit Owner of any unit on which it holds the mortgage;
- a lapse, cancellation or material modification of any insurance policy maintained by the Association; and
- any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

Any interested mortgage holder, insurer, or guarantor shall send a written request to the Association stating both its name and address and the unit number or address of the unit on which it has (or insurers or guarantees) the mortgage.

ARTICLE III

Board of Directors

Section 1. General Powers. The property, affairs and business of the Association shall be managed by the Board of Directors.

Section 2. Number, Term of Office and Qualifications. The number of directors shall be three (3), to be elected by the Unit Owners at their initial meeting. Each director shall hold office for one year or until his death, resignation, retirement, removal or disqualification or his successor is elected and qualifies. No director shall serve for more than three consecutive terms.

Section 3. Election of Directors. Except as provided in Section 2 of this Article, the directors shall be elected at the annual meeting of Unit Owners and the persons who shall receive the highest number of votes shall be the elected directors.

Section 4. Removal of Directors. The Board of Directors or any individual director may be removed from office with or without cause by a vote of sixty-seven percent (67%) of the Unit Owners at a meeting in which a quorum is present. If any such directors are so removed, new directors may be elected at the same meeting.

Section 5. Vacancies. A vacancy in the Board of Directors created by reason of the removal of a director may be filled for the unexpired term, and until the Unit Owners shall have elected a successor, by affirmative vote of a majority of the directors remaining in office.

Section 6. Compensation of Directors. Directors shall not receive compensation for their services as directors. A director may serve the Association in a capacity other than that of director and receive compensation as determined by the Board of Directors for services rendered in that other capacity.

Section 7. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the condominium and may do all such acts and things except such acts as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Directors, but not be limited to the following:

(a) Operation, care, upkeep and maintenance of the common areas and facilities.

(b) Determination of the common expenses required for the affairs of the condominium, including without limitation, the operation and maintenance of the property.

(c) Levying and collection of the common charges from Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the common areas and facilities.

(e) The adoption and amendment of such reasonable rules and regulations as it may deem advisable for the maintenance, conservation and beautification of the property, and for the health, comfort, safety and general welfare of the owners and occupants of the property. Written notice of such rules and regulations shall be given to all owners and occupants and the entire property shall at all times be maintained subject to such rules and regulations.

(f) Opening of bank accounts on behalf of the Association and designated signatories required therefore.

(g) Making of repairs, additions, improvements to or alterations to the property and repairs to and restoration of the property in accordance with the other provisions of these By-Laws and the Declaration, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(h) Procure insurance as required by the Declaration.

(i) Pay ad valorem taxes and public assessments levied against the common areas and facilities.

Section 8. Managing Agent. The Board of Directors for the Association may engage the services of any person, firm, or corporation to act as managing agent at compensation established by the Board, to perform such duties and services as the Board of Directors shall authorize. The Board may delegate to the Managing Agent all of the powers granted to the Board of Directors by these By-Laws other than the powers in Section 7(d) and Section 7(e) of this Article.

ARTICLE IV

Meeting of Directors

Section 1. Regular Meetings. A regular meeting of the Board of Directors may be held immediately after the annual meeting of Unit Owners and if not then shall be held within a reasonable time thereafter.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) directors.

Section 3. Place of Meetings. All meetings of the Board of Directors shall be held at any place within the State of North Carolina as the Board of Directors may from time to time established for regular meetings or as set forth in a duly executed waiver of notice of such meeting or as may be otherwise agreed upon in advance of the meeting by a majority of the directors.

Section 4. Notice of Meetings. Regular meetings of the Board of Directors may be held without notice. Special meetings shall be called on not less than five (5) days prior notice. Notice of a special meeting need not state the purpose thereof and such notice shall be directed to each director at his residence or usual place of business by mail, email, and facsimile or may be delivered personally. The presence of a director at a meeting shall constitute a waiver of notice of that meeting except only when such director attends the meeting solely for the purpose of objecting to the transaction of any business thereat, on the ground that the meeting has not been lawfully called, and does not otherwise participate in such meeting.

Section 5. Quorum and Manner of Acting. A quorum shall be deemed present throughout any meeting of the Board of Directors if persons entitled to cast one-half of the votes in that body are present at the beginning of the meeting.

Section 6. Vote Required for Action. Except as otherwise provided in this section, the act of a majority of the directors present at the meeting at which a quorum is present at the time shall be the act of the Board of Directors. Vacancies in the Board of Directors may be filled as required in Article III, Section 6 of these By-Laws.

Section 7. Action by Directors Without Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a written consent thereto shall be signed by all the directors and such written consent is filed with the minutes of the proceedings of the Board. Such consent shall have the same force and effect as a unanimous vote of the Board of Directors.

Section 8. Adjournments. A meeting of the Board of Directors without a quorum present may be adjourned by majority of the directors present to reconvene at a specific time and place. It shall not be necessary to give notice of the reconvened meeting or of the business to be transacted, other than by announcement at the meeting which was adjourned. At any such reconvened meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting which was adjourned.

Section 9. Minutes. The Board shall keep written minutes of its proceedings.

Section 10. Liability. The members of the Board of Directors shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association, except to the extent they are Unit Owners. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Directors or out of the aforesaid indemnity in favor of the members of the Board shall be limited to such proportion of the total liability thereunder as his interest in the common areas and facilities. Every agreement made by the Board or by the managing agent on behalf of the Association shall incorporate by reference all of the terms and provisions of the said Declaration and these By-Laws. Each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest is the common areas and facilities bears to the interest of all Unit Owners in the common areas and facilities.

ARTICLE V

Officers

Section 1. Number of Officers. The Association's officers shall be a President, Vice-President, Secretary and Treasurer, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article V. Any two (2) offices or more may be held by one (1) person, except the offices of President and Secretary, but no officer shall sign or execute any document in more than one (1) capacity.

Section 2. Election, Term of Office and Qualifications. Each officer shall be chosen by the Board of Directors and shall hold office at the will of the Board of Directors until their successors have been elected and have been qualified or until their early death, resignation, removal, retirement or disqualification. The officers need not be Unit Owners.

Section 3. Removal. Any officer may be removed, either with or without cause, by vote of a majority of the whole Board of Directors at any meeting with respect to which notice of such purpose has been given to the members thereof.

Section 4. Resignations. Any officer may resign at any time by giving written notice to the Board of Directors or to the Association's President or Secretary. Any such resignation shall take effect upon its being accepted by the Board of Directors.

Section 5. Vacancies. A vacancy in any office because of death, resignation, removal or disqualification, or any other cause, shall be filled for the unexpired portion of the term in the manner prescribed by these By-Laws for regular appointments or elections to such offices.

Section 6. President. The President shall be the chief executive officer and subject to the instructions of the Board of Directors, shall have general charge of the Association's business, affairs and property and control over its other officers, agents and employees. He shall preside at all meetings of the Unit Owners and of the Board of Directors at which he may be present. The President shall do and perform such other duties as from time to time may be assigned to him by the Board of Directors.

Section 7. Vice President. At the request of the President, or in his absence or disability, the Vice President shall perform all the duties of the President and when so acting shall have all the powers of and be subject to all restrictions upon the President. The Vice President shall perform such other duties and have such other authority as from time to time may be assigned to him by the Board of Directors.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of Unit Owners and the Board of Directors, and shall see that all notices are duly given in accordance with the provisions of these By-Laws or as required by the provisions of N.C.G.S. Chapter 47C. He shall be custodian of the Association's records, books, reports, statements, certificates and other documents and of the Association's seal, and see that the seal is affixed to all documents requiring such seal. He shall prepare, execute, certify, and record amendments to the Declaration on behalf of the Association. In general, he shall perform all duties and possess all authority incident to the office of Secretary, and he shall perform such other duties and have such other authority as from time to time may be assigned to him by the Board of Directors.

Section 9. Assistant Secretary. The Assistant Secretary, if such an officer is appointed by the Board of Directors, shall be authorized to attest to all documents on behalf of the Association and affix the Association's seal thereto. His duties shall be ministerial only and limited to executing all documents in proper corporate form as from time to time may be necessary.

Section 10. Treasurer. The Treasurer shall have supervision over the Association's funds, receipts and disbursements of the Association. He shall keep full and accurate accounts of the Association's finances in accordance with general accepted accounting principles and in accordance with the provisions of N.C.G.S. Chapter 47C. The Treasurer shall make reports of same to the Board of Directors upon request. The Treasurer shall perform all duties that may be assigned to him from time to time by the Board of Directors. The reports and records of the Association shall be available for inspection by the Unit Owners and duly authorized agents or attorneys of Unit Owners at convenient hours of working days. The Treasurer shall require that an outside audit be conducted at least one a year on the books and records of the Association.

Section 11. Duties of Officers May Be Delegated. In case of the absence of any officer of the Association or for any other reason that the Board may deem sufficient, the Board may delegate the powers or duties of such officer to any other officer or to any director for the time being provided a majority of the entire Board of Directors concurs therein.

Section 12. Salaries of Officers. The compensation of all officers of the Association shall be fixed by the Board of Directors, providing however, that no officers appointed by Declarant shall receive any compensation from the Association.

ARTICLE VI

Fiscal Management

Section 1. Determination of Common Expenses and Fixing of Common Charge.
The Board of Directors shall, from time to time and at least annually, prepare a budget for the Association and determine the amount of the common charges payable by the Unit Owners to meet common expenses of the condominium and allocate and assess such common charges among the Unit Owners according to their respective common interests. A common expense shall include among other things, the cost of all insurance premiums and all policies of insurance required to be or which have been obtained by the Board of Directors, ad valorem taxes, sewer charges, and assessments for public improvements. The common expenses may also include such amounts as the Board of Directors may deem proper for the operation and maintenance of the property, for the condominium, and for a general operating reserve, for reserve fund replacements, and to make up any deficit in the common expenses for any prior year. Any increase in the monthly common charge that exceeds 10% per annum will require the consent of a majority of all Unit Owners. The Board of Directors may elect to create annual and special assessments which are at different rates for condominium units provided, however, that any such different rates are derived strictly from a true and accurate difference in the level of services provided and required by each unit type and not from any other basis.

The Board of Directors shall advise all Unit Owners promptly in writing of the amount of common charges payable by each of them respectively as determined by the Board of Directors and shall furnish copies of each budget on which such common charges are based, to all Unit Owners.

Section 2. Payment of Common Charges. All Unit Owners shall be obligated to pay the common charges assessed by the Board of Directors pursuant to the purpose of Section 1 of Article VI at such time or times as the Board shall determine.

Section 3. Collection of Assessments. The Board of Directors shall assess the common charges against the Unit Owners from time to time and shall take prompt action to collect any common charge due for any Unit Owner which remains unpaid for more than thirty days from the date due.

Section 4. Default in Payment of Common Charges. In the event of default by any Unit Owner in paying to the Board of Directors the common charges as determined by the Board, each Unit Owner shall be obligated to pay interest at the legal rate on such common charges from the date due thereof together with all expenses, including attorney's fees incurred by the Board in any proceeding to collect such unpaid common charges.

In any action brought by the Board to foreclose on a unit because of unpaid common charges, the Unit Owner shall be required to pay a reasonable rental for the use of such unit and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect the same. The Board acting on behalf of all Unit Owners, or on behalf of one or more individual owners, shall have the power to purchase such unit at the foreclosure sale and to acquire, hold, lease, mortgage, convey or otherwise deal with same, subject to applicable restrictions of record.

Section 5. Maintenance and Repair. All maintenance and repair to any unit, structural or nonstructural, ordinary or extraordinary, and maintenance of and repairs and replacements to the common areas and facilities contained therein shall be made by the Board and charged to all Unit Owners as a common expense.

Section 6. Utility Expense. The Board shall own and be responsible for the repair, maintenance, and upkeep of all equipment (if any) which serves the common areas. Unit Owners shall be individually responsible for the repair, maintenance and upkeep of all equipment such as hot water heaters and heating and air conditioning equipment which exclusively serves their unit.

Section 7. Additions and Alterations. No Unit Owner shall make any structural addition, alteration or improvement in or to his unit without the prior written consent by the Board. The Board shall have the obligation to answer any written request by a Unit Owner for consideration of a proposed structural addition, alteration or improvement brought by a Unit Owner. Failure to do so within forty-five days from the day on which the written request shall first have been made to the Board shall constitute a consent by the Board to the proposed addition, alteration or improvement.

Section 8. Use of the Units and Common areas. The use of the property of the condominium shall be in accordance with the following provisions:

The building and each of the units (5 total) shall be used only for residential purposes.

The use of the building and units are further restricted by the By-Laws of the Association. No unit may be subdivided into smaller units or any portions thereof sold or otherwise transferred without first amending the By-Laws to show the changes in the units to be effected thereby.

No more than two persons over the age of eighteen unrelated by blood or marriage shall reside in any single unit for more than thirty consecutive days in any one calendar year.

The common areas and facilities shall be used only for the purposes for which they are intended and the furnishing of services for the enjoyment of the units.

No noxious or offensive activity shall be conducted upon any unit nor shall anything be done thereon which may be or may become an annoyance or nuisance or shall interfere with the peaceful possession or quite enjoyment of property by Unit Owners.

No animals, livestock or poultry of any kind shall be kept or maintained on any unit or in any dwelling except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes. All household pets shall be kept on a leash at all times when outside the units.

No outside radio or television antennas, including satellite dishes or receivers, shall be erected on any unit unless and until permission for the same has been granted by the Association.

No signs shall be permitted on or about the units. No signs shall be installed on the building face.

All window coverings (i.e., curtains, blinds, draperies, shades, etc.) shall be installed and maintained in accordance with rules and regulations created by the Association to regulate same.

Unit Owners shall not park or store any boat, camper, trailer, trailer vehicle, or similar vehicle anywhere on the premises. No trucks shall be permitted except for standard 2-ton or less pickup trucks or smaller sized trucks.

Any lease or rental agreements involving the units shall be in writing and shall be subject to the requirements of the Association documents and Association rules and regulations governing same.

Section 9. Right of Access. All Unit Owners shall grant a right of access to his unit to the Board or their designee for the purpose of making inspections or for the purpose of correcting any condition originating in his unit and threatening another unit or common area or facility, or for the purpose of performing installations, alterations, replacement, or repairs to common areas and facilities in the unit or elsewhere in the building. In case of emergencies such right of entry shall be immediate whether the Unit Owner is present at the time or not.

Section 10. Rules of Conduct. Rules and regulations concerning the use of the units and the common areas and facilities may be promulgated by and amended by the Board with approval of eighty (80%) of the Unit Owners. Copies of such rules and regulations shall be furnished by the Board to each Unit Owner on request.

Section 11. Annual Audit. Within one hundred twenty (120) days or less following the end of each fiscal year, the Association shall provide an annual audit prepared by an independent accountant available for inspection by Unit Owners or others as provided by Article II, Section 16 of these By-Laws.

Section 12. Working Capital Fund. The Association shall establish a working capital fund to meet unforeseen expenditures or to purchase any additional equipment or services. The working capital fund shall be funded initially by the payment by each Unit Owner of an initial payment to the Association of two months estimated monthly assessment for each unit. Any amounts paid into this fund shall not be considered advance payments of regular assessments.

ARTICLE VII

Amendment of By-Laws

Section 1. Amendments. These Bylaws may be amended by the affirmative vote of or a written agreement signed by Unit Owners of units to which at least six sixty-seven (67%) of the votes in the Association are allocated. No amendment to the Bylaws shall be effective until duly recorded in the Office of Register of Deeds of Wake County, North Carolina. Upon recording, all Unit Owners and their successors and assigns shall by bound by said amendment.

Section 2. Amendments of a Material Nature to By-Laws. Amendments of a material nature shall be agreed to by Unit Owners of units to which at least sixty-seven percent (67%) of the votes in the Association are allocated and by eligible mortgage holders who represent at least fifty-one percent (51%) of the votes of units that are subject to mortgages held by eligible mortgage holders. The term "eligible mortgage holders" shall mean those holders of a first mortgage on a condominium unit who have submitted a written request that the Association notify them of any proposed action requiring the consent of a specified percentage of eligible mortgage holders. No amendment to the Declaration shall be effective until duly recorded in the Office of the Register of Deeds of Wake County, North Carolina. Upon recoding, all Unit Owners and their successors and assigns shall be bound by said amendment.

A material change shall be considered as one which changes any of the following:

- voting rights;
- increases in assessments that raise the previously assessed amount by more than 25%, assessment liens, or the priority of assessment liens;
- reductions in reserves for maintenance, repair, and replacement of common elements;
- responsibility for maintenance and repairs;
- reallocation of interests in the general or limited common elements or vice versa;
- expansion or contraction of the project, or the addition, annexations, or withdrawal of property to or from the project;
- hazard or fidelity insurance requirements;

- imposition of any restrictions on the leasing of units;
- imposition of any restrictions on a Unit Owner's right to sell or transfer his or her unit;
- a decision by the Association to establish self-management if professional management had been required previously by Association documents or by an eligible mortgage holder;
- restoration or repair of the project (after damage or partial destruction) in a manner other than that specified in the documents; or
- any provisions that expressly benefit mortgage holders, insurers or guarantors.

Implied approval by an eligible mortgage holder shall be assumed when an eligible mortgage holder fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provide the notice was delivered by certified mail or registered mail with a "return receipt" requested.

ARTICLE VIII

Compliance

Section 1. These By-Laws are set forth to comply with the requirements of the Unit Ownership Act, Chapter 47C of the General Statutes of the State of North Carolina. In the event that any of these By-Laws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will apply.

The foregoing was adopted as the By-Laws of NORTH SHORE HOMEOWNERS ASSOCIATION INC. at the first meeting of the Board of Directors on ____________________, 201___.

APPROVED:

______________________ ______________________
President Secretary

Declaration of Condominium
Exhibit D

ARTICLES OF INCORPORATION
OF
NORTH SHORE
HOMEOWNER'S ASSOCIATION, INC.

In compliance with the requirements of Chapter 55A of the North Carolina General Statutes, the undersigned, a natural person of full age, has this day executed these Articles of Incorporation for the purpose of forming a non-profit corporation and hereby certifies:

ARTICLE I

Name

The name of the corporation is **NORTH SHORE HOMEOWNER'S ASSOCIATION, INC.**, hereinafter called the "Association."

ARTICLE II

Office

The principal and registered office of the Association is located at 21 Glenwood Avenue, Suite 203, Wake County, Raleigh, North Carolina, 27603.

ARTICLE III

Registered Agent

G. Roland Gammon, III, whose address is 21 Glenwood Avenue, Suite 203, Wake County, Raleigh, North Carolina, 27603, is hereby appointed Registered Agent of this Association.

ARTICLE IV

Purposes

This Association does not contemplate pecuniary gain or profit to the members thereof and no part of the Association's net income shall inure to the benefit of any of its officers, directors or members or any other private individual. The purposes and objects of the Association shall be to operate and manage **NORTH SHORE**, a five (5) unit residential condominium project, to be constructed in accordance with the laws of the State of North Carolina upon the property situated, lying and being near Raleigh, North Carolina, and described in Exhibit "A" attached to the North Shore Homeowners Association Inc. Declaration recorded or to be recorded in the Wake County Registry.

Such purposes shall include the following:

a) To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration applicable to the property and recorded or to be recorded in the Office of the Wake County Register of Deeds and as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as if set forth at length;

b) To fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

c) To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association, subject always to the provisions and requirements of the Declaration and the limitations and restrictions imposed by applicable law;

d) To borrow money, and with the assent of members entitled to cast two-thirds (2/3) of the votes of the entire membership, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject always to the provisions and requirements of the Declaration. The rights of such mortgagee in said properties shall be subordinate to the rights of the members;

e) To dedicate, sell or transfer all or any part of the common area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members, subject to the provisions and requirements of the Declaration. No such dedication or transfer shall be effective unless an instrument has been signed by members entitled to cast two-thirds (2/3) of the votes of the membership agreeing to such dedication, sale or transfer. The certifications by the secretary of the Association that the required number of members have executed instruments in conformity with this provision shall be conclusive as to the fact recited by such certification;

f) To the extent permitted by law, the Association may participate in mergers and consolidations with other non-profit corporations organized for the same or similar purposes or annex additional residential property and common area, subject to the provisions and requirements of the Declaration; and further provided that any such merger or consolidation shall have the assent of members entitled to cast two-thirds (2/3) of the votes of the entire membership.

g) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of North Carolina by law may now or hereafter have or exercise;

h) To contract for the management of the Association and to delegate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration to have approval of the membership.

ARTICLE V

Membership

There shall be only one class of members in the Association. Every person or entity who is a record owner of a fee or undivided fee interest in any Unit which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment by the Association.

ARTICLE VI

Voting Rights

The Association shall have one class of voting membership. The right of any member to vote may be suspended by the Board of Directors for just cause pursuant to its rules and regulations.

ARTICLE VII

Board of Directors

The affairs of this Association shall be managed by a Board of Directors consisting of not less than three (3) or no more than five (5) Directors and the initial Board of Directors shall consist of three (3) persons, who shall serve until the first annual meeting of the membership of the Association. The exact number of directors shall be fixed by the Board of Directors as provided for in the Bylaws of the Association. Directors need not be members of the Association. The names and addresses of the three persons who are to serve as Directors until the organizational meeting of the membership of the Association, or until their successors are elected and qualified are:

Name	Address
G. Roland Gammon	21 Glenwood Avenue, #203 Raleigh, NC 27603
Joseph B. Gammon	21 Glenwood Avenue, #203 Raleigh, NC 27603
Ann-Cabell B. Andersen	700 W. Jones Street Raleigh, NC 27603

ARTICLE VIII

Dissolution

The Association may be dissolved with the assent given in writing and signed by members entitled to cast eighty percent (80%) of the votes of the entire membership. This corporation shall have no capital stock. In the event of dissolution, no member, director, or officer of the corporation or any private individual shall be entitled to share in the distribution of the assets of this corporation.

ARTICLE IX

Duration

The corporation shall exist perpetually.

ARTICLE X

Meetings for Actions

In order to take action under Articles I(d), (e), (f) and VIII, there must be a duly held meeting. Written notice, setting forth the purpose of the meeting, shall be given to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. The presence of members or proxies entitled to cast twenty five percent (25%) of the votes the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

ARTICLE XI

Amendments

Amendment of these Articles shall require the assent of two-thirds (2/3) of the entire membership. Provided, however, and notwithstanding the foregoing, the Declarant, as that term is defined in the Declaration, may at any time and from time to time amend these Articles of Incorporation without obtaining the consent or approval of the members or any other person or entity if such amendment is necessary for any one of the following purposes: to correct a typographical or clerical error; to cause these Articles of Incorporation to comply with the requirement of FHA (Federal Housing Administration), VA (U.S. Department of Veterans Affairs, FNMA (Federal National Mortgage Association) or other such similar agency; or as may be necessary to establish or maintain the tax exempt status of the Association under the laws of the United States or the State of North Carolina.

ARTICLE XII

Incorporation

The name and address of the incorporator is as follows:

G. Roland Gammon, III
Twenty One Glenwood Avenue, Suite 203
Raleigh, NC 27603

IN WITNESS WHEREOF, for the purposes of forming this corporation under the laws of the State of North Carolina, the undersigned, constituting the incorporator of this Association, has executed these Articles of Incorporation this ____ day of ___________, 2016.

____
G. Roland Gammon, III

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I certify that the following person personally appeared before me this day, acknowledging to me that he voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: G. Roland Gammon, III.

Date: ______________________________

Signature of Notary Public: ________________________

Printed/Typed Name of Notary: ________________________

My Commission Expires: ________________________

NORTH CAROLINA
Department of the Secretary of State

To all whom these presents shall come, Greetings:

I, Elaine F. Marshall, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF INCORPORATION

OF

NORTH SHORE HOMEOWNERS ASSOCIATION INC.

the original of which was filed in this office on the 26th day of July, 2016.

Scan to verify online.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 26th day of July, 2016.

Elaine F. Marshall

Secretary of State

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WAKE COUNTY
NORTH CAROLINA

Please retain yellow trailer page

It is part of the recorded document and must be submitted with the original for re-recording.

Laura M. Riddick
Register of Deeds

Wake County Justice Center
300 South Salisbury Street, Suite 1700
Raleigh, NC 27601

☐ New Time Stamp ☐ $25 Non-Standard Fee

☐ Additional Document Fee ☐ Additional Reference Fee

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40 # of Pages P5 /5