

Prepared By and Held For: Aaron D. Garrett, Attorney (Box 67)

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE
BLOOMFIELD HOMEOWNERS ASSOCIATION, INC.
AND FOR
BLOOMFIELD SUBDIVISION

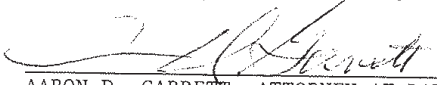
Wake County, NC 503
Laura M Riddick, Register Of Deeds
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This instrument is being re-recorded pursuant to N.C.G.S. §47-36.1 to correct clerical errors, to wit: (a) to insert the date of the instrument on page 1; (b) to correct the name of the Declarant to read Montclair, LLC on pages 1, 3, 29 and 30; and (c) to correct the words "Lot 125" at the top of page 15 to read "Lot 1"; and (d) to correct the name of the Homeowners Association on page 2.

This the 19th day of February, 2002.


AARON D. GARRETT, ATTORNEY AT LAW
Original Drafter

-i- Wake County, NC 440
Laura M Riddick, Register Of Deeds
Presented & Recorded 02/20/2002 14:57:59
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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE
BLOOMFIELD HOMEOWNERS ASSOCIATION, INC.
AND FOR
BLOOMFIELD SUBDIVISION

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE BLOOMFIELD HOMEOWNERS ASSOCIATION, INC. AND FOR BLOOMFIELD SUBDIVISION (hereinafter referred to as the "Declaration"), made this 27th day of November, 2001, by ~~MONTCLAIR DEVELOPMENT~~, LLC, a North Carolina limited liability company (hereinafter referred to as the "Declarant").



W I T N E S S E T H :

WHEREAS, the Declarant is the owner of those certain lots and parcels and tracts of real property (hereinafter referred to as the "Property" or "Properties") near the Town of Holly Springs, Township of Panther Branch, County of Wake, State of North Carolina, more particularly described in Exhibit A which said Exhibit A is attached hereto, made a part hereof and incorporated herein by reference; and

WHEREAS, Declarant desires to create on such Property a residential community of single-family residential dwellings to be known as "BLOOMFIELD SUBDIVISION" (hereinafter sometimes referred to as "BLOOMFIELD" or the "Subdivision"); and

WHEREAS, to the extent thereof, Declarant shall designate on the various Plats of the Subdivision and will convey to the "Association" (as hereinafter defined) all of the common areas designated and described in Tract 4 of Exhibit "A" attached hereto, including the easements and rights-of-way, which said common areas are hereby designated for the common use and enjoyment of all the residents of the Subdivision (as hereinafter defined), although Declarant makes no representations that any such common areas shall now or may hereafter exist; and

WHEREAS, Declarant desires to provide for the upkeep and maintenance of the PERMANENT OPEN SPACE and other common areas and to provide a vehicle for ensuring that any storm water drainage systems and facilities for the Subdivision are properly maintained, and, to that end, desires to sub-

ject all of the Property within the Subdivision to the covenants, conditions, restrictions, easements, charges, assessments and liens hereinafter set forth, each and all of which is and are for the benefit of said Property, its present and subsequent owners, and the Association as hereinafter specified; and

WHEREAS, Declarant has deemed it advisable to create an organization to own, maintain and administer the PERMANENT OPEN SPACE and other common areas in the Subdivision, to administer and enforce covenants and restrictions and protective covenants exclusively applicable to the Subdivision, and to collect and disburse the assessments and charges hereinafter created, and Declarant has caused or will cause to be incorporated under North Carolina law as a nonprofit corporation, the "BLOOMFIELD HOMEOWNERS ASSOCIATION, INC." (hereinafter referred to as the "Association"), for the purpose of exercising the aforesaid functions.

NOW, THEREFORE, Declarant hereby declares that all of the Property described in the attached Exhibit A (together with any property which may be added pursuant to the terms hereof) shall be owned, held, transferred, sold, conveyed and occupied subject to the following easements, covenants, conditions, restrictions, charges, assessments and liens set forth in this Declaration (hereinafter referred to collectively as the "Restrictions"), which said Restrictions shall run with the title to the Property and be binding on all parties owning any right, title or interest in said Property or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of the Property, each owner thereof (both present and future), and to the Association.

ARTICLE I

DEFINITIONS

The following words or terms when used in this Declaration, or any Supplemental Declaration, unless the context shall prohibit, shall have the following meanings:

A. "Association" shall mean and refer to ~~THE MOUNT~~ BLOOMFIELD HOMEOWNERS ASSOCIATION, INC., a North Carolina nonprofit corporation, its successors and assigns. 6.F.
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E. "Board of Directors" shall mean and refer to the Board of Directors of the Association.

C. "By-Laws" shall mean and refer to the By-Laws of the Association.

D. "Class A Member(s)" shall mean and refer all those Owners other than the Declarant (See Article IV herof).

E. "Class B Member" shall mean and refer to the Declarant, its successors and/or assigns (See Article IV hereof)

F. "Committee" shall mean and refer to the Architectural Review Committee of the Association.

G. "PERMANENT OPEN SPACE" (hereinafter referred to as the "PERMANENT OPEN SPACE" or as the "common areas") shall mean and refer to the real property, together with any improvements thereon, if any, owned by the Association, whether in fee, by easement or otherwise, for the common use and enjoyment by the Owners of Lots within the Subdivision. The PERMANENT OPEN SPACE shall be maintained by the Association, or its successors in interest, unless dedicated to public use as set forth herein. The Association shall comply with all Wake County and North Carolina ordinances with regard to said PERMANENT OPEN SPACE.

H. "Contract Seller" or "Builder" shall mean and refer to an Owner who purchases a Lot for resale and is not an occupant of any improvements thereon.



I. "Declarant" shall mean and refer to MONTCLAIR DEVELOPMENT, LLC, a North Carolina limited liability company, its successors and/or assigns.

J. "Declarant's Property" shall mean and refer to the property described in Article V, Paragraph B of the Declaration as "Declarant's Property".

K. "Lot" shall mean and refer to any plot of land, with delineated boundary lines, shown on any recorded subdivision map or plat of the Properties, with the exception of any PERMANENT OPEN SPACE, owned in fee or by easement or otherwise by the Association, and with the exception of any street rights-of-way shown on any such recorded subdivision map or plat of the Properties.

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

M. "Membership" shall mean and refer to all of the Members of the Association.

N. "Owner" shall mean and refer to a person or entity who is a record owner of a fee interest in any Lot which is a part of the Properties, including Contract Sellers or Builders who own the Lot (and do not merely have it under contract).

O. "Property" or "Properties" shall mean and refer to the "Existing Property" described in Exhibit A to the Declaration and any additional property annexed into the Association pursuant to the terms and provisions of the Declaration.

P. "Street" shall mean and refer to any street, road, drive, highway or other thoroughfare as shown on any recorded map or plat of the Properties.

Q. "Subdivision" shall mean and refer to BLOOMFIELD SUBDIVISION located off North Carolina State Road 2748 near the Town of Holly Springs, in the Township of Panther Branch, County of Wake, State of North Carolina, together with any additions thereunto annexed by the Declarant pursuant to the terms and provisions of the Declaration.

ARTICLE II

SUBJECTING ADDITIONAL PROPERTY TO THE DECLARATION

A. Additions to the Properties by Declarant. The Declarant shall have the right to annex into and bring within the scheme of the Declaration additional properties which are located within any phase of BLOOMFIELD SUBDIVISION, or any other property which is contiguous at any point with the Property or any additions to the Property. A public road, railroad, utility right-of-way, or buffer dividing two properties shall not be deemed to deprive them of contiguity.

B. Method of Making Additions (Annexation). Additions to the Property shall be made by filing for record in the Office of the Register of Deeds of Wake County, North Carolina a Supplemental Declaration of Covenants, Conditions and Restrictions (the "Supplemental Declaration") with respect to the additional property, which said Supplemental Declaration shall describe the property being annexed. Such Supplemental Declaration(s) may contain such additions and modifications of Article VIII of the Declaration as may, in the sole discretion of Declarant, be necessary to reflect the different character of the added properties. In no event, however, shall such Supplemental Declaration(s) revoke, modify or add to the Restrictions established by

the Declaration with respect to the Properties already subject to the Declaration, except to grant the Owners of Lots then subject to the Declaration limited rights with respect to such additional properties (changes to assessments brought about by such addition shall be deemed not to be a revocation, modification or addition of the Restrictions).

C. Future Additions of PERMANENT OPEN SPACE. Future PERMANENT OPEN SPACE may be added to the scheme of the Declaration and included within the Properties subject to the jurisdiction of the Association, although there is no obligation to do so, and no representations are made with respect to any such additions. Such PERMANENT OPEN SPACE will be deeded to the Association by Declarant.

D. Additions by Others. So long as Declarant is a Class B Member, additions may be made by any other Owner who, with the approval of the Declarant and the Board of Directors, which approval may be withheld in their sole discretion, desires to add such property located within the boundaries of the Subdivision to the scheme of the Declaration and to subject it to the jurisdiction of the Association. When Declarant ceases to be a Class B Member, such additions may be made upon approval by two-thirds (2/3) majority vote of the Members who are entitled to vote. Such approval by the Declarant, Board of Directors and, if required, the Membership shall be evidenced by a certified copy of a resolution of approval recorded in the Office of the Register of Deeds of Wake County, North Carolina.

ARTICLE III

ARCHITECTURAL CONTROL

A. Architectural Control.

1. Until such time as Declarant shall no longer be a Class B Member of the Association, no dwelling or other structure or other improvements (the "Improvements") shall be erected, placed or altered on any Lot in the Properties, or in any addition thereto, until the Improvements' plans and specifications and the Lot plan (showing the location of such Improvements on the Lot) (collectively, the "Plans") have been approved in writing by the Declarant as to conformity with the Restrictions, quality, materials and as to conformity and harmony of external design with existing (and approved or proposed) Improvements in the Properties, and as to location of the Improvements with respect to topography and finished ground elevation. Such written approval from

the Declarant must be obtained prior to commencing clearing, grading or construction of any kind on a Lot. All Improvements shall comply with the plans as presented unless changes are approved in writing by the Declarant. The written approval of Declarant shall also be required prior to erecting, placing or altering mail boxes, signs and newspaper boxes upon any Lot. All roof pitches for a dwelling and/or garage on any Lot must be approved by Declarant.

Anything herein to the contrary notwithstanding, during the initial development of the Properties, Declarant may limit its review to a review of a typical set of Plans and Specification and Materials for the proposed residence type proposed by a Contract Seller or a Builder to be built within the Subdivision, and, upon Declarant's written approval of such typical Plans, Specifications, and Materials, residences may be constructed in the Subdivision consistent with such approved Plans, Specifications, and Materials without the requirement of further review by the Declarant.

2. Upon or prior to the date upon which Declarant shall cease to be a Class B Member of the Association, the Declarant shall form an "Architectural Review Committee" for the Properties (herein referred to as the "Committee"), which said Committee shall be composed of three (3) members appointed by the Declarant. The initial three (3) members of the Committee shall serve until the annual meeting of the Association next immediately following the date of such appointment by the Declarant. Thereafter the members of the Committee shall be appointed by the Board of Directors of the Association, each such member to serve for a term of one (1) year, said term to expire upon the date of the annual meeting of the Association. Each member of the Committee shall have one (1) vote and a majority vote of the Committee shall be required to constitute Committee action on any issue brought before the Committee. Upon the date upon which Declarant shall no longer be a Class B Member of the Association, the Committee shall assume and be responsible for all of the approvals and responsibilities set forth in subparagraph 1 of paragraph A of this Article with regard to Architectural Control within the Properties. Upon approval by the Committee of the Plans as herein provided, the Committee shall evidence its approval in writing by memorandum or directly upon such Plans and the applicant Owner may then commence construction in accordance with such Plans. The Committee shall approve or reject in writing any Plans within thirty (30) business days after the receipt of the submitted Plans or such approval will be deemed to have been given.

B. Limitation of Liability. No approval of Plans by Declarant or by the Committee shall be construed as a representation, warranty or implication that the Improvements, if built in accordance therewith, will be free from defects, shall meet applicable codes and laws, or will be built in a good and workmanlike manner. Any approvals of Declarant or of the Committee shall be concerned solely with matters of aesthetics and the satisfaction of the requirements set forth in the Declaration. None of the Declarant, the Association, the Committee, the Board of Directors, or the officers or Members of the Association, shall be liable or responsible to anyone submitting Plans for approval for any loss or damage arising out of or related to the approval, disapproval or failure to approve any such Plans, the non-compliance of such Plans with applicable codes and laws, or the construction undertaken pursuant to such Plans. Approval of the Plans by Declarant or by the Committee shall not be construed as approval of any Plans, or as an indication of approval of any Plans, by the Wake County, North Carolina authorities.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

A. Membership.

1. Every person or entity who is a record Owner of a fee interest in any Lot which is a part of the Properties, including Contract Sellers or Builders who own the Lot (and do not merely have it under contract), shall be a Member of the Association (herein referred to as "Member" or collectively as "Members"). The foregoing is not intended to include persons or entities who hold an interest in a Lot merely as security, unless such persons or entities acquire title to a Lot through judicial or non-judicial foreclosure, deed in lieu of foreclosure or other action.
2. Membership in the Association shall be appurtenant to and shall not be separated from ownership of a Lot. Ownership of a Lot shall be the sole qualification for Membership. When more than one (1) person holds an interest in any Lot, all such persons shall be Members, but the vote for such Members shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot owned by Class A Members, and in no event shall more than One Hun-

dred Twenty-Five (125) votes be cast with respect to any one such Lot owned by the Class B Member. See Paragraph C of this Article IV entitled "Voting Rights".

B. Classes. There shall be two (2) classes of voting Members:

1. The Class A Members shall be all those Owners other than the Declarant.
2. The Class B Member shall be the Declarant, its successors and/or assigns. Class B Membership may cease and be converted to Class A Membership at the option of the Class B Member, by its written notice to the Secretary of the Association. Subject to the provisions of Subsection 3 of this Paragraph B of this Article IV, Class B Membership shall cease and be converted to Class A Membership, without further act or deed, upon the date ten (10) years from the date upon which the Declaration shall be recorded in the Office of the Register of Deeds of Wake County, North Carolina.
3. Notwithstanding a conversion of the Declarant, its successors and/or assigns to a Class A Member or the cessation of the Class B Membership due to the expiration of the ten (10) year period hereinabove described, in the event Declarant, its successors and/or assigns thereafter acquires or adds additional Lots to the Properties such that Declarant, its successors and/or assigns, would, according to Subsection 2 of this Paragraph B of this Article IV, be entitled to Class B Membership, Declarant, its successors and/or assigns, shall thereupon be reestablished as and converted to a Class B Member of the Association, with the benefits and burdens pertaining thereto.

C. Voting Rights.

1. Class A Members shall be entitled to one (1) vote for each Lot owned.
2. Class B Member shall be entitled to One Hundred Twenty-Five (125) votes for each Lot owned (whether or not it is under contract to a Contract Seller or Builder).

3. No cumulative voting shall be permitted.
4. Only those Members who are in good standing with the Association may vote.

ARTICLE V

ADMINISTRATION AND MANAGEMENT

A. Governing Documents. The administration of the Properties shall be governed by the provisions of the Declaration, the Articles of Incorporation (the "Articles"), the By-Laws of the Association (the "By-Laws"), and the published rules and regulations of the Association (the "Rules"), if any. In the event of a conflict between the provisions of the Declaration and the Articles and the By-Laws and the Rules, the provisions of the Declaration shall control. In the event of a conflict between the provisions of the Articles and the By-Laws and the Rules, the Articles shall control. In the event of a conflict between the By-Laws and the Rules, the By-Laws shall control.

B. Management of the Association/Board of Directors. The affairs of the Association shall be managed by an Initial Board of two (2) Directors who need not be Members of the Association and who shall be elected by the Declarant. The persons who are to act in the capacity as the Initial Directors of the Association until the selection of their successors are: Thomas C. Hankins and Glenn Futrell.

1. The number of Directors of the Association shall be two (2) and shall be elected by the Declarant (Class B Member) for so long as the Declarant shall own any Lot which is subject by the provisions of this Declaration, or as this Declaration may be amended, to assessment by the Association or owns any real property which is adjacent to and adjoins any Lot which is subject by the provisions of this Declaration, or as this Declaration may be amended, to assessment by the Association and which the Declarant shall annex into the Association pursuant to the terms and provisions of this Declaration, as may be amended (hereinafter referred to as the "Declarant's Property"). Thereafter the number of Directors of the Association shall be increased to five (5), said five (5) Directors to be elected by the

Members at a special meeting of the Members of the Association called by the Declarant within one hundred twenty (120) days next immediately following the date upon which Declarant shall own no "Declarant's Property". At such special meeting of the Members of the Association the Members shall elect one (1) Director to serve a term of one (1) year, two (2) Directors to serve a term of two (2) years, and two (2) Directors to serve a term of three (3) years. The annual meeting of the Members of the Association shall be held each year thereafter on the anniversary of the aforescribed special meeting, unless such date shall fall on a legal holiday, and in such case, on the next business day immediately following such legal holiday.

2. At each annual meeting of the Association after the first annual meeting the Members shall elect the number of Directors needed to fill the vacancy or vacancies created by the Director or Directors whose term (s) is/are expiring, to serve for a term of three (3) years (except in the case of the initial election of a Director, in which case the term of that Director may be shortened to provide for the staggering set forth in this Article, or in the case of the filling of a vacancy, in which case the Director elected to fill the vacancy shall be elected for the unexpired term of the Director whose vacancy is being filled). The term of office of the Directors shall be staggered so that, except for an election to fill a vacancy or to fill a newly created directorship, the terms of not less than one nor more than two Directors shall expire at each annual meeting of the Members of the Association. Each Director shall hold office until his/her death, resignation, retirement, removal or disqualification, or until his/her successor is elected and qualified, whichever event shall first occur. Directors need not be Members of the Association.
3. After the date upon which the Declarant shall no longer own any "Declarant's Property" as heretofore described in this Article, the Members of the Association may, by a majority of the votes cast at any duly called annual or special meeting of the Members at which a quorum is present, increase or decrease the

number of Directors of the Association, provided, however, that the number of Directors shall not be increased to more than seven (7) or decreased to less than five (5) without amendment of the By-Laws of the Association.

4. So long as the Declarant is a Class B Member, all Directors of the Association shall be elected by the Class B Member. So long as the Declarant is not a Class B Member, all Directors of the Association shall be elected by the Class A Members.

ARTICLE VI

PROPERTY RIGHTS IN THE PERMANENT OPEN SPACE (COMMON AREA)

A. Extent of Member's Easements. Members, their families and guests, are hereby granted a blanket easement to use and enjoy the PERMANENT OPEN SPACE, if any, for recreational, social and other purposes directly related to private single-family residential uses authorized herein, subject to the following:

1. The Association shall have the right to promulgate and publish rules and regulations (the "Rules") with which each Member, their families and guests, shall strictly comply.
2. The PERMANENT OPEN SPACE, if any, shall not be used for other than intended purpose(s) specified on the recorded plats of the Subdivision, if any.
3. The Declarant and the Association, in accordance with the Articles of Incorporation of the Association and the By-Laws of the Association, shall have the right to borrow money for the purpose of improving, renovating, repairing and reconstructing the PERMANENT OPEN SPACE with the written consent of the Class B Member (for so long as the Class B Member shall own any "Declarant's Property") together with the written consent of sixty-seven percent (67%) of the Class A Members entitled to vote. Such vote shall be in person or by proxy on such matter at a meeting of the Members called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance and shall set forth the purpose

of the meeting, to wit: to mortgage said
PERMANENT OPEN SPACE as security for such loan.

B. Personal Property for Common Use. The Association may acquire and hold in the name of the Association for the use and benefit of all Members, tangible and intangible, real or personal property, and may dispose of the same by sale or otherwise.

C. Maintenance and Upkeep of PERMANENT OPEN SPACE and Personal Property and Compliance with County/State Ordinances.

1. The Association shall be responsible for the continued maintenance, upkeep and repair of any and all PERMANENT OPEN SPACE and any and all personal property owned by the Association for common use by the Members and shall be responsible for any and all costs and expenses associated therewith.
2. The Association shall comply with any and all Wake County and/or State of North Carolina subdivision ordinances regarding the maintenance, use, upkeep and repair of the PERMANENT OPEN SPACE, including but not limited to, any special "Watershed Zoning Restrictions". Undeveloped PERMANENT OPEN SPACE shall be retained in a vegetative or natural state in accordance with such ordinances and or zoning restrictions. For purposes of this subparagraph, the term Open Space shall mean and refer to the PERMANENT OPEN SPACE as shown and depicted on any plat and/or map of the Subdivision recorded in the Office of the Register of Deeds of Wake County, North Carolina.

ARTICLE VII

COVENANT FOR MAINTENANCE ASSESSMENT

A. Creation of Lien and Personal Obligation of Assessment. Declarant, for each Lot within the Properties, hereby covenants, and each Owner of any Lot by acceptance of the deed therefor, whether or not it shall be so expressed in the deed, covenants and agrees to pay to the Association all assessments set forth herein and/or established by the Association, and with respect to the enforcement of payment of such assessments, hereby consents to the lien established herein. Such assessments shall be fixed, established and collected from time to time as provided in the By-Laws of

the Association. The Annual and Special Assessments, together with such interest thereon and costs of collection thereof, including reasonable attorney's fees, shall be a charge upon the Lot and a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest, reasonable attorney's fees and costs of collection thereof, shall be a personal obligation of the Owner of the Lot at the time when the assessment falls due. Such personal obligation shall not pass to the Owner's successors in title unless expressly assumed by them.

B. Purpose of Assessments. The assessments (both Annual Assessments and Special Assessments, if any) levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, enjoyment and welfare of the residents in the Properties, and in particular for the improvement, reconstruction, repair, maintenance and upkeep of the PERMANENT OPEN SPACE(s), and any other purpose reasonable, necessary or incidental to such purposes as determined by the Board of Directors. Special Assessments shall be fixed as hereinafter provided. The Annual Assessment shall be set each year by the Board of Directors, and, subject to the terms and provisions of Paragraph E hereof, all assessments must be fixed at a uniform rate for all Lots. Declarant shall not be required to pay any Annual Assessments for so long as Declarant shall own any "Declarant's Property".

C. Basis of Annual Assessment.

1. The Annual Assessments shall be based upon the cash requirements, as the Board of Directors shall from time to time determine, necessary to provide for the payment of all estimated expenses arising out of or connected with the purposes of the assessments as stated in Paragraph B of this Article.
2. The maximum Annual Assessment for any Lot shall be One Hundred Twenty Dollars (\$120.00) per year. The maximum may be changed as follows:
 - a. The maximum Annual Assessment may be increased each calendar year by not more than ten percent (10%) above the maximum Annual Assessment for the previous year without a vote of the Membership.
 - b. The Board of Directors may, from time to time, fix the Annual Assessment at any amount less than or equal to the maximum without a vote of the Membership.

- c. A majority of the votes cast by the Members (Class A Members and Class B Members) voting in person or by proxy on such matter at a meeting called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance setting forth the purpose of the meeting, shall be required to increase the maximum Annual Assessment for any one year more than the percentage set forth in subparagraph a above. For so long as the Declarant shall own any "Declarant's Property, no such increase in the maximum Annual Assessment by the Membership shall be effective unless and until Declarant shall have given written consent thereto. The Members shall have no power to require Declarant to pay any Annual Assessment as to any lot or Lots owned by Declarant for so long as Declarant shall own any "Declarant's Property".

D. Date of Commencement of Annual Assessments. Annual Assessments shall be imposed on the Lots owned by Owners other than Declarant from and after January 1, 2002 and shall be paid by the Owners and collected by the Association in advance each year. Annual Assessments shall be paid, and collected annually, on or before February 15 of each year. Subject to the provisions of Paragraph E below, Annual Assessment for a Lot owned by an Owner other than a Contract Seller or Builder, shall commence beginning on the first day of the month next immediately following the date upon which such Owner shall have closed (shall have taken title to) upon the purchase of such Lot, prorated for any portion of the year remaining.

E. Discounted Annual Assessments Prior to Initial Occupancy. The Annual Assessment (but not Special Assessments) on any Lot(s) within the Properties owned by a Contract Seller or a Builder (whether with or without improvements, but if the respective Lot has improvements, only if the improvements are not occupied by the Contract Seller or the Builder) shall be assessed at one-fourth (1/4) of the Annual Assessment rate. Annual Assessments at the discounted Annual Assessment rate for any such Lot owned by a Contract Seller or Builder shall begin on the date such Contract Seller or Builder shall close on the purchase of such Lot and shall continue until the last day of the month in which the Contract Seller or Builder closes on the sale of a completed single-family residence on such lot to a third party homebuyer. From and after such date, the Annual

Assessment applicable to such Lot shall be at the full Annual Assessment rate. Each such Lot owned by a Contract Seller or a Builder who owns more than one Lot within the Properties shall be assessed separately from the other Lot(s) owned by such Contract Seller or Builder. Notwithstanding the foregoing, all of Lot-125 of Phase 1 of the Bloomfield Subdivision shall be exempt from any and every type of assessment (both annual and special) until such time as a single-family residential dwelling has been constructed thereon, a certificate of occupancy has been issued for such dwelling by the County of Wake, and said dwelling is actually occupied as a single-family residence.



F. Special Assessments for Capital Improvements. Upon the affirmative vote of the Class B Member (for so long as Declarant shall own any "Declarant's Property") and a majority of the Class A Members voting in person or by proxy at a meeting called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance setting forth the purpose of such meeting, the Association may levy, in addition to the Annual Assessments hereinabove described, one or more Special Assessments in any calendary year applicable to that year only, for the purpose of defraying in whole or in part the costs of construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including but not limited to, necessary fixtures and personal property related thereto. Any such Special Assessment shall be levied equally on the Lots owned by Owners other than the Declarant. Declarant shall not be required to pay any Special Assessments. Any Special Assessment so levied shall be payable in accordance with the terms set forth in the motion approving such Special Assessment.

G. The Effect of Non-Payment of Assessments: Remedies of the Association. Each Owner, other than Declarant, shall be deemed to covenant and agree to pay to the Association the assessments (both Annual Assessments and Special Assessments) provided for in the Declaration, and each agrees to the enforcement of the assessments in the manner herein specified. In the event the Association employs attorneys for collection of any assessment against an Owner, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and conditions of the Declaration by an Owner, each such Owner agrees to pay interest on all delinquent amounts from the date of the delinquency through the date of payment equal to the highest rate of interest per annum by law allowed on such amount, together with reasonable attorney's fees and cost thereby incurred, as well as, any other amounts due and any other relief or remedy obtained against said Owner, including reasonable

attorney's fees and court costs and expenses incurred thereby. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the PERMANENT OPEN SPACE or other common areas or by abandonment of his/her Lot. In the event of a default in payment of any such assessment when due, the assessment shall be deemed delinquent if not paid within ten (10) days, and, in addition to any other remedies herein or by law provided, the Association may (i) prohibit the Owner, the members of the Owner's family and any guests or any tenants of the Owner from using any PERMANENT OPEN SPACE and/or common areas, and (ii) enforce each such obligation in any manner provided by law or in equity, specifically including but not limited to, any of the following:

1. Enforcement by Suit. The Board of Directors may cause a suit at law to be commenced and maintained in the name of the Association against an Owner to enforce each such assessment obligation. Any judgment rendered in any such action shall include the amount of the delinquency, together with interest thereon at the highest rate by law permitted from the date of delinquency, court costs and reasonable attorney's fees.
2. Enforcement by Lien. There is, to the full extent permitted by law, hereby created a lien, with power of sale, on each Lot within the Properties to secure payment to the Association of any and all assessments levied against all Owners of such Lots under the Declaration, together with interest thereon at the highest rate by law provided from the date of delinquency and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorney's fees. At any time after the occurrence of any default in the payment of any assessment the Association, or any authorized representative of the Association, may, but shall not be required to, make a written demand for payment to the defaulting Owner on behalf of the Association. Said demand shall state the date the assessment was due and the amount of delinquency. Each default shall constitute a separate basis for a demand or claim of lien, but any number of defaults may be included within a single demand or claim of lien. If such delinquency is not paid within ten (10) days after delivery of such demand, the Board

of Directors may elect to file such a claim of lien in the appropriate State and/or Wake County offices (i.e., Office of the Clerk of Superior Court and/or Office of the Register of Deeds of Wake County, North Carolina) on behalf of the Association against the Lot of the defaulting Owner. Such a claim of lien shall be executed and acknowledged by any officer of the Association and shall contain the following information:

- a. The name of the delinquent Owner;
- b. The legal description and street address of the Lot against which claim of lien is made;
- c. The total amount claimed to be due and owing for the amount of the delinquency, interest thereon, collection costs and reasonable attorney's fees;
- d. That the claim of lien is made by the Association pursuant to the Declaration; and
- e. That a lien is claimed against said Lot in an amount equal to the amount stated, plus accruing interest and costs, including reasonable attorney's fees.

Upon the recordation of a duly executed original or copy of such a claim of lien and the mailing a copy thereof by certified mail, postage prepaid, to said defaulting Owner at the last known address of said Owner on the books of the Association, the lien claimed therein shall immediately attach and become effective in favor the Association as a lien upon the Lot against which such assessment was levied and such lien shall have priority over all liens or claims created subsequent to recordation of the claim of lien thereof, except only tax liens for real property taxes on any Lot, assessments on any Lot in favor of any municipal, county or other governmental assessment unit, and the liens which are hereinafter specifically described in Paragraph H hereinbelow. Any such lien may be foreclosed by appropriate action in court or in the manner provided by law for the foreclosure of a deed of trust as set forth by the laws of the State of North Carolina, as the same may be changed or amended. The lien provided for herein shall be in favor of the Association and shall be for the benefit of all other Owners. The Association shall have the power, but not the obligation, to bid in at any foreclosure sale and to pur-

chase any such Lot and to hold, lease, mortgage and convey any such Lot purchased. In the event such foreclosure is by action in court, reasonable attorney's fees, court costs, title examination fees, interest and all other costs and expenses incurred in such foreclosure by the Association, shall be allowed to the extent permitted by law. EACH OWNER, BY BECOMING AN OWNER IN THE PROPERTIES, HEREBY EXPRESSLY WAIVES ANY OBJECTION TO THE ENFORCEMENT AND FORECLOSURE OF THIS LIEN IN THIS MANNER.

H. Subordination of the Lien to Mortgagees. The liens provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust on a Lot. Sale or transfer of any Lot shall not affect the lien for delinquent assessments; however, the sale or transfer of any Lot pursuant to a foreclosure of a first mortgage or first deed of trust, or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessment as to the payment thereof which became due prior to the date of such conveyance. No such sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage or deed of trust. Any such foreclosure of a Lot shall not extinguish the personal obligation of the Owner against whom such foreclosure proceeding was brought to pay any and all assessments due for such Lot.

ARTICLE VIII

RESTRICTIONS ON USE AND MAINTENANCE OF PROPERTY

A. Use Restrictions. Except as may be modified by a Supplemental Declaration with respect to another phase of the Subdivision, the following Restrictions and Covenants shall be applicable to the use of any Property subject to the Declaration:

1. Land Use and Building Type - Residential Purposes Only. Except for PERMANENT OPEN SPACE, no Lot on the Properties shall be used for any purpose other than single-family residential purposes, unless otherwise shown on the recorded plats/maps of the Subdivision. Such restriction shall not prohibit the maintenance and occupancy of any model homes, temporary sales trailers or offices, or temporary construction trailers on the Lots, subject to the prior approval of the Declarant. Subject to the foregoing, no buildings shall be erected or

allowed to remain on any Lot except one (1) detached, single-family dwelling not exceeding three (3) stories in height (exclusive of basement and attic), a private attached and/or detached garage for not more than three (3) cars, and a storage shed or workshop approved by the Declarant (or by the Architectural Review Committee if Declarant shall no longer own any "Declarant's Property"). Except as specified above, no mobile homes, trailers, or manufactured homes shall be erected or allowed to remain on any Lot in the Subdivision. Unless specifically approved in writing by Declarant, no modular homes shall be erected or allowed to remain on any Lot in the Subdivision. No carport shall be erected or allowed to remain on any Lot.

2. Resubdivision of Lots. No Lot shall be resubdivided except with the written consent of the Declarant (or of the Association if the Declarant shall not own any "Declarant's Property").
3. Nuisances. No nuisance or noxious or offensive activity shall be carried on or upon the Properties or any part thereof or on any Lot, nor shall anything be done or maintained thereon which may disturb the neighborhood or occupants of adjoining property, or detract from its value as an attractive residential community. No portion of a Lot shall be used for business, manufacturing or commercial purposes, nor shall any merchandise be kept or allowed to remain on a Lot for commercial purposes. Each Owner shall maintain his or her buildings, improvements, landscaping and grounds in a safe, clean and orderly fashion.
4. Animals. No birds, animals, livestock or poultry of any kind shall be raised, bred or kept on any part of the Properties or any part thereof or on any Lot, except that dogs, cats or other household pets may be kept, bred or raised solely as domestic pets and not for commercial purposes. Such domestic pets shall be kept under the control of the Owner of such pets or his/her guests. The Owner of any pet shall immediately remove excrement deposited by said pet upon the public streets and/or the PERMANENT OPEN SPACE and/or Lots in the

Subdivision. Habitual barking, howling, yelping or otherwise noisy pets shall be deemed a nuisance. No horses or barnyard animals shall be kept or allowed to remain on any of the Properties or any part thereof or on any Lot at any time.

4. Dwelling Size. No dwelling shall be erected or allowed to remain on a Lot if the heated floor area of the main structure, exclusive of open porches and garages, shall be less than One Thousand (1,000) square feet. The Declarant, in its sole and absolute discretion, may grant a variance of up to ten percent of the minimum dwelling size.
5. Building Setbacks. Unless prior written approval is obtained from the Declarant, no dwelling shall be erected on any Lot so that the front of the dwelling is nearer to the front lot line of said Lot than thirty (30) feet; nor nearer to the rear lot line of said Lot than thirty (30) feet; nor nearer to either side lot line of such Lot than ten (10) feet; provided, however, that on corner Lots the dwelling may face either street or may face the corner where said streets intersect but may not be located nearer than thirty (30) feet to either street. For the purposes of this covenant, eaves, steps, stoops, chimneys, uncovered decks not considered a structural part of the dwelling by the Wake County authorities, and uncovered entrances shall not be considered a part of the dwelling, provided, however, that this shall not be construed to permit any portion of a dwelling to encroach upon another Lot or upon any PERMANENT OPEN SPACE. Should there be any differences between the minimum building setback requirements depicted on any of the plats/maps of the Subdivision recorded in the Office of the Register of Deeds of Wake County, North Carolina and the minimum building setback requirements imposed in this Declaration, the more restrictive provisions shall take precedence and shall control.
6. Utilities and HVAC Equipment. All water, sewer, gas, electric, telephone, television, cablevision and other utility lines and

connections between the main utility lines and the dwelling and other structures located on each Lot shall be located underground and concealed so as not to be visible.

Transformers, air conditioning, heating and other mechanical equipment on a Lot, including solar and other alternative energy devices, which said devices must be approved in writing by the Declarant or by the Architectural Review Committee should Declarant no longer own any "Declarant's Property", shall be either concealed within a screen or integrated with the building design of the dwelling on the Lot so as to be inconspicuous.

7. PERMANENT OPEN SPACE. No Owner or occupant shall remove or significantly alter any tree or landscaping in any street, right-of-way, or other part of the PERMANENT OPEN SPACE unless permission in writing is first granted by the Association and unless and until permission in writing has been obtained from the appropriate Wake County governmental authorities, if such governmental permission is required.
8. Waste. No part of the Properties and No Lot shall be used or maintained as a dumping ground for rubbish, grass clippings, garbage or trash. Garbage and other waste shall be kept in sanitary containers. Except on the scheduled trash pick-up day(s), all containers for the storage or disposal of such materials shall be kept inside the residence or inside the garage or in an approved enclosure (approved by Declarant or by the Architectural Review Committee should Declarant no longer own any "Declarant's Property"), which said enclosure is either screened from view from the street or integrated with the building design so as to be inconspicuous.
9. Unauthorized Vehicles. Trucks with tonnage in excess of one (1) ton shall not be permitted to park or remain on any streets of the Subdivision or on the driveways on any Lot or on any Lot overnight, except that construction vehicles utilized in the construction or repair of the dwellings on the Lots may be temporarily parked on the streets of the Subdivision and on

the Lots provided such vehicles do not unduly interfere with the flow of traffic over said streets. No vehicle of any size which normally transports inflammatory or explosive cargo may be kept in the Subdivision at any time. No mobile home, other than a mobile home used as a temporary sales office or construction office for dwellings being constructed in the Subdivision, shall be placed or allowed to remain on any Lot or on any of the Properties.

No boat, marine craft, hovercraft, aircraft, recreational vehicle, pick-up camper, camper, equipment vehicle, tractor, travel trailer, trailer, truck (other than pick-up trucks), commercial vans, camper body or similar vehicle or equipment, or other vehicle (other than operable automobiles) may be parked or stored or allowed to remain in any area on a Lot except inside an enclosed building or behind screening, which said building or screening shall have been previously approved in writing by Declarant or by the Architectural Review Committee should Declarant no longer own any "Declarant's Property", or as otherwise consented to in writing by the Declarant or said Architectural Review Committee. Any such vehicle or equipment must be stored on a Lot so as to be screened and not visible from the streets of the Subdivision. The keeping of inoperable vehicles, with or without wheels, on any public street in the Subdivision or on any PERMANENT OPEN SPACE in the Subdivision is expressly prohibited.

10. Roofs. All roof pitches on any dwelling and/or garage on any Lot must be approved by the Declarant or the Architectural Review Committee should Declarant no longer own any "Declarant's Property".
11. Driveways and Walkways. All driveways and walks on any Lot must be paved with concrete or asphalt or brick.
12. Landscaping. All Lots on which a dwelling has been approved and built in accordance with the provisions of Article V of the Declaration shall be landscaped in accordance with landscaping plans approved by the Declarant (or by the Architectural Review Committee) in accor-

dance with the provisions of Article V of the Declaration.

13. Signals. No radio signals, television signals or other form of electromagnetic radiation shall originate from any Lot which may unreasonably interfere with the reception of television or radio signals on any other Lot.
14. Antenna. No structure or facility for providing alternative sources of energy (such as solar, wind or bio-mass) or for television, cablevision, or other signal reception (such as antenna or satellite dish) shall be erected or allowed to remain on a Lot without the prior written permission of the Declarant or of the Architectural Review Committee should Declarant no longer own any "Declarant's Property"; however, small cable television satellite dish(es) having a diameter not exceeding eighteen (18) inches may be mounted on the dwelling on a Lot or placed on a lot without permission if, and only if such dish(es) is/are mounted/placed in such manner as not to be visible from the streets in the Subdivision.
15. Mail Boxes, Signs, Newspaper Boxes and Signs. No mail boxes or newspaper boxes or signs shall be placed, altered or allowed to remain on any Lot without the prior permission of the Declarant or of the Architectural Review Committee should Declarant no longer own any "Declarant's Property". All mailboxes shall conform to the approved mailbox style selected by Declarant for the Subdivision.
16. Temporary Structures. No structure of a temporary character or nature shall be erected or allowed to remain on any Lot, except for those provided for in Paragraph A.1. of this ARTICLE VIII. No basement (unless said basement is part of a dwelling erected at the same time the dwelling is erected), tent, shack, mobile home, barn or other outbuilding or temporary structure erected on a Lot shall be used as a residence either temporarily or permanently.
17. Fences and Walls. No fence, retaining wall or screening wall shall be erected or permitted to remain on any Lot closer to the front lot line of said Lot than the front of the dwelling

erected on said Lot. In the case of a corner Lot where the dwelling faces one street any such fence, retaining wall and/or screening wall to be erected on the side of the Lot facing the other street (the "side street") shall be erected no closer to the side street line than that side of the dwelling facing said side street and any such fence, retaining wall and/or screening wall to be erected on the other side of said dwelling shall be no closer to the front lot line of said Lot than the front of the dwelling erected on said Lot. In the case of a corner Lot where the dwelling faces the intersection of the two streets any such fence, retaining wall and/or screening wall shall be erected no closer to either street than the front corners of the dwelling erected on said Lot. No Chain link fences, including chain link dog pens shall be erected or permitted to remain on any Lot. All fences and walls to be erected on a Lot must be approved in writing by the Declarant or by the Architectural Review Committee should Declarant no longer own any "Declarant's Property". All fences and walls on Lots shall be maintained in good repair and in a clean, attractive manner and, if painted or stained, shall be in a color in harmony with the Subdivision.

18. Driveway Culvert Pipes. All driveway culvert pipes under any driveway servicing a Lot in the Subdivision shall be constructed of concrete reenforced pipe.
19. Accessory Buildings. No accessory buildings, including but not limited to, storage sheds and workshops, shall be placed or erected or allowed to remain on any Lot until the design and location of such accessory building has been approved in writing by the Declarant or by the Architectural Review Committee should Declarant no longer own any "Declarant's Property." Any siding and roofing materials on such accessory buildings shall be consistent with that of the main dwelling situated on the Lot upon which the accessory building will be erected.

B. Easement to Repair and Maintain. If any Lot is not maintained, repaired and kept by the Owner(s) of such Lot in accordance with and in conformity with the terms and pro-

visions contained in the Declaration, the Association is hereby granted an easement to enter onto and upon such non-conforming Lot and to perform such functions and to charge the Owner(s) of such Lot for the cost thereof, such cost being deemed to be an assessment hereunder, payable by the Owner within thirty (30) days after written demand therefore.

C. Waiver of Violations. The Declarant, or the Architectural Review Committee should the Declarant no longer own any "Declarant's Property", shall have the power and right to waive any violation of the terms and provisions of the Declaration, such waiver to be in writing and to be recorded in the Office of the Register of Deeds of Wake County, North Carolina. Upon recordation of such waiver such violation shall be deemed thereafter not to exist.

ARTICLE IX

RESTRICTIONS ON USE OF PROPERTY BY DECLARANT

So long as Declarant shall own any interest in the Properties or shall own any "Declarant's Property", Declarant hereby specifically excepts, excludes and reserves the following from each and every conveyance as if set out fully in each deed and instrument of conveyance executed and delivered by it to the Owner of a building site or living unit.

A. Sales Activities. The Declarant shall have the right for itself, its successors and/or assigns, and the power to grant to one or more Contract Sellers or Builders the right to maintain sales and administration offices, construction offices or trailers and model homes with parking facilities on the Properties and to conduct sales activities and marketing therein and thereon.

B. Construction and Completion. The Declarant shall have the right, for itself, its successors and/or assigns, but not the obligation, (i) for itself, its successors and/or assigns, and the power to grant to one or more Contract Sellers or Builders the right to construct and complete the construction of single-family residential homes, buildings, drives, lanes, roads and all other improvements on the Properties; (ii) to repair and maintain the PERMANENT OPEN SPACE and other common areas; (iii) to use and excavate the surface and subsurface of the ground for the erection, construction and installation of improvements and foundations, footings, floorings and basements; (iv) to extend the drives, lanes, streets and roads located, or to be located,

on the Properties; (v) to lease or rent such residences; (vi) to sell, grant and convey title to purchases such subsequently constructed residences; (vii) to use and occupy so much of the Properties as may be necessary for the construction, reconstruction, maintenance and operation of any of said residences, Lots and PERMANENT OPEN SPACE and other common areas and other improvements, including but not limited to, the right to locate, install, maintain and repair all utilities and utility lines, including but not limited to septic lines, necessary for such construction, reconstruction, maintenance and operation; and (viii) to convey to any town, county, private utility company, water district, sanitary sewer district or other municipal or quasi-municipal or private corporation all sewer lines and mains and water lines and mains and pipelines and wells and affiliated structures constructed or to be constructed on the Properties, together with suitable easements and/or rights-of-way over said lines and sites for the required installation, maintenance, repair, replacement and operation thereof.

C. Erosion Control. During site preparation and construction on a Lot, the Owner of such Lot (including Contract Sellers and Builders) shall take such action to control erosion on such Lot and sedimentation of streams resulting from erosion on such Lot as may be required by the Declarant or by any governmental authority charged with responsibility therefor. If the Owner of such Lot fails to maintain such erosion and/or sedimentation controls on such Lot, the Declarant may cause the required action/work to be completed and charge the Owner of such Lot for all costs and expenses incurred by Declarant in completing such action/work, including but not limited to, court costs and reasonable attorney's fees incurred to collect such costs and expenses.

D. Easements. Easements for installation, maintenance, repair, replacement and operation of utilities and drainage facilities and for Subdivision entrance signs and landscaping are reserved as shown on the recorded plats/maps of the Subdivision and Declarant further reserves an easement for and the right at any time in the future to grant rights-of-way for the installation, maintenance, repair, replacement and operation of public and/or private utilities across, on or under each Lot at a distance of not more than ten (10) feet from the front, rear, and side lines of each Lot.

Declarant further reserves the right to subject the Lots to a contract with Carolina Power and Light Company for the installation of underground electric cables and or the installation of street lighting, either or both of which may

require an initial payment and/or a continuing monthly payment to Carolina Power and Light Company by the Owner of each Lot in the Subdivision and/or by the Association.

Declarant further reserves the right to subject the Lots to a contract with one or more cablevision companies for the installation of underground cablevision lines.

ARTICLE X

EASEMENTS AND RIGHTS

A. General Easement. Declarant, for itself, its successors and/or assigns (for so long as Declarant shall own any "Declarant's Property"), and the Association, reserves the right and easement to use the PERMANENT OPEN SPACE and other common areas and any Lot, or any portion thereof, as may be needed for repair, maintenance and/or construction on such Lot or PERMANENT OPEN SPACE or other common areas.

B. Drainage Easements. Each Owner acknowledges and covenants to honor and provide such easements for drainage and waterflow as are shown on the recorded plats/maps of the Properties.

C. Utility Easement. An easement of ingress, egress and regress is hereby granted on all Lots and on the PERMANENT OPEN SPACE in favor of any utility company for the purpose of repair, construction and maintenance of all utility lines; provided, however, no new utility lines may be constructed or no existing utility line may be relocated without the prior approval of the Declarant or of the Architectural Review Committee should the Declarant no longer own any "Declarant's Property".

ARTICLE XI

PROTECTION OF MORTGAGEES

A. Books and Records. Any owner or holder of a first deed of trust or first mortgage on any Lot, or its agent(s), shall have the right, during normal business hours, to examine copies of the Declaration, the Articles of Incorporation of the Association, the By-Laws of the Association, and the books and records of the Association and, upon written request to the Association, to receive a copy of the financial statement of the Association for the immediately preceding fiscal year.

B. Notice to Association. Upon written request to the Association, the owner or holder of a first deed of trust or first mortgage on any Lot shall be entitled to timely written notice of any 60-day delinquency in the payment of assessments or charges owed by any Owner of the Lot securing its loan.

C. Payment of Taxes. The owners or holders of first deeds of trust or first mortgages on Lots, jointly or singly, may pay taxes or other charges which are in default and which have or may become a charge or lien against any of the PERMANENT OPEN SPACE or other common areas of the Association. The persons, firms or corporations making such payments shall be owed immediate reimbursement by the Association.

ARTICLE XII

GENERAL PROVISIONS

A. Revocation and Amendment. For so long as the Declarant, its successors and/or assigns, shall own any "Declarant's Property", Declarant, its successors and/or assigns, shall have the right to revoke and/or amend any of the terms and provisions of the Declaration, so long as such revocation and/or amendment is not in violation of the ordinances of the County of Wake, North Carolina. Any such amendment or revocation shall be effective when duly recorded in the Office of the Register of Deeds of Wake County, North Carolina.

Thereafter, the Declaration shall not be revoked nor shall any of the terms and provisions thereof be amended unless approved in writing by at least sixty-six and two-thirds (66-2/3%) of the Members voting in person or by proxy on such matter at a meeting called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting. Any such amendment and/or revocation must not be in violation of the ordinances of the County of Wake, North Carolina. Any such amendment or revocation shall be effective when duly recorded in the Office of the Register of Deeds of Wake County, North Carolina.

B. Term. The covenants, conditions and restrictions of the Declaration shall run with and bind the land subject to the Declaration, and shall inure to the benefit of and be enforceable by the Declarant and/or the Association and their legal representatives, successors and assigns, for the term of thirty (30) years from the date the Declaration is

recorded in the Office of the Register of Deeds of Wake County, North Carolina, after which time the Declaration shall automatically be extended for successive periods of ten (10) years unless an instrument signed by the majority of the Owners of the Lots has been recorded in the Office of the Register of Deeds of Wake County, North Carolina, agreeing to change the Declaration in whole or in part.

C. Severability and Governing Law. Invalidation of one or more of the terms and provisions of the Declaration by judgment or court decree/order shall not affect any other provisions, all of which shall remain in full force and effect. The terms and provisions of this Declaration shall be construed and enforced in accordance with the laws of the State of North Carolina.

D. Waiver of Enforcement and Enforcement. Waiver of enforcement of any provision contained in the Declaration shall be limited to that particular provision and shall not be construed to be a waiver of any other provision. All waivers shall be in writing. Enforcement of any of the terms and provisions of the Declaration shall be by proceedings in law or in equity against any person or persons or entity or entities violating or attempting to violate any term and/or provision, either to restrain violation or to recover damages.

E. Assignment by Declarant. The Declarant shall have the right to assign its rights under the Declaration, in whole or in part, to any person or entity by an express transfer of such rights, including but not limited to, the right to transfer Declarant's powers under Article III herein to an Architectural Review Committee.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration the day and year first above written.

Montclair Development, LLC,
a North Carolina limited
liability company



By: Thomas C. Hankins By: Glen Futrell
Thomas C. Hankins, Glen Futrell,
Member/Manager Member/Manager

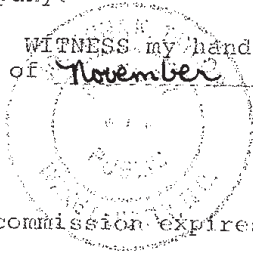
STATE OF NORTH CAROLINA

COUNTY OF WAKE



I, the undersigned Notary Public of the County and State aforesaid, hereby certify that THOMAS C. HANKINS and GLENN FUTRELL each personally came before me this day and each acknowledged that he is a Member/Manager of MONTCLAIR DEVELOPMENT, LLC, a North Carolina limited liability company, and that each acknowledged the execution of the foregoing instrument for and on behalf of said limited liability company.

WITNESS my hand and official stamp or seal, this 27th day of November, 2001.



Johanna K. Taylor
Notary Public

My commission expires: 11/05/2005

CONSENTED AND AGREED TO:

The undersigned FIDELITY BANK, a North Carolina Banking corporation (hereinafter referred to as the "Bank"), and Harwood A. Lane, Jr., Trustee, hereby each acknowledge each and every term and provision of the foregoing Declaration and each agrees that the lien of the Bank's first Deed of Trust on the Property described in Exhibit A attached to said Declaration and incorporated therein by reference, which said Deed of Trust is recorded in Book 8883, Page 02582, Wake County Registry, North Carolina, shall be and is hereby subordinated to all of the terms and provisions of the foregoing Declaration.

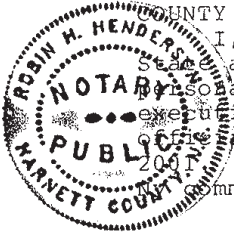
IN WITNESS WHEREOF, the Trustee has hereunto set his hand and seal and the Bank has caused this instrument to be signed in its corporate name by its duly authorized officers and its corporate seal to be hereunto affixed by authority of its Boards of Directors, this the 18th day of October, 2001.

FIDELITY BANK, a North
Carolina Banking corporation

By: Ernest W. Witley,
its Vice President

Harwood A. Lane, Jr. (SEAL)
Trustee
Attest: Betty Hodgepeth
Corporate Secretary
(CORPORATE SEAL)

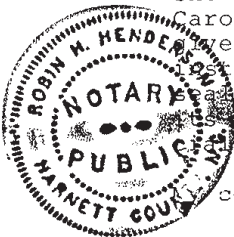
STATE OF NORTH CAROLINA
COUNTY OF Harnett



I, the undersigned Notary Public of the County and State aforesaid, certify that Harwood A. Lane, Jr., Trustee, personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this the 18th day of October, 2001.

My commission expires: Sept. 11, 2006 Robin M. Henderson
Notary Public

STATE OF NORTH CAROLINA
COUNTY OF Harnett



I, the undersigned Notary Public of the County and State aforesaid, certify that Betty Hodgepeth personally came before me this day and acknowledged that he/she is Corporate Secretary of FIDELITY BANK, a North Carolina Banking corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Vice President, Ernest W. Witley, and attested by him/her as Corporate Secretary. WITNESS my hand and official stamp or seal, this 18th day of October, 2001.

My commission expires: Sept. 11, 2006 Robin M. Henderson
Notary Public

EXHIBIT A
(LEGAL DESCRIPTION)

Lying and being near the Town of Holly Springs, in Panther Branch Township, Wake County, North Carolina, and being more particularly described as follows:

TRACT 1: BLOOMFIELD SUBDIVISION, Phase 1 - Map 1,
(Lots 1-8 and Lots 98-103 and Lots 124-125)

BEING all of Lots 1, 2, 3, 4, 5, 6, 7, 8, 98, 99, 100, 101, 102, 103, 124 and 125 of BLOOMFIELD SUBDIVISION, PHASE 1, as shown and identified on that certain plat entitled "BLOOMFIELD SUBDIVISION, PHASE 1 - Map 1", by Kenneth Close, Inc., Land Surveying, dated 6-1-01 and recorded in Book of Maps 2001, Page 2257, Wake County Registry, North Carolina, to which plat reference is hereby made for a more particular description of same.

TRACT 2: BLOOMFIELD SUBDIVISION, Phase 1 - Map 2,
(Lots 9-19 and Lots 75-87 and Lots 91-97 and
Lots 104-105)

BEING all of Lots 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 91, 92, 93, 94, 95, 96, 97, 104 and 105 of BLOOMFIELD SUBDIVISION, PHASE 1, as shown and identified on that certain plat entitled "BLOOMFIELD SUBDIVISION, PHASE 1 - Map 2", by Kenneth Close, Inc., Land Surveying, dated 6-1-01 and recorded in Book of Maps 2001, Page 2258, Wake County Registry, North Carolina, to which plat reference is hereby made for a more particular description of same.

TRACT 3: BLOOMFIELD SUBDIVISION, Phase 1 - Map 3,
(Lots 20-26 and Lots 71-74 and Lots 88-90)

BEING all of Lots 20, 21, 22, 23, 24, 25, 26, 71, 72, 73, 74, 88, 89 and 90 of BLOOMFIELD SUBDIVISION, PHASE 1, as shown and identified on that certain plat entitled "BLOOMFIELD SUBDIVISION, PHASE 1 - Map 3", by Kenneth Close, Inc., Land Surveying, dated 6-1-01 and recorded in Book of Maps 2001, Page 2259, Wake County Registry, North Carolina, to which plat reference is hereby made for a more particular description of same.

TRACT 4: Phase 1, BLOOMFIELD SUBDIVISION PERMANENT OPEN
SPACE)

BEING all all the property shown, designated and depicted as "CONSERVATION OF PASSIVE RECREATION PERMA-

NENT' OPEN SPACE (313,333 square feet/7.193 acres)", "CONSERVATION OF PASSIVE RECREATION PERMANENT OPEN SPACE 1 (6,829 square feet/0.157 acres)", "CONSERVATION OF PASSIVE RECREATION PERMANENT OPEN SPACE 2 (27,490 square feet/0.631 acres)", "SIGN, LANDSCAPE AND MAINTENANCE EASEMENT", "LANDSCAPE AND MAINTENANCE EASEMENT", "DRAINAGE EASEMENT", all "20' DRAINAGE EASEMENTS", "20' UTILITY AND ACCESS EASEMENT", "WELL NO. 1 (31,416 square feet/0.721 acres)", and "20' DRAINAGE EASEMENT & OPEN SPACE ACCESS EASEMENT" as depicted on those three (3) certain plats entitled "BLOOMFIELD SUBDIVISION, PHASE 1 - MAP 1, 2 and 3" by Kenneth Close, Inc., Land Surveying, dated 6-1-01, and recorded in Book of Maps 2001, Page 2257 and Book of Maps 2001, Page 2258 and Book of Maps 2001, Page 2259, all of the Wake County Registry, to which plats reference is hereby made for a more particular description of same.

Bloomfield1/CORP10

2nd recording

Laura M Riddick
Register of Deeds
Wake County, NC



Book : 809258 Page : 82271 - 82386

Yellow probate sheet is a vital part of your recorded document.
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Wake County Register of Deeds
Laura M. Riddick
Register of Deeds

North Carolina - Wake County

The foregoing certificate ___ of _____

____ Notary(ies) Public is (are) certified to be correct. This instrument
and this certificate are duly registered at the date and time and in the book and
page shown on the first page hereof.

Laura M. Riddick, Register of Deeds

By: _____
Assistant/Deputy Register of Deeds

This Customer Group
_____ # of Time Stamps Needed

This Document
_____ New Time Stamp
36 # of Pages

Not recording

Laura M. Riddick
Register of Deeds
Wake County, NC

Book : 889194 Page : 01936 - 01970

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

North Carolina - Wake County

The foregoing certificate S of

Robin H. Henderson

Shanna K. Taylor

____ Notary(ies) Public is (are) certified to be correct. This instrument
and this certificate are duly registered at the date and time and in the book and
page shown on the first page hereof.

Laura M. Riddick, Register of Deeds

By: Frederick C. Bayman
Assistant/Deputy Register of Deeds

This Customer Group

1 # of Time Stamps Needed

This Document

35 New Time Stamp
of Pages

WAKE COUNTY, NC 1303
LAURA M RIDDICK
REGISTER OF DEEDS
PRESENTED & RECORDED ON
07/19/2005 AT 15:51:05

BOOK:011475 PAGE:01817 - 01821

PREPARED BY AND HOLD FOR: AARON D. GARRETT, ATTORNEY AT LAW
(BOX #67)

STATE OF NORTH CAROLINA	SUPPLEMENTAL DECLARATION OF
	COVENANTS, CONDITIONS AND
COUNTY OF WAKE	RESTRICTIONS FOR THE BLOOMFIELD
	HOMEOWNERS ASSOCIATION, INC. AND FOR
	BLOOMFIELD SUBDIVISION

THIS SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND
CONDITIONS FOR THE BLOOMFIELD HOMEOWNERS ASSOCIATION, INC. AND FOR
BLOOMFIELD SUBDIVISION, made and entered into this 30th day of June, 2005
by MONTCLAIR LLC, a North Carolina limited liability company (hereinafter referred to as the
"Declarant").

WITNESSETH:

WHEREAS, Declarant has heretofore filed that certain instrument entitled
"DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE
BLOOMFIELD HOMEOWNERS ASSOCIATION, INC. AND FOR BLOOMFIELD
SUBDIVISION", said instrument being recorded on the 5th day of December, 2001 in Book 9194,
Page 1936, as corrected and re-recorded in Book 9298, Page 2271, and as amended in Book 9298,
Page 2307, and in Book 9521, Page 2638, all of the Wake County Registry, North Carolina (said
instrument, being hereinafter referred to as the "Declaration"); and

WHEREAS, paragraph A of Article II of the Declaration provides in part that "The
Declarant shall have the right to annex into and bring within the scheme of the Declaration
additional properties which are located within any phase of Bloomfield Subdivision, or any
property which is contiguous at any point with the Property or any additions to the Property"; and

WHEREAS, pursuant to paragraph B of Article II of the Declaration, additions to the
Property authorized under paragraph A of Article II of the declaration shall be made by filing of
record in the Office of the Register of Deeds of Wake County, North Carolina, a "Supplemental
Declaration of Covenants, Conditions and Restrictions (the 'Supplemental Declaration') with
respect to the additional property, which said Supplemental Declaration shall describe the property
being annexed"; and

WHEREAS, the "Declarant" is the owner of all of the real property described in Exhibit
"A" attached hereto, which said Exhibit "A" is incorporated herein by reference, and the real

property described in the attached Exhibit "A" is located within Bloomfield Subdivision, and is contiguous to the Property described in the Declaration; and

WHEREAS, pursuant to the authority set forth in paragraph A of Article II of the Declaration, Declarant desires to bring the real property described in the attached Exhibit "A" (the "additional property") within the plan, scope and operation of the Declaration.

NOW, THEREFORE, Declarant hereby declares that the real property described in the attached Exhibit "A" is and shall be held, transferred, sold and conveyed subject to all of the terms and provisions of that certain instrument entitled "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE BLOOMFIELD HOMEOWNERS ASSOCIATION, INC. AND FOR BLOOMFIELD SUBDIVISION" recorded in Book 9194, Page 1936, as corrected and re-recorded in Book 9298, Page 2271, and as amended in Book 9298, Page 2307, and in Book 9521, Page 2638 all of the Wake County Registry, North Carolina; that said real property shall be subject to all of the terms, requirements, restrictions and conditions of said Declaration, the provisions of which are incorporated herein by reference as if fully set out; that the terms and provisions of said Declaration shall inure to the benefit of each and every owner of each of the lots described in the attached Exhibit "A", their heirs, successors and assigns, and shall be binding on each and every one of them; and that said terms and provisions shall run with the title to the real property described in the attached Exhibit "A".

IN WITNESS WHEREOF, the Declarant has executed this Supplemental Declaration the day and year first above written.

Montclair, LLC, a North Carolina
limited liability company

By: Thomas C. Hankins
Thomas C. Hankins,
Managing Member

By: Glenn Futrell
Glenn Futrell,
Managing Member

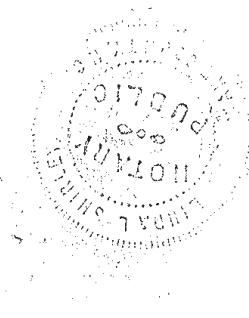
STATE OF NORTH CAROLINA
COUNTY OF WAKE

I, the undersigned Notary Public of the County and State aforesaid, hereby certify that THOMAS C. HANKINS and GLENN FUTRELL each personally came before me this day and each acknowledged that they are the Managers and Members of MONTCLAIR, LLC, a North Carolina limited liability company, and that each acknowledged the execution of the foregoing Supplemental Declaration of Covenants, Conditions and Restrictions on behalf of and as the act of said limited liability company.

WITNESS my hand and official stamp or seal, this 30 day June, 2005.

Amelia L. Shorey
Notary Public

My commission expires: 8-10-08



CONSENTED AND AGREED TO:

The undersigned FIDELITY BANK, a North Carolina Banking corporation (hereinafter referred to as the "Bank"), and David E. Royal, Trustee and Substitute Trustee, hereby each acknowledge each and every term and provision of the foregoing Supplemental Declaration and each agrees that the liens of the Bank's three (3) Deeds of Trust on the Properties described in said three (3) Deeds of Trust recorded in Book 8883, Page 2582, and Book 10520, Page 2739, and Book 11052, Page 238, all of the Wake County Registry, North Carolina, shall be and are hereby subordinated to all the terms and provisions of the foregoing Declaration.

IN WITNESS WHEREOF, the Trustee has hereunto set his hand and seal and the Bank has caused this instrument to be signed in its corporate name by its duly authorized officers and its corporate seal to be hereunto affixed by authority of its Boards of Directors, this the 30th day of June, 2005.

FIDELITY BANK, a North Carolina
Banking corporation

By: Earl W. Whiteley

President

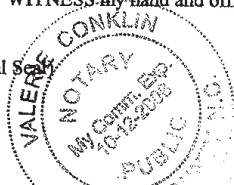
David E. Royal (SEAL)
David E. Royal, Trustee and
Substitute Trustee

NORTH CAROLINA
Wake COUNTY

I, the undersigned, a Notary Public for the County and State aforesaid, hereby certify that David E. Royal, Trustee and Substitute Trustee, personally came before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

WITNESS my hand and official seal, this the 30th day of June, 2005.

(Notarial Seal)



Valerie Conklin
Notary Public

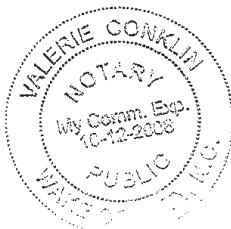
My commission expires: 10-12-2008

NORTH CAROLINA
Wake COUNTY

I, the undersigned, a Notary Public for the County and State aforesaid, hereby certify that Ernest W. Whiteley personally came before me this day and acknowledged that he/she is _____ President of FIDELITY BANK, a North Carolina banking corporation, and that by authority duly given and as the act of said corporation, the foregoing instrument was signed in its name by him/her as its _____ President.

WITNESS my hand and official seal, this the 30th day of June, 2005.

(Notarial Seal)



Valerie Conklin
Notary Public

My commission expires: 10-12-2008

EXHIBIT A
(LEGAL DESCRIPTION)

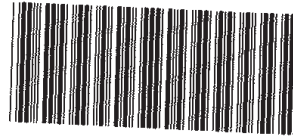
Lying and being near the Town of Holly Springs, in Panther Branch Township, Wake County, North Carolina, and being more particularly described as follows:

TRACT 1: PHASE 3A - BLOOMFIELD SUBDIVISION RESIDENTIAL LOTS

BEING all of Lots 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 149, 150, 151, 152, 153, 154, 155, 171, 172, 173, 174 and 175 of BLOOMFIELD SUBDIVISION, PHASE 3A, as shown and identified on those certain plats entitled "SUBDIVISION MAP OF BLOOMFIELD SUBDIVISION, PHASE 3A, A CLUSTER SUBDIVISION" by Kenneth Close, Inc., Land Surveying, dated 4-5-01 and recorded in Book of Maps 2005, Pages 01447 and 01448, Wake County Registry, North Carolina, to which plats reference is hereby made for a more particular description.

TRACT 2: PHASE 3A - BLOOMFIELD SUBDIVISION PERMANENT OPEN SPACE

BEING all of the property shown, designated and depicted as "COMMON OPEN SPACE/PASSIVE RECREATION CONSERVATION OF NATURAL HAZARD AREAS (172,480 sq. ft./3.960 acres)", "50' NEUSE RIVER RIPARIAN BUFFER", "20' SANITARY SEWER EASEMENT", and "20' DRAINAGE EASEMENT" as depicted on those certain plats entitled "SUBDIVISION MAP OF BLOOMFIELD SUBDIVISION, PHASE 3A, A CLUSTER SUBDIVISION" by Kenneth Close, Inc., Land Surveying, dated 4-5-01 and recorded in Book of Maps 2005, Pages 01447 and 01448, Wake County Registry, North Carolina, to which plats reference is hereby made for a more particular description.



BOOK:011475 PAGE:01817 - 01821

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

North Carolina – Wake County

The foregoing certificate 5 of Linda L. Shirley
Valerie Conklin

____ Notary(ies) Public is (are) certified to be correct. This instrument
and this certificate are duly registered at the date and time and in the book and
page shown on the first page hereof.

Laura M. Riddick, Register of Deeds

By: Sheila Chestnut
Assistant/Deputy Register of Deeds

This Customer Group

____ # of Time Stamps Needed

This Document

____ New Time Stamp
5 # of Pages

WAKE COUNTY, NC 564
LAURA M RIDDICK
REGISTER OF DEEDS
PRESENTED & RECORDED ON
10/10/2003 AT 14:48:19

BOOK:010491 PAGE:00292 - 00296

PREPARED BY AND HOLD FOR: AARON D. GARRETT, ATTORNEY AT LAW
(BOX #67)

STATE OF NORTH CAROLINA	SUPPLEMENTAL DECLARATION OF
	COVENANTS, CONDITIONS AND
COUNTY OF WAKE	RESTRICTIONS FOR THE BLOOMFIELD
	HOMEOWNERS ASSOCIATION, INC. AND FOR
	BLOOMFIELD SUBDIVISION

THIS SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND
CONDITIONS FOR THE BLOOMFIELD HOMEOWNERS ASSOCIATION, INC. AND FOR
BLOOMFIELD SUBDIVISION, made and entered into this 1 day of October, 2003 by
MONTCLAIR LLC, a North Carolina limited liability company (hereinafter referred to as the
"Declarant").

WITNESSETH:

WHEREAS, Declarant has heretofore filed that certain instrument entitled
"DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE
BLOOMFIELD HOMEOWNERS ASSOCIATION, INC. AND FOR BLOOMFIELD
SUBDIVISION", said instrument being recorded on the 5th day of December, 2001 in Book 9194,
Page 1936, as corrected and re-recorded in Book 9298, Page 2271, and as amended in Book 9298,
Page 2307, and in Book 9521, Page 2638, all of the Wake County Registry, North Carolina (said
instrument, being hereinafter referred to as the "Declaration"); and

WHEREAS, paragraph A of Article II of the Declaration provides in part that "The
Declarant shall have the right to annex into and bring within the scheme of the Declaration
additional properties which are located within any phase of Bloomfield Subdivision, or any
property which is contiguous at any point with the Property or any additions to the Property"; and

WHEREAS, pursuant to paragraph B of Article II of the Declaration, additions to the
Property authorized under paragraph A of Article II of the declaration shall be made by filing of
record in the Office of the Register of Deeds of Wake County, North Carolina, a "Supplemental
Declaration of Covenants, Conditions and Restrictions (the 'Supplemental Declaration') with
respect to the additional property, which said Supplemental Declaration shall describe the property
being annexed"; and

WHEREAS, the "Declarant" is the owner of all of the real property described in Exhibit
"A" attached hereto, which said Exhibit "A" is incorporated herein by reference, and the real
property described in the attached Exhibit "A" is located within Bloomfield Subdivision, and is

contiguous to the Property described in the Declaration; and

WHEREAS, pursuant to the authority set forth in paragraph A of Article II of the Declaration, Declarant desires to bring the real property described in the attached Exhibit "A" (the "additional property") within the plan, scope and operation of the Declaration.

NOW, THEREFORE, Declarant hereby declares that the real property described in the attached Exhibit "A" is and shall be held, transferred, sold and conveyed subject to all of the terms and provisions of that certain instrument entitled "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE BLOOMFIELD HOMEOWNERS ASSOCIATION, INC. AND FOR BLOOMFIELD SUBDIVISION" recorded in Book 9194, Page 1936, as corrected and re-recorded in Book 9298, Page 2271, and as amended in Book 9298, Page 2307, and in Book 9521, Page 2638 all of the Wake County Registry, North Carolina; that said real property shall be subject to all of the terms, requirements, restrictions and conditions of said Declaration, the provisions of which are incorporated herein by reference as if fully set out; that the terms and provisions of said Declaration shall inure to the benefit of each and every owner of each of the lots described in the attached Exhibit "A", their heirs, successors and assigns, and shall be binding on each and every one of them; and that said terms and provisions shall run with the title to the real property described in the attached Exhibit "A".

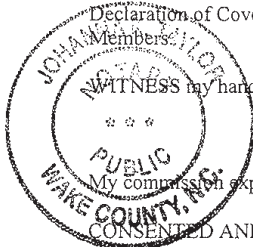
IN WITNESS WHEREOF, the Declarant has executed this Supplemental Declaration the day and year first above written.

Montclair, LLC, a North Carolina
limited liability company

By: Thomas C. Hankins By: Glenn Futrell
Thomas C. Hankins, Glenn Futrell,
Managing Member Managing Member

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I, the undersigned Notary Public of the County and State aforesaid, hereby certify that THOMAS C. HANKINS and GLENN FUTRELL each personally came before me this day and each acknowledged that they are the Manager and Member of MONTCLAIR LLC, a North Carolina limited liability company, and that each acknowledged the execution of the Supplemental Declaration of Covenants, Conditions and Restrictions as signed in its name by its Managing Members.



WITNESS my hand and official stamp or seal, this 17th day October, 2003.

Johannes R. Taylor
Notary Public

My commission expires: 11/03/2005

CONSENTED AND AGREED TO:

The undersigned FIDELITY BANK, a North Carolina Banking corporation (hereinafter referred to as the "Bank"), and _____, Trustee, hereby each acknowledge each and every term and provision of the foregoing Supplemental Declaration and each agrees that the lien of the Bank's first Deed of Trust on the Property described in Exhibit A attached to said Deed of Trust is recorded in Book _____, Page _____, Wake County Registry, North Carolina, shall be and is hereby subordinated to all the terms and provisions of the foregoing

Declaration.

IN WITNESS WHEREOF, the Trustee has hereunto set his hand and seal and the Bank has caused this instrument to be signed in its corporate name by its duly authorized officers and its corporate seal to be hereunto affixed by authority of its Boards of Directors, this the 10th day of October, 2003.

FIDELITY BANK, a North Carolina
Banking corporation

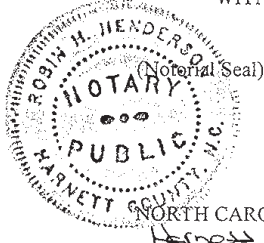
Haywood A. Lane, Jr.
Haywood A. Lane, Jr., Trustee

NORTH CAROLINA
WAKE COUNTY

David Bell, Senior Vice President

I, a Notary Public for the County and State aforesaid, hereby certify that Haywood A. Lane, Jr., Trustee personally came before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

WITNESS my hand and official seal, this the 10th day of October, 2003.



[Signature]
Notary Public
My commission expires: Sept 11, 2004
Betty K. Hedgepath
Attested by: Betty K. Hedgepath, Secretary

NORTH CAROLINA
Harnett COUNTY

I, a Notary Public for the County and State aforesaid, hereby certify that Betty K. Hedgepath personally came before me this day and acknowledged that he/she is Corp. Secretary of FIDELITY, a North Carolina banking corporation, and that by authority duly given and as the act of said corporation, the foregoing instrument was signed in its name by its Sr. Vice President, sealed with its corporate seal, and attested by him/her as its Corporate Secretary, as of the say and year first above written.



WITNESS my hand and official seal, this the 10th day of October, 2003.

[Signature]
Notary Public

My commission expires: Sept 11, 2004

EXHIBIT A
(LEGAL DESCRIPTION)

Lying and being near the Town of Holly Springs, in Panther Branch Township, Wake County, North Carolina, and being more particularly described as follows:

TRACT 1: BLOOMFIELD SUBDIVISION, Phase 2 - Map 1,
 (Lots 38-47 and Lots 54-61)

BEING all of Lots 38, 39, 40, 41, 42, 43, 44, 45, 46, 47 and Lots 54, 55, 56, 57, 58, 59, 60, 61 of BLOOMFIELD SUBDIVISION, PHASE 2, as shown and identified on that certain plat entitled "BLOOMFIELD SUBDIVISION, PHASE 2 - Map 1" by Kenneth Close, Inc., Land Surveying, dated 4-5-01 and recorded in Book of Maps 2003, Page 1647, Wake County Registry, North Carolina, to which plat reference is hereby made for a more particular description

TRACT 2: BLOOMFIELD SUBDIVISION, Phase 2 - Map 2,
 (Lots 27-37 and Lots 62-70)

BEING all of Lots 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37 and Lots 62, 63, 64, 65, 66, 67, 68, 69, 70 of BLOOMFIELD SUBDIVISION, PHASE 2, as shown and identified on that certain plat entitled "BLOOMFIELD SUBDIVISION, PHASE 2 - Map 2" by Kenneth Close, Inc., Land Surveying, dated 4-5-01 and recorded in Book of Maps 2003, Page 1648, Wake County Registry, North Carolina, to which plat reference is hereby made for a more particular description of same.

TRACT 3: BLOOMFIELD SUBDIVISION, Phase 2 - Map 3,
 (Lots 48-53 and Lots 106-123)

BEING all of Lots 48, 49, 50, 51, 52, 53 and Lots 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123 of BLOOMFIELD SUBDIVISION, PHASE 2, as shown and identified on that certain plat entitled "BLOOMFIELD SUBDIVISION, PHASE 2 - Map 3" by Kenneth Close, Inc., Land Surveying, dated 4-5-01 and recorded in Book of Maps 2003, Page 1649, Wake County Registry, North Carolina, to which plat reference is hereby made for a more particular description of same.

TRACT 4: PHASE 2 - BLOOMFIELD SUBDIVISION PERMANENT OPEN SPACE

BEING all of the property shown, designated and depicted as "PASSIVE RECREATION PERMANENT OPEN SPACE" (385,799 sq. ft./8,857 acres), "PASSIVE RECREATION PERMANENT OPEN SPACE" (329,144 sq. ft./7,556 acres), "50' NEUSE RIVER BUFFER", "20' SANITARY SEWER EASEMENT", "20' DRAINAGE EASEMENT & OPEN SPACE ACCESS EASEMENT", "20' DRAINAGE EASEMENT & GREENWAY ACCESS EASEMENT", "10' SANITARY SEWER EASEMENT", "20' DRAINAGE EASEMENT", "20' DRAINAGE EASEMENT & ACCESS EASEMENT", "and VARIABLE WIDTH SANITARY SEWER EASEMENT" as depicted on those three (3) certain plats entitled "BLOOMFIELD SUBDIVISION, PHASE 2 - MAPS 1, 2 AND 3" by Kenneth Close, Inc., Land Surveying, dated 4-5-01 and recorded in Book of Maps 2003, Page 1647 and Book of Maps 2003, Page 1648 and Book of Maps 2003, Page 1649, all of the Wake County Registry, to which plats reference is hereby made for a more particular description of same.



BOOK:010491 PAGE:00292 - 00296

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Please retain with original document and submit for rerecording.



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

North Carolina – Wake County

The foregoing certificate S of Johanna K Taylor
Robin H Henderson

Notary(ies) Public is (are) certified to be correct. This instrument
and this certificate are duly registered at the date and time and in the book and
page shown on the first page hereof.

Laura M. Riddick, Register of Deeds

By: George W. Ransom
Deputy
Assistant/Deputy Register of Deeds

This Customer Group

_____ # of Time Stamps Needed

This Document

_____ New Time Stamp
S # of Pages

PREPARED BY AND HOLD AFTER RECORDING FOR: AARON D. GARRETT,
ATTORNEY AT LAW (BOX 67).

STATE OF NORTH CAROLINA

COUNTY OF WAKE

Wake County, NC 444
Laura M Riddick, Register Of Deeds

Presented & Recorded 02/20/2002 14:57:59

Book : 009298 Page : 02307 - 02308

FIRST AMENDMENT
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR THE BLOOMFIELD HOMEOWNERS
ASSOCIATION, INC. AND FOR
BLOOMFIELD SUBDIVISION

This FIRST AMENDMENT to the Declaration Of Covenants, Conditions and Restrictions For The Bloomfield Homeowners Association, Inc. And For Bloomfield Subdivision (hereinafter referred to as the "First Amendment"), made this 19th day of February, 2002 by MONTCLAIR, LLC, a North Carolina limited liability company (hereinafter referred to as the "Declarant"); and HAYWOOD A. LANE, JR., Trustee for The Fidelity Bank, under those certain two (2) Deeds of Trust recorded in Book 8883, Page 2582, and Book 9259, Page 1731, Wake County Registry (hereinafter referred to as "Trustee"); and THE FIDELITY BANK, a North Carolina banking corporation (hereinafter referred to as the "Bank").

W I T N E S S E T H:

WHEREAS, Declarant is the owner of all of the single-family residential lots, common area and all other real property situated in "Bloomfield Subdivision" as depicted on those certain three (3) plats recorded in the office of Register of Deeds of Wake County, North Carolina, in Book of Maps 2001, Pages 2257, 2258 and 2259 (said three maps being hereinafter collectively referred to as the "Plats"); and

WHEREAS, Declarant heretofore executed certain Deeds of Trust to Haywood A. Lane, Jr., Trustee for The Fidelity Bank, recorded in Book 8883, Page 2582 and Book 9259, Page 1731, Wake County Registry (said two deeds of trust being hereinafter collectively referred to as the "Deeds of Trust"), which said Deeds of Trust are presently secured by all of the real property making up "Bloomfield Subdivision"; and

WHEREAS, all of the single-family residential lots and common areas in the abovedescribed "Bloomfield Subdivision" has heretofore been subjected by Declarant to that certain instrument entitled "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE BLOOMFIELD HOMEOWNERS ASSOCIATION, INC. AND FOR BLOOMFIELD SUBDIVISION" recorded in Book 9194,

Page 1936, as corrected and re-recorded in Book 9298, Page 2271, Wake County Registry (hereinafter referred to as the "Declaration"); and

WHEREAS, Declarant desires to amend the aforescribed Declaration as described in this First Amendment; and

WHEREAS, the covenants, conditions and restrictions of the Declaration, as amended herein, shall run with all the lots and other property in Bloomfield Subdivision as shown and depicted on the aforescribed recorded Plats and shall be binding on all parties having any right, title or interest therein, their heirs, successors and assigns and shall inure to the benefit of each owner thereof.

NOW, THEREFORE, Declarant and the Trustee and the Bank, for themselves, their heirs, successors and/or assigns, do hereby covenant and agree that the Declaration is and shall be amended as follows:

The introductory paragraph in Subparagraph C.2. and all of Subparagraph C.2.a. of Article VII on page 13 of the Declaration are hereby deleted in their entirety and are replaced with the following new introductory paragraph in Subparagraph C.2. and the following new Subparagraph C.2.a.:

"C.2. Prior to the completion of the construction of the swimming pool amenity center in the Subdivision, construction of which is scheduled to begin after the date upon which the sixty-third (63rd) single-family residential Lot in the Subdivision has been sold to a homebuyer, the Maximum Annual Assessment for any Lot shall be in the sum of One Hundred Eighty Dollars (\$180.00) per Lot per year. Upon completion of the construction of the aforescribed swimming pool amenity center, the Maximum Annual Assessment for all Lots shall be increased to the sum of Six Hundred Dollars (\$600.00) per Lot per year, said increase to take effect on the first day of the month next immediately following the completion of construction of the swimming pool amenity center. The Maximum Annual Assessment may be changed as follows:

- a. The Maximum Annual Assessment for all Lots in the Subdivision may be increased each calendar year by not more than twenty percent (20%) above the Maximum Annual Assessment for the previous year without a vote of the Membership. Notwithstanding the fore-

going, no vote of the Membership shall be required to increase the Maximum Annual Assessment from One Hundred Eighty Dollars (\$180.00) to Six Hundred Dollars (\$600.00) once the swimming pool amenity center has been constructed as hereinabove described."

Except as hereinabove amended in this First Amendment, the remaining terms and provisions of the Declaration shall remain in full force and effect.

Trustee and Bank execute this First Amendment only for the purposes of acknowledging each and every term and provision of this First Amendment and subordinating the liens of the aforescribed two (2) Deeds of Trust to all of the terms and provisions of the Declaration and this First Amendment.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and affixed their seals to this First Amendment, this the day and year first above written.

DECLARANT:
MONTCLAIR, LLC,
a North Carolina limited
liability company

BY: Thomas C. Hankins
Thomas C. Hankins,
Member/Manager

BY: Glenn Futrell
Glenn Futrell,
Member/Manager

TRUSTEE:

Haywood A. Lane, Jr. (SEAL)
Haywood A. Lane, Jr.,
Trustee

BANK:

THE FIDELITY BANK, a
North Carolina banking
corporation

BY: Mary A. Willis
its SVP President

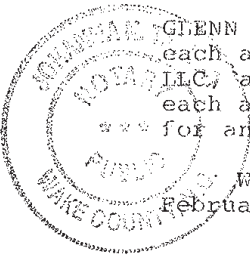
ATTEST: Betty K. Nitzkepath
Secretary

(CORPORATE SEAL)

NORTH CAROLINA

WAKE COUNTY

I, the undersigned, a Notary Public for the County and State aforesaid, hereby certify that THOMAS C. HANKINS and



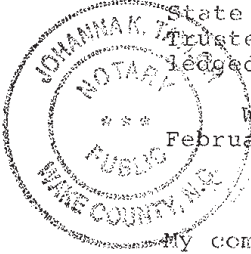
GLENN FUTRELL each personally came before me this day and each acknowledged that he is a Member/Manager of MONTCLAIR, LLC, a North Carolina limited liability company, and that each acknowledged the execution of the foregoing instrument *** for and on behalf of said limited liability company.

Witness my hand and notarial seal, this 20th day of February, 2002.

Johanna K. Taylor
NOTARY PUBLIC

NORTH CAROLINA

WAKE COUNTY



I, the undersigned, a Notary Public for the County and State aforesaid, hereby certify that HAYWOOD A. LANE, JR., Trustee, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

Witness my hand and notarial seal, this 20th day of February, 2002.

Johanna K. Taylor
NOTARY PUBLIC

My commission expires: 11/05/2005

NORTH CAROLINA

WAKE COUNTY



I, the undersigned, a Notary Public for the County and State aforesaid, hereby certify that Betty K. HEDGEPATH, personally came before me this day and acknowledged that she/she is the _____ Secretary of THE FIDELITY BANK, a North Carolina banking corporation, and that by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its name by its VICE President, Chairman sealed with its corporate seal and attested by him/her as its _____ Secretary.

Witness my hand and notarial seal, this 20 day of February, 2002.

Johanna K. Taylor
NOTARY PUBLIC

My commission expires: 11/05/2005

Bloomfield/RE3



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

North Carolina - Wake County

The foregoing certificate \$ of Johanna K. Taylor

____ Notary(ies) Public is (are) certified to be correct. This instrument
and this certificate are duly registered at the date and time and in the book and
page shown on the first page hereof.

Laura M. Riddick, Register of Deeds

By: P. Anne Redd
Assistant/Deputy Register of Deeds

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This Document
_____ New Time Stamp
5 # of Pages

WAKE COUNTY, NC 1346
LAURA M RIDDICK
REGISTER OF DEEDS
PRESENTED & RECORDED ON
07/31/2002 AT 16:57:55

BOOK:009521 PAGE:02638 - 02648

PREPARED BY AND HOLD AFTER RECORDING FOR: AARON D. GARRETT,
ATTORNEY AT LAW (BOX 67).

STATE OF NORTH CAROLINA

COUNTY OF WAKE

SECOND AMENDMENT
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR THE BLOOMFIELD HOMEOWNERS
ASSOCIATION, INC. AND FOR
BLOOMFIELD SUBDIVISION

This SECOND AMENDMENT to the Declaration Of Covenants, Conditions and Restrictions For The Bloomfield Homeowners Association, Inc. And For Bloomfield Subdivision (hereinafter referred to as the "Second Amendment"), made this 9th day of July, 2002 by MONTCLAIR, LLC, a North Carolina limited liability company (hereinafter referred to as the "Declarant"); and HAYWOOD A. LANE, JR., Trustee for The Fidelity Bank, under those certain two (2) Deeds of Trust recorded in Book 8883, Page 2582, and Book 9259, Page 1731, Wake County Registry (hereinafter referred to as "Trustee"); and THE FIDELITY BANK, a North Carolina banking corporation (hereinafter referred to as the "Bank").

W I T N E S S E T H:

WHEREAS, Declarant is the owner of all of the single-family residential lots, common area and all other real property situated in "Bloomfield Subdivision" as depicted on those certain three (3) plats recorded in the office of the

Register of Deeds of Wake County, North Carolina, in Book of Maps 2001, Pages 2257, 2258 and 2259 (said three maps being hereinafter collectively referred to as the "Plats"); and

WHEREAS, Declarant heretofore executed certain Deeds of Trust to Haywood A. Lane, Jr., Trustee for The Fidelity Bank, recorded in Book 8883, Page 2582 and Book 9259, Page 1731, Wake County Registry (said two deeds of trust being hereinafter collectively referred to as the "Deeds of Trust"), which said Deeds of Trust are presently secured by all of the real property making up "Bloomfield Subdivision"; and

WHEREAS, all of the single-family residential lots and common areas in the abovedescribed "Bloomfield Subdivision" has heretofore been subjected by Declarant to that certain instrument entitled "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE BLOOMFIELD HOMEOWNERS ASSOCIATION, INC. AND FOR BLOOMFIELD SUBDIVISION" recorded in Book 9194, Page 1936, as corrected and re-recorded in Book 9298, Page 2271, and as amended by First Amendment recorded in Book 9298, Page 2307, all of the Wake County Registry (hereinafter collectively referred to as the "Declaration"); and

WHEREAS, pursuant to the terms and provisions of Paragraph A of ARTICLE XII of the Declaration, "For so long as the Declarant, its successors and/or assigns, shall own any 'Declarant's Property', Declarant, its successors and/or assigns, shall have the right to revoke and/or amend any of the terms and provisions of the Declaration, so long as such revocation and/or amendment is not in violation of the ordinances of the County of Wake, North Carolina. Any such amendment or revocation shall be effective when duly recorded in the Office of the Register of Deeds of Wake County, North Carolina"; and

WHEREAS, Declarant presently owns portions of "Declarant's Property" in the Subdivision and has the right to amend the Declaration as aforescribed; and

WHEREAS, Declarant desires to amend the Declaration to meet the requirements of the Department of Housing and Urban Development so that the lots in Bloomfield Subdivision will qualify for HUD/FHA/VA financing and be approved for such by the Department of Housing and Urban Development, and such amendments to the Declaration will not violate any of the ordinances of the County of Wake, North Carolina; and

WHEREAS, the covenants, conditions and restrictions of the Declaration, as amended herein, shall run with all the

lots and other property in Bloomfield Subdivision as shown and depicted on the aforescribed recorded Plats and shall be binding on all parties having any right, title or interest therein, their heirs, successors and assigns and shall inure to the benefit of each owner thereof.

NOW, THEREFORE, Declarant and the Trustee and the Bank, for themselves, their heirs, successors and/or assigns, do hereby covenant and agree that the Declaration is and shall be amended as follows:

1. Paragraph J of ARTICLE I on page 3 of the Declaration is hereby deleted and a new Paragraph J of ARTICLE I which reads as follows is hereby placed in its place and stead:

"J. 'Declarant's Property' shall mean and refer to any real property owned by Declarant, its successors and/or assigns, which (a) is situated in the Subdivision or is adjacent to and adjoins any Lot or PERMANENT OPEN SPACE (COMMON AREA) in the Subdivision, and (b) is subject by the provisions of this Declaration to future assessment by the Association, and (c) has been annexed into the Subdivision and into the Association pursuant to the terms and provisions of this Declaration, or as this Declaration may be amended in the future."

2. Paragraph A of ARTICLE II on page 4 of the Declaration is hereby amended by adding the following sentence at the end of the present Paragraph A: "The foregoing provisions of this Paragraph A are subject to all of the terms and provisions contained in Paragraph F of ARTICLE XII of this Declaration."

3. Paragraph C of ARTICLE II on page 5 of the Declaration is hereby amended by adding the following sentence at the end of the present Paragraph C: "The foregoing provisions of this Paragraph C are subject to all of the terms and provisions contained in Paragraph F of ARTICLE XII of this Declaration."

4. Paragraph D of ARTICLE II on page 5 of the Declaration is hereby amended by adding the following sentence at the end of the present Paragraph D: "The foregoing provisions of this Paragraph D are subject to all of the terms and provisions contained in Paragraph F of ARTICLE XII of this Declaration."

5. Subparagraph 1 of Paragraph A of ARTICLE III which begins on page 5 of the Declaration is amended by deleting

the words "Until such time as Declarant shall no longer be a Class B Member of the Association" from the first line and the beginning of the second line in said Subparagraph 1 of Paragraph A of said ARTICLE III and replacing said words with the following words: "Until such time as Declarant shall no longer own any Declarant's Property (as said term is defined in Paragraph B of ARTICLE V of this Declaration)".

6. Subparagraph 2 of Paragraph A of ARTICLE III on page 6 of the Declaration is amended by removing the words "be a Class B Member of the Association" wherever said words may appear in said Subparagraph 2 of Paragraph A of said ARTICLE III and replacing said words with the following words: "own any Declarant's Property (as said term is defined in Paragraph B of ARTICLE V of this Declaration)".

7. Subparagraph 2 of Paragraph B of ARTICLE IV on page 8 of the Declaration is hereby deleted and a new Subparagraph 2 of Paragraph B of said ARTICLE IV, which reads as follows, is substituted in the place and stead thereof:

"2. The Class B Member shall be the Declarant, its successors and/or assigns. Class B Membership shall cease and be converted to Class A Membership upon the first to occur of the following events:

(a) Written notice by Declarant, its successors and/or assigns, to the Secretary of the Association that the Class B Membership of the Declarant is to be converted to Class A Membership; or

(b) At 5:00 p.m. on February 20, 2012; or

(c) Upon the date when seventy-five percent (75%) of the Lots in the Subdivision have been conveyed to Owners other than Declarant, its successors and/or assigns."

8. Subparagraph 2 of Paragraph C of ARTICLE IV on page 8 of the Declaration is hereby deleted in its entirety and a new Subparagraph 2 of Paragraph C of said ARTICLE IV, which reads as follows, is substituted in the place and stead thereof:

"2. Class B Member shall be entitled to three (3) votes for each Lot owned (whether or not it is under contract to a Contract Seller or Builder)."

9. Subparagraph 1 and Subparagraph 3 of Paragraph B of ARTICLE V on pages 9, 10 and 11 of the Declaration are hereby deleted in their entirety and new Subparagraph 1 and a new Subparagraph 3 of Paragraph B of said ARTICLE V, which reads as follows, are hereby substituted in the places and stead thereof:

"1. For so long as Declarant is a Class B Member of the Association, the number of Directors of the Association shall be two (2) and shall be elected by the Declarant (the Class B Member). Thereafter, the number of Directors shall be increased to five (5), said five (5) Directors to be elected by the Members at a special meeting of the Members of the Association called by the Declarant within one hundred twenty (120) days next immediately following the date upon which Declarant shall cease to be a Class B Member of the Association. At such special meeting of the Members of the Association the Members shall elect one (1) Director to serve a term of one (1) year, two (2) Directors to serve a term of two (2) years, and two (2) Directors to serve a term of three (3) years. The annual meeting of the Members of the Association shall be held each year thereafter on the anniversary of the aforescribed special meeting, unless such date shall fall on a legal holiday, and in such case, on the next business day immediately following such legal holiday."

"3. After the date upon which the Declarant shall cease to be a Class B Member of the Association, the Members of the Association may, by a majority of the votes cast at any duly called annual or special meeting of the Members at which a quorum is present, increase or decrease the number of Directors of the Association, provided, however, that the number of Directors shall not be increased to more than seven (7) or decreased to less than five (5) without amendment of the Bylaws of the Association."

11. Subparagraph 3 of Paragraph A of ARTICLE VI which begins on page 11 of the Declaration is hereby amended by removing the words "(for so long as the Class B Member shall own any Declarant's Property)" in lines 8 and 9 of said Subparagraph 3 and replacing said words with the following

words: "(for so long as Declarant, its successors and/or assigns, shall be a Class B Member)".

12. ARTICLE VI of the Declaration is amended by adding the following three (3) new paragraphs designated Paragraphs D and E and F at the end of the present Paragraph C of ARTICLE VI on page 12 of the Declaration:

"D. Easement Appurtenant.. Each Member's right and easement of enjoyment of the PERMANENT OPEN SPACE (COMMON AREA) as aforescribed is appurtenant to and runs with the title to the Lot(s) owned by such Member."

"E. Ingress/Egress Through Common Area. If ingress or egress to any Lot in the Subdivision is provided through, across or over any PERMANENT OPEN SPACE (COMMON AREA), any conveyance of such burdened PERMANENT OPEN SPACE (COMMON AREA) through which such ingress/egress is given shall be subject to an easement appurtenant to and running with the title to the Lot to which such ingress/egress applies."

"F. Transfer of PERMANENT OPEN SPACE (COMMON AREA) to the Association. The Declarant intends to develop the Subdivision in one or more phases. Upon completion of the development of a phase in the Subdivision and approval by the appropriate governmental authorities, Declarant, its successors and/or assigns, shall convey all of the PERMANENT OPEN SPACE (COMMON AREA) applicable to such phase to the Association, free and clear of all liens and encumbrances, except for general service and utility easements and rights-of-way of record. Upon completion of all development in the Subdivision, Declarant, its successors and/or assigns shall convey to the Association all of the remaining PERMANENT OPEN SPACE (COMMON AREA) then unconveyed, free and clear of all liens and encumbrances, except for general service and utility rights-of-way of record."

13. ARTICLE VIII is amended by adding the following new Paragraph D at the end of the present ARTICLE VIII on page 25 of the Declaration:

"D. OWNERS RIGHTS. The Association and/or each Owner of a Lot in the Subdivision, including the Declarant, shall have the power and absolute

right to enforce the foregoing covenants and restrictions contained in this ARTICLE VIII against any violator of any of such covenants and restrictions by instituting a court action against such violator, including but not limited to an action for specific performance and/or damages, including but not limited to, reasonable attorney fees, court costs and other costs and/or expenses incurred in prosecuting any such action against a violator."

14. ARTICLE XI of the Declaration is amended by adding the following new Paragraph D at the end of the present ARTICLE XI on page 28 of the Declaration:

"D. Payment of Assessment. Owners/holders of a first deed of trust or first mortgage on a Lot in the Subdivision shall not be required to collect Annual and/or Special Assessments. Each Lot Owner shall be responsible for payment of any and all Annual and/or Special Assessments directly to the Association or its designated representative. Failure to pay Annual and/or Special Assessments shall not constitute a default under an insured HUD/FHA/VA mortgage."

15. Paragraph A of ARTICLE XII on page 28 of the Declaration is hereby deleted in its entirety and a new Paragraph A of ARTICLE XII, which reads as follows, is hereby inserted in its place and stead:

"A. This Declaration shall not be revoked, nor shall any of the terms and provisions hereof be amended, revised or modified in any manner, unless and until approved in writing by at least sixty-seven percent (67%) of the Lot Owners in the Subdivision; provided any such revocation, amendment, revision or modification must not be in violation of the ordinances of the County of Wake, North Carolina. Any such revocation, amendment, revision and/or modification shall be effective when duly recorded in the Office of the Register of Deeds of Wake County, North Carolina."

16. ARTICLE XII of the Declaration is amended by adding the following new Paragraph F at the end of the present ARTICLE VII on page 29 of the Declaration:

"F. FHA/HUD/VA Approval. For so long as there is a Class B Membership in the Association, as

Class B Membership is defined in this Declaration, the following actions shall require the prior written approval of the Department of Housing and Urban Development/Veterans Administration (FHA/ HUD/VA) before such actions can be effective:

- (1) The annexation of additional properties and/or PERMANENT OPEN SPACE (COMMON AREA) into the Subdivision and/or the Association;
- (2) The merger and/or consolidation of the Association into or with another entity;
- (3) The dedication of additional PERMANENT OPEN SPACE (COMMON AREA);
- (4) The mortgaging of any PERMANENT OPEN SPACE (COMMON AREA);
- (5) The dissolution of the Association; and
- (6) The amendment of this Declaration."

Except as hereinabove amended in this Second Amendment, all of the remaining terms and provisions of the Declaration, as previously amended, shall remain in full force and effect.

Trustee and Bank execute this Second Amendment only for the following purposes: (1) Trustee and Bank hereby acknowledge and consent to each and every term and provision of this Second Amendment; (2) Trustee and Bank do each hereby subordinate the liens of the aforescribed two (2) Deeds of Trust to all of the terms and provisions of the Declaration, as amended by the First Amendment thereto and this Second Amendment; and (3) Trustee and Bank hereby release from the lien of the aforescribed two (2) Deeds of Trust and forever quitclaim unto the Declarant named herein, its successors and/or assigns, all of the PERMANENT OPEN SPACE as described and depicted on those certain three (3) plats of BLOOMFIELD SUBDIVISION recorded in Book of Maps 2001, Page 2257, Book of Maps 2001, Page 2258, and Book of Maps 2001, Page 2259, Wake County Registry, and further described in "TRACT 4" on the Exhibit A attached to the "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE BLOOMFIELD HOMEOWNERS ASSOCIATION, INC. AND FOR BLOOMFIELD SUBDIVISION" recorded in Book 9194, Page 1936, as amended and re-recorded in Book 9298, Page 2271, Wake County Registry. Except as for the property herein released by Trustee and Bank and the subordination as hereinabove described, all of the remaining

terms and provisions of the aforescribed two (2) Deeds of Trust shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and affixed their seals to this First Amendment, this the day and year first above written.

DECLARANT:

MONTCLAIR, LLC,
a North Carolina limited
liability company

TRUSTEE:

Haywood A. Lane, Jr. (SEAL)
Haywood A. Lane, Jr.,
Trustee

BY: Thomas C. Hankins
Thomas C. Hankins,
Member/Manager

BANK:

THE FIDELITY BANK, a
North Carolina banking
corporation

BY: Glenn Futrell
Glenn Futrell,
Member/Manager

BY: Ernest W. Wiley
its President

ATTEST

(CORPORATE SEAL)

NORTH CAROLINA

~~WAKE~~ COUNTY FRANKLIN COUNTY

I, the undersigned, a Notary Public for the County and State aforesaid, hereby certify that THOMAS C. HANKINS and GLENN FUTRELL each personally came before me this day and each acknowledged that he is a Member/Manager of MONTCLAIR, LLC, a North Carolina limited liability company, and that each acknowledged the execution of the foregoing instrument for and on behalf of said limited liability company. Witness my hand and notarial seal, this 17 day of July, 2002.

SANDRA S. DANIEL
NOTARY PUBLIC
FRANKLIN COUNTY, NC
EXPIRATION DATE: 11/21/04

Sandra S. Daniel
NOTARY PUBLIC

NORTH CAROLINA

~~Harnett~~ ~~WAKE~~ COUNTY

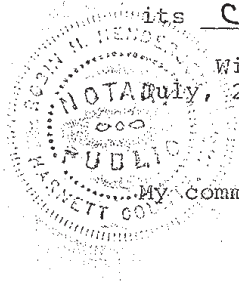
I, the undersigned, a Notary Public for the County and State aforesaid, hereby certify that HAYWOOD A. LANE, JR., Trustee, personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and notarial seal, this 23rd day of July, 2002.

Robin H. Henderson
NOTARY PUBLIC

My commission expires: Sept. 11, 2006

NORTH CAROLINA
~~Wake~~ WAKE COUNTY

I, the undersigned, a Notary Public for the County and State aforesaid, hereby certify that Betty Hedgepeth, personally came before me this day and acknowledged that he/she is the Corporate Secretary of THE FIDELITY BANK, a North Carolina banking corporation, and that by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its name by its — President, sealed with its corporate seal and attested by him/her as its Corporate Secretary.



Witness my hand and notarial seal, this 23rd day of July, 2002.

Robin H. Henderson
NOTARY PUBLIC

My commission expires: Sept. 11, 2006

Bloomfield5/CORP21



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

North Carolina - Wake County

The foregoing certificate 5 of Robt H. Riddick
Deed S. Daniel

____ Notary(ies) Public is (are) certified to be correct. This instrument



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Laura M. Riddick, Register of Deeds

By: Sandra S. Daniel
Assistant/Deputy Register of Deeds

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