

Drawn by and Mail to:

St. Amand & Efird PLLC
3315 Springbank Lane, Suite 308
Charlotte, North Carolina 28226

ATTN: Matt St. Amand

STATE OF NORTH CAROLINA

COUNTY OF WAKE

**FIRST AMENDMENT TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR SMITH FARM
(Book 17119, Page 2485)**

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SMITH FARM (this "Amendment") is made by **LENNAR CAROLINAS, LLC**, a Delaware limited liability company ("Lennar" or "Declarant") and is made and effective as of the time and date it is recorded in the Office of the Register of Deeds for Wake County, North Carolina (the "Registry").

RECITALS

WHEREAS, Lennar is "Declarant" for "Smith Farm" (the "Subdivision") all as described in that Declaration of Covenants, Conditions and Restrictions for Smith Farm, recorded May 7, 2018, in Book 17119, Page 2485 of the Registry (as amended and supplemented from time to time, the "Declaration");

WHEREAS, capitalized terms used and not defined in this Amendment shall have the same meaning as ascribed to such terms in the Declaration; and

WHEREAS, pursuant to its rights as Declarant under the Declaration, Declarant herein exercises its unilateral right to amend the Declaration as herein provided.

NOW, THEREFORE, Declarant hereby Amends the Declaration as follows:

Submitted electronically by "St. Amand & Efird PLLC"
in compliance with North Carolina statutes governing recordable documents
and the terms of the submitter agreement with the Wake County Register of Deeds.

1. Fencing Amendments. Section 16 of Article VI, Section 8 of the Declaration is hereby deleted in its entirety and replaced with the below italicized replacement Section 16:

Section 16. Perimeter and Privacy Fences. *No perimeter fence or wall shall be erected on any Lot closer to the street than the rear back corner of the Dwelling or the side street setback for corner Lots. However, Declarant has the right to grant a fence location variance on any particular Lot due to the particular character of said Lot. All proposed perimeter or privacy fences shall be subject to review and approval by Architectural Control Committee and subject to such terms, conditions and design standards as may be established therefor, from time to time. The Architectural Guidelines may provide that perimeter fencing on certain Lots or on all Lots containing certain types of Dwellings (product/collections/model types) shall be wooden fencing. Except where the Architectural Guidelines allow for wood privacy fencing, if at all, all perimeter fencing on all Lots shall be black aluminum fencing. Any other fencing material, including chain link, split rail, PVC, or other type of metal fencing, is expressly prohibited. The spacing between the pickets of perimeter fencing shall not be less than one and one-half (1½") inches and no greater than 3 13/16" apart and all such pickets shall be installed on the exterior of the supporting fence posts. However, Declarant may install any fencing make or style and may install temporary decorative fencing on a model home. No perimeter fence or wall shall be erected on any berm of dirt which was placed on side or rear Lot line by the Declarant. All wooden fencing shall be treated with a semi-transparent stain in Sherwin Williams "Charwood" within 6 months of the construction of the fence.*

(a) Single-Family Detached Exterior Lots with Rear Property Lines Adjacent to Parcel Located Outside Community or Common Area. Unless otherwise required or allowed in the Architectural Guidelines, Owners of Lots with rear property lines adjacent to parcels located outside of the Community may install a fence along the rear Lot line, provided such fence shall not encroach over a restricted or protected area, such as an easement or a buffer, and shall not exceed six feet (6') in height and shall be treated with a semi-transparent stain in Sherwin Williams "Charwood" within 6 months of the construction of the fence; any other fencing, including chain link, split rail, wood privacy, or other type of metal fencing, is expressly prohibited. The foregoing applies only to Lots adjacent to parcels outside of the Community and shall not apply to Lots that back up to another Lot or to a road within the Community.

(b) Interior Single-Family Detached Lots with Rear Property Lines Adjacent to Another Lot, Alley, or Roadway within the Community. Unless otherwise required or allowed in the Architectural Guidelines, Owners of Lots with rear property lines adjacent to other residential Lots, alleys, or roadways located within the Community may install a fence along the rear Lot line, provided, such fence shall not encroach over a restricted or protected area, such as an easement or a buffer, and shall not exceed five (5') in height and shall be treated with a semi-transparent stain in Sherwin Williams "Charwood" within 6 months of the construction of the fence; any other fencing, including chain link, split rail, wood privacy, or other type of metal fencing, is expressly prohibited. The foregoing applies only to Lots that back up to other Lots in the Community or to adjacent alleys or roadways inside the Community.

(c) Wall or Fence Forming a Courtyard. Notwithstanding the restrictions provided in this Section 16, an Owner may install a fence or wall generally parallel with the side of a residence that forms an enclosed courtyard with that portion of the residence set back from the remainder of the side of the residence with which the fence or wall runs parallel, and subject to terms, conditions and design standards from time to time adopted therefor and the written approval of its location by the Board or the ACC.

(d) Townhome Lots. Notwithstanding any terms and provisions herein, except for any installed during initial construction by Declarant or any Builder, there shall be no fences allowed on any Townhome Lots.

2. No Irrigation Requirement. For avoidance of doubt if not otherwise, the Association shall have no obligation to irrigate or water the Common Areas or any Lots, or to pay for any of the same.
3. Budget Voting; Townhome Assessments Amended. Section 4 of Article VI is hereby deleted in its entirety and replaced with the following italicized language; the effect being that the Board of Directors has greater flexibility in setting the annual budget and that the initial Townhome Lot annual assessments are accordingly revised:

Section 4. Operating Budget and Annual Assessment. *For the fiscal year beginning on such date as the Board shall determine in its sole discretion and for subsequent fiscal years, the Board shall adopt for each fiscal year a proposed "annual operating budget", also referred to herein as the "budget", containing an estimate of the total amount believed to be necessary to pay all of the Common Expenses for that fiscal year (including, at the Board's discretion, estimated amounts for unexpected contingency items). Based on such proposed budget, the Board shall determine the amount to be assessed against each Lot for that fiscal year to fully fund the proposed budget, such amount being referred to herein as the "annual assessment". In adopting a proposed budget and annual assessment, the Board may consider any assessment income expected to be generated from any additional Lots reasonably anticipated to become subject to assessment during the applicable fiscal year. In the Board's discretion, a proposed budget may include a provision that allows the Board to assess and collect from the Owners during the applicable fiscal year, without the necessity of revising the budget and holding a meeting of the membership of the Association to vote on ratification of the revised budget, one or more additional annual assessments, not to exceed a total amount as specified by the Board, as necessary to pay for Common Expenses that exceed the budgeted amount and/or new or unexpected additional Common Expenses incurred during the applicable fiscal year.*

Within thirty (30) days after adoption of the proposed budget, the Board shall provide a copy or summary of the proposed budget and annual assessment to all Members (a copy or summary provided to any one (1) of multiple Owners of a Lot is deemed to be provided to all Owners of such Lot), together with a notice of the annual or special meeting of the Association at which ratification of such proposed budget will be considered, including a statement that the proposed budget may be ratified without a quorum for the meeting. The annual or special

meeting at which ratification of the proposed budget is to be considered shall be held not less than ten (10) days nor more than sixty (60) days after mailing of the summary and notice. There shall be no requirement that a quorum be present at the meeting at which ratification of the proposed budget is to be considered (although if other matters are to be considered at such meeting applicable quorum requirements are in effect with respect to those other matters). The budget is deemed ratified unless at that meeting, 90% of the total votes of all members in the Association paying the assessment are cast to reject the budget. In the event that the proposed budget is or deemed rejected in accordance herewith, the budget for the immediately preceding year shall be in effect until such time as the Members ratify a subsequent budget proposed by the Board is adopted by the Members.

Beginning with the annual assessment for the first fiscal year of the Association, as initially established by the Board, the annual assessment shall be set at \$1,200.00 per Lot on which a detached single-family Dwelling is built and at \$2,388.00 per Townhome Lot. Following the expiration of the first fiscal year of the Association, the failure of the Board to establish the amount of any annual assessment or send timely notice as required herein shall not constitute a violation, waiver or modification of the provisions of the Declaration, or a waiver of the Board's right to establish and collect the annual assessment at any time during the fiscal year to which it is applicable, or a release of any Member from the obligation to pay the assessment or any installment thereof for that or any subsequent fiscal year. Until the Board has established an annual assessment for a fiscal year, the annual assessment for the immediately preceding fiscal year shall continue in effect, but when the new annual assessment is established, it shall be retroactive to the first day of the applicable fiscal year, and notice of same shall be sent to the Members not less than thirty (30) days in advance of the payment due date specified in the notice. If the annual assessment for any fiscal year has not been established by the last day of the immediately preceding fiscal year, the Board may send a notice of assessment to the Members for the amount of the immediately preceding fiscal year's annual assessment, together with notice that a new assessment may be established for that fiscal year that may require an additional payment. Once the new annual assessment is established, any additional amount owed is due and payable by the payment due date specified in a supplemental notice to the Members sent not less than thirty (30) days in advance of the payment due date specified in the supplemental notice.

During any fiscal year, the Board may revise the budget and adjust the annual assessment (including the maximum amount of any additional annual assessment), subject to the same notice and ratification requirements as those applicable to the initial budget for that fiscal year. Upon ratification of a revised budget, it shall replace all previously ratified budgets for the applicable fiscal year.

4. Partial Invalidity/Savings Clause. If any one or more of the provisions contained in this Amendment shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Amendment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

5. Headings; Incorporation. Section headings in this Amendment are used exclusively for ease of reference and for organization and shall have no substantive meaning or implied meaning for purposes of this Amendment. The terms and provisions in the Recitals are incorporated herein.
6. Effect of Amendment. Except as expressly amended herein the Declaration shall remain in full force and effect.
7. Conflict. If at any point this Amendment contradicts or is duplicative of terms and conditions in the original Declaration, this Amendment hereby supersedes and replaces in full the contradictory language of the original document, and the foregoing language acts as governing language.

[Signatures on Following Page]

IN WITNESS WHEREOF, Declarant has executed this Amendment as of the day and year notarized below.

LENNAR CAROLINAS, LLC, a Delaware
limited liability company

By: [Signature]
Name: Troy J. George
Title: Vice President and Division 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: Troy J. George

Date: 10/09/2018



[Signature]
Name of person signing
Official Signature of Notary Public
Candice N. Blakeslee, Notary Public,
Wake County, NC

Notary printed or typed name

My commission expires: 12/06/2022