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WAKE COUNTY, NC 400
LAURA M RIDDICK
REGISTER OF DEEDS
PRESENTED & RECORDED ON
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DECLARATION OF CONDOMINIUM

FOR

COTTAGES AT BRIER CREEK, A CONDOMINIUM

THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF POLITICAL SIGNS.

[NOTE FOR TITLE EXAMINER: Article VIII, Section 8.2 of this Declaration requires an initial contribution equal to three (3) times the then estimated monthly assessment for Common Expenses or such other amount as may be determined by the Executive Board from time to time to be paid to the Association upon every purchase of a Unit, whether from Declarant or on resale. In addition, Article XXI, Section 21.2 of this Declaration requires an initial non-refundable contribution equal to an amount as may be determined by the Club Owner from time to time to be paid to the Club Owner upon every purchase of a Unit, whether from Declarant or on resale.]

Drawn by and mail to:
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STATE OF NORTH CAROLINA

COUNTY OF WAKE

DECLARATION OF CONDOMINIUM FOR COTTAGES AT BRIER CREEK, A CONDOMINIUM

This Declaration of Condominium for Cottages at Brier Creek, a Condominium (this "Declaration") is made this 18th day of February, 2008, by TOLL AT BRIER CREEK LIMITED PARTNERSHIP, a North Carolina limited partnership ("Declarant"), pursuant to the provisions of Chapter 47C of the North Carolina General Statutes, entitled the "North Carolina Condominium Act."

BACKGROUND STATEMENT

Declarant is the owner of a parcel of real estate located in Wake County, North Carolina, and more particularly described on Exhibit A attached hereto (the "Land"). Declarant has constructed on the Land one (1) building containing fourteen (14) residential condominium units. Declarant also has constructed on the Land other common amenities, such as sidewalks, driveways, landscaped areas and other improvements. Declarant desires to submit the Land and the improvements located on the Land (collectively, the "Property") to the terms and provisions of the North Carolina Condominium Act (the "Act").

The Property is subject to the Master Declaration (as defined herein) pursuant to that certain Thirty-Second Supplement and Amendment to Declaration of Covenants, Conditions and Restrictions for Brier Creek recorded in Book 11634 at Page 1732 of the Wake County, North Carolina Public Registry, and the Village Center Declaration (as defined herein).

In addition, in accordance with the terms of the Act, Declarant shall create a nonprofit, incorporated owners' association to which will be delegated and assigned powers of maintaining and administering the "Common Elements" of the "Condominium" (as those terms are defined below), of administering and enforcing the covenants and restrictions created in this Declaration, and of levying, collecting and disbursing the assessments and charges created in this Declaration, and of taking any steps or performing any acts deemed necessary or appropriate to preserve the values of condominium units within the Property and to promote the recreation, health and welfare of the unit owners.

STATEMENT OF DECLARATION

NOW, THEREFORE, Declarant hereby declares that all of the Property shall be held, transferred, sold, conveyed, encumbered, occupied, developed and used subject to the following covenants, conditions, easements, uses, limitations, obligations, and restrictions, all of which are declared and agreed to be in furtherance of a plan for the establishment of the Property as a condominium, pursuant to the Act, and which shall run with the land and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall all inure to the benefit of each owner of any interest therein.

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ARTICLE I.
DEFINITIONS

Unless it is plainly evident from the context that a different meaning is intended, the following terms, words, and phrases shall have the following meanings when used in this Declaration:

Section 1.1 Act. "Act" shall mean and refer to the North Carolina Condominium Act, Chapter 47C of the General Statutes of North Carolina, as amended from time to time.

Section 1.2 Additional Property. "Additional Property" shall mean and refer to the real estate described on Exhibit C attached hereto and incorporated herein by reference, together with the buildings and other improvements constructed or located thereon, and all rights, privileges, easements and appurtenances belonging to or in any way pertaining to said real estate, which Additional Property may be added to the Condominium pursuant to Declarant's exercise of the development right to add real estate to the Condominium, all as more particularly provided for in Section 2.2 of this Declaration.

Section 1.3 Association. "Association" shall mean and refer to Brier Creek Cottages Condominium Owners Association, Inc., a corporation organized and existing under the North Carolina Non-Profit Corporation Act pursuant to and in accordance with this Declaration, the Bylaws, and the Act.

Section 1.4 Buildings. "Building" shall mean and refer to the buildings located upon the Land, and to any buildings which are hereinafter constructed upon any land that is later subjected to this Declaration.

Section 1.5 Bylaws. "Bylaws" shall mean and refer to the bylaws of the Association, as amended from time to time.

Section 1.6 Common Elements. "Common Elements" shall mean and refer to all portions of the Condominium other than the Units, as depicted on the Plans, and as more particularly described in Section 5.1 of this Declaration, and shall specifically include but not be limited to water lines and sewer lines located outside public street rights-of-way and utility easements granted to the City of Raleigh, to the extent such lines are not included in the Units.

Section 1.7 Common Elements Interest. "Common Elements Interest" shall mean and refer to the undivided percentage interest in the Common Elements allocated to each Unit, as set forth on Exhibit B attached hereto, the total of which shall equal one hundred percent (100%). The Common Elements Interest has been calculated based on a uniform value for each Unit in the Condominium. The uniform value has been assigned on the basis of various factors, including average fair market values, replacement costs, relative sizes and simplicity, and shall be used to allocate the division of proceeds, if any, resulting from any casualty loss or eminent domain proceedings, and to determine each Unit's share of Common Expenses. Upon the filing of this Declaration there will be fourteen (14) units in the Condominium and the owners of each Unit will consequently be entitled to 1/14th interest in the Common Elements. Upon the filing of each supplement to the Declaration, each Unit will be reallocated an interest in the Common Elements equal to a fraction, the numerator of which shall be "1" and the denominator of which shall be the total number of Units under the Declaration. Upon the final supplement of the additional phases of the Condominium, if there are three hundred and thirty units, then the owners of each Unit will be entitled to 1/330th interest in the Common Elements.

Section 1.8 Common Expenses. "Common Expenses" shall mean and refer to (i) any and all expenditures made by or financial liabilities of the Association which include but are not limited to ad valorem taxes, public assessments or governmental liens levied against the Common Elements, to the extent not billed to individual Units, and the maintenance and repair of Common Elements, and (ii) any allocations to reserves, pursuant to and in accordance with this Declaration, the Bylaws, and N.C.G.S. § 47C-1-103(5).

Section 1.9 Community Systems. "Community Systems" shall mean and refer to any and all cable television, telecommunication, alarm/monitoring, internet, telephone or other lines, conduits, wires, amplifiers, towers, antennae, satellite dishes, equipment, materials, and installations and fixtures (including those based on, containing and serving future technological advances not now known), if installed by Declarant or pursuant to any grant of easement or authority by Declarant within the Property.

Section 1.10 Condominium. "Condominium" shall mean and refer to Cottages at Brier Creek, a Condominium, as established by the submission of the Property to the terms of the Act by this Declaration.

Section 1.11 Condominium Documents. "Condominium Documents" shall mean and refer to this Declaration, the Articles of Incorporation of the Association, the Bylaws, and the rules and regulations governing the use of the Property, as the foregoing may be amended and supplemented from time to time, and all attachments and exhibits thereto.

Section 1.12 Declarant. "Declarant" shall mean and refer to Toll at Brier Creek Limited Partnership, a North Carolina limited partnership. In addition, following recordation of a document transferring to another person or entity all or some of the Special Declarant Rights, pursuant to Section 6.2 of this Declaration, the term "Declarant" also shall mean and refer to that transferee.

Section 1.13 Declarant Control Period. "Declarant Control Period" shall mean and refer to the period commencing on the date hereof and continuing until the earlier of (i) one hundred twenty (120) days after conveyance of seventy-five percent (75%) of all Units (including any Units which may be added to the Condominium upon the development of the Additional Property pursuant to Section 2.2 herein) to an Owner other than Declarant; (ii) two (2) years after Declarant ceases to offer Units (including any Units which may be added to the Condominium upon the development of the Additional Property pursuant to Section 2.2 herein) for sale in the ordinary course of business; or (iii) two (2) years after any development right to add new Units (including any Units which may be added to the Condominium upon the development of the Additional Property pursuant to Section 2.2 herein) was last exercised. Provided, however, and notwithstanding anything to the contrary that may appear herein, if at any time the Declarant Control Period terminates for the reason set forth in subsection (i) above, and thereafter Declarant, pursuant to Section 2.2 herein, elects to add the Additional Property to the Condominium and construct additional Units upon such Additional Property such that, following such addition of the Additional Property to the Declaration and such construction of additional Units, Declarant has not conveyed seventy-five percent (75%) of all Units to Owners other than Declarant, the Declarant Control Period shall be reinstated until such time as it again terminates due to one of the events of termination stated herein. There shall be no limitation on the number of times the Declarant Control Period may terminate and be reinstated in accordance with the provisions of this Section 1.13.

Section 1.14 Declaration. "Declaration" shall mean and refer to this Declaration of Condominium for Cottages at Brier Creek, a Condominium, as it may be amended from time to time.

Section 1.15 Executive Board. "Executive Board" shall mean and refer to the governing body from time to time of the Association as constituted in accordance with the Articles of Incorporation of the Association, the Bylaws and the Act.

Section 1.16 Land. "Land" shall mean and refer to the real property subject to this Declaration, exclusive of any improvements located thereon or incorporated therein, which is more particularly described on Exhibit A attached hereto, together with any Additional Property that may be subjected to this Declaration in accordance with Section 2.2 herein.

Section 1.17 Limited Common Elements. "Limited Common Elements" shall mean and refer to those portions of the Common Elements allocated by this Declaration, or the terms of N.C.G.S. § 47C-2-102(2) or (4), for the exclusive use and benefit of one or more, but fewer than all, of the Units, to the exclusion of all other Units, as more fully described in Section 5.2 of this Declaration, and as depicted on the Plans.

Section 1.18 Mortgage. "Mortgage" shall mean and refer to a mortgage or deed of trust constituting a first lien on a Unit.

Section 1.19 Mortgagee. "Mortgagee" shall mean and refer to the owner and holder of a Mortgage that has notified the Association in writing of its name and address, and that it holds a Mortgage on a Unit. Such notice will be deemed to include a request that the Mortgagee be given the notices and other rights described in Article XVI.

Section 1.20 Master Declaration. "Master Declaration" shall mean and refer to that certain Declaration of Covenants, Conditions, and Restrictions for Brier Creek recorded in Book 8002 at Page 638 of the Wake County Public Registry, as supplemented and amended.

Section 1.21 Owner. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Unit but shall exclude those persons or entities having an interest in any Unit as merely security for the payment or performance of an obligation.

Section 1.22 Person. "Person" shall mean and refer to any natural person, corporation, joint venture, partnership (general or limited), limited liability company, association, trust or other legal entity.

Section 1.23 Plans. "Plans" shall mean and refer to the surveys, plans and specifications of the Buildings and Property and recorded under the name of the Condominium in the Condominium Plat Books in the Office of the Register of Deeds of Wake County.

Section 1.24 Property. "Property" shall mean and refer to the Land; the Buildings and all other improvements and structures located on the Land; and all easements, rights and appurtenances belonging or appertaining to the Land, together with any Additional Property that may be subjected to this Declaration in accordance with Section 2.2 herein, and all buildings, other improvements and structures located upon such additional land.

Section 1.25 Special Declarant Rights. "Special Declarant Rights" shall mean the rights reserved for the benefit of Declarant in the Condominium Documents, including all development rights, as more particularly described in Article VI of this Declaration.

Section 1.26 Unit. "Unit" shall mean and refer to those Units located within the Building, which are restricted to residential use (subject to the provisions of Section 7.2 herein), together with any additional Units which may be constructed in additional Buildings to be constructed on Additional Property subjected to this Declaration (in accordance with Section 2.2 herein), all of which Units shall each include a garage and be the subject of individual ownership by an Owner.

Section 1.27 Village Center Declaration. "Village Center Declaration" shall mean and refer to that certain Master Declaration of Covenants, Conditions and Restrictions for Brier Creek Village Center recorded in Book 11606 at Page 629 of the Wake County Public Registry, as supplemented and amended.

In addition, the definitions set forth in N.C.G.S. § 47C-1-103 are incorporated in this Declaration by reference, and the terms defined therein shall have the meanings set forth therein when used in this Declaration or the Condominium Documents, unless those terms are expressly defined otherwise in this Declaration or unless it is plainly evident from the context that a different meaning is intended.

ARTICLE II.
DESCRIPTION OF CONDOMINIUM

Section 2.1 The Property. The Property is located entirely in Wake County, North Carolina and is more particularly described on Exhibit A attached hereto and incorporated herein by reference. The Property is hereby subjected to the terms of the Act by this Declaration. The name of the Condominium is Cottages at Brier Creek, a Condominium.

Section 2.2 Additional Property; Phasing; Withdrawal.

(a) Right to Add Real Estate.

(i) Reservation of Right to Add Additional Property to Condominium. The Additional Property is described on Exhibit C attached hereto and incorporated herein by reference. Declarant has, pursuant to Section 1.2 of this Declaration, and does hereby, reserve the development right to add the Additional Property to the

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Condominium, together with all improvements which may be constructed by Declarant thereon.

(ii) Conditions To and Limits Upon Exercise of Development Right to Add Additional Property. Declarant's development right to add the Additional Property to the Condominium shall be subject to and conditioned upon fulfillment of the following requirements:

a. Such development right must be exercised no later than twenty (20) years after the date hereof.

b. Declarant shall have constructed upon the Additional Property improvements which are residential in use, but makes no assurances that the exterior of any buildings constructed by Declarant shall be similar in architecture to the Buildings, or that any units or buildings constructed upon the Additional Property shall be of comparable size and value to the Units or that the improvements will be subject to a condominium form of ownership.

c. The total number of Units in the Condominium may not exceed three hundred thirty (330).

d. The Additional Property must be subject to all the provisions of this Declaration.

e. The right to add Additional Property may be exercised with respect to different portions of the Additional Real Property at different times. No assurances are made with respect to the boundaries of or the order in which portions of the Additional Property may be added to the Condominium.

f. If the right to add a portion of the Additional Property to the Condominium is exercised, there shall be no requirement that Declarant exercise such right with respect to any other portion of the Additional Property.

(b) Right to Withdraw Real Estate.

(i) Reservation of Right to Withdraw Property from Condominium. Declarant does hereby reserve the development right to withdraw from the Condominium those portions of the Property labeled "Subject to Development Right to Withdraw Real Estate" on the Plans.

(ii) Conditions To and Limits Upon Exercise of Development Right to Withdraw Property. Declarant's development right to withdraw Property from the Condominium shall be subject to and conditioned upon fulfillment of the following requirements:

a. Such development right must be exercised no later than twenty (20) years after the date hereof.

b. Such right shall apply to each portion of the Property labeled "Subject to Development Right to Withdraw Real Estate" on the Plans other than those portions upon which Units have been constructed and conveyed to purchasers.

c. The right to withdraw Property may be exercised with respect to different portions of the Property at different times. No assurances are made with respect to the boundaries of or the order in which portions of the Property may be withdrawn from the condominium.

d. If the right to withdraw a portion of the Property is exercised, there shall be no requirement that Declarant exercise such right with respect to any other portion of the Property.

(c) Procedure for Exercise. The development rights to add Additional Property or withdraw Property shall be exercised by Declarant by the filing of an amendment or amendments to the Declaration in compliance with Section 47C-2-110 of the Act, and either new plats and plans or new certifications of plats and plans in accordance with Section 47C-2-109(d) of the Act. Declarant may develop the Additional Property in phases, and add portions of the Additional Property to the Condominium constituting separate phases by separate amendments. Notwithstanding any other provision of this Declaration to the contrary, no joinder or consent by any Owner or Mortgagee, or any party other than Declarant, shall be required for any such amendment to the Declaration to be effective.

Any such amendment adding the Additional Property, or any portion thereof, shall reallocate the interests in the Common Elements Interest to all of the Units in the Condominium (including all those in the Condominium at the time of filing of such amendment, and all those added to the Condominium by such amendment), as required under Section 47C-2-110 of the Act, and in accordance with Section 5.3 of this Declaration.

(d) Completion of Improvements Shown on Plans. If any buildings or other improvements are shown on the Plans, but are not yet complete, Declarant hereby reserves the right to complete such buildings and, upon completion of such buildings and the filing of Plans therefore designating portions thereof as Units, such Units shall be Units for all purposes hereunder. In such event, upon completion of such Units, Declarant shall file an amendment to this Declaration reallocating the interests in the Common Elements to all of the Units in the Condominium (including all those in the Condominium at the time of filing of such amendment, and all those added to the Condominium by such amendment). Such right to complete improvements must be exercised within twenty (20) years after the date hereof.

(e) No Obligation to Exercise Special Declarant Rights. Anything to the contrary in this Declaration notwithstanding, Declarant shall have no obligation to add the Additional Property to the Condominium, and does hereby reserve the right to develop the Additional Property as a separate project from the Condominium. In addition, Declarant may add only a portion of the Additional Property to the Condominium, and may develop the remainder of the Additional Property as a separate project from the Condominium. In the event Declarant so elects to develop any portion of the Additional Property as a separate project from the Condominium, Declarant shall still have the right to exercise all easements necessary to develop such property as reserved in Section 6.1(h) and Section 9.3 of this Declaration; and Declarant shall have no obligation to develop such portion of the Additional Property in a manner that is compatible (with respect to appearance) with the Condominium.

ARTICLE III.
DESCRIPTION OF BUILDINGS

The Building contains those certain units, common areas and limited common areas shown on the Plans. Declarant reserves the right to subdivide or combine Units at its discretion provided that Declarant complies with any applicable rules set forth in the Master Declaration and/or the Village Center Declaration. The Plans contain a certification by a North Carolina registered surveyor and a North Carolina licensed architect, that the Plans contain all the information required by N.C.G.S. § 47C-2-109.

ARTICLE IV.
DESCRIPTION OF UNITS

Section 4.1 Location of Buildings. The location and dimensions of the Buildings are shown on the Plans.

Section 4.2 Units. The location of Units within the Buildings, their dimensions, and their floor and ceiling elevations, are shown on the Plans. There are a total of fourteen (14) Units in one (1) building identified as Building 12 on the Property; provided, however, that Declarant reserves the right to create additional Units upon Additional Property which may be subjected to this Declaration pursuant to Section 2.2 herein, or to subdivide or combine any Units in the future for any reason, provided that Declarant complies with any applicable rules set forth in the Master Declaration and/or the Village Center Declaration. The identifying number for each Unit is set forth on the Plans.

Section 4.3 Unit Boundaries. The boundaries of each Unit are as follows:

(a) Upper Boundary: The horizontal plane of the top surface of the wallboard in the ceilings within each Unit.

(b) Lower Boundary: The horizontal plane of the top surface of the subflooring within each Unit.

(c) Vertical Boundaries: The vertical planes which include the back surface of the wallboard of all walls bounding the Unit, extended to intersections with each other, and with the upper and lower boundaries.

(d) Doors and Windows: The exterior surface of doors and the exterior surface of the glass and each window frame.

As provided in N.C.G.S. § 47C-2-102(1), all furring, wallboard, plasterboard, tiles, paint, finished flooring and any other materials constituting any part of the finished surfaces of the perimeter walls, floors, and ceilings are part of the Unit. As provided in N.C.G.S. § 47C-2-

102(2), if any chute, flue, duct, wire, pipe for water or sewer, conduit, bearing wall, bearing column, or any other fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit shall be a Limited Common Element allocated to that Unit, as provided in Section 5.2 below, and any portion thereof serving more than one Unit, or any portion of the Common Elements, shall be a Common Element.

ARTICLE V.
COMMON ELEMENTS

Section 5.1 Common Elements. The Common Elements include all portions of the Condominium that are not part of the Units, including without limitation:

(a) All improvements located on the Land outside of the Buildings, including without limitation, a small clubhouse, outdoor swimming pool, fire pit and grill, all paved areas, all retaining walls, and all landscaped areas.

(b) All other portions of the Buildings located outside of the Units, including without limitation the following: exterior stairwells (one per unit), all mechanical rooms, all other portions of the common mechanical systems for the Buildings, and the roof.

(c) The Limited Common Elements described in Section 5.2 below.

(d) The foundations, roofs, columns, girders, beams, supports, exterior and interior load-bearing walls, floors within and between Units, and all other structural elements of the Buildings.

(e) Any public connections and meters for utility services that are not owned by the public utility or municipal agency providing such services.

(f) All tangible personal property required for the operation and maintenance of the Condominium that may be owned by the Association.

(g) All stormwater control measures installed by the Declarant in accordance with the Stormwater Wetland Operations and Maintenance Manual and Budget prepared for the Condominium by John R. McAdams, Inc.

Section 5.2 Limited Common Elements. The Limited Common Elements shall be composed of the following:

(a) Those portions of any chute, flue, duct, wire, pipe for water or sewer, conduit, bearing wall, bearing column, or any other fixture lying partially within and partially outside the designated boundaries of a Unit, but serving exclusively that Unit, which shall be Limited Common Elements allocated exclusively to that Unit.

(b) Any shutters, awnings, window boxes, porches, decks, balconies, patios, mail boxes and all exterior doors and windows or other fixtures designed to serve a single Unit, but located outside that Unit's boundaries, which shall be Limited Common Elements allocated exclusively to that Unit (some Units shall have a deck in addition to a porch). The mail box appurtenant to a particular Unit shall be evidenced by the Unit number of such Unit affixed by Declarant on the mail box. The owners of a Unit located on the ground level may surround the patio, deck or porch which serves such owner's Unit with flowers or shrubs subject to the prior approval of Declarant and/or the Executive Board. No fences may be erected around the patio, deck or porch allocated to a Unit by the owner of such Unit or otherwise erected in the front, side or rear yard allocated to a Unit.

(c) Any portions of the heating, ventilating, and air conditioning systems, including a heat pump for each Unit, and all fans, compressors, return air grills and thermostats, whether located inside or located outside the designated boundaries of a Unit, such as the attic area, which shall be Limited Common Elements allocated exclusively to the Unit or Units that they serve.

(d) Those areas indicated as Limited Common Elements on the Plans.

The cleanliness and orderliness of the Limited Common Elements shall be the responsibility of the individual Owner having the right to the use and enjoyment of such Limited Common Elements. Notwithstanding any other provisions of this Declaration, or any provision of the Bylaws or the Act, the obligation for maintenance, repair, or replacement of any portions of the heating, ventilating, and air conditioning systems that are Limited Common Elements shall be the sole responsibility of the Owners of the Units to which such Limited Common Elements are allocated. References in this Declaration to "Common Elements" shall include Limited Common Elements unless the context clearly indicates otherwise. The allocation of use of Limited Common Elements to the Units as provided for in this Declaration shall not be altered without the unanimous consent of the Owners whose Units are affected.

Section 5.3 Undivided Interests of Owners in Common Elements. The percentage interest in the Common Elements allocated to each Unit shall be the Common Elements Interest for that Unit as set forth on Exhibit B attached hereto. The Common Elements Interest allocated to each Unit shall be changed upon the subdivision of Units in accordance with Sections 9.5(a) and (b) or the addition of new Units in accordance with Section 2.2(a) and Section 2.2(d) herein.

Section 5.4 Maintenance of Common Elements. The Association shall be responsible for the maintenance and repair of all Common Elements, except that the Owners having the right to use and enjoy such Limited Common Elements shall perform everyday and routine maintenance with respect to such Limited Common Elements, including without limitation cleaning and sweeping patios or balconies, and except for maintenance or repairs caused by the negligence or intentional misconduct of any Owner, his or her agents, invitees or family members, which shall be the responsibility of that Owner. All other repairs of Limited Common Elements other than everyday and routine maintenance, including without limitation the painting of such Limited Common Elements, shall be performed by the Association, and the costs thereof shall be a Common Expense of the Association. The Association may repair a Limited Common Element if the applicable Owner fails to do so, and the costs of such repair shall be charged to such owner as an individual assessment, as provided in Section 10.5 herein. In addition, each

Owner shall maintain and repair any utilities, including without limitations pipes and cables, which are located within such Owner's Unit at the Owner's sole cost and expense, and the Association shall maintain and repair any utilities which are located within the Common Elements, the cost of which maintenance and repair shall be a Common Expense of the Association. By accepting a deed to a Unit, each Owner acknowledges that the Association is solely responsible for maintaining any and all private roads and stormwater measures in strict compliance with the Stormwater Wetland Operations and Maintenance Manual and Budget prepared for the Condominium by John R. McAdams, Inc. located within the Condominium and neither the City of Raleigh, the State of North Carolina or any of their political subdivisions are responsible for the maintenance of such private roads or stormwater measures. The roads may not be built to the minimum standards required for inclusion in public maintenance. This disclaimer regarding private roads is made as required by the City of Raleigh Municipal Code Section 10-3074(b) and (c).

Section 5.5 Parking Rights. Declarant reserves, for itself and the Association, the right to require Owners to display appropriate permits on their vehicles. The guests and invitees of Owners shall have a nonexclusive easement to use those parking spaces on the roadways within the Property; provided however, that Declarant during the Declarant Control Period, and the Association thereafter, has the right to designate the location and number of parking spaces which may be used by such guests and invitees in Declarant's sole discretion during the Declarant Control Period, and the Association's sole discretion thereafter, in any rules and regulations governing the Property which are promulgated from time to time by Declarant or the Association. Garages owned by Owners may not be leased by Owner to others; provided, however, if a Unit is leased by an Owner to a tenant, the garage may also be leased to such tenant.

Section 5.6 Addition of Common Elements and Limited Common Elements. Declarant may add additional Common Elements and Limited Common Elements to the Condominium if Declarant elects to add the Additional Property to the Condominium in accordance with Section 2.2 herein.

ARTICLE VI.
SPECIAL DECLARANT RIGHTS

Section 6.1 Special Declarant Rights. Special Declarant Rights are those rights reserved for the benefit of Declarant in the Condominium Documents, which rights may be exercised within twenty (20) years following the date of recording of this Declaration, and shall include without limitation the following rights, which are hereby reserved by Declarant:

(a) The right to complete any improvements shown on the Plans.

(b) The right to maintain sales offices, model units, sales/construction trailers and signs advertising the Condominium.

(c) The right to use easements through the Common Elements for the purpose of completing construction.

(d) The right to appoint or remove officers of the Association or members of the Executive Board during the Declarant Control Period.

(e) The right to subdivide or combine the Units, as provided in Section 9.5(b).

(f) The development right to subject the Additional Property to this Declaration in accordance with Section 2.2 herein, and to develop additional Buildings thereon, all in accordance with Section 2.2 herein.

(g) The right to exercise any other rights granted to or reserved by Declarant in the Condominium Documents.

(h) To exercise the easements hereby reserved over the Condominium to provide pedestrian and vehicular traffic with ingress and egress to and from the Additional Property, and to tie into, connect to, and utilize utility facilities located on the Property for the purpose of extending such utilities to the Additional Property, in connection with the development of the Additional Property, irrespective of whether the Additional Property is to be added to the Condominium, as contemplated in Article II of this Declaration, or is to be developed as a separate development apart from the Condominium.

(i) The development right to withdraw all or a portion of the Property as set forth in Section 2.2 above.

Section 6.2 Transfer of Special Declarant Rights. Declarant may transfer any Special Declarant Rights created or reserved under the Condominium Documents to any person or entity, by an instrument evidencing the transfer duly recorded in the Office of the Register of Deeds for Wake County. The instrument shall not be effective unless it is executed by the transferor and the transferee. Upon the transfer of any Special Declarant Rights, the liability of the transferor and the transferee shall be as set forth in N.C.G.S. § 47C-3-104.

ARTICLE VII.
RESTRICTIONS ON USE

Section 7.1 Master Declaration; Village Center Declaration. All Owners shall comply with all provisions set forth in the Master Declaration and the Village Center Declaration regarding use of the Units. All provisions in the Master Declaration and/or the Village Center Declaration regulating the use of the Units are incorporated herein by this reference and made a part hereof.

Section 7.2 Residential Use. All Units shall be used for residential purposes only; provided, however, that portions of the Units also may be used for home office purposes by the residents of such Units, provided that the primary use of each Unit is residential, no business customers of the Owner visit the Unit and the Owner does not advertise the address of the Unit as such Owner's business address. Notwithstanding the foregoing, Declarant may maintain any Unit owned by Declarant as a sales office or model Unit. Declarant may maintain as many sales offices and model Units as it desires, and may relocate such sales offices and model Units within the Property in its sole discretion. In addition, Units shall be occupied by no more persons than the maximum permitted by law for the Unit and all Units shall be used in a manner which is consistent with those rules and regulations promulgated from time to time by the Association and pursuant to the Master Declaration and the Village Center Declaration, which rules may change from time to time.

Section 7.3 Nuisance. No obnoxious, offensive or unlawful activity shall be conducted within any Unit, or on or about the Common Elements, nor shall anything be done thereon or therein which may be or which may become an annoyance or nuisance to the other Owners, or endanger the health and safety of any Owner. Nothing shall be done or kept in any Unit or in the Common Elements that will result in the termination of, or an increase in the premium for, the policy of property insurance for the Property. Owners are responsible for preventing disturbing noises or noisy and boisterous conduct which would disturb the peace and conduct of other Owners. The loud playing of stereos, televisions or musical instruments is discouraged, together with any noisy or boisterous conduct which would disturb the peace and quiet enjoyment of other Owners. No owner shall place a speaker or other sound amplification equipment within a common wall.

Section 7.4 Prohibitions on Use of Common Elements. The Common Elements shall not be used for the storage of personal property of any kind, including without limitation bicycles, wagons and carts. Stairs, entrances, lobbies, hallways, sidewalks, driveways, drainage areas and parking areas shall not be obstructed in any way, or used for other than their intended purposes. Except for work done by the Declarant in connection with the construction and marketing of Units, nothing shall be built, caused to be built or done in or to any part of the Property which will alter or cause any alteration to the Common Elements without the prior written approval of the Executive Board and the Declarant. The Declarant's approval shall be required until one (1) year after the conveyance by the Declarant of the last Unit. In general, no activity shall be carried on nor conditions maintained by any Owner either in his or her Unit or upon the Common Elements which despoils the appearance of the Property.

No Unit Owner shall perform or permit to be performed any work to any portion of his Unit, which work may require access to, over or through the Common Elements or other Units without the prior consent of the Executive Board except in case of an emergency. All such work may only be performed by a Person who shall deliver to the Executive Board prior to commencement of such work, in form satisfactory to the Executive Board:

(a) releases of the Executive Board and the Association for all claims that such Person may assert in connection with such work;

(b) indemnities of the Executive Board and the Association, holding each and all of them harmless from and against any claims asserted for loss or damage to persons or property, including, but not limited to, Common Elements or other Units;

(c) certificates of insurance, including liability and workmen's compensation coverage, in amounts and with companies reasonably acceptable to the Executive Board; and

(d) all other information and protections which the Executive Board may reasonably require.

Section 7.5 Garbage. Trash, garbage and other waste shall be kept in sanitary containers within each Unit, and the Owner of each Unit shall be responsible for placing such garbage in the designated trash receptacle on a regular basis. Boxes shall be completely collapsed before disposal. No trash or garbage shall be kept or stored on the patios or balconies or placed outside of the front door of a Unit.

Section 7.6 Parking. The parking rights of Owners or their guests are described in Section 5.5 of this Declaration, and are subject to any rules or regulations that may be promulgated by Declarant or the Association. No boat, boat trailer, motor home, travel trailer, camper, van (other than non-commercial passenger vans), trucks (unless licensed as a passenger vehicle and less than three-quarter ton capacity), commercial vehicles (whether or not registered as a commercial vehicle with the State Department of Transportation) or other recreational vehicle may be stored on the Property (other than in a garage, which garage must be closed such that the recreational vehicle cannot be seen from the exterior of the garage) at any time. The Association shall have the right to tow any vehicle in violation of this Section 7.6 at its owner's expense.

Section 7.7 Leases of Units. No Owner (other than the Declarant so long as Declarant owns any portion of the Property) shall lease his Unit for transient or hotel purposes, which for the purposes of this Declaration shall be defined as either a rental for any period less than six (6) months or any rental if the lessee of the Unit is provided customary hotel services. Should any Owner desire to lease his Unit, such Owner shall submit a proposed lease to the Association, if so required by the Executive Board, together with the name and address of each potential lessee and the Owner that is leasing the Unit, for the Association's approval, to be granted or withheld in its sole discretion. Unless leased by Declarant, (a) in no event may any lease be for a term of less than six (6) months, and (b) in no event may more than twenty-five percent (25%) of the Units in any Building be leased. Each permitted lease shall lease an entire Unit, shall be in writing, and shall be subject to the Master Declaration, the Village Center Declaration, this Declaration and the Bylaws of the Association, and any failure of the lessee to comply with the terms of such documents shall be a default under the lease.

Section 7.8 No Timeshares. No interest in any Unit may be subjected to a time share program, as that term is defined in N.C.G.S. § 93A-41(10).

Section 7.9 Utilities. Total electrical usage in any Unit shall not exceed the capacity of the circuits for that Unit as labeled on the circuit breaker boxes, and no electrical device causing overloading of the standard circuits may be used in any Unit without permission of the Association. All clothes dryers will have lint filters, and all range hoods will have grease screens, and such screens and filters shall be used at all times and kept clean, and in good order and repair, by the Owner of the Unit in which they are located. Water service shall be metered as a Common Element and billed as a Common Expense.

Section 7.10 Pets. Owners shall not keep in any Unit animals, wildlife, livestock, reptiles or poultry of any kind, other than domesticated household birds and fish, house dogs or domesticated house cats. No Unit shall house more than two (2) dogs or two (2) cats (or, alternatively, one (1) dog and one (1) cat). All animals shall be leashed (if outdoors) or kept within the Unit and shall not be permitted to roam free. The Association may restrict the walking of pets to certain areas. Owners who walk their pets on Common Elements must clean up after their pets. Commercial activity involving pets, including, without limitation, boarding, breeding, grooming or training is not allowed. The ability to keep a pet is a privilege, not a right. If, in the opinion of the Executive Board, any pet becomes a source of unreasonable annoyance to others, or the owner of the pet fails or refuses to comply with these restrictions, the owner, upon written notice, may be required to remove the pet from the Property. Pets may not be left unattended or leashed in yards or garages or on porches or lanais. Pursuant to rules and regulations, the Executive Board may further regulate pets, including but not limited to number and type of pets. No dog houses shall be permitted.

Section 7.11 Windows. No curtains, draperies or blinds or other window treatment shall be installed or hung in any window of any Unit unless they have a white or neutral lining or backing on the side exposed to the window. No other colors may be used unless approved in writing by the Association prior to installation. No storm windows shall be installed in any Unit, and no stickers or decals may be affixed to the windows in any Unit or elsewhere on the exterior of a Unit, except that decals of security systems may be affixed to windows. Window air conditioners are prohibited.

Section 7.12 Architectural Control. No exterior addition to, or change or alteration in, any Unit or the Common Elements shall be made until the plans and specification showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing by the Association and only in compliance with all requirements of the Master Declaration and the Village Center Declaration. No Owner shall penetrate the siding on the exterior of a Building in any way. No hangings shall be permitted on balconies, garages, patios or front doors to Units and there shall be no awnings, screening, fencing or canopies installed.

Section 7.13 Signs. No signs or other advertising devices, including without limitation "For Sale" and "For Rent" signs, or political signs shall be displayed on or about the exterior of any Unit, or in the window of any Unit, or in the Common Elements for so long as the Declarant owns a Unit. Notwithstanding the foregoing, Declarant shall have the right to maintain upon the Property advertising signs during the Declarant Control Period, provided those signs comply with applicable governmental regulations.

Section 7.14 Maintenance. The Owner of each Unit is responsible for maintaining his or her Unit as well as performing everyday and routine maintenance of the Limited Common Elements appurtenant thereto, as more particularly set forth in Section 5.4 herein. Each Owner shall keep his or her respective Unit and its appurtenant Limited Common Elements in a clean, neat and orderly condition and in a good state of maintenance and repair. If an Owner fails to comply with the standards or requirements of the Association relative thereto, the Association shall assess the defaulting Owner the cost thereof as an individual assessment, as more particularly described in Section 10.5 herein, and shall undertake to effect said compliance.

Section 7.15 Rules and Regulations. In addition to the use restrictions set forth in this Declaration, reasonable rules and regulations governing the use of the Property may be made and amended from time to time by Declarant during the Declarant Control Period and the Association following the expiration of the Declarant Control Period. Copies of such regulations and amendments thereto shall be furnished by Declarant or the Association to all Owners upon request.

Section 7.16 Balconies and Patios. The balcony and patio areas shall be kept in a clean, neat, and orderly condition at all times, and shall not be used for the storage of bicycles, overnight storage of garbage, or for the drying of laundry. In particular, towels or banners shall not be hung on the balcony or patio railings, and any dead plants shall be removed promptly. No grills may be stored or used on any patio or balcony unless otherwise approved in writing by the Executive Board provided that such use complies with local fire codes. The Association may remove any unauthorized grill from a patio or balcony and dispose of such grill, all at the applicable Owner's expense. There shall be no exterior lighting (except for any lighting installed by Declarant in connection with the construction of the Buildings, Common Elements and Units) including but not limited to holiday lighting unless otherwise approved in writing by the Executive Board. No fake/faux/plastic flowers or greenery may be displayed on balconies or patios. No fencing or screening shall be installed on the patio or balcony appurtenant to any Unit.

Section 7.17 Garages. Owners may not store dangerous or unlawful items within any garage, including without limitation paint, solvents or other hazardous, flammable, explosive or dangerous materials, contraband, illegal substances, any other item that would contravene any applicable laws, regulations or provisions of any insurance policy carried by Owner, any item that would cause an increase in premium of any insurance policy carried by the Association and any item that may be considered to be a nuisance. Nothing may be done or kept in any garage that may result in the termination of, or an increase in the premium for, the policy of property insurance for the Property. Owners shall use garages at their sole risk. Declarant and the Association are not responsible for the loss of or damage to any Owner's possessions due to any cause whatsoever, unless that cause is the result of Declarant's or the Association's negligence. The Association's insurance will not cover any possessions stored in any garage, and Declarant and the Association urge Owners to obtain insurance for such possessions. No Owner may conduct business activities from any garage, and no improvements to or alterations of any garage shall be made without the prior written consent of Declarant or the Association; provided, however, Declarant may use any of the garages assigned to Units owned by Declarant as its sales office for so long as Declarant owns any of the Units. Garage doors must be in the closed position at all times when not in use.

Section 7.18 Illegal Activities. The Owner, any member of the Owner's household, or a guest or other person under the Owner's control shall not engage in or facilitate criminal activity on or near the Condominium, including, but not limited to, violent criminal activity or drug-related criminal activity and shall not keep or store any firearms in such Owner's Unit, Limited Common Elements or elsewhere on the Condominium. "Violent criminal activity" means any felonious criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another. "Drug-related criminal activity" means the illegal manufacture, sale, distribution or use, or possession with intent to manufacture, sell, distribute or use, of a controlled substance (as defined in 42 U.S.C. 1437).

Section 7.19 Supervision of Children. Owners are asked to be responsible for their own children and ensure that they abide by this Declaration and any rules and regulations as may be adopted in accordance with the Bylaws. Children should not play in or around the garages, trash receptacles, elevators, parking areas or retention ponds. Young children must be supervised by an adult at all times. Toys, including without limitation bicycles and play equipment, must be stored within a Unit, and may not be stored within the Common Elements or on balconies or patios. Unattended articles may be confiscated and disposed of by the Association at the applicable Owner's expense.

Section 7.20 Satellite Dishes, Antennas, etc. Owners are prohibited, to the maximum extent permitted by law, from attaching, installing, displaying or affixing satellite dishes, antennas or other transmitting devises, to the exterior of any Building (including but not limited to any balcony, patio, garage, or other Limited Common Element or Common Element) or on the Land.

Section 7.21 Declarant Exemption. The provisions of this Article are intended to restrict certain uses that may be harmful or affect the ambience or aesthetic appeal of the Property to be constructed by Declarant. The restrictions are not intended to prohibit Declarant from performing such work as may be necessary in the completion of the work in the Property. The restrictions of this Article shall therefore not be binding upon Declarant in the performance of any of the work required in order to complete construction of the Property.

Section 7.22 Noise Reduction. Acoustical privacy is in the mutual interest and benefit of all Owners, their lessees and other occupants of the Units. Acoustical privacy can only be achieved through understanding and compliance with certain limitations and restrictions. It is recognized that total sound isolation from an adjacent Unit in a manner comparable to a single-family residence is difficult if not impossible to attain. Efforts have been made in the basic design of the Building(s) to alleviate airborne noise, structure-borne noise and impact noise transmission from and to each Unit. Modification of design of the structures or related components thereof by any Owner, or installation of noise generating instruments or equipment, could then alter the resultant expected isolation. The following restrictions are intended to maximize the acoustical privacy of all Owners, lessees and other occupants of the Units:

(a) Devices that create sound or vibration that can be transmitted into an adjacent Unit shall not be directly attached to a wall or ceiling that separates adjacent Units or mounted or placed on a shelf that is directly attached to a wall or ceiling that separates adjacent Units. These devices include, but are not limited to, acoustic speakers associated with a stereo or surround sound system and acoustic speakers associated with electronic instruments. These devices may be located on interior walls within a Unit. Any device that generates vibration that can be transmitted as sound into an adjacent Unit through the floor/ceiling assembly separating two Units shall be placed on resilient pads. These devices include, but are not limited to, base or subwoofer speakers, pianos, organs and aerobics exercise equipment. The resilient pad shall be a minimum ½ inch neoprene waffle load distribution plate or pad or a resilient load distribution plate or pad that will provide equivalent vibration isolation. The playing of all percussive-type instruments is prohibited in all Units. Percussive-type instruments include, but are not limited to, drums, bongos, bells, tambourines and cymbals. The Owner, lessee or other occupant of a Unit shall submit a written statement to the Executive Board of its intent to install and use any of the devices covered in this Section and shall document the measures it is taking to comply with the requirements of this Section. If the Association, in its sole discretion, determines that the use of said devices is not in compliance with the requirements of this Section, then the Owner, lessee or other occupant shall be prohibited from using said devices. If the Association fails to provide written notice to the Owner, lessee or occupant within a sixty (60) day period after receipt of such Owner's written statement, it shall be conclusively presumed that the Association has not approved the use of said devices.

ARTICLE VIII.
THE ASSOCIATION

Section 8.1 Organization of Association. A nonprofit North Carolina corporation known and designated as Brier Creek Cottages Condominium Owners Association, Inc. (the "Association") has been organized to provide for the administration of the Property, and the Association shall administer the operation and maintenance of the Property and undertake and perform all acts and duties incident thereto in accordance with the terms of its Articles of Incorporation, the Bylaws, and the North Carolina Condominium Act. Every Owner shall be required to be and shall automatically be a member of the Association by virtue of its ownership interest in a Unit.

Section 8.2 Powers, Lien for Assessment. In the administration of the operation and management of the Property, the Association shall have and it is hereby granted the authority and power to enforce the provisions of this Declaration, to levy and collect assessments in the manner provided in Article X below and as set forth in the paragraph below, and adopt, promulgate and enforce such rules and regulations governing the use of the Units and Common Elements as the Association may deem to be in the best interest of the Owners in accordance with this Section 8.2 and the Bylaws. Any sum assessed by the Association remaining unpaid for a period of thirty (30) days or longer shall constitute a lien on the Unit with respect to which such sum was assessed upon filing in accordance with N.C.G.S. § 47C-3-116, and shall be enforceable by the Association in accordance with N.C.G.S. § 47C-3-116 and Section 8 of the Bylaws. The Executive Board shall from time to time, and at least annually, prepare and adopt a proposed budget for the Condominium, determine the amount of the Common Expenses payable by the Owners to meet the proposed budget of the Condominium, and allocate and assess such proposed Common Expenses among the Owners in shares [based upon the percentage interest in the Common Elements allocated to each Unit], all in accordance with the procedure set forth in this Section 8.2, and this Declaration. The Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Executive Board pursuant to the provisions of the Declaration, and shall also include any assessments levied on the Association or the Unit Owners pursuant to the Master Declaration and the Village Center Declaration. The Common Expenses shall also include such amounts as the Executive Board deems necessary for the operation and maintenance of the Property, including without limitation, an amount for working capital of the Condominium; an amount for a general operating reserve; an amount for a reserve fund for losses due to insurance deductibles; an amount for a reserve fund for repair and replacement of the Common Elements; and such amounts as may be necessary to make up any deficit in the Common Expenses for any prior year. Within thirty (30) days after adoption of any proposed budget for the Condominium, the Executive Board shall provide a summary of the budget to all the Owners. To the extent required by law, such notice shall include notice of a meeting of the Owners to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. If such a meeting is required by law, the Executive Board shall set a date for a meeting of the Owners to consider ratification of the budget to be held not less than fourteen (14) nor more than thirty (30) days after mailing of the summary and notice. If such meeting is required as set forth above, there shall be no requirement that a quorum be present at the meeting. The budget will be ratified unless (a) if such vote is taken during the Declarant Control Period, at such meeting Owners exercising at least ninety percent (90%) of the votes of the Association reject the budget; or (b) if such vote is taken after the Declarant Control Period, at such meeting owners exercising at least a majority of the votes in the Association reject the budget. The failure of the Association to send, or of an Owner to receive, such notice shall not relieve any Owner of the obligation to pay assessments. In the event the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the Owners ratify a subsequent budget proposed by the Executive Board. At no time shall a proposed budget be less than the budget then in place unless approved by 100% of the Owners.

The Association, acting through the Executive Board, may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement comprising or to comprise a portion of the Common Elements, including fixtures and personal property; provided, however, that any such special assessment must be approved by the vote of Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated cast in person or by proxy at a meeting duly held in accordance with the provisions of these Bylaws.

The Association shall collect from each purchaser of a Unit at the time of closing (both initial sales by Declarant and subsequent re-sales) an initial contribution equal to three (3) times the then estimated monthly assessment for Common Expenses or such other amount as may be determined by the Executive Board from time to time. Such funds shall not be considered advance payments of assessments. Such funds may be used for certain prepaid items, equipment and supplies, and for such other purposes as the Executive Board may determine. Each Unit owner shall pay to the association formed pursuant to the Master Declaration and the Village Center Declaration any assessments or any fees required thereunder.

Section 8.3 Declarant Control Period. During the Declarant Control Period, Declarant reserves the right to appoint and remove any Executive Board members; provided, however, (i) that not later than 60 days after conveyance of twenty-five percent (25%) of the Units (including any Units which may be added to the Condominium upon the development of the Additional Property pursuant to Section 2.2 hereof) to Owners other than Declarant, at least one member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Owners other than Declarant; and (ii) that not later than 60 days after conveyance of fifty percent (50%) of the Units (including any Units which may be added to the Condominium upon the development of the Additional Property pursuant to Section 2.2 hereof) to Owners other than Declarant, not less than thirty-three percent (33%) of the members of the Executive Board shall be elected by Owners other than Declarant. Provided, however, after the termination of the Declarant Control Period, it may be reinstated in accordance with Section 1.16 herein.

Section 8.4 Books and Records. The Association shall maintain current copies of: (a) the Condominium Documents, as they may be amended from time to time, (b) any rules and regulations adopted under Section 7.15 from time to time; and (c) all financial records of the Association, as required by N.C.G.S. § 47C-3-118. These items shall be available for inspection, during normal business hours and upon reasonable advance notice, by any Owner, any Mortgagee, and any insurer or guarantor of a loan secured by a Mortgage.

Section 8.5 Lawsuits. Except as otherwise provided herein, the Executive Board shall, prior to filing any action, suit or proceeding on behalf of the Association, call a special meeting of the Association in accordance with the Bylaws. A quorum must be present at such special meeting, and Association members holding not less than seventy-five percent (75%) of the total votes in the Association must approve the filing or initiation of such action, suit or proceeding. This Section 8.5 shall not apply to any action brought by the Association to collect unpaid assessments or to foreclose the Association's lien upon a Unit in accordance with Section 8.2 above.

The Executive Board may not file any claim on behalf of the Association without first obtaining from a licensed attorney a detailed cost-benefit analysis relating to such claim, which cost-benefit analysis must include at least the following: (a) the nature and extent of the claim and the prospects of winning or losing the claim; (b) the prospects of settling the dispute early; (c) the cost of prosecuting the claim; and (d) the effect of pending litigation on resales and on Unit refinancings in the Condominium. After distributing such cost-benefit analysis to all Owners, unless expiration of any applicable statute of limitations is imminent, the Executive Board shall obtain approval to file such claim from Owners of not less than seventy-five percent (75%) of the total votes in the Association. The Executive Board shall also attempt to meet with a potential defendant in order to investigate the possibility of any early settlement of the lawsuit or claim, and shall give the potential defendant notice of the claim or the potential litigation and a reasonable opportunity to cure the problem before the claim is filed. Notwithstanding anything to the contrary contained herein, there is no such limitation concerning legal action against any Owner for violation of any rule, regulation or covenant affecting the Association (including but not limited to legal action for failure to pay assessments or to foreclose the Association's lien upon a Unit in accordance with Section 8.2 above.

Section 8.6 Voting, Unit Allocations. The Common Elements Interests are described in Section 1.8 and are stated on Exhibit B. The votes in the Association are equally allocated to all Units with each Unit Owner having one (1) vote for each Unit owned.

Section 8.7 Prohibited Actions. Despite any assumption of control of the Executive Board by Owners other than the Declarant, until the Declarant has sold every unit in the development, the Executive Board is prohibited from taking any action which would discriminate against the Declarant, or which would be detrimental to the sale or leasing of units owned by the Declarant, in the Declarant's sole discretion. The Executive Board will be required to continue the same level and quality of maintenance, operations and services as that provided immediately prior to the assumption of control of the Association by Owners other than the Declarant until the Declarant sells the last unit owned by it in the ordinary course of business.

Section 8.8 Administration. The administration of the Common Elements by the Association shall be in accordance with the provisions of North Carolina law and the Condominium Documents, and of any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently required by any lender designated by the Declarant or by any governmental or quasi-governmental agency having regulatory jurisdiction over the Common Elements or by any title insurance company selected by Declarant to insure title to any portion of the Common Elements.

ARTICLE IX.
EASEMENTS AND PROPERTY RIGHTS

Section 9.1 Access by the Association. The Association, or any person authorized by it, shall have the right of access to each Unit and to the Limited Common Elements to the extent necessary for performance by the Association of its obligations of maintenance, repair, or replacement of the Property, provided that the Association shall first arrange a convenient time with the Owner, and shall give the Owner twenty-four (24) hours notice except in the event of an emergency, as set forth in Section 9.4.

Section 9.2 Encroachment Easements. If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if such encroachment shall occur hereafter as a result of the settling or shifting of any Building, there shall exist a valid easement for the encroachment and for the maintenance of same for so long as such Building shall stand. If any Building, any Unit, or any portion of the Common Elements is partially or totally destroyed by fire or other casualty or as a result of condemnation or eminent domain proceedings, and subsequently is rebuilt, any encroachment of parts of the Common Elements upon any Unit, or of parts of any Unit upon the Common Elements, due to such rebuilding shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as the Buildings shall stand.

Section 9.3 Easements over Common Elements. Declarant, until the Property and Additional Property have been completely developed, and the Association, at any time, may grant easements for utility purposes for the benefit of the Property and Additional Property, including the right to install, lay, maintain, repair and replace water lines; pipes; ducts; sewer lines; and water lines; gas mains; telephone and television or cable television wires, cables and equipment; electrical conduits; and wires over, under, along and on any portion of the Common Elements (other than the Limited Common Elements); and each Owner hereby grants to Declarant or the Association, as applicable, an irrevocable power of attorney to execute, acknowledge and record for and in the name of each Owner such instruments as may be necessary to effectuate the foregoing. Until the Property and Additional Property have been completely developed, Declarant shall have an easement over the Common Elements as may be reasonably necessary to complete the construction of the existing Buildings and the other improvements within the Property, and to develop the Additional Property by constructing Buildings and other improvements upon such Additional Property, regardless of whether such Additional Property is subjected to this Declaration. All such easement rights described in this Section 9.3 shall be appurtenant to, and shall run with title to, the Property and Additional Property.

Section 9.4 Emergency Access. In case of any emergency originating in or threatening any Unit or the Common Elements, regardless of whether the Owner is present at the time of such emergency, the Association, or any other person authorized by it, shall have the right to enter any Unit or its Limited Common Elements for the purpose of remedying or abating the cause of such emergency and making any other necessary repairs not performed by the Owners, and such right of entry shall be immediate. Any public body rendering police and fire services is granted an easement over, upon and through the Common Elements and Limited Common Elements for the purpose of providing police and fire protection services and to enforce all applicable police and fire regulations.

Section 9.5 Relocation of Boundaries; Subdivision; Partitioning.

(a) Relocation of Boundaries Between Adjoining Units. The boundaries between adjoining Units may be relocated upon application to the Association by the Owners of such adjoining Units ("Adjoining Owners") and upon approval by the Association of such application; provided, however, that no such relocation of boundaries shall be binding upon any Mortgagee holding a Mortgage on any Unit whose boundaries are relocated, unless consented to in writing by such Mortgagee. Any such application to the Association must be in such form and contain such information as may be reasonably required by the Association, and shall be accompanied by, a plat detailing the proposed relocation of boundaries. Unless the Association determines within sixty (60) days after submission to it of the application that the proposed relocation of boundaries is reasonable and would not impair the structural integrity of the Building in which such Unit is located, the application shall be deemed denied. Upon approval of the proposed relocation of boundaries, the Association shall cause to be prepared and filed, at the Adjoining Owners' expense, an amendment to this Declaration and a plat which identifies the Units involved, describes and depicts the altered boundaries, and gives the dimensions of the altered Units. Such amendment shall also contain operative words of conveyance and be signed by the Adjoining Owners and consented to by their Mortgagees, if any, and shall be indexed by the Register of Deeds in the names of the Adjoining Owners.

(b) Subdivision or Combination of Units. Units may be subdivided or combined only with the written approval of Declarant during the Declarant Control Period or the Association after the expiration of the Declarant Control Period. If any Unit is subdivided or combined in accordance with this Section 9.5(b), the party seeking such subdivision or combination shall have prepared, executed and recorded, at its sole expense, an amendment to this Declaration and a plat which identifies the existing Unit(s) involved, describes and depicts the boundaries of the new Units into which the existing Unit(s) have been subdivided or combined, gives the dimensions and floor area of each newly created Unit and reallocates garages, to other Units as agreed by the Association, the Declarant if the Declarant owns any Unit or portion of the Additional Property, and the Owner seeking such subdivision such that each subdivided Unit shall only have one garage appurtenant to each Unit, as applicable. If Units are combined, the garage originally assigned to such Unit shall remain with the Unit as combined. The amendment to the Declaration shall specify the Common Elements Interest allocated to such Units, and provided, further that if Units are combined by any owner other than the Declarant, the dues payable for each Unit shall not be reallocated (for example, if two Units are combined, the owner of the combined Unit shall pay the equivalent of two Unit assessments) under this Declaration, under the Master Declaration and under the Village Center Declaration.

(c) Partitioning. The interests in the Common Elements allocated to each Unit shall not be conveyed, devised, encumbered, partitioned or otherwise dealt with separately from said Unit, and the interests in the Common Elements allocated to each Unit shall be deemed conveyed, devised, encumbered or otherwise included with the Unit even though such interests are not expressly mentioned or described in the instrument conveying, devising, encumbering or otherwise dealing with such Unit. Any conveyance, mortgage or other instrument which purports to grant any right, interest or lien in, to or upon the Unit, shall be null, void and of no effect insofar as the same purports to affect any interest in a Unit's allocated interests in the Common Elements unless the same purports to convey, devise, encumber or otherwise deal with the entire Unit. Any instrument conveying, devising, encumbering or otherwise dealing with any Unit, which describes said Unit by the identifying number assigned thereto on the Plans and herein without limitation or exception shall be deemed and construed to affect the entire Unit and its allocated interest in the Common Elements. Nothing herein contained shall be construed as limiting or preventing ownership of any Unit and its allocated interest in the Common Elements by more than one person or entity as tenants in common, joint tenants, or as tenants by the entirety or any other form by law permitted.

Section 9.6 Conveyance or Encumbrance of Common Elements. While the Property remains subject to this Declaration and to the provisions of the North Carolina Condominium Act, no conveyances of or security interests or liens of any nature shall arise or be created against the Common Elements without the prior written consent of at least eighty percent (80%) of all Owners, including at least eighty percent (80%) of all Owners other than Declarant, and at least eighty percent (80%) of all Mortgagees. Every agreement for the performance of labor or the furnishing of materials to the Common Elements, whether oral or in writing, must provide that it is subject to the provisions of this Declaration and that the right to file a mechanic's lien or other similar lien by reason of labor performed or material finished is subordinated to this Declaration and to the lien of assessments for Common Expenses provided for in Section 8.2 of this Declaration. Nothing in this Section 9.6 shall be construed to limit the right of any Owner to convey or to encumber his or her allocated interest in the Common Elements as an appurtenance to and in connection with the conveyance or mortgaging of his or her Unit.

Section 9.7 Nature of Interest in Unit. Every Unit, together with its allocated interest in the Common Elements, shall for all purposes be and it is hereby declared to be and to constitute a separate parcel of real property. The Owner of each Unit shall be entitled to the exclusive fee simple ownership and possession of his or her Unit subject only to the covenants, conditions, restrictions, easements, uses, limitations, obligations, rules and regulations set forth in the Condominium Documents, or adopted by the Executive Board of the Association.

Section 9.8 Community Systems. The Property shall be subject to a perpetual non-exclusive easement for the installation and maintenance, including the right to read meters, service or repair lines and equipment, and to do everything and anything necessary to properly maintain and furnish the Community Systems and the facilities pertinent and necessary to the same, which easement shall run in favor of Declarant. The Declarant shall have the right, but not the obligation, to install and provide the Community Systems and to provide the services available through the Community Systems to any and all Units within the Property. Neither the Association nor any Unit Owner shall have any interest therein. Any or all of such services may be provided either directly through the Association and paid for as part of the Assessments or directly to the Declarant, any affiliate of the Declarant, or a third party, by the Unit Owner who receives the services. The Community Systems shall be the property of Declarant unless transferred by the Declarant, whereupon any proceeds of such transfer shall belong to the Declarant. The Declarant shall have the right but not the obligation to convey, transfer, sell or assign all or any portion of the Community Systems or all or any portion of the rights, duties or obligations with respect thereto, to the Association or to any person. The rights of the Declarant with respect to the Community Systems installed by the Declarant and the services provided through such Community Systems are exclusive, and no other person may provide such services through the Community Systems installed by the Declarant without the prior written consent of the Declarant. In recognition of the fact that interruptions in cable television and other Community Systems services will occur from time to time, no person or entity described above shall in any manner be liable, and no user of any Community System shall be entitled to any refund, rebate, discount or offset in applicable fees, for any interruption in Community Systems services, regardless of whether or not the same is caused by reasons within the control of the then-provider of such services.

Section 9.9 No Light, Air and View Easement. No Owner shall have an easement for light, air or view over the Unit of another Owner and no diminution of light, air or view by any Building or improvement now existing or hereafter erected shall entitle the Owner or any other Person to claim any easement for light, air or view within the Property.

ARTICLE X.
ASSESSMENTS

Section 10.1 Taxes. Every Unit, together with its allocated interest in the Common Elements, shall be separately assessed and taxed by each assessing authority for all types of taxes authorized by law. Each Owner shall be liable solely for the amount taxed against his or her individual Unit, provided, however, if the Units should not be separately taxed for any calendar year, the Association shall pay such tax bill and shall assess the Owners for their respective portions of such bill as annual assessments.

Section 10.2 Assessments for Common Expenses. The Association shall assess the Owners for all of the Common Expenses incurred by the Association, all in accordance with the definition of "Common Expenses" set forth in Section 1.9 above, the Bylaws, and the provisions of the North Carolina Condominium Act. All Common Expenses allocable to the Units shall be divided among the Units in accordance with each Unit's Common Elements Interest. Due dates for payment of such assessments shall be established by the Association and shall be collected monthly or as otherwise determined by the Executive Board (including but not limited to annual advance payment of Common Expenses) but no less often than yearly. Assessments for all Units shall begin on a date established by the Association. With respect to Units owned by it, Declarant's obligations to pay assessments for Common Expenses may be satisfied in the form of cash payments to the Association or "in kind" contributions of services that would otherwise be included within Common Expenses, or a combination of these. The assessments levied in this Article X are in addition to those assessments levied pursuant to the Master Declaration, as amended from time to time and the Village Center Declaration, as amended from time to time.

Section 10.3 Common Surplus. The term "Common Surplus" means and refers to all funds and other assets of the Association, including excess of receipts of the Association from assessments, rents, profits and revenues from whatever source, over the amount of Common Expenses. The Common Surplus shall be owned by the Owners in the same proportion as their respective shares of Common Expenses, as provided in Section 10.2; provided, however, that the Common Surplus shall be held by the Association in the manner and subject to the terms, provisions and conditions of this Declaration imposing certain limitations and restrictions upon the use and distribution thereof. Except for distribution of any insurance proceeds, which shall be made in the manner provided in Section 11.6, or upon termination of the Condominium, any attribution or distribution of Common Surplus which may be made from time to time shall be made to the then Owners in proportion to their respective shares of Common Expenses.

Section 10.4 Special Assessments. The Association also may levy a special assessment payable in a manner as specified by the Association for any purpose deemed necessary by the Association, including, but not limited to, the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Elements, including fixtures and personal property related thereto. Any special assessment must have the assent of at least sixty-seven percent (67%) of votes of the Owners.

Section 10.5 Individual Assessments. The Association may levy an individual assessment payable in a manner as specified by the Association if an Owner should fail to maintain a Limited Common Element appurtenant to such Owner's Unit, and the Association should elect to undertake such repair on behalf of that Owner, all in accordance with Section 5.4 herein.

Section 10.6 Pet Assessment. The Association may levy a pet assessment on an annual basis per pet payable by each Owner who owns and keeps such pet pursuant to Section 7.10 of this Declaration. The amount of the pet assessment shall be determined annually by the Board. Further, the Association may levy an individual assessment payable in a manner as specified by the Association if the pet of an Owner damages a Common Element or Limited Common Element, and the Association elects to undertake such repair, all in accordance with Section 5.4 herein.

ARTICLE XI.
INSURANCE

Section 11.1 Property Insurance. The Association shall cause to be obtained and maintain at all times a policy of property insurance on the Buildings (ISO [Insurance Services Office, Inc.] special form or its equivalent) and all improvements on the Property owned either by the Association or the Owners which were originally provided by the Declarant at the time of the initial conveyance of the Unit (except such personal property as may be owned by the Owners and exclusive of improvements or betterments installed in any Unit, however, notwithstanding the foregoing, if the Board determines that it is advantageous to include such betterments or improvements installed in any Unit as part of the insured Property, the Board is hereby authorized and empowered to secure an obtain such coverage) without deduction or allowance for depreciation (as determined annually by the Executive Board with the assistance of the insurance company) in an amount not less than one hundred percent (100%) of the replacement cost of the Buildings at the time such insurance is purchased and at the time of each renewal thereof, with a commercially reasonable deductible. The policy shall be issued by an insurance company properly licensed to do business in the State of North Carolina, with a general policyholder's rating of at least "A-" in the most recent edition of the Best's Key Rating Guide. The policy shall be for the interest of the Association or the Board, all Mortgagees, as their interests may appear. The policy shall further provide that each Owner is an insured person with respect to his or her Unit and his or her allocated interest in the Common Elements. The policy shall contain an inflation guard endorsement, if available, and an "agreed amount endorsement" or its equivalent if available (provided these two endorsements are commonly available and required by prudent institutional mortgage investors in the area in which the Condominium is located, as well as a special condominium endorsement providing as follows: for waiver of subrogation against any Owner, and any Owner's employees or agents; that it may not be canceled or substantially modified without at least thirty (30) days' prior written notice to the Association and all insured, including all Owners and Mortgagees; that no act or omission by any Owner will preclude recovery upon such policy; and that if, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same risk covered by the policy, the Association's policy provides primary insurance. Each property insurance policy shall provide that adjustment of loss shall be made by the Association as insurance trustee. Each property insurance policy shall provide for the issuance of certificates or mortgagee endorsements to Mortgagees.

Section 11.2 Liability Insurance. The Association shall cause to be obtained and maintain a policy of commercial general liability insurance (current ISO form or its equivalent) in such limits as the Executive Board may, from time to time, determine, covering each member of the Executive Board, the managing agent, if any, and each Owner with respect to liability arising out of the use, ownership, maintenance, or repair of the Common Elements; provided, however, that in no event shall the limits of such policy ever be less than $1,000,000.00 per occurrence. The liability insurance policy shall include endorsements covering cross liability claims of one insured against another, including the liability of the Owners as a group to a single Owner, and shall provide that it may not be canceled or substantially modified without at least thirty (30) days' prior written notice to the Association and to all insureds, including all Owners and Mortgagees. The Executive Board shall review such limits annually.

Section 11.3 Fidelity Coverage. The Association may obtain such fidelity coverage against dishonest acts on the part of all persons responsible for handling funds belonging to or administered by the Association as it may deem necessary. Any such fidelity insurance policy must name the Association as the named insured and shall be written in an amount as may be determined by the Executive Board, but in no event less than one-half the annual budgeted amount of Common Expenses, or the amount required by any Mortgagee, whichever is greater.

Section 11.4 Other Insurance Policies. The Association shall be authorized to obtain such other insurance coverage, including worker's compensation or employee liability insurance, as the Association shall determine from time to time desirable or necessary.

Section 11.5 Premiums. Premiums upon insurance polices purchased by the Association, and any amounts paid as a result of a deductible, shall be paid by the Association and charged as a Common Expense.

Section 11.6 Distribution of Insurance Proceeds. All insurance policies procured by the Association shall provide that all losses shall be adjusted with and all proceeds shall be payable to the Association as insurance trustee. The sole duty of the Association as insurance trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes set forth herein and for the benefit of the Owners and their Mortgagees in the following shares:

(a) Proceeds on account of damage to the Common Elements shall be held in undivided shares for each Owner and his or her Mortgagee, if any, each Owner's share to be the same as such Owner's allocated Common Elements Interest.

(b) Proceeds on account of damage to Units shall be held in the following undivided shares:

(1) When the damage is to be restored, for the Owners of damaged Units in proportion to the cost of repairing the damage to each such Owner's Unit, which cost shall be determined by the Association.

(2) When the damage is not to be restored, an undivided share for each Owner, such share being the same as each such Owner's allocated Common Elements Interest.

(c) In the event a mortgagee endorsement or certificate has been issued with respect to a Unit, the share of the Owner shall be held in trust for the Mortgagee and the Owner as their respective interests may appear.

(d) Proceeds of insurance policies received by the Association as insurance trustee shall be distributed to or for the benefit of the Owners in the following manner:

(1) If it is determined, as provided in Article XII below, that the damaged property with respect to which the proceeds are paid shall not be reconstructed or repaired,

(a) the proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the rest of the Condominium;

(b) the insurance proceeds attributable to Units and Limited Common Elements which are not rebuilt shall be distributed to the owners of these Units and Units to which those Limited Common Elements were allocated or to their Mortgagees, in proportion to their respective Common Elements Interests; and

(c) the remainder of the proceeds shall be distributed to all Owners or Mortgagees, as their interests may appear, in proportion to their respective Common Elements Interests.

(2) If the damage for which the proceeds were paid is to be repaired or reconstructed, the proceeds shall be paid to defray the costs thereof. Any proceeds remaining after payment of such repair costs shall be distributed to the beneficial Owners and their Mortgagees, if any, jointly.

Section 11.7 Insurance Obtained by Owners. Each Owner shall obtain and keep continuously in force additional fire and casualty and extended coverage insurance upon his or her personal property. Each Owner shall obtain and maintain public liability insurance coverage in the amount of at least $100,000.00 for bodily injury, including deaths of persons and property damage, arising out of a single occurrence.

Section 11.8 Master Insurance Program. Notwithstanding anything to the contrary contained in this Declaration, for so long as the Declarant controls the Executive Board, the Declarant reserves the right to include the insurance obligations of the Association within a master insurance program controlled by the Declarant and upon doing so, the insurance obligations provided for under this Declaration shall be deemed satisfied.

ARTICLE XII.
DUTY TO REPAIR OR RECONSTRUCT

Section 12.1 Reconstruction and Repair. In the event of damage to or destruction of the Buildings as a result of fire or other casualty, the Association shall arrange for the prompt restoration and replacement of the Buildings unless (1) the Condominium is terminated in accordance with the provisions of Article XV below, or (2) repair or replacement would be illegal under any state or local health or safety statute or ordinance, or (3) the Owners decide not to rebuild by a one hundred percent (100%) vote, including one hundred percent (100%) of Owners of Units not to be rebuilt and one hundred percent (100%) of Owners of Units to which are assigned Limited Common Elements not to be rebuilt. Unless one of the preceding three conditions occurs, the Association shall arrange for the prompt repair and restoration of the Buildings, not including any decoration or covering for walls, ceilings, or floors, or furniture, furnishings, fixtures or equipment (unless the subject insurance policy covers a portion or all of such loss, in which event the Association shall repair or replace such damaged property), and the Association shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments and in accordance with the provisions of Section 11.6(d)(2) of this Declaration. Any payment for repair and restoration in excess of the insurance proceeds shall constitute a Common Expense. Any reconstruction or repair shall be in accordance with the Plans. If the Owners vote not to rebuild any Unit, that Unit's allocated Common Elements Interest shall be automatically reallocated upon the vote as if the Unit had been condemned under N.C.G.S. § 47C-1-107(a).

Section 12.2 Obligations of Owners. Each Owner will, at his or her sole cost and expense, keep and maintain his or her Unit in good order and repair in accordance with the Plans, and will make no structural addition, alteration or improvement to his or her Unit without the prior written consent of the Association, except as specifically permitted by this Declaration or authorized under N.C.G.S. § 47C-2-111. Upon the failure of an Owner to so maintain his or her Unit, the Association shall be authorized to maintain, repair or restore such Unit, and the cost thereof shall be charged to such Owner and constitute a lien on the Unit until paid.

Section 12.3 Notice of Alleged Defects. Each Unit Owner shall promptly report to the Executive Board or its agent any defect or need for repairs or replacement the responsibility for which is that of the Association. No Unit Owner shall cause to be retained an expert for the purpose of inspecting the design or construction of any structures or improvements within Property in connection with or in anticipation of any potential or pending claim, demand, or litigation involving such design or construction unless Declarant has first been notified in writing and given an opportunity to meet with the Owner and conduct an inspection.

ARTICLE XIII.
UNITS SUBJECT TO CONDOMINIUM DOCUMENTS

All present and future Owners, tenants, and occupants of the Units shall be subject to and shall comply with the provisions of the Master Declaration, the Village Center Declaration, this Declaration, the Bylaws, and any rules and regulations as may be adopted in accordance with the Bylaws, as all of the foregoing may be amended and supplemented from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of the Master Declaration, the Village Center Declaration, this Declaration, the Bylaws and any rules and regulations which may be adopted are accepted and ratified by such Owner, tenant or occupant, and an agreement that such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit as though such provisions were made a part of each and every deed of conveyance or lease.

ARTICLE XIV.
AMENDMENT TO AND SUPPLEMENT OF DECLARATION

Except as is otherwise specifically authorized herein, and in particular in Section 2.2(c) of this Declaration regarding Declarant's unilateral right to amend this Declaration, this Declaration may be amended only by the vote of not less than sixty-seven percent (67%) of the total votes in the Association, and, with respect to any amendments of a material adverse nature, the approval of Mortgagees holding Mortgages encumbering Units to which at least fifty-one percent (51%) of the votes of the Association are allocated, cast in person or by proxy at a meeting duly held in accordance with the provisions of the Bylaws. Notwithstanding anything to the contrary set forth herein, Declarant may amend this Declaration without the consent of any other Owner to correct any typographical error, to correct an omission or to make amendments of a nonmaterial nature, herein defined as amendments which do not impair or prejudice any rights of any Owner. No amendment to the Declaration shall be effective until executed on behalf of the Association by any officer designated for that purpose and recorded in the office of the Register of Deeds of Wake County, North Carolina. No amendment to this Declaration shall be adopted or passed which shall impair or prejudice the rights and priorities of any Mortgagee without the written consent of such Mortgagee. No amendment to this Declaration shall be adopted or passed which shall impair or prejudice any rights reserved by or granted to Declarant hereunder, including without limitation any easements reserved by or granted to Declarant, any Special Declarant Rights or the right to subject Additional Property to this Declaration, without the written consent of Declarant. During the Declarant Control Period, no amendment to this Declaration shall be effective without the written consent of Declarant. With respect to any amendment to this Declaration which requires the consent of any Mortgagee, Declarant or the Association (as applicable) shall request the consent of such Mortgagee in writing and the notice shall be delivered by certified or registered mail, with a "return receipt" requested. If such Mortgagee does not respond to said written request within sixty (60) days, the consent of such Mortgagee shall be deemed obtained.

ARTICLE XV.
TERMINATION

The Condominium may be terminated and the Property removed from the provisions of the North Carolina Condominium Act only by the vote of Owners of Units to which not less than one hundred percent (100%) of votes in the Association are allocated, and the approval of Mortgagees holding Mortgages encumbering Units to which at least one hundred percent (100%) of the votes of the Association are allocated, cast in person or by proxy at a meeting duly held in accordance with the provisions of the Bylaws, and as evidenced by execution of a termination agreement, or ratification thereof, by the requisite number of Owners and Mortgagees. The termination shall comply with the requirements of N.C.G.S. § 47C-2-118, and must be recorded in the Office of the Register of Deeds for Wake County before it becomes effective. Following the recordation of the termination agreement, the interests of the Owners and Mortgagees in the Property shall be as provided in N.C.G.S. § 47C-2-118.

ARTICLE XVI.
MORTGAGEE PROTECTION

Section 16.1 General Provisions. This Article XVI establishes certain standards and covenants for the benefit of Mortgagees. This Article XVI is supplemental to, and not in substitution for, any other provisions of the Condominium Documents, but in the event of any conflict between the provisions of the Condominium Documents and the provisions of this Article XVI, the provisions of this Article XVI shall control.

Section 16.2 Percentage of Mortgagees. Wherever in the Condominium Documents the approval or consent of a specified percentage of Mortgagees is required, it shall mean the approval or consent of Mortgagees holding Mortgages on Units which have allocated to them that specified percentage of votes in the Association, as compared to the total votes in the Association allocated to all Units then subject to Mortgages held by Mortgagees.

Section 16.3 Rights to Examine Books and Records. Any Mortgagee, and any insurer or guarantor of a loan secured by a Mortgage, shall have the right to examine, during normal business hours and upon reasonable notice, the books and records of the Association, including copies of the Condominium Documents, as amended, and the financial statements of the Association, and to be furnished, upon written request, at least one copy of the annual financial statement and report of the Association, such annual statement and report to be furnished within ninety (90) days following the end of each fiscal year. If any Mortgagee requests, and agrees to pay the cost of the audit, the financial statement shall be audited by an independent certified public accountant.

Section 16.4 Mortgagee's Rights to Notice. Any Mortgagee (including, for purposes of this Section 16.4, any insurer or guarantor of a loan secured by a Mortgage that has notified the Association in writing of its name and address, and that it insures or guarantees a Mortgage) shall have the right to receive from the Association prompt written notice of the following:

(a) Default under any of the terms and provisions of the Condominium Documents by any Owner owning a Unit encumbered by a Mortgage held, insured, or guaranteed by such Mortgagee, which default remains uncured for a period of sixty (60) days.

(b) Any loss or damage to or condemnation or taking of a material portion of the Property or any loss or damage to or condemnation or taking of a Unit encumbered by a Mortgage held, insured or guaranteed by such Mortgagee.

(c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

(d) Any proposed action by the Association, the Executive Board, or the Owners, which under the terms of the Condominium Documents requires the consent of all or any portion of the Mortgagees.

Section 16.5 Consent and Notice Required. Notwithstanding any other provision of this Declaration or the Condominium Documents, no amendment of any material provision of the Condominium Documents described in this Section 16.5 shall be effective without notice to all Mortgagees, as required by Section 16.4, the vote of not less than sixty-seven percent (67%) of the total votes in the Association (or any greater percentage required by the terms of the Condominium Documents), and the approval of Mortgagees holding Mortgages encumbering Units to which at least fifty-one percent (51%) of the votes of the Association are allocated (or any greater percentage required by the terms of the Condominium Documents). Furthermore, no action to terminate the legal status of the Condominium after the occurrence of substantial destruction or condemnation or for other reasons shall be effective without the approval of Mortgagees holding Mortgages encumbering Units to which at least fifty-one percent (51%) of the votes of the Association are allocated (or any greater percentage required by the terms of the Condominium Documents).

The failure of any Mortgagee to respond within sixty (60) days to any written request of the Association, sent by registered or certified mail, return receipt requested, for approval of an addition or amendment to the Condominium Documents wherever Mortgagee approval is required shall constitute an implied approval by that Mortgagee of the proposed addition or amendment.

Section 16.6 Other Mortgagee Rights. Notwithstanding any other provision of this Declaration or the Bylaws, the Association may not change the period for collection of regularly budgeted Common Expenses to other than quarterly without the consent of all Mortgagees. Any representative of a Mortgagee may attend and address any meeting that an Owner may attend.

Section 16.7 Enforcement. The provisions of this Article XVI are for the benefit of all Mortgagees and their successors, and may be enforced by any of them by any available means.

Section 16.8 Unpaid dues. Any Mortgagee who acquires title to or comes into possession of a Unit pursuant to exercise of remedies provided for in the Mortgage, including foreclosure by judicial action or exercise of a power of sale, and any purchaser at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments or charges against the Unit which have accrued prior to the time such Mortgagee or purchaser acquires title to or comes into possession of the Unit; provided, however, this exception shall not be applicable to any claim for assessments or charges levied by the Association against all Units for the purpose of recovering any revenue lost by reason of the nonpayment of past due assessments upon such Unit; and provided further, that except as otherwise provided in this Section, all of the limitations, restrictions, covenants, conditions, easements, liens, charges, assessments, and equitable servitudes contained herein shall be binding upon any Owner whose title is derived through foreclosure sale, trustee's sale or otherwise. Except as provided above, the sale, transfer or conveyance of title to a Unit shall not relieve a selling Owner from personal liability for any assessments which became due and payable prior to such sale, transfer or conveyance, nor relieve such Unit from a duly recorded lien for any such prior unpaid assessment.

ARTICLE XVII.
CONDEMNATION

If all or any part of the Property is taken in condemnation or by eminent domain, the award for such taking shall be distributed in accordance with the procedure set forth in N.C.G.S. § 47C-1-107.

ARTICLE XVIII.
MISCELLANEOUS PROVISIONS

Section 18.1 Invalidity. The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity and enforceability of the remainder of this Declaration, and in such event, all the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

Section 18.2 Waiver. No provisions contained in the Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 18.3 Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

Section 18.4 Law Controlling. This Declaration and the Condominium Documents shall be construed and controlled by and under the laws of the State of North Carolina.

Section 18.5 Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan of condominium ownership as provided in the North Carolina Condominium Act. Throughout this Declaration wherever appropriate, the singular shall include the plural and the masculine gender the feminine or neuter as the context permits or requires.

ARTICLE XIX.
ENFORCEMENT; ARBITRATION

Section 19.1 Actions by the Association. In addition to and not in lieu of the other remedies for default provided in this Declaration and the other Condominium Documents, the Executive Board may bring a civil action against any Owner to enforce any obligation, covenant or restriction set forth in this Declaration or the other Condominium Documents.

Section 19.2 Actions by Owners. Any Owner may also bring a civil action against any other Owner, or against the Association, or against the Executive Board, or any one or more of them to enforce any obligation, covenant or restriction set forth in this Declaration or in the other Condominium Documents.

Section 19.3 Agreement to Encourage Resolution of Disputes Without Litigation.

(a) Notwithstanding Sections 19.1 and 19.2 above, Declarant, the Owners, the Executive Board, the Association and its officers, directors and committee members, and any person not otherwise subject to this Declaration who agrees to submit to this Article, including without limitation, the general contractor for the Building or any other contractors, architects, consultants, or engineers retained by Declarant in connection with the design and construction of the Building (collectively, "Bound Parties"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Condominium without the emotional and financial costs of litigation. Accordingly, every Claim described in subsection (b) shall be resolved by the alternative dispute resolution procedures set forth in Section 19.4.

(b) As used in this Article, the term "Claim" shall refer to any claim, grievance, or dispute arising out of or relating to:

(i) the interpretation, application, or enforcement of the Condominium Documents;

(ii) the rights, obligations, and duties of any Bound Party under the Condominium Documents;

(iii) the design, construction, or quality of improvements within or comprising any portion of the Condominium, or the habitability thereof, or the suitability thereof for any particular purpose, including without limitation any Claim based upon any alleged implied or express warranty; and

(iv) the asserted breach of any other duty or obligation owed by Declarant, the Executive Board, any member of the Executive Board or any officer of the Association

except that the following shall not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 19.4:

(v) any suit by the Association to collect assessments or other amounts due from any Owner;

(vi) any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions relating to creation and maintenance of community standards;

(vii) any suit between Owners, which does not include Declarant or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Condominium Documents; and

(viii) Any suit in which any indispensable party is not a Bound Party.

(c) No Amendment. The provisions of this Section 19.3 may not be modified or amended without the written consent of all Bound Parties.

Section 19.4 Dispute Resolution Procedures.

(a) Notice. The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") shall give written notice to each Respondent and to the Executive Board stating plainly and concisely:

(i) the nature of the Claim, including the Persons involved and the Respondent's role in the Claim;

(ii) the legal basis of the Claim (*i.e.*, the specific authority out of which the Claim arises);

(iii) The Claimant's proposed resolution or remedy; and

(iv) the Claimant's desire to meet with the Respondent to discuss in good faith ways to resolve the Claim.

(b) Negotiation. The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Executive Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

(c) Arbitration. If the parties have not resolved the Claim through negotiation within thirty (30) days of the date of the notice described in Section 19.4(a) (or within such other period as the parties may agree upon), the Claimant shall have thirty (30) additional days to submit the Claim to binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect.

(d) Waiver. If the Claimant does not submit the Claim to arbitration within such time, or does not appear for the arbitration hearing when scheduled, the Claimant shall be deemed to have waived the Claim, and the Respondent shall be relieved of any and all liability to the Claimant (but not third parties) on account of such Claim.

(e) Fees and Expenses. The fees and expenses of arbitration shall be paid as set forth in the award and the Association shall not make a Claim against a Bound Party with regard to the matters listed in Section 19.3(b)(i-iv) above unless Owners holding at least 80% of the votes in the Association approve (in writing) the Association's bringing such Claim (and incurring the Common Expense to do so).

(f) Settlement. Any resolution of the Claim through negotiation or arbitration shall be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Article. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorneys' fees and court costs.

(g) Limits on Arbitrator's Authority. Notwithstanding any provision of law to the contrary, and without in any way limiting the exclusiveness of arbitration as a remedy for resolving Claims, the Bound Parties acknowledge and agree that the arbitrator in any arbitration proceeding hereunder shall not have authority to do any of the following: (1) join the Claims of multiple Claimants in a single proceeding or certify an arbitration class action or similar proceeding; (2) award punitive or exemplary damages or any sort; or (3) award treble damages or any other damages which are greater than compensatory damages or which are based on a multiple of compensatory damages.

(h) Modification of Statutes of Limitation and Repose. Notwithstanding any provision of law (including any statute of limitations or repose) to the contrary, and without in any way limiting the exclusiveness of arbitration as a remedy for resolving Claims, the Bound Parties agree that any Claim must be asserted in arbitration no later than one (1) year following the date that the essential facts giving rise to the Claim were or reasonably should have been discovered, provided, however, in no event shall any Claim be valid unless it is asserted within three (3) years after the last act of the Respondent giving rise to the claim.

(i) Conflicts Between Arbitration Clauses. In the event that a Claim also falls within the scope of a valid arbitration clause contained in a sales contract for an individual Unit, this Declaration shall control to the extent of any inconsistency.

(j) No Amendment. The provisions of this Section 19.4 may not be modified or amended without the written consent of all Bound Parties.

ARTICLE XX. DISCLAIMERS

Section 20.1 Noise Disclaimer. Each Owner, by acceptance of a deed to his or her Unit, acknowledges and agrees that sound transmission in a multi-story building, such as a condominium, is very difficult to control, and that noises from adjoining or nearby Units or mechanical equipment, can often be heard in another unit. The Declarant does not make, and specifically disclaims, any representation or warranty as to the level of sound transmission between and among the Units and other portions of the Property. By acceptance of a deed, each Unit Owner will be deemed to have expressly released Declarant from any loss, claim, liability or damage now or hereafter arising from or related to noise in the building.

Section 20.2 Construction Inconveniences. Each Owner, by acceptance of a deed to his or her Unit, acknowledges and agrees that during a period of construction within the Condominium, if the construction of the Unit is completed prior to the completion of the construction of other units in the Condominium, there may be certain inconveniences to the Owner until all construction within the Condominium is complete. Inconveniences may include noise, dust, odors and debris associated with construction, interference with access and temporary interruptions of utility services. In acceptance of a deed to his or her Unit, each Owner acknowledges and agrees that the Declarant shall have no liability or responsibility for any such inconvenience.

Section 20.3 Water Bodies. By acceptance of a deed to a unit, each owner acknowledges that the water levels of all water bodies may vary on the Property. There is no guarantee by the Declarant or the Association that water levels will be constant or aesthetically pleasing at any particular time. In fact, water levels may be non-existent from time to time.

ARTICLE XXI. DISCLAIMERS REGARDING COUNTRY CLUB; DINING PRIVILEGES

Section 21.1 Country Club. The Property is adjacent to a development (the "Development") known as the Brier Creek Country Club Community which is a community with no affiliation to the Condominium. While the Development is being developed by Toll at Brier Creek Limited Partnership, the Development and the Condominium are unaffiliated, separate and distinct communities; as such, the Owners under this Declaration shall have no right to use the common areas or amenities in the Development. In addition, the Brier Creek Country Club is a recreational and social club located within the Brier Creek Country Club Community currently owned by Declarant (together with any successor or assign, the "Club Owner") and owners within the Development have certain rights to social membership in the Brier Creek Country Club; however, Owners under this Declaration do not have rights to membership in the Brier

Creek Country Club except as set forth in this Article XXI. Each Owner under this Declaration may apply for other types of membership (other than dining privileges) to the Brier Creek Country Club, at his or her option, if qualified and subject to availability and the terms of the applicable Brier Creek Country Club governing documents.

Section 21.2 Dining Privileges. Notwithstanding the disclaimer set forth in Section 21.1 of Article XXI of this Declaration, the Club Owner grants to each owner of a Unit certain dining privileges as determined by the Club Owner from time to time, which rights shall run with the Property and all parts thereof and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof or interest therein and on their heirs, successors and assigns, and shall inure to the benefit of each owner of the Property or any part thereof or interest therein. Each purchaser of a Unit at the time of closing (both initial sales by Declarant and subsequent re-sales) shall pay to the Club Owner an initial non-refundable contribution equal to an amount as may be determined by the Club Owner from time to time.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

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

TOLL AT BRIER CREEK LIMITED PARTNERSHIP

By: Toll NCGP Corp., its General Partner

By: [signature]
Vice President

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: BOBBY SCHOOLEY, VICE PRESIDENT
(name of principal(s))

Date: FEBRUARY 18, 2008

[signature]
Official Signature of Notary Public

JANET L. RAUSCHENBACH
Notary printed or typed name

JANET L. RAUSCHENBACH
NOTARY PUBLIC
WAKE COUNTY, N.C.

[OFFICIAL SEAL]

My commission expires: May 14, 2009

BK012967PG02202

EXHIBIT A

The Land

COTTAGES AT BRIER CREEK, A CONDOMINIUM

CONDOMINIUM PARCEL

Commencing at an existing iron pipe at the Southwest corner of Lot 22, Book of Maps 2005, Page 1920, Wake County Registry, said point being on the Northern Right of Way of Bruckhaus Street; thence along said Right of Way, the following two (2) courses: 1.) along the arc of a curve to the right, with a radius of 1,257.97 feet, an arc length of 16.18 feet, having a chord bearing and distance of South 59°03'00" West, 16.18 feet to an existing iron pipe; 2.) South 59°56'55" West, 266.10 feet to the POINT OF BEGINNING; thence continuing along said Right of Way, South 59°56'55" West, 72.82 feet to a point; thence North 33°11'32" East, 6.56 feet to a point; thence North 07°32'12" West, 8.04 feet to a point; thence North 30°03'05" West, 20.50 feet to a point; thence North 12°53'12" West, 22.87 feet to a point; thence North 30°03'05" West, 63.09 feet to a point; thence North 38°06'27" West, 43.16 feet to a point; thence North 70°18'57" West, 18.41 feet to a point; thence South 66°09'21" West, 14.93 feet to a point; thence South 49°04'59" West, 17.77 feet to a point; thence South 53°43'42" West, 31.89 feet to a point; thence South 65°04'09" West, 143.81 feet to a point; thence South 69°49'34" West, 21.71 feet to a point; thence South 74°01'20" West, 30.07 feet to a point; thence South 79°10'55" West, 28.71 feet to a point; thence South 85°01'17" West, 17.06 feet to a point; thence South 89°17'09" West, 23.27 feet to a point; thence North 86°25'43" West, 17.26 feet to a point; thence North 80°50'03" West, 35.63 feet to a point; thence North 75°39'30" West, 25.64 feet to a point; thence South 19°22'11" West, 5.95 feet to a point; thence North 70°37'49" West, 14.00 feet to a point; thence North 19°22'11" East, 6.63 feet to a point; thence North 69°16'40" West, 150.44 feet to a point; thence North 52°19'14" West, 15.19 feet to a point; thence North 78°10'23" West, 7.41 feet to a point; thence South 77°53'37" West, 11.35 feet to a point; thence North 67°44'43" West, 14.07 feet to a point; thence North 29°30'31" West, 25.96 feet to a point; thence North 18°00'05" West, 27.83 feet to a point; thence North 05°38'13" West, 16.84 feet to a point; thence North 00°29'39" East, 12.19 feet to a point; thence South 89°42'32" East, 12.21 feet to a point; thence along a simple curve to the left having a radius of 7.00 feet, an arc length of 10.07 feet, and a chord bearing and distance of North 49°04'31" East, 9.22 feet; thence along a simple curve to the right having a radius of 95.50 feet, an arc length of 14.21 feet, and a chord bearing and distance of North 12°07'20" East, 14.20 feet ; thence North 16°23'03" East, 31.17 feet to a point; thence North 09°00'00" West, 27.86 feet to a point; thence North 53°47'50" West, 19.99 feet to a point; thence North 68°57'42" West, 16.32 feet to a point; thence along a simple curve to the right having a radius of 307.00 feet, an arc length of 24.27 feet, and a chord bearing and distance of North 65°10'27" West, 24.26 feet; thence North 60°11'52" West, 29.05 feet to a point; thence North 53°47'44" West, 28.86 feet to a point; thence along a simple curve to the left having a radius of 8.62 feet, an arc length of 14.03 feet, and a chord bearing and distance of South 83°20'58" West, 12.53 feet; thence North 53°15'42" West, 44.24 feet to a point; thence along a simple curve to the right having a radius of 35.50 feet, an arc length of 23.08 feet, and a chord bearing and distance of North 44°40'46" West, 22.68 feet; thence along a simple curve to the left having a radius of 54.50 feet, an arc length of 35.43 feet, and a chord bearing and distance of North 44°40'33" West, 34.81 feet; thence North 63°17'57" West, 53.18 feet to a point; thence

North 54°04'10" West, 23.49 feet to a point; thence North 77°29'17" West, 12.60 feet to a point on the Eastern Right of Way of Alm Street; thence along said Right of Way, North 35°55'50" East, 76.58 feet to a point; thence South 30°04'19" East, 18.62 feet to a point; thence South 54°04'10" East, 23.39 feet to a point; thence South 35°55'50" West, 4.75 feet to a point; thence South 54°04'10" East, 11.38 feet to a point; thence South 44°50'22" East, 39.86 feet to a point; thence along a simple curve to the left having a radius of 343.00 feet, an arc length of 125.50 feet, and a chord bearing and distance of South 63°07'13" East, 124.81 feet; thence South 73°36'09" East, 56.49 feet to a point; thence along a simple curve to the left having a radius of 32.00 feet, an arc length of 49.17 feet, and a chord bearing and distance of North 62°22'37" East, 44.47 feet; thence along a simple curve to the right having a radius of 326.20 feet, an arc length of 52.31 feet, and a chord bearing and distance of North 22°57'01" East, 52.25 feet; thence North 27°34'57" East, 41.77 feet to a point; thence South 62°25'03" East, 36.51 feet to a point; thence South 38°01'09" East, 20.93 feet to a point; thence South 19°26'09" West, 34.81 feet to a point; thence South 21°50'03" West, 49.50 feet to a point; thence South 16°23'03" West, 49.08 feet to a point; thence South 09°18'54" East, 14.19 feet to a point; thence South 55°17'53" East, 6.87 feet to a point; thence South 79°42'57" East, 15.00 feet to a point; thence South 67°43'56" East, 69.23 feet to a point; thence South 54°45'10" East, 16.57 feet to a point; thence South 73°39'13" East, 28.48 feet to a point; thence South 56°20'39" East, 18.77 feet to a point; thence South 73°36'57" East, 5.33 feet to a point; thence North 83°07'09" East, 13.38 feet to a point; thence South 20°34'56" East, 29.57 feet to a point; thence South 12°30'04" West, 16.61 feet to a point; thence South 26°58'47" East, 125.90 feet to a point; thence along a simple curve to the left having a radius of 230.00 feet, an arc length of 68.60 feet, and a chord bearing and distance of North 73°36'48" East, 68.34 feet; thence North 65°04'09" East, 117.58 feet to a point; thence along a simple curve to the left having a radius of 180.00 feet, an arc length of 47.84 feet, and a chord bearing and distance of North 57°27'20" East, 47.70 feet; thence along a simple curve to the left having a radius of 23.50 feet, an arc length of 37.28 feet, and a chord bearing and distance of North 04°23'22" East, 33.50 feet; thence North 70°36'56" East, 45.60 feet to a point; thence South 50°23'13" East, 43.47 feet to a point; thence South 45°19'32" East, 55.78 feet to a point; thence South 30°03'05" East, 87.53 feet to a point; thence South 46°22'11" East, 24.02 feet to a point; thence South 30°03'05" East, 15.96 feet to a point; thence South 52°31'46" East, 8.03 feet to a point; thence North 88°17'32" East, 6.03 feet to the POINT OF BEGINNING: Being a portion of Lot 21 Book of Maps 2005 Page 1920, Wake County Registry, and containing 109,624 square feet or 2.52 acres, more or less.

EXHIBIT B

Common Elements Interest

Bldg #	Unit #	Bldg Address	City	State	Zip	Common Element Interests
12	101	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	201	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	102	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	103	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	104	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	204	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	105	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	106	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	107	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	207	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	108	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	109	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	110	10511 Sablewood Drive	Raleigh	NC	27617	1/14
12	210	10511 Sablewood Drive	Raleigh	NC	27617	1/14
Total						100%

EXHIBIT C

Additional Property

COTTAGES AT BRIER CREEK, A CONDOMINIUM

PROPERTY DESCRIPTION

BEGINNING at an existing iron pipe at the Southwest corner of Lot 22, Book of Maps 2005 Page 1920, Wake County Registry, said point being on the Northern Right of way of Bruckhaus Street; thence following the Northern Right of Way of said Bruckhaus Street, the following five (5) courses: 1.) along the arc of a simple curve to the right having a radius of 1,257.97 feet, an arc length of 16.18 feet and a chord bearing and distance of S 59°03'00" W 16.18 feet to an existing iron pipe; 2.) S 59°56'55" W 368.32 feet to an existing iron pipe; 3.) along the arc of a simple curve to the right having a radius of 736.00 feet, an arc length of 816.95 feet and a chord bearing and distance of N 88°15'10" W 775.65 feet to an existing iron pipe; 4.) N 56°27'14" W 322.68 feet to an existing iron pipe; 5.) along the arc of a simple curve to the right having a radius of 30.00 feet, an arc length of 48.37 feet and a chord bearing and distance of N 10°15'42" W 43.30 feet to an existing iron pipe on the Eastern Right of Way of Alm Street; thence along said Eastern Right of Way of Alm Street, the following three (3) courses: 1.) N 35°55'50" E 436.54 feet to an existing iron pipe; 2.) along the arc of a simple curve to the left having a radius of 550.00 feet, an arc length of 170.99 feet and a chord bearing and distance of N 27°01'27" E 170.30 feet to an existing iron pipe; 3.) N 18°07'04" E 28.94 feet to an existing iron pipe; thence along the Southern Right of Way of Brier Creek Parkway, the following two (2) courses: 1.) S 71°38'37" E 11.11 feet to an existing iron pipe; 2.) N 33°49'07" E 43.51 feet to an existing iron pipe; thence along the Western boundary lines of aforementioned Lot 22, the following seven (7) courses: 1.) along the arc of a simple curve to the left having a radius of 1,074.93 feet, an arc length of 278.60 feet and a chord bearing and distance of S 83°20'27" E 277.82 feet to an existing iron pipe; 2.) S 85°40'53" E 237.53 feet to an existing iron pipe; 3.) S 24°47'34" E 28.57 feet; 4.) S 55°51'43" E 164.64 feet; 5.) S 17°32'20" E 89.68 feet; 6.) S 41°17'30" E 342.99 feet to an existing iron pipe; 7.) S 41°22'15" E 140.57 feet to the POINT OF BEGINNING. Being all of Lot 21, Book of Maps 2005 Page 1920, Wake County Registry and containing 18.74 acres, more or less.

Less and except the Property described on Exhibit A.

BOOK:012967 PAGE:02163 - 02206

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WAKE COUNTY NORTH CAROLINA

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

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22.004-1/20/06