

DRAWN BY AND MAIL TO:
PERRY, PATRICK, FARMER & MICHAUX
P. O. BOX 1327
RALEIGH, NORTH CAROLINA 27602

BOOK 4064 PAGE 628

DECLARATION
OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
TIFTON FARMS COMMUNITY ASSOCIATION, INC.

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RENEATH C. WILKINS
CLERK OF DEEDS
WAKE COUNTY, NC

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DECLARATION
OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
TIFTON FARMS COMMUNITY ASSOCIATION, INC.

THIS DECLARATION, made on the date hereinafter set forth by TURF GRASS FARM DEVELOPMENT COMPANY, a North Carolina General Partnership (hereinafter referred to as the "Declarant"):

W I T N E S S E T H:

WHEREAS, Declarant is the owner of 11.5588 acres, more or less, of real property located in St. Matthews Township, Wake County, North Carolina, as more fully described in Section 1 of Article II of this Declaration; and

WHEREAS, Declarant desires to create thereon an exclusive residential community of single-family homes to be known as TIFTON FARMS; and

WHEREAS, Declarant desires to ensure the attractiveness of the subdivision and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of all properties within the subdivision, and to provide for the maintenance and upkeep of the Common Area, as hereinafter defined, and for architectural control within the subdivision, and to those ends desires to subject the aforesaid real property, together with such additions as may hereafter be made thereto, to the covenants, conditions, restrictions, easements, charges, and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof;

WHEREAS, Declarant has deemed it advisable, for the efficient preservation, protection and enhancement of the values and amenities in said subdivision and to ensure the residents' enjoyment of the specific rights, privileges and easements in the Common Area, as hereinafter defined, and to provide for the maintenance and upkeep of the Common Area and for architectural control within the subdivision, to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the Common Area, administering and enforcing these covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has incorporated under North Carolina law, TIFTON FARMS COMMUNITY ASSOCIATION, INC., a non-profit corporation, for the purpose of exercising and performing the aforesaid functions;

NOW THEREFORE, Declarant, by this Declaration of Covenants, Conditions and Restrictions, does declare that all of the property described in Section 1 of Article II of this Declaration and such additions thereto as may be hereafter made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in this Declaration, which shall run with the real property and be binding on all parties owning any right, title or interest in said real property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to TIFTON FARMS COMMUNITY ASSOCIATION, INC., a North Carolina non-profit corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to the "Existing Property" described in Section 1 of Article II of this Declaration of Covenants, Conditions and Restrictions for Tifton Farms Community Association, Inc. (hereinafter the "Declaration"), and any additions thereto as are subjected to the Declaration or any supplementary declaration under the provisions of Section 2 of Article II hereof.

Section 3. "Lot" shall mean and refer to any plot of land, with delineated boundary lines, appearing on any recorded subdivision map of the Properties, with the exception of the Common Area and any publicly-dedicated rights-of-way shown thereon.

Section 4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interests merely as security for the performance of an obligation.

Section 5. "Common Area" shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners of Lots within Tifton Farms Subdivision.

Section 6. "Declarant" shall individually and collectively mean and refer to Turf Grass Farm Development Company, a North Carolina General Partnership. It shall also mean and refer to any person, firm or corporation which shall hereafter become vested, at any given time, with title to five or more undeveloped Lots for the purpose of causing residence building(s) to be constructed thereon, and any such successor in title shall be a Declarant during such period of time as said party is vested with title to five or more such Lots (whether undeveloped or developed and unconveyed), but no longer.

Section 7. "Member" shall mean and refer to every person or entity who holds membership in the Association.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION
AND WITHIN THE JURISDICTION OF
THE TIFTON FARMS COMMUNITY ASSOCIATION, INC.

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, and which is within the jurisdiction of the Association, consists of 12.8725 acres, more or less, located in St. Matthews Township, Wake County, North Carolina, more particularly described as being all of the property shown on the plat entitled "Tifton Farms Subdivision, Final Plat - Phase I", prepared by Runa A. Cooper, R.L.S., dated May 29, 1987, and recorded in Book of Maps 1987 at Page 1183 in the WAKE County Public Registry, and any recombination or resubdivision thereof as are effected by recordation of any subsequent subdivision map.

Section 2. Additions To Existing Property. At any time prior to June 30, 1992, additional lands within the property described in Book 3989 at Page 311, WAKE County Public Registry, which property consists of 39.688 acres, more or less, including rights-of-way, may be annexed by the Declarant without the consent of the Members and therefore become subject to this Declaration by the recording by Declarant in the Office of the Register of Deeds for Wake County of a plat showing such property to be annexed and of a supplementary

declaration extending the operation and effect of this Declaration to the property to be annexed, provided, however, that the Federal Housing Administration and/or Veterans Administration determines that the annexation is in accordance with the general plan heretofore approved by them, and provided further that the property annexed shall be contiguous to property subject to this Declaration and shall contain at least five (5) acres, and that such annexation is approved by the City of Raleigh. Such property may be subjected to this Declaration as one parcel or as several smaller parcels at different times. The addition of such property authorized under this paragraph may increase the cumulative number of Lots authorized within the Properties and, therefore, may alter the relative maximum voting strength of the various types of Members of the Association.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to assessment by the Association shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Voting Rights. The voting rights of the membership shall be appurtenant to the ownership of the Lots. There shall be two classes of Lots with respect to voting rights:

(a) Class A Lots. Class A Lots shall be all Lots except Class B Lots as the same are hereinafter defined. Each Class A Lot shall entitle the Owners of said Lot to one (1) vote. When more than one person owns an interest (other than a leasehold or a security interest) in any Lot, all such persons shall be Members and the voting rights appurtenant to their Lot shall be exercised as they, among themselves, determine, but fractional voting shall not be allowed, and in no event shall more than one vote be cast with respect to any Class A Lot.

(b) Class B Lots. Class B Lots shall be all Lots owned by Declarant which have not been converted to Class A Lots as provided in subparagraphs (1) or (2) below. Declarant shall be entitled to three (3) votes for each Class B Lot.

The Class B Lots shall cease to exist and shall be converted to Class A Lots:

(1) When the total number of votes appurtenant to the Class A Lots equals the total number of votes appurtenant to the Class B Lots; or

(2) On June 30, 1992,

whichever event shall first occur.

When the Class B Lots are converted to Class A Lots, Declarant shall have the same voting rights as other Owners of Class A Lots.

Class A Lots owned by the Declarant may be reconverted to Class B Lots by annexation of additional property under the provisions of Section 2 of Article II of this Declaration. Such conversion of Class A Lots to Class B Lots and Class B Lots to Class A Lots may occur anytime the foregoing events occur.

(c) Limitation of Votes of Non-Owner-Occupied Units. In the event that any Lot ceases to be occupied by an Owner or any member of his family as his personal living quarters or, in the event that any residence within the Properties is leased for rental purposes to tenants, then, in such event, the vote as expressed by the Owners of such vacant or rental units, if voted in a block, shall not be entitled to any weight greater than forty-nine (49%) percent on any matter pending before the Association.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and access to, from, and over the Common Area, which right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to suspend the voting rights of an Owner for any period during which any assessment against his Lot remains unpaid, or for a period not to exceed sixty (60) days for any infraction of the published rules and regulations of the Association;

(b) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed upon by the Members. No such dedication or transfer shall be effective unless the Members entitled to at least three-fourths (3/4) of the votes appurtenant to the Class A and Class B Lots agree to such dedication or transfer and signify their agreement by a signed and recorded document, provided that this subsection shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of sewerage, utility (including CATV) and drainage facilities upon, over, under and across the Common Area without the assent of the Members when, in the opinion of the Board, such easements are necessary for the convenient use and enjoyment of the Properties. Notwithstanding anything herein to the contrary, the Common Area shall be preserved to the perpetual benefit of the Owners or of the public in general and shall not be conveyed except to the City of Raleigh or to another non-profit corporation with purposes similar to those of this Association;

(c) The right of the Association, with the written assent of Members entitled to at least two-thirds (2/3) of the votes appurtenant to the Class A and Class B Lots, to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the property rights of the Owners as set forth herein.

Section 2. Delegation of Use.

(a) Family. The right and easement of enjoyment and access granted to every Owner in Section 1 of this Article may be exercised by members of the Owner's family who occupy the residence of the Owner within the Properties as their principal residence in Wake County, North Carolina.

(b) Tenants or Contract Purchasers. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be delegated by the Owner to his tenants or contract purchasers who occupy a residence or a portion of said residence within the Properties as their principal residence in Wake County, North Carolina.

(c) Guests. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be delegated to guests of such Owners, tenants or contract purchasers, subject to such rules and regulations as may be established by the Board of Directors governing said use.

Section 3. Conveyance of Title to the Association. Declarant covenants, for itself and its successors and assigns, that it will convey fee simple title to the Common Area within each phase, section or annexation to the Association prior to the conveyance of the first Lot to an Owner within such phase, section, or annexation. Such conveyance shall be free and clear of all encumbrances and liens, except utility and drainage easements of record or shown on the recorded plats of Tifton Farms.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association annual assessments or charges and special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. Any such assessment or charge, together with interest and costs of collection, including reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which such assessment is made. Each such assessment or charge, together with interest, costs and attorney's fees, shall also be the personal or corporate obligation of the person(s), firm(s), corporation(s), or entities owning such Lot at the time the assessment fell due. The personal obligation of an Owner for delinquent assessments shall not pass to his successors in title unless expressly assumed by them; however, such unpaid assessments or charges shall continue to be a lien on the property against which the assessment was made.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and, in particular, for the maintenance of the Common Area and for the maintenance, repair, and reconstruction of the improvements thereon, for the acquisition, improvement and maintenance of properties, services and facilities devoted and related to the use and enjoyment of the Common Area, including but not limited to, the cost of repair, replacement and additions thereto, the cost of labor, equipment, materials, management and supervision thereof, for the payment of governmental water and sewage disposal charges attributable to the Common Area, for the payment of taxes and public assessments levied against the Common Area, the procurement of insurance in accordance with the By-Laws, the employment of attorneys to represent the Association when necessary, and such other needs as may arise.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Thirty Dollars (\$30.00) per Class A Lot and Ten Dollars (\$10.00) per Class B Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the Board of Directors may increase the maximum annual assessment, effective January 1 of each year, without a vote of the membership, provided that any such increase shall not exceed ten percent (10%) of the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessments may be increased without limitation if such increase is approved by Members entitled to no less than two-thirds (2/3) of the votes appurtenant to each class of Lots (Class A and Class B), in person or by proxy, at a meeting duly called for that purpose.

(c) The Board of Directors may fix the annual assessments at amounts not in excess of the maximum, provided, however, that the ratio of the assessment established for each Class B Lots shall always be one-third (1/3) of the assessment for a Class A Lot. In the event that Class B Lots are converted to Class A Lots, or Class A Lots are reconverted to Class B Lots, the assessment with respect to each such Lot shall be prorated and charged according to its class as of the date of each conversion and reversion.

(d) Any annual assessment established by the Board of Directors shall continue thereafter as the annual assessment until changed by the Board or by the Members.

(e) Any Class B Lot rented by Declarant or otherwise occupied as a residence during any assessment year shall be treated as a Class A Lot for assessment purposes. Such Lot shall remain a Class B Lot for all other purposes.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment for 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 Area, including fixtures and personal property related thereto, provided that any such assessment shall have the same assent of the Members as provided in Section 3(b) of this Article and shall be in the ratios provided in Section 3(c) of this Article.

Section 5. Assessment Rate; Collection. The annual and special assessments shall be fixed at a uniform rate for all Lots within each class and may be collected on a yearly, quarterly or monthly basis, as determined by the Board of Directors.

Section 6. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all Members not less than 30 days nor more than 60 days prior to the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of the votes appurtenant to each class of Lots (Class A and Class B) shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and, if called for a date not less than 60 days after the date of the first meeting, the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

Section 7. Date of Commencement of Annual Assessments; Amount of Initial Annual Assessment; Amount of Subsequent Annual Assessments; Certificate of Payment. The annual assessments provided for herein shall commence as to all Lots in any phase on the first day of the month following the conveyance of all or any part of the Common Area within that phase to the Association. The first annual assessment shall be the "maximum annual assessment" set forth in Section 3 of this Article and shall be pro-rated according to the number of months remaining in the calendar year. At least thirty (30) days before January 1 of each year, the Board of Directors shall fix the amount of the annual assessment against each Lot. At least fifteen (15) days before January 1 of each year, the Board of Directors shall send written notice of such assessment to every Owner subject thereto. The due dates for the payment of annual and special assessments shall be established by the Board of Directors. The Association shall, upon demand, and for such reasonable charge as the Board of Directors may determine, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly-executed certificate of the Association as to the status of Assessments on a lot is binding upon the Association as of the date of its issuance.

Section 8. Working Capital. To ensure that the Association has sufficient funds available to pay the expenses of the Association as they accrue, to meet unforeseen expenses, and to acquire additional equipment and services considered by the Board of Directors to be necessary or desirable, the initial purchaser of a dwelling erected on any Lot within the Properties shall pay, at the closing of the purchase of such dwelling, the sum of \$10.00 to be held by the Association as part of its working capital. This sum shall not be considered as advance payment of regular assessments.

Section 9. Effect of Nonpayment of Assessments; Remedies. Any assessment not paid within ten (10) days after the due date shall incur a late charge in the amount of \$5.00 and, if not paid within thirty (30) days after the due date, shall bear interest from the due date at the rate of ten percent (10%) per annum or the maximum rate allowed by law, whichever is less. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property; interest, late payment charge, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 10. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust on a Lot. Sale or transfer of any Lot shall not affect any assessment lien, but the sale or transfer of any Lot pursuant to the foreclosure of such mortgage or deed of trust or any proceeding in lieu thereof shall extinguish the lien of such assessments as to any installment thereof which became due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage or deed of trust.

Section 11. Exempt Property. All property dedicated to and accepted by a local public authority, and all property owned by a charitable or non-profit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VI

RIGHTS OF LENDERS

Section 1. Books and Records. Any owner or holder of a first deed of trust on any Lot, or its agent or agents, shall have the right, during normal business hours, to examine copies of this Declaration, the Articles of Incorporation, By-Laws, books, and records of the Association and, upon written request to the Association, to receive a copy of the financial statement of the Association for the immediately preceding fiscal year.

Section 2. Notice to Lenders. Any owner or holder of a first deed of trust on any Lot shall, upon written request to the Association, shall be entitled to timely written notice of:

- (a) Any condemnation or casualty loss that affects either a material portion of the Property or the unit securing its loan.
- (b) Any 60-day delinquency in the payment of assessments or charges owed by the Owner of the unit securing its loan.
- (c) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.
- (d) Any proposed action that requires the consent of a specified percentage of mortgage lenders.

Section 3. Approval of Owners and Holders of First Deeds of Trust. Unless at least seventy-five percent (75%) of the owners and holders of first deeds of trust on Lots located within the Properties have given their prior written approval, the Association shall not:

- (a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any real estate or improvements

thereon which are owned, directly or indirectly, by the Association. The granting of easements for utilities or other purposes shall not be deemed a transfer within the meaning of this clause. Notwithstanding anything herein to the contrary, the real property owned by the Association shall be preserved to the perpetual benefit of the Owners or of the public in general and shall not be conveyed except to the City of Raleigh or to another non-profit corporation for the purposes set forth herein.

(b) Change the method of determining the obligations, assessments, dues or other charges which may be levied against a Lot.

(c) By act or omission change, waive or abandon any plan of regulation, or enforcement thereof, pertaining to the architectural design or the exterior appearance of residences located on Lots, the maintenance of party walls or common fences and driveways, or the upkeep of lawns and plantings in the subdivision.

(d) Fail to maintain fire and extended coverage insurance on insurable improvements in the Common Area on current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value.

(e) Use the proceeds of any hazard insurance policy covering losses to any part of the Common Area for other than the repair, replacement or reconstruction of the damaged improvements.

Section 4. Payment of Taxes and Insurance Premiums. The owners or holders of first deeds of trust on Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge or lien against any of the Common Area and may pay overdue premiums on any insurance policy covering the Association or property owned by the Association or secure insurance coverage upon the lapse of any such policy. The persons, firms or corporations making such payments shall be owed immediate reimbursement therefor by the Association.

ARTICLE VII

ARCHITECTURAL CONTROL

After occupancy of a residence on any Lot pursuant to a certificate of occupancy or other similar instrument issued by the appropriate governmental entity, no building, fence, wall or other structure shall be commenced, erected or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein be made, including, but not limited to, the erection of antennas, satellite dishes or disks, aerials or awnings, or the placement of reflective or other material in the windows of a residence unit or other exterior attachment, until plans and specifications showing the nature, kind, shape, heights, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural control committee composed of three (3) or more representatives appointed by the Board. If the Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted, approval will not be required, and this Article will be deemed to have been fully complied with. The Association shall have the right to charge a reasonable fee, not to exceed \$25.00, for receiving and processing each application. Neither the Board of Directors nor the architectural control committee shall approve any alterations, decorations or modifications which would jeopardize or impair the soundness, safety, or appearance of any Lot or the Common Area. Nothing herein shall be construed to permit interference with the development of the Properties by the Declarant in accordance with its general plan of development.

ARTICLE VIII

EASEMENTS

Section 1. Access and Utility Easements. Easements for the installation and maintenance of driveway, walkway, water line, gas line, telephone, cable television, electric power line, sanitary sewer and storm drainage facilities and for other public utility installations are reserved as shown on the recorded plat. The Association may reserve and grant easements for the installation and maintenance of sewerage, utility and drainage facilities over the Properties as provided in Article IV, Section 1(b) of this Declaration. Within any such easements herein provided, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation of sewage disposal facilities and utilities, or which may change the direction of flow or drainage of water through drainage channels in the easements.

For a period of twenty five (25) years from the date hereof, Declarant reserves an easement and right on, over and under the Properties to maintain and to correct drainage or surface water runoff in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or take any other similar action reasonable necessary. After such action has been completed, Declarant shall restore the affected property to its original condition to the extent practicable. Declarant shall give reasonable notice of intent to take such action to all affected Owners.

Section 2. Easements for Governmental Access. An easement is hereby established over and across the Common Area for the benefit of applicable governmental agencies for setting, removing, and reading water meters, maintaining and replacing water and drainage facilities, fire fighting, garbage collection, and delivery of mail.

Section 3. Easement and Right of Entry for Repair, Maintenance and Reconstruction. If any dwelling is located closer than five (5) feet from its lot line, the Owner thereof shall have a perpetual access easement over the adjoining Lot to the extent reasonably necessary to perform repair, maintenance or reconstruction of his dwelling. Such repair, maintenance or reconstruction shall be done expeditiously and, upon completion of the work, the Owner shall restore the adjoining Lot to as nearly the same condition as that which prevailed prior to the commencement of the work as is reasonably practicable.

ARTICLE XIV

GENERAL PROVISIONS

Section 1. Enforcement. The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein-contained shall in no event be deemed a waiver of the right to do so thereafter.

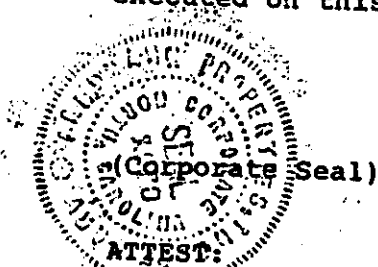
Section 2. Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision, which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated or altered by a vote of the Owners as set forth below. This Declaration may be amended

during the first twenty-five (25) year period by an instrument signed by the Owners of not less than ninety (90%) percent of the Lots, and thereafter by an instrument signed by the Owners of not less than seventy-five (75%) percent of the Lots. No amendment shall be effective unless it has been approved by the Raleigh City Attorney and, if required by Section 4 of this Article, by the Federal Housing Administration or Veterans Administration, and is recorded in the office of the Register of Deeds for Wake County.

Section 4. FHA/VA Approval. In the event the Declarant has arranged for and provided purchasers of Lots with VA or FHA-insured mortgage loans, then as long as any Class B Lot exists, as provided in Article III hereof, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mortgaging of real property owned by the Association, deeding of Common Area to persons other than the Association, and amendment of this Declaration.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed on this the 14 day of July, 1987.



Elizabeth S. Britt
Assistant Secretary

TURF GRASS FARM DEVELOPMENT COMPANY,
a North Carolina General Partnership

By: Landmark Properties of Cary, Inc.
Managing Partner

By: Phillip L. Stanley
President

STATE OF NORTH CAROLINA -- WAKE COUNTY

I, Rosemary Gray, a Notary Public of the County and State aforesaid, certify that Elizabeth S. Britt, personally came before me this day and acknowledged that she is the Assistant Secretary of Landmark Properties of Cary, Inc., a North Carolina corporation and Managing Partner of Turf Grass Farm Development Company, a North Carolina Limited Partnership, and that by authority duly given and as the act of the corporation on behalf of said partnership, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by her as its Assistant Secretary.



Witness my hand and official stamp or seal, this 14th day of July, 1987.

Rosemary Gray
Notary Public
My commission expires: 9-21-87

NORTH CAROLINA - WAKE COUNTY

The foregoing certificate of Rosemary Gray is certified to be correct. This instrument and this certificate are duly registered at the date and time and in the book and page shown on the first page hereof.

KENNETH C. WILKINS
Register of Deeds

P. Anne Redd
Deputy/Asst. Register of Deeds

DRAWN BY AND MAIL TO:
PERRY, PATRICK, FARMER & MICHAUX
P. O. BOX 1327
SALEM, NORTH CAROLINA 27502

STATE OF NORTH CAROLINA

COUNTY OF WAKE

PRESENTED
FOR
REGISTRATION

JUL 30 11 50 AM '87

BOOK 4074 PAGE 407

RESTRICTIVE COVENANT

KENNETH C. WILKINS
REGISTER OF DEEDS

THIS RESTRICTIVE COVENANT, made on the date hereinafter set forth by TURF GRASS FARM DEVELOPMENT COMPANY, a North Carolina General Partnership (hereinafter referred to as the "Declarant"):

W I T N E S S E T H:

WHEREAS, by virtue of that certain Warranty Deed recorded in Book 3989 at Page 311, WAKE County Public Registry, Declarant is the owner that certain parcel of land located in St. Matthews Township, Wake County, North Carolina, consisting of 39.688 acres, more or less, including rights-of-way (hereinafter "Declarant's Property");

WHEREAS, Declarant desires to create thereon a subdivision to be known as TIFTON FARMS and has obtained preliminary approval from the City of Raleigh for the creation of a subdivision consisting of 125 single-family residential lots; and

WHEREAS, Declarant has recorded in Book of Maps 1987 at Page 1183 in the WAKE County Public Registry, a plat entitled "Tifton Farms Subdivision, Final Plat - Phase I", prepared by Runa A. Cooper, R.L.S., dated May 29, 1987, consisting of 12.8725 acres, more or less, carved out of Declarant's Property (said property being hereinafter alternatively referred to as "Tifton Farms" or "Phase I");

WHEREAS, Phase I has been subjected to that certain Declaration of Covenants, Conditions, and Restrictions for Tifton Farms Community Association, Inc., as recorded in Book 4064 at Page 628 in the WAKE County Public Registry (hereinafter the "Declaration");

WHEREAS, Section 2 of Article II of the Declaration permits Declarant to annex the remaining portion of Declarant's Property and to subject such annexed property to the Declaration;

WHEREAS, Section 10-3071(b)(8)(c) of the Code of Ordinances of the City of Raleigh requires that said remaining portion be annexed;

NOW THEREFORE, Declarant does hereby declare that all of the property identified in paragraph 1 below is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, and restrictions set forth in this Declaration, which shall run with the real property and be binding on all parties owning any right, title or interest in said real property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

1. Property Subject To This Declaration. The property subject to this Declaration is located in St. Matthews Township, Wake County, North Carolina, and consists of 26.8155 acres, more or less (hereinafter the "Remaining Property"), more particularly identified as all of that property acquired by Declarant by Warranty Deed recorded in Book 3989 at Page 311, WAKE County Public Registry, SAVE AND EXCEPT that certain 12.8725 acres, more or less, shown on the plat entitled "Tifton Farms Subdivision, Final Plat - Phase I", prepared by Runa A. Cooper, R.L.S., dated May 29, 1987, and recorded in Book of Maps 1987 at Page 1183 in the WAKE County Public Registry.

2. Covenant To Annex Additional Property. Declarant covenants, for itself and its successors and assigns, that it will develop the Remaining Property in general conformity with the approved preliminary cluster unit development on file with the Planning Department of the City of Raleigh, and that it will annex the Remaining Property into Tifton Farms and subject the Remaining Property to the Declaration.

3. Expiration of this Restrictive Covenant. This Restrictive Covenant shall automatically expire and become null and void when the recorded portions of Tifton Farms subjected to the Declaration, including Phase I and any of the Remaining Property annexed, contain twenty (20) acres or more.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed on this the 30th day of July, 1987.



TURF GRASS FARM DEVELOPMENT COMPANY,
a North Carolina General Partnership

By: Landmark Properties of Cary, Inc.
Managing Partner

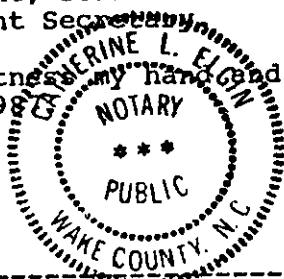
By: Phillip L. Stanley
President

Elizabeth S. Britt
Assistant Secretary

STATE OF NORTH CAROLINA -- WAKE COUNTY

I, Catherine L. Elgin, a Notary Public of the County and State aforesaid, certify that Elizabeth S. Britt, personally came before me this day and acknowledged that she is the Assistant Secretary of Landmark Properties of Cary, Inc., a North Carolina corporation and Managing Partner of Turf Grass Farm Development Company, a North Carolina Limited Partnership, and that by authority duly given and as the act of the corporation on behalf of said partnership, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by her as its Assistant Secretary.

Witness my hand and official stamp or seal, this 14th day of July, 1987.



Catherine L. Elgin
Notary Public

My commission expires: My Commission Expires 12-1-91

NORTH CAROLINA - WAKE COUNTY

The foregoing certificate of Catherine L. Elgin

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

KENNETH C. WILKINS
Register of Deeds

Kenneth C. Wilkins
Deputy/Asst. Register of Deeds

RECORDS BY AND MAIL TO:
PERRY, PARRISH, FARMER & MITCHELL
P. O. BOX 1327
GREENSBORO, NORTH CAROLINA 27602

BOOK 4883 PAGE 429

NORTH CAROLINA
WAKE COUNTY

PRESENTED
FOR
REGISTRATION

RESTRICTIVE COVENANTS
FOR
TIFTON FARMS SUBDIVISION

AUG 19 10 56 AM '87

KENNETH C. WILKINS
REGISTER OF DEEDS

KNOW ALL MEN BY THESE PRESENTS, that TURF GRASS FARM DEVELOPMENT COMPANY, a North Carolina General Partnership (hereinafter "Declarant"), and M/I SCHOTTENSTEIN HOMES, INC., a Delaware Corporation (hereinafter the "Builder"), do hereby covenant and agree with all persons, firms, and corporations hereafter acquiring any of the property described as follows:

Lying and being in in St. Matthews Township, Wake County, North Carolina, and being Lots 1 and 2, 42 through 56, and 103 through 125, inclusive, of TIFTON FARMS SUBDIVISION, as same are shown on a plat entitled "TIFTON FARMS SUBDIVISION, Final Plat - Phase One", prepared by Runa A. Cooper, R.L.S., dated May 29, 1987, and recorded in Book of Maps 1987 at Page 1183 in the Wake County Public Registry (hereinafter the "Lots");

that all of said Lots are hereby subjected to the following restrictive covenants as to the use thereof, which restrictive covenants shall run with the property, by whomsoever owned, to wit:

1. LAND USE AND BUILDING TYPE. All Lots shall be used for residential purposes. No structure shall be erected, altered, placed or permitted to remain on any Lot other than one detached, single-family dwelling, not to exceed two and one-half (2 1/2) stories in height, a private garage for not more than two (2) cars, and other out-buildings incidental to residential use of the Lot.

2. DWELLING SIZE. The minimum heated square footage of a dwelling may not be less than 900 square feet.

3. BUILDING SETBACKS; HOUSE LOCATION; HEIGHT. No building shall be constructed or maintained on any Lot except in complete compliance with the Code of Ordinances of the City of Raleigh and, in particular, Sections 10-3071, 10-2072(b) (2) and 10-2072(b) (3) thereof.

4. FENCES. No fence or wall shall be erected on any Lot closer to any street than the front or side building setback. Chain-link or other metal fencing is not permitted, except that 2"x4" mesh may be used with split-rail fencing to contain animals within the yard. Any fence or wall installed within the subdivision must be an "open fence", i.e., one in which the openings through which clear vision is possible from one side to the other on a horizontal plane occupy at least fifty percent (50%) of the side area of the fence or wall, and must meet all requirements of the zoning ordinance of the City of Raleigh. Nothing in this paragraph shall be deemed to apply to or regulate retaining walls made necessary by the slope or grade of any Lot or Lots or to any fence installed by the Declarant at any entrance to the subdivision.

5. TEMPORARY STRUCTURES. No residence of a temporary nature shall be erected or allowed to remain on any Lot, and no trailer, basement, shack, tent, garage, barn, or any other building of a similar nature shall be used as a residence on any Lot, either temporarily or permanently.

6. PARKING; DRIVEWAYS AND PARKING PADS; ABANDONED VEHICLES. No mobile house trailer (whether on or off wheels), vehicle or enclosed body of the type which may be placed on or attached to a vehicle (known generally as "campers"), commercial vehicle of any kind, or boat or boat trailer shall be parked on the street or

nearer to the street than the front or side building setback lines. No tractor trailer trucks or cabs shall be parked on any street or Lot within the subdivision. Vehicles shall not be parked or stored on any part of the Lot not improved for that purpose, i.e., garage, driveway, carport, or parking pad.

No unenclosed vehicle parking shall be constructed or maintained on any Lot in excess of a paved driveway and a paved parking pad for not more than two (2) vehicles. Any driveway or parking pad constructed upon any Lot shall have either an asphaltic concrete surface, a cement concrete surface, or brick pavers.

No vehicle of any type which is abandoned or inoperative shall be stored or kept on any Lot in such manner as to be seen from any other Lot or any street within the subdivision, and no automobiles or mechanical equipment may be dismantled or allowed to accumulate on any Lot.

7. ANIMALS. No animals, livestock, or poultry of any kind shall be kept or maintained on any Lot or in any dwelling, except that dogs, cats, or other household pets may be kept or maintained, provided that they are not kept or maintained for commercial purposes.

8. NUISANCES; BUSINESS ACTIVITY. No noxious or offensive trade or activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No business trade or activity may be conducted on any Lot unless permitted by the Raleigh Board of Adjustments.

9. SIGNS. Except as otherwise required by the City of Raleigh, no sign of any kind shall be displayed to the public view on any Lot except signs used by Declarant to advertise Lots for sale during the construction and sales period, one sign of not more than six (6) square feet advertising the property for sale or rent, and signs of not more than six (6) square feet expressing support of or opposition to political candidates or other issues which will appear on the ballot of a primary, general or special election, provided that such political signs shall not be placed on a Lot earlier than sixty (60) days before such election and shall be removed within two (2) days after such election.

10. SATELLITE DISHES OR DISCS. No radio or television transmission or reception towers, antennas, or discs shall be erected on a Lot other than a customary antenna, which shall not extend more than ten (10) feet above the top roof ridge of the house. In no event shall free-standing transmission or receiving towers or discs be permitted.

11. SWIMMING POOLS. No above-ground swimming pools shall be permitted in the subdivision, except that small, inflatable wading pools shall be permitted.

12. MAINTENANCE OF LOT; CONSTRUCTION. Each owner shall keep his Lot in an orderly condition and shall keep the improvements thereon in a suitable state of repair. In the event that any residence or structure on any Lot is destroyed or partially destroyed by fire, Act of God, or as a result of any other act or thing, the owner of such Lot shall repair the damage and reconstruct the improvement within twelve (12) months after such damage or destruction; provided, however, that if the structure damaged is not part of or attached to the residence constructed on such Lot, the owner may, at his option, either completely remove the damaged structure and landscape area on which the structure stood or repair or reconstruct the structure.

All construction, landscaping or other work which has been commenced on any Lot shall be continued with reasonable diligence to completion and no partially completed house or other improvement shall be permitted to exist on any Lot, except during such reasonable time period as is necessary for completion. The owner of each Lot shall at all times keep contiguous public streets free from any dirt, mud, garbage, trash or other debris resulting from any such construction on his Lot.

13. GARBAGE; UNSIGHTLY STORAGE. All trash and rubbish shall be kept in garbage cans stored behind the house in such a manner as not to be visible from the street upon which the house fronts. No trash, rubbish, stored materials, wrecked or inoperable vehicles, or similar unsightly items shall be allowed to remain on any Lot; provided, however, that the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish, and other debris for collection by governmental or other similar garbage and trash removal units. In the event of curbside trash and/or garbage pickup, trash and/or garbage cans may be moved to the street on the night before the scheduled pickup, but all garbage cans must be returned to approved enclosure the night of the scheduled pickup.

14. SEPTIC TANKS; WELLS. No septic tank shall be installed, used or maintained on any Lot. No well shall be installed, used or maintained on any Lot for human domestic water consumption, nor shall any well be connected in any manner whatsoever to the water mains, laterals and piping serving the dwelling, which mains furnish domestic water from sources beyond the boundaries of the Lot.

15. REMOVAL OF TREES. Except in the case of an emergency situation that does not permit any delay, no tree larger than 6" in diameter at a point measured 3' off the ground shall be removed from any Lot without the approval of the Board of Directors or its designated committee, provided that this provision shall be deemed applicable only to Lots which have been occupied under a certificate of occupancy issued by the City of Raleigh.

16. ARCHITECTURAL CONTROL. After occupancy of a residence on any Lot pursuant to a certificate of occupancy or other similar instrument issued by the appropriate governmental entity, no building, fence, wall or other structure shall be commenced, erected, or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Tifton Farms Community Association, Inc. (hereinafter "Board of Directors"), or by an architectural committee composed of three (3) or more persons appointed by the Board of Directors. If the Board of Directors, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted, the plans and specifications shall be deemed to have been approved as submitted. The Association shall have the right to charge a reasonable fee, not to exceed \$25.00, for receiving and processing each application. Nothing herein shall be construed to permit interference with the development of the Lots by Declarant in accordance with its general plan of development. Any approval of plans and specifications by the Association shall not constitute or be construed as an approval by the Association of the structural stability, design, or quality of any building or improvement, or further constitute or be construed as approval by any governmental entity or to be a substitute for approval by the appropriate governmental agency.

17. EXTERIOR MAINTENANCE. The owner of each Lot shall maintain the grounds and improvements situated on his Lot, including, but not limited to, plantings, landscaping and lawns, at all times in a neat and attractive manner satisfactory to the Board of Directors of the Association. Upon the owner's failure to do so, the Association may, at its option, after approval by a majority vote of the Board of Directors, and after giving the owner ten (10) days written notice sent to his last known address, or to the address of the subject premises, have the grass, weeds, shrubs, and vegetation cut when and as often as the same is necessary in its judgment, and have dead trees, shrubs and plants removed from such Lot, and replaced, and may have any portion of the Lot resodded or landscaped, and all expenses incurred by the Association for such work shall be a lien and charge against the Lot on which the work was done and the personal obligation of the then-owner of such Lot.

Upon an owner's failure to maintain the exterior of any structure, including the roof, in good repair and appearance, the Association may, at its option, after approval by a majority vote of the Board of Directors and after giving the owner thirty (30) days written notice sent to his last known address, make repairs and improve the appearance of such structure in a reasonable and workmanlike manner. The cost of any work performed by the Association upon the owner's failure to do so shall be immediately due and owing from the then-owner of the Lot on which the work was performed and shall constitute an assessment against the Lot and the personal obligation of such owner, collectable in a lump sum, and secured by the lien against the Lot as herein provided.

18. UTILITY AND DRAINAGE EASEMENTS. Easements for the installation, maintenance and repair of utilities and drainage facilities are reserved as shown on the recorded plat. Within such easements, no structure, planting, or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of the utilities, or which may change the direction of flow or otherwise impede or retard the flow of water through the drainage channels within such easements. Any easements located on a Lot shall be maintained continuously by the owner of such Lot, except for any such improvements for which a public authority or utility company is responsible. Declarant reserves the right to create and impose additional easements or rights-of-way over any unsold Lot or Lots by the recording of appropriate instruments in the Wake County Registry, and such instruments shall not be construed to invalidate any of these covenants.

Declarant reserves an easement in and right at any time in the future to grant a ten-foot right-of-way over, under and along the rear line of each Lot for the installation and maintenance of poles, lines, conduits, pipes and other equipment necessary to or useful for furnishing electric power, gas, telephone service, cablevision or other utilities, including water, sanitary sewage service and storm drainage facilities. Declarant also reserves an easement in and right at any time in the future to grant a five-foot right-of-way over, under and along the side lines of each Lot for the aforementioned purposes.

19. SUBDIVISION OF LOTS. No Lot shall be subdivided by sale or otherwise so as to reduce the total Lot area shown on the recorded map or plat, except by and with the written consent of the Declarant.

20. WAIVER OF VIOLATIONS. Declarant and Builder reserve the right to waive in writing any violation of these Restrictive Covenants, provided that the Lot and all structures thereon are in full compliance with the Raleigh City Code or a variance has been obtained for such violation and further provided that such waiver shall be in writing, signed by both Declarant and Builder, and recorded in the Wake County Public Registry.

21. ENFORCEMENT. Enforcement of these covenants shall be by proceedings at law or in equity against the person or persons violating or attempting to violate any covenant herein; such action may seek to restrain such violation and/or to recover damages resulting therefrom.

22. SEVERABILITY. Invalidation of any one or more of these covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

23. TERM. These covenants shall run and bind the land and all owners thereof for a period of 25 years from the date these covenants are recorded, after which time, they shall be automatically extended for successive periods of ten (10) years unless altered or amended as set forth below. These covenants may be amended during the first twenty-five year period by an instrument signed by the then-owners of not less than ninety percent (90%) of the Lots, and thereafter an instrument signed by then-owners of not less than seventy-five percent (75%) of the Lots.

24. TIFTON FARMS COMMUNITY ASSOCIATION. The owners of Lots within the subdivision are members of the Tifton Farms Community Association, Inc., and are subject to and bound by the Declaration of Covenants, Conditions, and Restrictions of Tifton Farms Community Association, Inc., as recorded in Book 4064 at Page 628 in the Wake County Public Registry, which Declaration provides additional restrictions on such Lots.

25. DECLARANT. Nothing contained in these Restrictive Covenants shall be construed to permit interference with development of the Lots by Declarant and/or Builder so long as said development follows the general plan of development previously approved by the City of Raleigh and the Federal Housing Administration and/or Veterans Administration. The restrictions contained herein shall not be deemed to apply to any sales office, construction trailer, model home, or other temporary improvement installed by or with the approval of Declarant or Builder.

IN WITNESS WHEREOF, Declarant and the Builder have caused this instrument to be executed as of the _____ day of August, 1987.



Patty M. Stanley
Secretary

TURF GRASS FARM DEVELOPMENT COMPANY
a North Carolina General Partnership

By: Landmark Properties of Cary, Inc.
Managing Partner

By: Philip L. Stanley
President



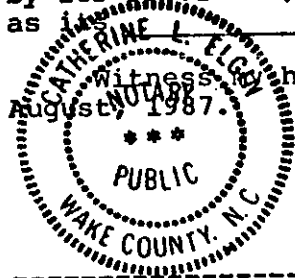
John S. Schmitt
Secretary

M/I SCHOTTENSTEIN HOMES, INC.
a Delaware Corporation

By: Philip L. Schmitt
President

STATE OF NORTH CAROLINA -- WAKE COUNTY

I, Catherine L. Elgin, a Notary Public of the County and State aforesaid, certify that Betty A. Stanley, personally came before me this day and acknowledged that she is Secretary of Landmark Properties of Cary, Inc., a North Carolina corporation and Managing Partner of Turf Grass Farm Development Company, a North Carolina General Partnership, and that by authority duly given and as the act of the corporation on behalf of said partnership, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by her as its Secretary.



Witness my hand and official stamp or seal, this 4th day of

Catherine L. Elgin
Notary Public
My commission expires: My Commission Expires 12-1-91

STATE OF North Carolina
COUNTY OF Mecklenburg

This 4 day of August 1987, personally came before me John McNamee, who, being duly sworn, says that he is Vice President of M/I Schottenstein Homes, Inc., a Delaware corporation, that the seal affixed to the foregoing instrument in writing is the corporate seal of the said corporation, that the said writing was signed and sealed by him in behalf of said corporation by its authority duly given. And the said Vice President acknowledged the said writing to be the act and deed of said corporation.

Witness my hand and official stamp and seal, the day and year first above written.

Deborah A. Baker
Notary Public
My Commission Expires: My Commission Expires May 23, 1992

NORTH CAROLINA - WAKE COUNTY

The foregoing certificates of Catherine L. Elgin and John McNamee, Notaries Public, are certified to be correct. This instrument and these certificates are duly registered at the date and time and in the Book and Page shown on the first page hereof.

KENNETH C. WILKINS
Register of Deeds

By: Gustav D. Bullock
Asst./Deputy Register of Deeds

Hold - Smith, Debraun, Hilbert + Pahl

DECLARATION
OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
TIFTON RECREATIONAL ASSOCIATION, INC.

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DECLARATION
OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
TIFTON RECREATIONAL ASSOCIATION, INC.

THIS DECLARATION, made this 17 day of May, 1990, by TURF GRASS FARM DEVELOPMENT COMPANY, a North Carolina General Partnership (hereinafter referred to as the "Declarant"):

W I T N E S S E T H:

WHEREAS, Declarant is the owner of _____ acres, more or less, of real property located in St. Matthews Township, Wake County, North Carolina, as more fully described in Section 1 of Article II of this Declaration; and

WHEREAS, Declarant desires to provide certain recreational facilities for the use and benefit of the residents in the Three Lakes, Tifton Lakes and Tifton Farms communities, and to provide for the maintenance and upkeep of the Common Areas, as described herein, and to those ends desires to subject the aforesaid real property, together with such additions as may hereafter be made thereto, to the covenants, conditions, restrictions, easements, charges, and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof;

WHEREAS, Declarant has deemed it advisable, for the efficient preservation, protection and enhancement of the values and amenities in said subdivision and to ensure the residents' enjoyment of the specific rights, privileges in the Common Area; as hereinafter defined, and to provide for the maintenance and upkeep of the Common Area, to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the Common Area and Recreational Area, administering and enforcing these covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has incorporated under North Carolina law, TIFTON RECREATIONAL ASSOCIATION, INC., a non-profit corporation, for the purpose of exercising and performing the aforesaid functions;

NOW THEREFORE, Declarant, by this Declaration of Covenants, Conditions and Restrictions, does declare that all of the property described in Section 1 of Article II of this Declaration and such additions thereto as may be hereafter made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in this Declaration, which shall run with the real property and be binding on all parties owning any right, title or

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interest in said real property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to TIFTON RECREATIONAL ASSOCIATION, INC., a North Carolina non-profit corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to the "Existing Property" described in Section 1 of Article II of this Declaration of Covenants, Conditions and Restrictions for Tifton Lakes Community Association, Inc. (hereinafter the "Declaration"), and any additions thereto as are subjected to the Declaration or any supplementary declaration under the provisions of Section 2 of Article II hereof.

Section 3. "Lot" shall mean and refer to any plot of land, with delineated boundary lines, appearing on any recorded subdivision map of the Properties, with the exception of the Common Area and any publicly-dedicated rights-of-way shown thereon.

Section 4. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interests merely as security for the performance of an obligation.

Section 5. "Common Area" shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners of Lots within Tifton Lakes Subdivision.

Section 6. "Declarant" shall individually and collectively mean and refer to Turf Grass Farm Development Company, a North Carolina General Partnership. It shall also mean and refer to any person, firm or corporation which shall hereafter become vested, at any given time, with title to five or more undeveloped Lots for the purpose of causing residence building(s) to be constructed thereon, and any such successor in title shall be a Declarant during such period of time as said party is vested with title to five or more such Lots (whether undeveloped or developed and unconveyed), but no longer.

Section 7. "Member" shall mean and refer to every person or entity who holds membership in the Association.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION
AND WITHIN THE JURISDICTION OF
THE TIFTON LAKES COMMUNITY ASSOCIATION, INC.

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration,

and which is within the jurisdiction of the Association, consists of _____ acres, more or less, located in St. Matthews Township, Wake County, North Carolina, more particularly described as being all of the property shown on the plat recorded in Book of Maps _____ at Page _____ in the WAKE County Public Registry, and any recombination or resubdivision thereof as are effected by recordation of any subsequent subdivision map.

Section 2. Additions To Existing Property. At any time prior to June 30, 1995, additional lands within the property described in Exhibit "B" attached hereto, which property consists of _____ acres, more or less, may be annexed by the Declarant without the consent of the Members and therefor become subject to this Declaration by the recording by Declarant in the Office of the Register of Deeds, Wake County, North Carolina of a plat showing the property to be annexed and by the recording of a supplementary declaration extending the operation and effect of this Declaration to the property to be annexed, provided, however, that the Federal Housing Authority Administration and/or Veterans Administration determines that the annexation is in accordance with the general plan heretofore approved by them, and provided further that the property annexed shall be contiguous to property subject to this Declaration and shall contain at least five (5) acres, and that such annexation is approved by the City of Raleigh. Such property may be subjected to this Declaration as one parcel or as several smaller parcels at different times. The addition of such property authorized under this paragraph may increase the cumulative number of Lots authorized within the Properties and, therefore, may alter the relative maximum voting strength of the various types of Members of the Association.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to assessment by the Association shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Voting Rights. The voting rights of the membership shall be appurtenant to the ownership of the Lots. There shall be two (2) classes of Lots with respect to voting rights:

(a) Class A Lots. Class A Lots shall be all Lots except Class B Lots as the same are hereinafter defined. Each Class A Lot shall entitle the Owners of said Lot one (1) vote. When more than one person owns an interest (other than a leasehold or a security interest) in any lot, all such persons shall be Members and the voting rights appurtenant to their Lots shall be exercised as they, among themselves, determine, but fractional voting shall not be allowed, and in no event shall more than one vote be cast with respect to any Class A Lot.

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(b) Class B Lots. Class B Lots shall be all Lots owned by Declarant which have not been converted to Class A Lots as provided in subparagraphs (1) or (2) below. Declarant shall be entitled to three (3) votes for each Class B Lot.

The Class B Lots shall cease to exist and shall be converted to Class A Lots:

(1) When the total number of votes appurtenant to the Class A Lots equals the total number of votes appurtenant to the Class B Lots; or

(2) On June 30, 1995 whichever event shall first occur.

When the Class B Lots are converted to Class A Lots, Declarant shall have the same voting rights as other Owners of Class A Lots.

Class A Lots owned by the Declarant may be reconverted to Class B Lots by annexation of additional property under the provisions of Section 2 of Article II of this Declaration. Such conversion of Class A Lots to Class B Lots to Class A Lots may occur anytime the foregoing events occur.

(c) Limitation of Votes of Non-Owner-Occupied Units. In the event that any Lot ceases to be occupied by an Owner or any member of his family as his personal living quarters or, in the event that any residence within the Properties is leased for rental purposes to tenants, then, in such event, the vote as expressed by the Owners of such vacant or rental units, if voted in a block, shall not be entitled to any weight greater than forty-nine (49%) percent on any matter pending before the Association.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and access to, from, and over the Common Area, which right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to suspend the voting rights of an Owner for any period during which any assessment against his Lot remains unpaid, or for a period not to exceed sixty (60) days for any infraction of the published rules and regulations of the Association;

(b) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed upon by the Members. No such dedication or transfer shall be effective unless the Members entitled to at least three-fourths (3/4) of the votes appurtenant to the Class A and Class B Lots agree to such dedication or transfer and signify their agreement by a signed and recorded document, provided that this subsection

shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of sewerage, utility (including CATV) and drainage facilities upon, over, under and across the Common Area without the assent of the Members when, in the opinion of the Board, such easements are necessary for the convenient use and enjoyment of the Properties. Notwithstanding anything herein to the contrary, the Common Area shall be preserved to the perpetual benefit of the Owners or of the public in general and shall not be conveyed except to the City of Raleigh or to another non-profit corporation with purposes similar to those of this Association;

(c) The right of the Association, with the written assent of Members entitled to at least two-thirds (2/3) of the votes appurtenant to the Class A and Class B Lots, to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the property rights of the Owners as set forth herein.

Section 2. Delegation of Use.

(a) Family. The right and easement of enjoyment and access granted to every Owner in Section 1 of this Article may be exercised by members of the Owner's family who occupy the residence of the Owner within the Properties as their principal residence in Wake County, North Carolina.

(b) Tenants or Contract Purchasers. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be delegated by the Owner to his tenants or contract purchasers who occupy a residence or a portion of said residence within the Properties as their principal residence in Wake County, North Carolina.

(c) Guests. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be delegated to guests of such Owners, tenants or contract purchasers, subject to such rules and regulations as may be established by the Board of Directors governing said use.

Section 3. Conveyance of Title to the Association. Declarant covenants, for itself and its successors and assigns, that it will convey fee simple title to the Common Area within each phase, section or annexation to the Association prior to the conveyance of the first Lot to an Owner within such phase, section, or annexation. Such conveyance shall be free and clear of all encumbrances and liens, except utility and drainage easements of record or shown on the recorded plats of Tifton Lakes.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association annual assessments or charges and special assessments for capital

improvements, such assessments to be established and collected as hereinafter provided. Any such assessment or charge, together with interest and costs of collection, including reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which such assessment is made. Each such assessment or charge, together with interest, costs and attorney's fees, shall also be the personal or corporate obligation of the person (s), firm (s), corporation (s), or entities owning such Lot at the time the assessment fell due. The personal obligation of an Owner for delinquent assessments shall not pass to his successors in title unless expressly assumed by them; however, such unpaid assessments or charges shall continue to be a lien on the property against which the assessment was made.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and, in particular, for the maintenance of the Common Area and for the maintenance, repair, and reconstruction of the improvements thereon, for the acquisition, improvement and maintenance of properties, services and facilities devoted and related to the use and enjoyment of the Common Area, including but not limited to, the cost of repair, replacement and additions thereto, cost of labor, equipment, materials, management and supervision thereof, for the payment of governmental water and sewage disposal charges attributable to the Common Area, for the payment of taxes and public insurance in accordance with the By-Laws, the employment of attorneys to represent the Association when necessary, and such other needs as may arise.

Section 3. Maximum Annual Assessment. Until January 1, 1991, the maximum annual assessment shall be Four Hundred Eighty and No/100 (\$480.00) per Lot.

(a) From and after January 1, 1991, the Board of Directors may increase the maximum annual assessment, effective January 1 of each year, without a vote of the membership, provided that any such increase shall not exceed ten percent (10%) of the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1, 1991, the maximum annual assessments may be increased without limitation if such increase is approved by Members entitled to no less than two-thirds (2/3) of the votes appurtenant to each class of Lot, in person or by proxy, at a meeting duly called for that purpose.

(c) Until such time as the dwelling located on a Lot is occupied as a residence pursuant to a certificate of occupancy, the annual assessment for said Lot shall be one-fourth (1/4) the normal annual assessment for Lots on which dwellings have been constructed and certificates of occupancy issued.

(d) Any annual assessment established by the Board of Directors shall continue thereafter as the annual assessment until changed by the Board or by the Members.

BK4707FG0357

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment for 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 Area, including fixtures and personal property related thereto, provided that any such assessment shall have the same assent of the Members as provided in Section 3(b) of this Article and shall be in the ratios provided in Section 3(c) of this Article.

Section 5. Assessment Rate; Collection. The annual and special assessments shall be fixed at a uniform rate for all Lots within each class and may be collected on a yearly, quarterly or monthly basis, as determined by the Board of Directors.

Section 6. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all Members not less than 30 days nor more than 60 days prior to the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of the votes appurtenant to each class of Lots (Class A and Class B) shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and, if called for a date not less than 60 days after the date of the first meeting, the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

Section 7. Date of Commencement of Annual Assessments; Amount of Initial Annual Assessment; Amount of Subsequent Annual Assessments; Certificate of Payment. The annual assessments provided for herein shall commence as to all Lots in any phase on the first day of the month following the conveyance of all or any part of the Common Area within that phase to the Association. The first annual assessment shall be the "maximum annual assessment" set forth in Section 3 of this Article and shall be pro-rated according to the number of months remaining in the calendar year. At least thirty (30) days before January 1 of each year, the Board of Directors shall fix the amount of the annual assessment against each Lot. At least fifteen (15) days before January 1 of each year, the Board of Directors shall send written notice of such assessment to every Owner subject thereto. The due dates for the payment of annual and special assessments shall be established by the Board of Directors. The Association shall, upon demand, and for such reasonable charge as the Board of Directors may determine, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly-executed certificate of the Association as to the status of Assessments on a lot is binding upon the Association as of the date of its issuance.

Section 8. Working Capital. To ensure that the Association has sufficient funds available to pay the expenses of the Association as they accrue, to meet unforeseen expenses, and to acquire additional equipment and services considered by the Board of Directors to be necessary or desirable, the initial purchaser of a dwelling erected on any Lot within the Properties shall pay, at the closing

of the purchase of such dwelling, the sum of \$10.00 to be held by the Association as part of its working capital. This sum shall not be considered as advance payment of regular assessments.

Section 9. Effect of Nonpayment of Assessments; Remedies. Any assessment not paid within ten (10) days after the due date shall incur a late charge in the amount of \$5.00 and, if not paid within thirty (30) days after the due date, shall bear interest from the due date at the rate of ten percent (10%) per annum or the maximum rate allowed by law, whichever is less. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property; interest, late payment charge, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 10. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust on a Lot. Sale or transfer of any Lot shall not affect any assessment lien, but the sale or transfer of any Lot pursuant to the foreclosure of such mortgage or deed of trust or any proceeding in lieu thereof shall extinguish the lien of such assessments as to any installment thereof which became due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage or deed of trust.

Section 11. Exempt Property. All property dedicated to and accepted by a local public authority, and all property owned by a charitable or non-profit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VI

RIGHTS OF LENDERS

Section 1. Books and Records. Any owner or holder of a first deed of trust on any Lot, or its agent or agents, shall have the right, during normal business hours, to examine copies of this Declaration, the Articles of Incorporation, By-Laws, books, and records of the Association and, upon written request to the Association, to receive a copy of the financial statement of the Association for the immediately preceding fiscal year.

Section 2. Notice to Lenders. Any owner or holder of a first deed of trust on any Lot shall, upon written request to the Association, shall be entitled to timely written notice of:

- (a) Any condemnation or casualty loss that affects either a material portion of the Property or the unit securing its loan.

BK 4707 PG 0359

(b) Any 60-day delinquency in the payment of assessments or charges owed by the Owner of the unit securing its loan.

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

(d) Any proposed action that requires the consent of a specified percentage of mortgage lenders.

Section 3. Approval of Owners and Holders of First Deeds of Trust. Unless at least seventy-five percent (75%) of the owners and holders of first deeds of trust on Lots located within the Properties have given their prior written approval, the Association shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any real estate or improvements thereon which are owned, directly or indirectly, by the Association. The granting of easements for utilities or other purposes shall not be deemed a transfer within the meaning of this clause. Notwithstanding anything herein to the contrary, the real property owned by the Association shall be preserved to the perpetual benefit of the Owners or of the public in general and shall not be conveyed except to the City of Raleigh or to another non-profit corporation for the purposes set forth herein.

(b) Change the method of determining the obligations, assessments, dues or other charges which may be levied against a Lot.

(c) By act or omission change, waive or abandon any plan of regulation, or enforcement thereof, pertaining to the architectural design or the exterior appearance of residences located on Lots, the maintenance of party walls or common fences and driveways, or the upkeep of lawns and plantings in the subdivision.

(d) Fail to maintain fire and extended coverage insurance on insurable improvements in the Common Area on current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value.

(e) Use the proceeds of any hazard insurance policy covering losses to any part of the Common Area for other than the repair, replacement or reconstruction of the damaged improvements.

Section 4. Payment of Taxes and Insurance Premiums. The owners or holders of first deeds of trust on Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge or lien against any of the Common Area and may pay overdue premiums on any insurance policy covering the Association or property owned by the Association or secure insurance coverage upon the lapse of any such policy. The persons, firms or corporations making such payments shall be owed immediate reimbursement therefor by the Association.

ARTICLE VII

GENERAL PROVISIONS

BK 707 PG 0360

Section 1. Enforcement. The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein-contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision, which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated or altered by a vote of the Owners as set forth below. This Declaration may be amended during the first twenty-five (25) year period by an instrument signed by the Owners of not less than ninety (90%) percent of the Lots, and thereafter by an instrument signed by the Owners of not less than seventy-five (75%) percent of the Lots. No amendment shall be effective unless it has been approved by the Raleigh City Attorney and, if required by Section 4 of this Article, by the Federal Housing Administration or Veterans Administration, and is recorded in the office of the Register of Deeds for Wake County.

Section 4. FHA/VA Approval. In the event the Declarant has arranged for and provided purchasers of Lots with VA or FHA-insured mortgage loans, then as long as any Class B Lot exists, as provided in Article III hereof, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mortgaging of real property owned by the Association, deeding of Common Area to persons other than the Association, and amendment of this Declaration.

TURF GRASS FARM DEVELOPMENT COMPANY,
a North Carolina General Partnership
By: W. R. Henderson & Associates, Inc.
Partner

ATTEST:

Katherine W. Lambrell
ant. Secretary

By:

W. R. Henderson
President

By: The Winston Group, Inc.
Partner

ATTEST:

Brenda G. Bunn
Assistant Secretary

By:

Charles M. Arnold
President

By: The Angus Barn, Ltd.
Partner

ATTEST:

Robert H. Dufford
Secretary

By:

Robert H. Dufford
President

BK 4707 PG 0361

STATE OF NORTH CAROLINA -- WAKE COUNTY

I, Teresa L. Jordan, a Notary Public of the County and State aforesaid, certify that Katherine W. Kimbrell personally came before me this day and acknowledged that (s)he is the Secretary of W. R. Henderson & Associates, Inc., a North Carolina corporation and Managing Partner of Turf Grass Farm Development Company, a North Carolina Limited Partnership, and that by authority duly given and as the act of the corporation on behalf of said partnership, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by her as its Secretary.

Witness my hand and official stamp or seal, this 17 day of May, 1990.

Teresa L. Jordan
Notary Public
My commission expires: 10/13/93

STATE OF NORTH CAROLINA -- WAKE COUNTY

I, Teresa L. Jordan, a Notary Public of the County and State aforesaid, certify that Brenda D. Burns personally came before me this day and acknowledged that (s)he is the Secretary of The Winston Group, Inc., a North Carolina corporation and Managing Partner of Turf Grass Farm Development Company, a North Carolina Limited Partnership, and that by authority duly given and as the act of the corporation on behalf of said partnership, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by her as its Secretary.

Witness my hand and official stamp or seal, this 17 day of May, 1990.

Teresa L. Jordan
Notary Public
My commission expires: 10/13/93

STATE OF NORTH CAROLINA -- WAKE COUNTY

I, Teresa L. Jordan, a Notary Public of the County and State aforesaid, certify that Robert H. Lyford personally came before me this day and acknowledged that (s)he is the Secretary of The Angus Barn, Ltd., a North Carolina corporation and Managing Partner of Turf Grass Farm Development Company, a North Carolina Limited Partnership, and that by authority duly given and as the act of the corporation on behalf of said partnership, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by him as its Secretary.

Witness my hand and official stamp or seal, this 17 day of May, 1990.

Teresa L. Jordan
Notary Public
My commission expires: 10/13/93

NORTH CAROLINA -- WAKE COUNTY

The foregoing certificate is of

Teresa L. Jordan
Notar(y)(ies) Public is

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

KENNETH C. WILKINS, Register of Deeds

By

Regina R. Cooke
Asst. Deputy Register of Deeds

CK 868.04036

Drawn by: W. Thurston Debnam, Jr.
SMITH DEBNAM HIBBERT & PAHL
Mail to: Post Office Drawer 26268
Raleigh, North Carolina 27611

91 MAR 13 PM 3:20

NORTH CAROLINA

WAKE COUNTY

ANNEXATION OF ADDITIONAL PROPERTY
KNOWN AS PHASE TWO, TIFTON HILLS
BOOK OF MAPS 1990, PAGE 884,
WAKE COUNTY REGISTRY, TO THE
DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS FOR
TIFTON HILLS COMMUNITY ASSOCIATION, INC.
(FORMERLY TIFTON FARMS COMMUNITY
ASSOCIATION, INC.)

THIS ANNEXATION OF ADDITIONAL PROPERTY TO THE DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS is entered into this 8th day of March,
1991, by TURF GRASS FARM DEVELOPMENT COMPANY (hereinafter called "DECLARANT");

W I T N E S S E T H:

WHEREAS, DECLARANT, by Declaration of Covenants, Conditions, and
Restrictions for TIFTON HILLS COMMUNITY ASSOCIATION, INC. as filed on July 15,
1987, in the Office of the Register of Deeds of Wake County, North Carolina, and
recorded in Book 4064, Page 628 of said office, submitted certain real property
to the provisions of said Declaration of Covenants, Conditions, and Restrictions;
and

WHEREAS, under the Declaration, as amended, the right is reserved in the
DECLARANT herein to annex and subject successive phases of the Tifton Hills
Property to the covenants, conditions, and restrictions; and

WHEREAS, DECLARANT now wishes to annex and add to the property subject to
the Declaration of Covenants, Conditions, and Restrictions, the real property
and improvements involved in TIFTON HILLS, Phase Two, said property being more
particularly described as follows:

See attached Exhibit A

which property is a portion of the Project Property as described in Article II,

OK-86816-037

Section 2 of said Declaration, as recorded in Book 4064, Page 628, Wake County Registry, and said property is contiguous to Phase Two and contains approximately _____ acres.

NOW, THEREFORE, the DECLARANT, pursuant to the authority granted in Article II, Section 2 of the Declaration, for the purposes above set forth, hereby declares:

1. That the TIFTON HILLS, Phase Two Property described above is hereby annexed and subjected to the Declaration of Covenants, Conditions and Restrictions, as amended, for TIFTON HILLS COMMUNITY ASSOCIATION, INC., said Declaration being originally recorded in Book 4064, Page 628, Wake County Registry, and said property shall be deemed to be governed in all respects by the terms and provisions of the Declaration, said Declaration being and hereby is incorporation by reference as if fully set out herein.

2. DECLARANT hereby represents that it has in every respect complied with the requirements of Article I, Section 2 of the Declaration with respect to Annexation of Additional Properties to the Declaration. See Affidavits attached hereto and made a part hereof.

IN WITNESS WHEREOF, the DECLARANT has executed this instrument the year and day first above written.

TURF GRASS FARM DEVELOPMENT COMPANY a
North Carolina General Partnership

By: THE WINSTON GROUP, INC., Partner

By: *C. W. Winston* (SEAL)

President

ATTEST:

Brenda B. Barnes (SEAL)

Asst. Secretary

wtd81247.001

STATE OF NORTH CAROLINA
COUNTY OF WAKE

AFFIDAVIT

_____, President of THE WINSTON GROUP, INC. a general partner of TURF GRASS FARM DEVELOPMENT COMPANY, being first duly sworn, deposes and says:

1. That a true copy of the Annexation of Additional Properties to the Declaration of Covenants, Conditions, and Restrictions for TIFTON HILLS COMMUNITY ASSOCIATION, INC. has been submitted to the Federal Housing Administration and the Veterans Administration, and said administrations have determined that the annexation is in accord with the general plan heretofore provided by them.

2. That a true copy of the Annexation of Additional Properties to the Declaration of Covenants, Conditions and Restrictions for TIFTON HILLS COMMUNITY ASSOCIATION, INC. has been submitted to the City of Raleigh, and that said city has determined that the annexation is in accordance with the general Plat entitled "Tifton Hills Cluster Development" drawn by _____, R.L.S., dated _____, and approved by the Raleigh City Council on _____.

TURF GRASS FARM DEVELOPMENT COMPANY a
North Carolina General Partnership

By: THE WINSTON GROUP, INC., Partner

By: *Charles W. Winston* (SEAL)

President

ATTEST:

Frank D. Burns (SEAL)
Post Secretary

NORTH CAROLINA

Wake COUNTY

I, Lynda G. Davis, a Notary Public for said County and State
 certify that Brenda G. Burns personally came before me this
 day, and being by me duly sworn, acknowledged that she is Assistant Secretary
 of The Winston Group, Inc., a North Carolina corporation, a general partner of
 TURF GRASS FARM DEVELOPMENT COMPANY and that by authority duly given and as the
 act of the corporation, the foregoing instrument was signed in its name by its
President, sealed with its corporate seal, and
 attested by her as its Assistant Secretary.

WITNESS my hand and official seal, this the 7th day of March,

1991.

Lynda G. Davis
 Notary Public

My Commission Expires:

10-20-92

wtd81247.0023

NORTH CAROLINA — WAKE COUNTY

The foregoing certificate of

Lynda G. Davis
 Notary Public is

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

KENNETH C. WILKINS, Register of Deeds

By Deborah L. Wilkins
 Asst. Deputy Register of Deeds

EX-85816-1060

Exhibit A

Being all of that certain tract of land containing 10.5334 acres designated as Lots, Streets and Open Space as shown on map and survey of Runa Cooper and Co., P.A., Land Surveyors entitled "Final Plat-Phase Two, Tifton Hills Subdivision" recorded in Book of Maps 1990, Page 884, Wake County Registry.

Drawn by: W. Thurston Debnam, Jr.
SMITH DEBNAM HIBBERT & PAHL
Mail to: Post Office Drawer 16268
Raleigh, North Carolina 27611

NORTH CAROLINA

WAKE COUNTY

ANNEXATION OF ADDITIONAL PROPERTY
KNOWN AS PHASE FOUR, TIFTON HILLS
BOOK OF MAPS 1991, PAGE 254,
WAKE COUNTY REGISTRY, TO THE
DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS FOR
TIFTON HILLS COMMUNITY ASSOCIATION, INC.
(FORMERLY TIFTON FARMS COMMUNITY
ASSOCIATION, INC.)

THIS ANNEXATION OF ADDITIONAL PROPERTY TO THE DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS is entered into this 8th day of March,
1991, by TURF GRASS FARM DEVELOPMENT COMPANY (hereinafter called "DECLARANT");

W I T N E S S E T H:

WHEREAS, DECLARANT, by Declaration of Covenants, Conditions, and
Restrictions for TIFTON HILLS COMMUNITY ASSOCIATION, INC. as filed on July 15,
1987, in the Office of the Register of Deeds of Wake County, North Carolina, and
recorded in Book 4064, Page 628 of said office, submitted certain real property
to the provisions of said Declaration of Covenants, Conditions, and Restrictions;
and

WHEREAS, under the Declaration, as amended, the right is reserved in the
DECLARANT herein to annex and subject successive phases of the Tifton Hills
Property to the covenants, conditions, and restrictions; and

WHEREAS, DECLARANT now wishes to annex and add to the property subject to
the Declaration of Covenants, Conditions, and Restrictions, the real property
and improvements involved in TIFTON HILLS, Phase Four, said property being more
particularly described as follows:

See attached Exhibit A

which property is a portion of the Project Property as described in Article II,

Section 2 of said Declaration, as recorded in Book 4064, Page 628, Wake County Registry, and said property is contiguous to Phase Two and contains approximately 7.2153 acres.

NOW, THEREFORE, the DECLARANT, pursuant to the authority granted in Article II, Section 2 of the Declaration, for the purposes above set forth, hereby declares:

1. That the TIFTON HILLS, Phase Four Property described above is hereby annexed and subjected to the Declaration of Covenants, Conditions and Restrictions, as amended, for TIFTON HILLS COMMUNITY ASSOCIATION, INC., said Declaration being originally recorded in Book 4064, Page 628, Wake County Registry, and said property shall be deemed to be governed in all respects by the terms and provisions of the Declaration, said Declaration being and hereby is incorporation by reference as if fully set out herein.

2. DECLARANT hereby represents that it has in every respect complied with the requirements of Article I, Section 2 of the Declaration with respect to Annexation of Additional Properties to the Declaration. See Affidavits attached hereto and made a part hereof.

IN WITNESS WHEREOF, the DECLARANT has executed this instrument the year and day first above written.

TURF GRASS FARM DEVELOPMENT COMPANY a
North Carolina General Partnership

By: THE WINSTON GROUP, INC., Partner

By: [Signature] (SEAL)

President

ATTEST:

[Signature] (SEAL)
Asst. Secretary

wtd81247.001

STATE OF NORTH CAROLINA

COUNTY OF WAKE

AFFIDAVIT

_____, President of THE WINSTON GROUP, INC. a general partner of TURF GRASS FARM DEVELOPMENT COMPANY, being first duly sworn, deposes and says:

1. That a true copy of the Annexation of Additional Properties to the Declaration of Covenants, Conditions, and Restrictions for TIFTON HILLS COMMUNITY ASSOCIATION, INC. has been submitted to the Federal Housing Administration and the Veterans Administration, and said administrations have determined that the annexation is in accord with the general plan heretofore provided by them.

2. That a true copy of the Annexation of Additional Properties to the Declaration of Covenants, Conditions and Restrictions for TIFTON HILLS COMMUNITY ASSOCIATION, INC. has been submitted to the City of Raleigh, and that said city has determined that the annexation is in accordance with the general Plat entitled "Tifton Hills Cluster Development" drawn by _____, R.L.S., dated _____, and approved by the Raleigh City Council on _____.

TURF GRASS FARM DEVELOPMENT COMPANY a
North Carolina General Partnership

By: THE WINSTON GROUP, INC., Partner

By: *[Signature]* (SEAL)
President

ATTEST:

[Signature] (SEAL)
Secretary

NORTH CAROLINA

Wake COUNTY

I, Lynda G. Davis, a Notary Public for said County and State
 certify that Brenda G. Burns personally came before me this
 day, and being by me duly sworn, acknowledged that she is Assistant Secretary
 of The Winston Group, Inc., a North Carolina corporation, a general partner of
 TURF GRASS FARM DEVELOPMENT COMPANY and that by authority duly given and as the
 act of the corporation, the foregoing instrument was signed in its name by its
President, sealed with its corporate seal, and
 attested by her as its Assistant Secretary.

WITNESS my hand and official seal, this the 2nd day of March,
 1991.

Lynda G. Davis
 Notary Public

My Commission Expires:

10-20-92

wtd81247.0023

NORTH CAROLINA — WAKE COUNTY

The foregoing certificate of

Lynda G. Davis
 Notar(y)(ies) Public is

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

KENNETH C. WILKINS, Register of Deeds

By Barbara Elliott
 Asst. Deputy Register of Deeds

Exhibit A

Being all of that certain tract of land containing 7.2153 acres designated as Lots, Streets and Open Space as shown on map and survey of Runa Cooper and Co., P.A., Land Surveyors entitled "Subdivision Plat-Phase Four, Tifton Hills Subdivision" recorded in Book of Maps 1991, Page 254, Wake County Registry.

BK5237PG0385

PRESENTED
FOR
REGISTRATION PREPARED BY & HOLD FOR:
PETREE STOCKTON

008133
STATE OF NORTH CAROLINA

92 JUN 23 AM 10:34

COUNTY OF WAKE

KENNETH C. WILKINS
REGISTER OF DEEDS
WAKE COUNTY

AMENDED AND RESTATED
DECLARATION OF MASTER COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
VILLAGE LAKES SUBDIVISION

THIS DECLARATION, made this 13th day of May 1992, by Turf Grass Farm Development Company, a North Carolina general partnership ("Turf Grass"), Tifton Recreational Association, Inc. ("Tifton Recreational"), Three Lakes Community Association, Inc. ("Three Lakes"), Tifton Hills Community Association, Inc. (formerly known as Tifton Farms Community Association, Inc.) ("Tifton Hills"), Tifton Lakes Community Association, Inc. ("Tifton Lakes"), Solaris Development Corporation T/A Sunstar Homes ("Sunstar"), the undersigned owners, who together with Turf Grass and Sunstar constitute at least ninety (90%) percent of the Owners of the Property (collectively referred to herein as "Declarants"), and the undersigned lenders constituting at least 75% of the mortgagees of the Property ("Consenting Mortgagees");

WITNESSETH:

WHEREAS, Turf Grass is the developer of certain property located in St. Matthews Township, Wake County, North Carolina, and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, Turf Grass has heretofore subjected a certain portion of the Property to the declaration of covenants, conditions and restrictions for Tifton Hills as recorded in Book 4064, Page 628, Book 4074, Page 407, Book 4083, Page 429, and Book 4707, Page 349, Book 4868, Page 36, Book 4868, Page 41 and Book 4868, Page 46, Wake County Registry (collectively the "Tifton Farms Declaration"); and

WHEREAS, Turf Grass has heretofore subjected a certain portion of the Property to the declaration of covenants, conditions and restrictions for Tifton Lakes as recorded in Book 4506, Page 226 and Book 4707, Page 349, Wake County Registry (the "Tifton Lakes Declaration"); and

WHEREAS, Turf Grass has heretofore subjected a portion of the Property to the declaration of covenants, conditions and restrictions for Three Lakes as recorded in Book 4549, Page 537, and Book 4707, Page 349, Wake County Registry (the "Three Lakes Declaration"); and

WHEREAS, Turf Grass has heretofore subjected a portion of the Property to the declarations of covenants, conditions and restrictions for Tifton Recreational as recorded in Book 4707, Page 349, Wake County Registry (the "Tifton Recreational Declaration"); and

WHEREAS, the Tifton Farms Declaration, the Tifton Lakes Declaration, the Three Lakes Declaration and the Tifton Recreational Declaration are hereinafter referred to as the "Original Declarations; and

WHEREAS, the Declarants, constituting ninety (90%) percent of the Owners of the Property and 90% of the owners of each of the properties described in each of the aforesaid Declarations, and the undersigned Consenting Mortgagees desire to amend the Original Declarations and restate the Original Declarations as hereinbelow set forth; and

WHEREAS, Declarants will convey the Property subject to the protective covenants, conditions and restrictions, reservations and charges as hereinafter set forth; and

WHEREAS, Declarants desire to create Village Lakes Subdivision, and to rename the subdivision as Village Lakes, it heretofore sometimes having the names of Tifton Farms, Tifton Hills, Tifton Lakes, Three Lakes and Tifton Recreational; and

WHEREAS, Declarants desire to provide for the preservation and enhancement of the property values, amenities and conceptual intent of Village Lakes Subdivision, for the maintenance of Common Properties and improvements thereon as described herein, and accordingly desire to subject the Property together with such additions and/or deletions as may hereinafter be made, to the covenants, restrictions, easements, affirmative obligations, charges, and liens, as hereinafter set forth, each and all of which is hereby declared to be for the benefit of said Property and each and every owner of any and all parts thereof; and

WHEREAS, Declarants have deemed it desirable for the efficient preservation of the values and amenities of Village Lakes Subdivision to create one agency to which shall be delegated and assigned the power and authority of owning, maintaining and administering the Common Properties as defined herein, administering and enforcing the covenants and restrictions governing said Common Properties, collecting and disbursing all assessments and charges necessary for such activities, and promoting the recreation, health, safety, and welfare of the residents; and

WHEREAS, Declarants have caused or will later cause to be incorporated under the laws of the State of North Carolina as a nonprofit corporation, Village Lakes Homeowners Association, Inc. ("Village Lakes") for the purpose of exercising the functions described above, and which are hereinafter more fully set forth; and

WHEREAS, Tifton Recreational, Three Lakes, Tifton Hills and Tifton Lakes, consent to these Declarations and have consented to and effected the merger of each of these corporations with Village Lakes in order that Village Lakes may be the single entity which controls the Common Properties.

NOW, THEREFORE, in consideration of the premises and covenants set forth herein, Declarants hereby amend the Original Declarations and restate each of the Original

Declarations, in their entirety (it being the intention that the following declaration, covenants and restrictions supersede in their entirety the Original Declarations) as follows:

Declarants declare that the Property and such additions and/or deletions thereto as may hereafter be made, is and shall be held, transferred, sold, conveyed, leased, occupied, and used subject to the covenants, restrictions, conditions, easements, charges, assessments, affirmative obligations, and liens hereinafter set forth (sometimes referred to as the "Covenants"), and said Covenants shall run with the land and be binding on all persons claiming under or through Declarants and/or Owners, as defined below, and said Covenants shall inure to the benefit of each Owner thereof.

ARTICLE 1.

DEFINITIONS

Section 1. "Association" shall mean and refer to the Village Lakes Homeowners Association, Inc. a North Carolina nonprofit corporation, and its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons, firms, associations, corporations, or other legal entities, their successors and assigns, of a fee simple title to any dwelling unit or site which is part of the Property presently or hereafter made subject hereto, including contract sellers, but notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee, as successors or assigns, until and unless such mortgagee has acquired title pursuant to foreclosure or a proceeding in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an owner. The terms "Owner" and "Declarant" shall not be mutually exclusive.

Section 3. "Village Lakes Subdivision" or the "Property" shall mean and refer to that certain real property described in Exhibit A attached hereto and incorporated herein by reference and such additions and/or deletions thereto as may hereafter be brought within or taken from the jurisdiction of the Association as subjected to this Declaration or any Supplemental Declaration.

Section 4. "Common Properties", "Common Property" or "Common Areas" shall mean and refer to those areas of land within Village Lakes Subdivision which are deeded to the Association for the common use and enjoyment of all members and shall include all private streets, if any, all water lines located outside public rights-of-way, public utility easements and dwelling units or sites, and all sewer lines located outside public right-of-ways, public sanitary sewer easements and dwelling units or sites. The term "Common Properties" shall also include any personal property acquired by the Association. All "Common Properties" are to be devoted to and intended for the common use and enjoyment of the Owners, subject to the fee schedules and operating rules adopted by the Association.

Section 5. "Common Expenses" shall mean and refer to all sums lawfully assessed by the Association against its Members, expenses of administration, maintenance, repair or replacement of Common Areas, and/or Landscaped Rights-of-Way, ad valorem expenses for payment of taxes and assessments levied against the Common Properties, expenses declared to be or described as common expenses by the provisions of this Declaration, premiums for hazard, liability or other insurance as may be obtained by the Association and expenses agreed by the Members of the Association to be common expenses of such Association.

Section 6. "Site" shall mean any plot of land regardless of size as shown on a recorded subdivision plat of Village Lakes Subdivision which has been approved as required by this Declaration for a single family detached dwelling.

Section 7. "Undeveloped Site" shall mean a site or an area of Village Lakes Subdivision not yet developed but intended to contain one or more residential units as approved by the City of Raleigh, including any additions or deletions thereto.

Section 8. "Lot" shall mean and refer to any improved or unimproved parcel of land, with delineated boundary lines, shown upon any recorded subdivision map of the Property, intended for the construction of a detached single family dwelling, excluding any Common Properties as defined herein.

Section 9. "Landscaped Rights-of-Way" shall mean the medians and other areas within street rights-of-way within the Property that may be landscaped and improved with sprinkler systems, lighting, and maintained in accordance with the provisions hereinafter contained.

Section 10. "Dwelling Unit" shall mean a single family detached residence containing sleeping faculties for one or more persons and a kitchen.

Section 11. "Member" shall mean and refer to every person or entity entitled to membership in the Association as provided in this Declaration.

Section 12. "Declarants" shall mean the entities and individuals described above in the first paragraph, their successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot for the purpose of development or if such successors or assigns should acquire more than one Lot, whether developed or undeveloped, pursuant to foreclosure or a deed in lieu of foreclosure ("successors" includes any lender with respect to loans obtained by Turf Grass to develop the Property.)

Section 13. "Declaration" shall mean and refer to this Declaration of Master Covenants, Conditions and Restrictions for Village Lakes Subdivision, as it may be amended and supplemented (by Supplemental Declarations) from time to time as herein provided.

Section 14. "Board of Directors" or "Board" means those persons elected or appointed to act collectively as the directors of the Association.

Section 15. "Book of Resolutions" shall mean and refer to the document containing rules and regulations and policies adopted by the Board of Directors.

Section 16. "By-Laws" shall mean the By-Laws of the Association as they now or hereafter may exist.

Section 17. "VA" shall mean Veterans Administration and "HUD" shall mean Department of Housing and Urban Development.

Section 18. "Property" shall mean the Property and any and all other property hereafter made subject to this Declaration as provided hereinbelow.

Section 19. "Project" shall mean and refer to the development now known as Village Lakes, of which the Property is a part. Turf Grass has retained, and hereby retains the right to change the name of the Project from "Village Lakes" to another name selected by Turf Grass by filing an amendment hereto in the records of Wake County, North Carolina.

ARTICLE II.

PROPERTY AND PROPERTY RIGHTS IN THE COMMON AREAS

Section 1. Property Made Subject to Declaration. The Property is hereby made subject to this Declaration and the Property shall be owned, held, leased, transferred, sold, mortgaged and/or conveyed by Declarant, the Association and each Owner subject to this Declaration and the controls, covenants, conditions, restrictions, easements, development guidelines, charges and liens set forth in this Declaration.

Section 2. Annexation of Property. If Turf Grass is the owner from time to time of any property adjoining in whole or in part any portion of the land now or hereafter constituting any portion of the Property or Common Areas ("Additional Property") which it desires to add to the scheme of this Declaration, it may do so by filing of record, on or before December 31, 1997, a Supplemental Declaration (herein so called) which shall, upon consent of the City of Raleigh, extend the scheme of this Declaration to such Additional Property; provided, however, that such Supplemental Declaration, as applied to the Additional Property covered thereby, may include such specific additional controls, covenants, conditions, restrictions, easements, development guidelines, charges and liens as may be set forth in such Supplemental Declaration; and if a person or entity other than Turf Grass desires to add property to the scheme of this Declaration, such property may only be so added if it adjoins in whole or in part any portion of the land now or hereafter constituting any portion of the Property or Common Areas and if Turf Grass and the

Association, by a vote of 2/3 of the members present at any annual or special meeting at which the addition of further property is considered, give written consent thereto, and if the foregoing conditions are met such property shall be considered "Additional Property"; provided, however, that Turf Grass's consent will not be necessary after December 31, 1997.

Section 3. Contents of Supplemental Declaration. Upon consent of the City of Raleigh, each Supplemental Declaration shall set forth the controls, covenants, conditions, restrictions, easements, development guidelines, charges and liens to which the Additional Property covered thereby shall be subject. Such controls, covenants, conditions, restrictions, easements, development guidelines, charges and liens may contain additions, deletions and modifications from those contained in this Declaration, as the parties subjecting such Additional Property to the scheme of this Declaration may desire; provided if such party is other than Turf Grass, as a condition to such party's right to so impose such additions, deletions or modifications, such party must obtain the prior written consent thereto of Turf Grass and the Association, acting through its Board; provided, however, that Turf Grass's consent will not be necessary after December 31, 1997. In no event, shall such Supplemental Declaration revoke, modify or add to the controls, covenants, conditions, restrictions, easements, development guidelines, charges and liens established by this Declaration or a previously filed Supplemental Declaration as it applies or they apply to the Property or to previously added Additional Property except as provided in Section 5 of this Article.

Section 4. Merger or Consolidation. Upon a merger or consolidation of the Association with another association which is a nonprofit corporation composed of owners of Additional Property, and upon consent of the City of Raleigh, the properties, rights and obligations of the Association may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the property, rights and obligations of the Association as the surviving corporation pursuant to a merger. The surviving or consolidated association shall be considered the Association and shall administer the terms and provisions of this Declaration and any applicable Supplemental Declarations, if any, affecting the portions of the Property in the jurisdiction of such Association, together with the covenants and restrictions established upon any other properties, as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the terms and provisions of this Declaration or any Supplemental Declaration pertaining to the Property or any portion thereof except as specifically provided in this Declaration.

Section 5. Members' Easements of Enjoyment. Subject to the provisions of these Covenants and the rules and regulations of the Association, every Member shall have a right and easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall run with the title of every Lot, subject to the following restrictions set forth in section 7 of this Article II.

Section 6. Delegation of Use. Any Member may delegate in accordance with the By-Laws of the Association, his right of enjoyment to the Common Properties and facilities to the members of his family, his tenants, or contract purchasers who reside on such Members' Lot.

Section 7. Extent of Member's Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association, in accordance with its Articles of Incorporation, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties; provided, however, that the mortgagee's interest therein shall be subordinate to the rights of the Owners in such Common Properties;

(b) The right of the Association to take such steps as are reasonably necessary to protect the Common Properties against foreclosure; and

(c) The right of the Association, as provided in its By-Laws, to suspend the enjoyment of rights of any Member or any tenant of any Member for any period during which any assessment remains unpaid; and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations, it being understood that any suspension for either non-payment of any assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the Member's obligations to pay the assessment; and

(d) The right of the Association to charge non-members reasonable admission and other fees for the use of the Common Properties and/or facilities, if any, therein upon recommendation of the Recreational Committee which shall be appointed by the Board of Directors; and

(e) The right of the Association to give, sell or lease all or any part of the Common Properties to any public agency authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such gift, sale or lease shall be effective unless authorized by the City of Raleigh and by the vote of two-thirds (2/3) of the vote of each class of Members at a duly called meeting at which a quorum is present and unless written notice of the proposed action is sent to every Member at least twenty (20) days in advance of any action taken at such Members' address on the records of the Association. A true copy of such resolution together with a certificate of the result of the vote taken and a certificate of mailing executed by the Secretary of the Association or the managing agent shall be annexed to any instrument affecting the Common Properties, prior to the recording thereof. Such certificates shall be conclusive evidence of authorization by the membership. The Common Properties cannot be mortgaged or conveyed without the consent of at least two-thirds (2/3rds) of the Class A members at a duly called meeting at which a quorum is present.

(f) If ingress or egress to any resident is through the Common Properties, any conveyance or encumbrance of such Common Property will be subject to the Owner's easement.

Section 8. FHA, VA, FNMA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration, the Veterans Administration or the Federal National Mortgage Association: annexation of Additional Properties, mergers or consolidations, mortgaging of Common Areas, dedication of Common Areas, and dissolution and amendment of these Articles.

ARTICLE III.

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Members. Turf Grass and Sunstar, for so long as they shall be Owners, and every person or entity who is a record owner of a fee simple or undivided fee simple interest in any dwelling unit or site that is subject by the Covenants to assessments by the Association and who qualifies as an Owner, as defined above, shall be a Member of the Association; provided, however, that any such person or entity who holds such title or interest merely as a security for the performance of an obligation shall not be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any dwelling unit or site which is subject to assessment by the Association. Ownership of a dwelling unit or site shall be the sole qualification for Membership. The Board of Directors may make reasonable rules relating to the proof of ownership of a dwelling unit or site in Village Lakes Subdivision. No owner shall have more than one Membership, except as expressly provided hereinafter.

Section 2. Member Classes and Voting Rights. The Association shall have two (2) classes of voting Members:

Class A. Class A Members shall be all Owners with the exception of Turf Grass, until its Class B Membership has converted to Class A Membership. Class A Members shall be entitled to one (1) vote for each dwelling unit or site in which they hold the required ownership interest.

Class B. The Class B Member shall be Turf Grass, its successors or assigns. The Class B Member shall be entitled to three (3) votes for each dwelling unit or site in which it holds the required ownership interest, provided that the Class B Membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs first:

(a) The total votes outstanding in Class A Membership equals the total votes outstanding in the Class B Membership; provided, that the Class B Membership shall be reinstated with all rights, privileges, responsibilities and voting power if, after conversion of the Class B Membership to Class A Membership, as provided hereunder, and before the time stated in subparagraph (b) below, additional lands are annexed to the Property without the assent of the Class A Members on account of the development of such additional lands by the Declarant, all within the times and as provided for herein, or

(b) December 31, 1997. Thereafter, the Declarant may be entitled to one (1) vote per dwelling unit or site owned by it.

Section 3. Voting Right Suspension. The right of any member to vote may be suspended by the Board of Directors for just cause pursuant to its rules and regulations and for any period during which any assessment of a member remains unpaid according to the provisions of Article IV, Section 9.

Section 4. Voting. The total vote of the Association shall consist of the sum of the votes of the Class A Members and the votes of Class B Members present in person or by proxy at a legally constituted meeting at which a quorum is present. The number of votes present at a meeting that will constitute a quorum shall be as set forth in the By-Laws, as amended from time to time. Notice requirements for all action to be taken by the Members of the Association shall be as set forth herein or in the By-Laws, as the same may be amended from time to time.

When more than one person holds an interest in any dwelling unit or site, all such persons shall be Members; and the vote for such dwelling unit or site shall be exercised as they among themselves determine; however, in no event may more than one vote be cast with respect to any one dwelling unit or site owned by Class A members and in no event shall fractional votes be allowed. When one or more co-owners signs a proxy or purports to vote for his or her co-owners, such vote shall be counted unless one or more other co-owners is present and objects to such a vote or, if not present, submits a proxy or objects in writing delivered to the Secretary of the Association before the vote is counted.

A person's or entity's membership in the Association shall terminate automatically whenever such person or entity ceases to be an Owner, but such termination shall not release or relieve any such person or entity from any liability or obligation incurred under or in any way connected with the Association or this Declaration during the period of such ownership, or impair any rights or remedies which the Association or any other owner has with regard to such former Owner.

Section 5. Right of Turf Grass to Representation on Board of Directors of the Association. Notwithstanding anything contained herein to the contrary, until December 31, 1997, or until Turf Grass shall have conveyed seventy-five percent (75%) of the Lots, whichever occurs first, Turf Grass (or its expressed assignee of the right granted in this section) shall have the right to designate and select at least two-thirds majority of the Board of Directors of the Association. Whenever Turf Grass shall be entitled to designate and select any person or persons to serve on any Board of Directors, the manner in which such person or persons shall be designated shall be as provided in the Articles of Incorporation and/or By-Laws of the Association. Turf Grass shall have the right to remove any person or persons selected by it to act and serve on said Board of Directors and replace such person or persons with another person or other persons to act and serve in the place of any director or directors so removed. Any director designated and selected by Turf Grass need not be an Owner. Any representative of Turf Grass serving on the Board of Directors of the Association shall not be required to disqualify himself from any vote upon any contract or matter between Turf Grass and the Association where Turf Grass may have pecuniary interest or other interest.

ARTICLE IV.

COVENANTS FOR ASSESSMENT

Section 1. Creation of Lien and Obligation for Assessments. Turf Grass, for each Lot owned by it, hereby covenants and agrees, and each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or conveyance, shall be deemed to covenant and agree to all the terms and provisions of these Covenants and to pay to the Association (or to an independent entity or agency which may be designated by the Association to receive such monies):

(a) Annual Assessments or charges;

(b) Special Assessments for the purposes set forth in this Article, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The Annual and Special Assessments together, which such interest thereon and costs of collection therefor as hereinafter provided, shall be a charge and continuing lien on the Lot against which such assessment is made. Each such assessment, together with such interest thereon and cost of collection therefor as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. In the case of co-ownership of a Lot, all such co-owners shall be jointly and severally liable for the assessment.

(c) Special Individual Assessments levied against an individual Owner to reimburse the Association for extra costs for maintenance and/or repairs caused by the failure of such Owner to maintain its individual Lot and improvements plus a twenty percent

(20%) handling fee to the Association for the administrative costs of scheduling such maintenance and/or repairs.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used for payment of Common Expenses and for the purposes of enforcing and carrying out the terms and provisions hereof and of any Supplemental Declaration, carrying out the duties of the Board, the purposes of the Association and promoting the recreation, health, safety and welfare of the residents of the Property and for the improvement, maintenance, and operation of the Common Properties, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement, and additions thereof, and for the costs of labor, equipment, materials, and management supervision thereof. The Special Assessments shall be used for the purposes set forth in Section 1c, Section 4 and Section 5 of this Article.

Section 3. Basic and Maximum Annual Assessments. For the calendar year 1992, the maximum annual assessment shall be Three Hundred Dollars (\$300.00) per Dwelling Unit or recorded Lot except as otherwise provided herein, the exact amount of which shall be determined from time to time by the Board of Directors. On or before December 31 of each year during the term hereof, the Board shall set the amount of the Annual Assessment for the ensuing year for each dwelling unit or Lot, taking into consideration, among other things, the then current Common Expenses and estimated increases in Common Expenses, the then current development and/or maintenance costs, estimated increases in development and/or maintenance costs, and the future needs of the Association. The amount of the Annual Assessment for each dwelling unit or Lot as set by the Board shall be determined by dividing the amount of costs and expenses to be incurred by the Association for the year in question, as such amount is reasonably estimated by the Board (and which estimated amount may include a reasonable contingency fund), by the number of dwelling units or Lots in the Property, such that the regular Annual Assessment for each dwelling unit or Lot shall be the same. The Annual Assessment shall be due and payable as provided in Section 7 of this Article. Notwithstanding anything herein to the contrary, the Board of Directors can increase the amount of the Annual Assessment by up to 10% in any given calendar year without the approval of the Members of the Association; however, the Board of Directors may not increase the Annual Assessment by more than 10% in any given calendar year without the vote of at least 2/3 of the Members present at a duly-called meeting whereat a quorum is present.

Section 4. Special Assessment. In addition to the Annual Assessment authorized by Section 3 hereof, the Board may levy in any assessment year or years a Special Assessment, as defined herein, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of an Association owned improvement including the necessary fixtures and personal property related thereto, or for carrying out other purposes and/or duties and obligations of the Association as stated in its Articles of incorporation or as stated herein. Special Assessments shall be assessed

pursuant to this Section 4 against the dwelling units and owners thereof and the Lots and owners thereof on a pro rata basis in the same manner as described in Section 3 above.

Section 5. Uniform Rate of Assessment. Both Annual and Special Assessments must be fixed at a uniform rate for all dwelling units and sites within a particular class of membership, except for exempt dwelling units and sites provided in Section 12 hereof and except that, notwithstanding anything within this Declaration to the contrary, Turf Grass shall be required to pay only 25% of any Annual or Special Assessment levied against any dwelling unit or site owned by it and for which no certificate of occupancy has been issued by the appropriate governmental authority.

Section 6. Commencement Date of Annual Assessment. The first Annual Assessment provided for herein shall commence on June 1, 1992 ("1992 Assessment") and such Annual Assessments shall continue on a calendar year basis thereafter from year to year. However, the 1992 Assessment shall only be 7/12ths of the Annual Assessment.

Section 7. Due Date of Assessments. The 1992 Annual Assessment and all other Annual Assessments shall be due and payable on a quarterly basis on the first day of each quarter. The first quarterly installment of the Annual Assessment shall become due and payable on the day of recordation of this Declaration and/or the recordation of Lot(s) and shall be prorated according to the number of days remaining in the quarterly period. The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

Section 8. Duties of the Board of Directors. The Board of Directors of the Association shall fix the amount of the assessment against all Lots for each assessment period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Association shall, upon demand, and for a reasonable charge, at any time furnish to any Owner liable for said assessment, or to any person interested in Owner's Title, with the permission of Owner, a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid; provided, however, that no Owner, or such person interested in Owner's title, shall be entitled to receive more than one (1) certificate for each payment. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. Mortgagees of the Property or of any Lots within the Property are not required to collect assessments.

Section 9. Effect of Nonpayment of Assessment. Any assessment that is not paid within ten (10) days after the due date shall incur a late charge in the amount of ten dollars (\$10.00) and, if such assessment is not paid within thirty (30) days after the due date, then such assessment and applicable late fee, shall become delinquent and shall, together with

interest therefrom at the rate of eighteen percent (18%) per annum (or if illegal, the highest rate of interest permitted by law) from the due date, and the cost of collection thereof as hereinafter provided, become a charge and continuing lien on the Lot and all improvements thereon. If an assessment is not paid within thirty (30) days after the due date, the Association may bring an action at law against the Owner personally and/or foreclose the lien against the Lot, and there shall be added to the amount of such assessment the costs of collection, including reasonable attorneys' fees and expenses, and interest as provided above. No Owner may waive or escape liability for the assessments provided for herein by non-use of the Common Properties or abandonment of his Lot. Each Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents or assigns, the right and power to bring all actions against such Owner or Member personally liable for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or a deed of trust lien on real property and such Owner hereby expressly grants to the Association a power of sale in connection with foreclosure of said lien. The lien provided for in this action shall be in favor of the Association and shall be for the benefit of the Association and all other Owners. Notwithstanding anything herein to the contrary, failure to pay such assessment shall not constitute a default under any HUD, FHA or VA insured Mortgage.

Section 10. Assessment Lien and Foreclosure. All sums assessed in the manner provided in this Article but unpaid, shall, together with late fees and interest as provided in Section 9 hereof and the cost of collection, including reasonable attorney's fees, become a continuing lien and charge on the Lot owned by the defaulting Owner and improvements thereon covered by such assessment, as of the assessment due date, which shall bind such Lot and improvements then in the hands of the Owner, and the defaulting Owner's heirs, devisees, personal representatives, successors, and assigns. Except as hereinafter provided, the aforesaid lien shall be superior to all other liens and charges against such Lot and improvements thereon. To evidence the aforesaid assessment lien, the Board may prepare a written notice of assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot and improvements thereon covered by such lien and a description of the Lot. Such notice shall be signed by one of the officers of the Association and shall be recorded in the Office of the Register of Deeds of Wake County, North Carolina. Such lien for payment of assessments shall attach with the priority above set forth from the date that such payment becomes delinquent and may be enforced by the foreclosure of the defaulting Owner's Lot and improvements thereon by the Association in like manner as a deed of trust with power of sale on real property subsequent to the recording of a notice of assessment lien as provided above, and/or the Association may institute suit against the Owner personally obligated to pay the assessments and/or for foreclosure of the aforesaid lien judicially or may seek other available remedy or relief. In any foreclosure proceeding, whether judicial or non-judicial, the Owner shall be required to pay the costs, expenses, and reasonable attorney's fees occurred. The Association shall have the power to bid on the Owner's Lot and improvements at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. The

provisions of this Article IV shall be in addition to the provisions of applicable laws relating to liens established as herein provided.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust now or hereafter placed upon any Lot subject to assessment. Sale or transfer of any Lot shall not affect the assessment lien; however, sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien, but not the personal liability of the Owner affected, of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 12. Exempt Property. The following property, individuals, partnerships and corporations subject to this Declaration shall be exempted from the assessment, charge and Lien created herein:

- (a) Properties conveyed to public utilities for the purpose of granting utility easements;
- (b) All properties exempt from taxation by the laws of the State of North Carolina, upon the terms and to the extent of such legal exemptions; and
- (c) All Common Properties as defined herein;
- (d) All properties dedicated to, and accepted by, a local public municipality or authority.

Section 13. Annual Budget. By majority vote of the directors, the Board of Directors shall adopt an annual budget for the subsequent year of operation, which shall provide for allocation of expenses in such a manner that the obligations imposed by these Declarations and any and all Supplementary Declarations will be met.

Section 14. Omission of Assessments. The omission of the Board, before the expiration of any year, to fix the assessments hereunder for that or the next year, shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Owner from the obligation to pay the assessments, or any installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed.

ARTICLE V

ARCHITECTURAL CONTROL

Section 1. General. Anything contained in Article VI of this Declaration to the contrary notwithstanding, except for structures and landscaping completed prior to May 13, 1992, no site preparation on any Lot or change in grade or slope of any Lot or erection of buildings or exterior additions or alterations to any building situated upon the Property or erection of or changes or additions in landscaping (excluding minor changes such as, but not limited to, annual and perennial flowers), fences, hedges, walls and other structures, or construction of any swimming pools or other improvements, shall be commenced, erected or maintained on any Lot until the Architectural Control Committee (herein called the "Architectural Control Committee") appointed as hereinafter provided, has approved the plans and specifications therefor and the location of such improvements.

Section 2. Common Properties. Notwithstanding the foregoing, Turf Grass and/or Sunstar, during the sales period, have the express right to construct a sales office on the Common Properties and locate sales and marketing signage or other such marketing tools on the common properties with no need for approval under this Article. It is further understood model homes may be constructed within the property for marketing purposes without any approval under this Article.

Section 3. Composition. Until December 31, 1997, Turf Grass shall appoint the members of the Architectural Control Committee which will be composed of three (3) individuals, each generally familiar with residential and community development design matters and knowledgeable about the Turf Grass's concern for a high level of taste and design standards within the Project. In the event of the death or resignation of any member of the Architectural Control Committee, Turf Grass, for so long as it has the authority to appoint the members of the Architectural Control Committee, and thereafter, the remaining members of the Architectural Control Committee, shall have full authority to designate and appoint a successor. Subsequent to December 31, 1997, the Board shall appoint the members of the Architectural Control Committee. At any time, Turf Grass may elect not to appoint the members of the Architectural Control Committee and may assign this right to the Board of Directors. For all construction commenced on or before December 31, 1997, Turf Grass retains the right to approve all original house construction plans even though other members may be appointed to the Architectural Control Committee.

Section 4. Procedure. No improvement of any kind or nature shall be erected, remodeled or placed on any Lot until all plans and specifications therefor and a site plan therefor have been submitted to and approved in writing by the Architectural Control Committee, as to:

- (a) quality of workmanship and materials, adequacy of site dimensions, adequacy of structural design, and facing of main elevation with respect to nearby streets;

(b) conformity and harmony of the external design, color, type and appearance of exterior surfaces with the remainder of the Property and improvements thereon;

(c) location with respect to topography and finished grade elevation and effect of location and use on neighboring Lots and improvements situated thereon and drainage arrangement;

(d) the other standards set forth within this Declaration (and any amendments hereto) or as may be set forth within bulletins promulgated by the Architectural Control Committee, or matters in which the Architectural Control Committee has been vested with the authority to render a final interpretation and decision as the same may relate to creating a harmonious residential development in the Property.

Final plans and specifications for all improvements proposed to be constructed on a Lot shall be submitted in duplicate to the Architectural Control Committee for its approval or disapproval. The Architectural Control Committee is authorized to request the submission of samples of proposed construction materials. At such time as the plans and specifications meet the approval of the Architectural Control Committee, one complete set of plans and specifications will be retained by the Architectural Control Committee and the other complete set of plans and specifications will be marked "Approved" and returned to the Lot Owner or his designated representative. If found not to be in compliance with these covenants, conditions and restrictions or if found to be otherwise unacceptable to the Architectural Control Committee pursuant hereto, one set of plans and specifications shall be returned to the Lot Owner marked "Disapproved," accompanied by a reasonable statement of items found not to be in compliance with these covenants, conditions and restrictions or otherwise being so unacceptable. Any modification or change to the Architectural Control Committee-approved set of plans and specifications must again be submitted to the Architectural Control Committee for its inspection and approval. The Architectural Control Committee's approval or disapproval, as required herein, shall be in writing. All homeowners requesting Architectural Control Committee approval must comply with all City, County and Governmental Applications and Permit requirements.

The Architectural Control Committee may from time to time publish and promulgate architectural standards bulletins which shall be fair, reasonable and uniformly applied in regard to the lots and shall carry forward the spirit and intention of these covenants, conditions and restrictions. Although the Architectural Control Committee shall not have unrestrained or complete discretion with respect to taste, design and any standards specified herein, the Committee shall be responsive to technological advances or general changes in architectural designs and materials and related conditions in future years and use its best efforts to balance the equities between matters of taste and design (on the one hand) and use of private property (on the other hand). Such bulletins shall supplement these Covenants and are incorporated herein by reference, provided, however, that such bulletin may be amended with only the affirmative vote of the Board of Directors.

Section 5. Jurisdiction. The Architectural Control Committee is authorized and empowered to consider and review any and all aspects of the construction of any improvements on a lot which may, in the reasonable opinion of the Architectural Control Committee, adversely affect the living enjoyment of one or more Owner or the general value of the Property of the Project.

Section 6. Enforcement. The Architectural Control Committee shall have the specific, nonexclusive right (but no obligation) to enforce the provisions contained in this Article of this Declaration and/or to prevent any violation of the provisions contained in this Article of this Declaration by a proceeding at law or in equity against the person or persons violating or attempting to violate any such provisions contained in this Article of this Declaration. No failure to enforce or delay in enforcement of this Article shall be deemed a waiver of the right to enforce strict compliance with the terms of this Article.

Section 7. Definition of "Improvement". The term "improvement" shall mean and include all buildings, storage sheds or areas, roofed structures, satellite dish antennas, parking areas, loading areas, trackage, fences, walls, hedges, mass plantings, poles, driveways, ponds, lakes, changes in grade or slope, site preparation, clothesline installation, swimming pools, tennis courts, signs, exterior illumination, changes in any exterior color or shape and any new exterior construction or exterior improvement which may not be included in any of the foregoing. The definition of improvements does not include flower, shrub or tree replacements or any other replacement or repair of any magnitude which ordinarily would be expended in accounting practice and which does not change exterior colors or exterior appearances. The definition of improvements does include both original improvements and all later changes to improvements.

Section 8. Failure of the Architectural Control Committee to Act. If the Architectural Control Committee fails to approve or disapprove any plans and specifications and other submittals which conform (and which relate to improvements which will conform) with the requirements hereof or to reject them as being inadequate or unacceptable within thirty (30) days after submittal thereof, and provided such submittal was a full and complete submittal of all items that were to have been submitted to the Architectural Control Committee, it shall be conclusively presumed that the Architectural Control Committee has approved such conforming plans and specifications and other submittals, EXCEPT that the Architectural Control Committee has no right or power, either by action or failure to act, to waive or grant any variances relating to any mandatory requirements specified in the Declaration or by any rules, regulations, ordinances, or requirements of any governmental authority. If plans and specifications or other submittals are not sufficiently complete or are otherwise inadequate, the Architectural Control Committee shall either reject them as being inadequate or approve or disapprove part, conditionally or unconditionally, and reject the balance. The Architectural Control Committee is authorized to request the submission of samples of proposed construction materials.

Section 9. Limitation of Liability. Except for gross negligence, neither the Architectural Control Committee nor the members thereof nor Turf Grass shall be liable for claims, causes of action, damages or otherwise to anyone submitting plans and specifications and other submittals for approval or to any Owner by reason of mistake of judgement, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any plans or specifications.

Section 10. Miscellaneous. The Association shall reimburse members of the Architectural Control Committee for reasonable out-of-pocket expenses.

ARTICLE VI

USE OF LOTS AND COMMON PROPERTY

The Property (and each lot situated therein) and the Common Property shall be occupied and/or used as follows:

Section 1. Residential Purposes Only. Each Lot shall be used exclusively for single family, non-transient residential purposes containing detached dwellings. No planes, boats, trailers, campers, abandoned cars, or abandoned trucks shall be parked on driveways or in yards unless adequately screened from view and with the prior approval of the Architectural Control Committee. No trade or business of any kind shall be conducted upon any Lot or any part thereof, except as may be approved by the Board of Directors on a case-by-case basis after petition by an Owner, provided, however, that any such approved business must be entirely conducted within the confines of the house or garage of an Owner and must not create, among other things, a nuisance to neighbors or create, among other things, excessive noise, traffic, odors, or unpleasant appearances. No structure shall be erected, placed, altered, used or permitted to remain on any Lot other than one detached single family private dwelling with or without one private attached garage for not more than two (2) automobiles. No Lot and no improvement may be used for hotel or other transient residential purposes. Each lease relating to any Lot or any improvements thereon (or any part of either thereof) must be for a term of at least sixty (60) days and must provide that the tenant is obligated to observe and perform all of the terms and provisions hereof applicable to such Lot and/or improvement.

Section 2. Obstructions, Etc. There shall be no obstruction of the Common Property, nor shall anything be kept or stored in the Common Property, nor shall anything be altered, or constructed or planted in, or removed from the Common Property, without the prior written consent of the Board of Directors. Turf Grass shall have the right to install signs in the Common Property.

Section 3. Restricted Actions by Owners. No Owner shall permit anything to be done or kept on his Lot or in the Common Property which will result in the cancellation of

or increase of cost of any insurance carried by the Association, or which would be in violation of any law. No waste shall be committed in the Common Property. Each Owner shall comply with these Declarations as well as all laws, regulations, ordinances (including, without limitation, applicable zoning ordinances) and other governmental rules and restrictions in regard to such Owner's Lot(s).

Section 4. Signs. No sign of any kind shall be displayed to the public view on any Lot except unit identification signs and one professional sign of not more than five (5) square feet advertising the Lot for sale or rent or advertising the building contractor constructing improvements on the Lot during the initial construction and sales period. However, the foregoing shall not act to restrict or prohibit Turf Grass and/or Sunstar from erecting and maintaining signs and billboards advertising the Property, the Project or portions of either thereof. Notwithstanding the foregoing, all signs erected and maintained on any Lot must conform with all applicable governmental requirements.

Section 5. Nuisances. Nothing shall be done in any part of the Property, nor shall any noxious or offensive activity be carried on, nor shall any outside lighting or loudspeakers or other sound-producing devices be used, which, in the judgement of the Board, may be or become an unreasonable annoyance or nuisance to the other Owners.

Section 6. Attachments. No permanent attachments of any kind or character whatsoever (including, but not limited to, television and radio antennas) shall be made to the roof or exterior walls of any residence on a Lot, unless such attachments shall have been first submitted to and approved by the Architectural Control Committee, as defined in Article V.

Section 7. Damage to the Common Property. Each Owner shall be liable to the Association and/or the Declarant for any damage to the Common Property and/or Landscaped Rights-of-Way caused by the negligence or willful misconduct of the Owner or his family, tenants, guests, or invitees, to the extent that the damage shall not be covered by insurance.

Section 8. Rules of the Board. All Owners and occupants of any Lot shall abide by all rules and regulations adopted by the Board from time to time. The Board shall have the power to enforce compliance with said rules and regulations by all appropriate legal and equitable remedies, and an Owner determined by judicial action to have violated said rules and regulations shall be liable to the Association and/or the Turf Grass for all damages and costs, including attorney's fees incurred in enforcing such rules and regulations.

Section 9. Animals. No animals, livestock or poultry shall be raised, bred or kept in any portion of the Property except that dogs, cats or other household pets may be kept, but not for any commercial purposes, provided that they do not create a nuisance (in the judgement of the Board) such as, but without limitation, by noise, odor, damage or destruction of property or refuse. All pet owners must contain, restrain, and control pets

under applicable city and county animal control laws, and, in any event, all pets must be on a leash when not on the Lot of the pet owner.

Section 10. Waste. No Lot shall be used or maintained as a dumping ground for rubbish, trash or garbage. Waste of any nature shall not be kept on any part of the Property except on a temporary basis in sanitary containers which shall be adequately screened from view by means of a screening wall or material similar to and compatible with that of the dwelling.

Section 11. Boats and Recreational Vehicles. Neither a motorboat, houseboat, or other similar water-borne vehicle nor any "camper" or recreational vehicle may be maintained, stored or kept on any portion of the Property, except in enclosed garages or in areas specifically designated by the Board.

Section 12. Floor Areas, Stories. The total floor area of the main dwelling house of each individual residential unit located on a Lot, exclusive of porches, terraces, garages and outbuildings, shall contain not less than 1100 square feet of space. No improvements, as hereinafter defined, may be constructed or maintained on any Lot which exceeds two (2) stories plus a finished or unfinished attic in height.

Section 13. Exterior Finish; Roof Materials. The exterior of each building (exclusive of windows) erected on a Lot shall consist of wood or pressed-board type siding, brick, stone, other masonry, or other first class materials as the Architectural Control Committee may approve. Detached accessory buildings shall be of the same construction and materials as listed in this Section. All roofs on all improvements (including, without limitations, improvements) constructed on each Lot shall be of self-seal composition shingles or such other materials as may be specifically approved in writing by the Architectural Control Committee.

Section 14. Building Setback Lines. The main building on each Lot (and all required parking for such Lot) shall not be located on any Lot nearer to the Lot boundary line than the building setback line specified on the subdivision plat by which such Lot was created or, if a greater setback is required thereby, as required by applicable zoning laws and other governmental requirements.

Section 15. New Construction. Construction of new buildings only shall be permitted on Lots, it being the intent of this covenant to prohibit the moving of any existing building onto a Lot and remodeling or converting same into a dwelling house. Turf Grass retains the right to Architectural Control approval for all new house construction for all Lots within Village Lakes Subdivision commenced on or before December 31, 1997.

Section 16. Limitation of Truck Parking and Other Vehicles. Trucks of any Owner with tonnage in excess of one ton shall not be permitted to park overnight on the streets, driveways or otherwise within the Property. No vehicle of any size which transports

flammable or explosive cargo may be kept in the Property at any time by any Owner or its invitees or guests. No vehicles that are not in a condition to be normally operated or which are unsightly in appearance may be stored or situated on any Lot, including in the driveway of any Lot, or parked on any street at any time, but may be stored in an enclosed garage. After May 13, 1992, Turf Grass, or any other developers, builders or Owners, will use its reasonable best efforts to provide, for all new construction on the Property, parking areas, driveways and garages for vehicles of a type allowed under this section. On-street parking by Owners within the Property is expressly prohibited except as hereinafter set forth, both with respect to Lots developed prior to and after May 13, 1992. However, notwithstanding anything herein to the contrary, if a Lot which was developed prior to May 13, 1992 has no driveway, the Owner of such Lot may park up to two (2) vehicles of a type allowed under this section on the street, but only in such spot or spots which are approved and designated by the Board of Directors (for purposes of this paragraph "developed" shall mean the construction of a residence on a Lot); if the Owner of a Lot which was developed prior to May 13, 1992 has a driveway which is only large enough to accommodate one vehicle of a type allowed under this section, the Owner of such Lot may park up to one (1) such vehicle, in addition to the driveway-parked vehicle, on the street, but only in such spot which is approved and designated by the Board of Directors; however, for purposes of this section, no Lot which has a one-vehicle driveway which also has a garage shall be considered to be a one-vehicle driveway so as to allow the parking of one (1) vehicle in the street. Furthermore, notwithstanding anything herein to the contrary, the Board of Directors may, on a case-by-case basis, in the Board of Director's sole discretion, approve and designate on-street parking for Owners, upon petition by an Owner, where reasonable parking on such Owner's Lot is not feasible.

Section 17. No Temporary Structure. No temporary dwelling, shop, tent, trailer or mobile home of any kind or any improvement of a temporary character (except dog houses) shall be permitted on any Lot except that the builder or contractor may have temporary improvements (such as a sales office and/or construction trailer) on a given Lot during construction of a residence. No building material of any kind or character shall be placed or stored upon the Property until the owner thereof is ready to commence construction of improvements.

Section 18. Landscaping. Except for the building pad, driveways and sidewalks, patios and decks as approved by the Architectural Control Committee (if required as hereinafter provided) on each Lot, the surface of each Lot shall be of grass or other live foliage and/or ground cover and such grass, foliage and ground cover shall be neatly maintained at all times. The general grading, slope and drainage plan of a Lot may not be altered without Architectural Control Committee approval and/or appropriate governmental agency approvals, if applicable. All firewood shall be neatly stacked in the rear or to the side of the house and/or garage on any Lot. Landscaping and gardening materials and supplies, including but not limited to, topsoil, wood chips, sand, pine straw, wheat straw and manure, whether in bag, bale or bulk form, shall be spread, used or incorporated into the landscaping and/or garden as quickly as possible after delivery and in no event shall be

permitted to remain in view in either bag, bale or bulk form without being spread, used, or incorporated into the landscaping and/or garden for longer than fifteen (15) days.

Section 19. Fences and Walls. No fence or wall shall be erected, placed or altered on any Lot nearer to any street fronting such Lot than the building corner of the main dwelling constructed on such Lot and shall not exceed six (6) feet in height unless otherwise specifically required by governmental authorities having jurisdiction. All fences shall be maintained in a structurally sound and attractive manner. All fences shall be of wood construction and, as more particularly described in Article V, an Owner must obtain the approval of the Architectural Control Committee before erecting a fence on such Owner's Lot.

Section 20. Sight Line Limitations. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two and six feet above roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street right of way lines. The same sight line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway pavement. No tree shall be permitted to remain within such distances of such intersection unless the foliage line is maintained at sufficient height to prevent obstruction of sight lines.

Section 21. Antennae. No exterior antennae, earth satellite station, microwave dish or other similar improvement may be constructed, placed or maintained on any Lot without the prior written consent of the Architectural Control Committee. Such committee will take into consideration the view from adjacent Lots, streets, lakes, as well as other factors of design and harmony into consideration.

Section 22. Gas Meters. No gas meters shall be set in the front of a residence on a Lot unless such meter is of an underground type.

Section 23. Air Conditioning Equipment. No air conditioning apparatus shall be installed on the ground in front of any residence on a Lot. No air conditioning apparatus shall be attached to any front wall or window of a residence on a Lot. No evaporative cooler shall be installed on the front wall or window or the side wall or window (unless screened to the satisfaction of the Architectural Control Committee) of a residence on a Lot.

Section 24. Clothes Lines. The outdoor drying of clothes and the erection of outdoor clothes lines or similar devices is prohibited within the Property. Furthermore, there shall be no hanging clothes in any garage where such hanging of clothes is visible from the street.

Section 25. Burning. Except within fireplaces in the main residential dwelling and outdoor cooking, no burning of anything shall be permitted within the subdivision.

Section 26. Mailboxes. All mailboxes shall be affixed to a substantial pole or stand permanently placed in the ground at a place which allows mail delivery from the street and shall not be located within a sidewalk or within areas not allowed by the Department of Transportation or other governmental entity having jurisdiction. All mailboxes and posts other than the design approved by Turf Grass must first have approval by the Architectural Control Committee.

Section 27. Utilities. All utilities and utility connections shall be located underground, including electrical and telephone cables and wires. Transformers, electric, gas or other meters of any type, or other apparatus shall be contained within the buildings constructed on Lots or, if approved by the Architectural Control Committee in writing, located on the exterior of buildings provided they are adequately screened as required by the Architectural Control Committee in accordance with the provisions of this Declaration.

Section 28. Governmental Requirements. Nothing herein contained shall be deemed to constitute a waiver of any governmental requirements applicable to any Lot and all applicable governmental requirements or restrictions relative to the construction of improvements on and/or use and utilization of any Lot shall continue to be applicable and shall be complied with in regard to the Lots.

Section 29. Garage Doors. To the extent reasonable and practicable, garage doors are to be kept closed at all times and no garage door may remain open on a continuing basis.

ARTICLE VII

INSURANCE AND CASUALTY LOSSES

Section 1. Insurance. The Association, by and through Its Board of Directors or its otherwise duly authorized agents, shall have the authority to obtain and shall obtain, if available at a reasonable price, insurance for all insurable improvements on the Common Properties against loss or damage by fire or other hazards, including extended coverage of vandalism and malicious mischief. This insurance, if available, shall be in an amount sufficient to cover the full replacement cost or repair or reconstruction in the event of damage or destruction from any such hazard. The Association shall also obtain a comprehensive public liability policy in the minimum amount of \$1,000,000 covering the Common Properties, the Association, and its Members for all damage or injury caused by the negligence of the Association or any of its Members or agents, along with a Fidelity Bond for all officers and employees having control over the receipt and disbursement of Association funds and Worker's Compensation to the extent necessary to comply with applicable laws. Premiums for all such insurance contemplated hereunder shall be Common Expenses of the Association.

Section 2. Disbursement of Proceeds. Proceeds of insurance policies shall be disbursed as follows:

(a) If the damage or destruction for which the proceeds are paid is repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment for such repairs or reconstruction. Any proceeds remaining after such costs of repair or reconstruction to the Common Properties shall be retained by and for the benefit of the Association.

(b) If it is determined by the Board of the Association that the damage or destruction of Common Properties for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be retained by and for the benefit of the Association.

Section 3. Insufficient Proceeds. If the insurance proceeds are insufficient to repair or replace any loss or damage, the Board may levy a special assessment, as provided for in Article IV of this Declaration, to cover the deficiency.

ARTICLE VIII

CONDEMNATION

In the event that all or any part of the Common Properties shall be taken (or conveyed in lieu of or under threat of condemnation) the award made for such taking shall be payable to the Association as trustee for Owners, to be disbursed as follows:

(a) If the taking involves a portion of the Common Properties on which improvements have been constructed, the Association shall restore or replace such improvements so taken on the remaining Common Properties to the extent such plans are available in accordance with plans approved by the Board of Directors of the Association.

(b) If the taking does not involve any improvements on the Common Properties or in the event that a decision is made not to repair or restore such improvements, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors may determine.

ARTICLE IX

EASEMENTS

Section 1. Blanket Easement. There is hereby created a blanket easement upon, across, over, and under all of said Properties subject to this Declaration for ingress and egress, installation, replacing, repairing and maintaining all utilities, including, but not limited to, water, sewer, gas, telephones, cablevision and electricity. By virtue of this

easement, it shall be expressly permissible for the providing electrical and/or telephone company to erect and maintain the necessary equipment on said property, and to affix and maintain electrical and/or telephone equipment under the roofs and exterior walls of said Common Properties. An easement is further granted to all police, fire protection, garbage collectors, ambulance, and all similar persons to enter upon the streets and Common Properties in the performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees, and to any management companies selected by the Association to enter in or to cross over the Common Properties provided for herein. Notwithstanding anything to the contrary contained in this Section 1, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on said Properties except as initially approved by Turf Grass or thereafter approved by Turf Grass or the Association's Board of Directors. Should any utility furnishing a service covered by the general easement herein provided request a specific easement by separate recordable documents, Turf Grass (or the Association after the termination of Class B Membership or in the event the easement crosses property owned by the Association) will have the right and authority to grant such easement on said property without conflicting with the terms hereof. The easement provided for in this Article shall in no way affect other recorded easements on said Properties.

Section 2. Underground Electrical Services.

(a) Underground electrical service only shall be available to all the Lots and to the recreational buildings to be constructed on the Common Properties. The metering equipment shall be located on the exterior surface of the wall at a point to be designated by the utility company. The utility company furnishing the service shall have a two-foot priority easement along and centered on the underground electrical power service conductors installed from the utility company's easement to the designated point of service on the dwelling.

(b) Easements for the underground service may be crossed by the driveways and walkways, provided Turf Grass or builder makes prior arrangements with the utility company furnishing electrical service. Such easements for the underground service shall be kept clear of all other improvements including buildings, patios and/or other pavings other than crossing walkways or driveways and neither Turf Grass nor any such utility company using the easements shall be liable for any damage done by either of them or their assigns, their agents, employees, or servants to shrubbery, trees, flowers, and other improvements of the Owner located on land covered by said easements.

(c) An easement is hereby established for the benefit of all applicable government agencies over all Common Properties and over an area five (5) feet from the Lot line adjacent to any street or roadway within this Property hereby or hereafter established for the setting, removal, and reading of water meters, the maintenance and replacement of water, sewage, and drainage facilities, fire fighting, law enforcement, garbage collection and the delivery of mail.

Section 3. Encroachments and Turf Grass's Easements to Correct Drainage. All Lots and the Common Properties shall be subject to an easement for the encroachments of initial improvements constructed on adjacent sites by Turf Grass to the extent that such initial improvements actually encroach, including, without limitation, such items as overhanging eaves, gutters, downspouts, exterior storage rooms, bay windows, steps and walls. If this Declaration is breached or any encroachment occurs as a result of settling or shifting of any building or as a result of any permissible repair, construction, reconstruction, or alterations, there is hereby created and shall be and remain a valid easement for such encroachment and the maintenance of the same. For a period of twenty-five (25) years from the date of conveyance of the first site in a parcel, phase or section, Turf Grass reserves a blanket easement and right on, over and under the ground within that parcel, phase or section to maintain and to correct drainage or surface water in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any grading of the soil, or take any other similar action reasonably necessary. After such action has been completed, Turf Grass shall restore the affected property to its original condition to the extent practicable. Turf Grass shall give reasonable notice of intent to take such action to all affected Owners. These rights and reservations are assignable by Turf Grass.

Section 4. Easement to City of Raleigh. An easement is hereby established for municipal, state or public utilities serving the area, their agents and employees on all Common Properties hereby or hereafter established for setting, removing, and reading utility meters, maintaining and replacing utility or drainage connections, and acting with other purposes consistent with the public safety and welfare, including, without limitation, police and fire protection.

Section 5. Easement for Minor Encroachments. All Lots and the Common Property shall be subject to a perpetual easement for the encroachment of initial improvements constructed on Lots by Turf Grass or any builder to the extent that such initial improvements actually encroach, including, without limitation, such items as overhanging eaves, gutters, downspouts, exterior storage rooms, bay windows, decks, stoops, steps, walls, piers and docks. If any encroachment shall occur subsequent to subjecting the Properties to the Declaration as a result of settling or shifting of any improvement or a result of any permissible repair, construction, reconstruction, or alteration, there is hereby created and shall be a valid easement for such encroachment and for the maintenance of the same. Each Lot shall be subject to an easement for entry and encroachment by Turf Grass for a period not to exceed eighteen (18) months following conveyance of such Lot to an Owner for the purpose of correcting any problems that may arise regarding grading and drainage. Turf Grass or any Builder, upon making entry for such purpose, shall restore the affected Lot or Lots to as near the original condition as practicable.

Section 6. Emergencies. Every Lot and dwelling structure thereon shall be subject to an easement for entry by the Association for the purpose of correcting, repairing,

or alleviating any emergency condition which arises upon any Lot or within any dwelling structure and that endangers any improvement or portion of the Common Property.

Section 7. Title to the Common Property. Turf Grass hereby covenants for itself, its heirs and assigns that it will convey fee simple title to the Common Property to the Association and any Common Properties subsequently platted and identified to the Declaration, which Common Property shall include any private roads or drives which may have been previously created, free and clear of all encumbrances and liens, except public streets, private roads or drives, greenway easements and utility easements. The Common Property is to be owned by the Association at the time of the conveyance of the first Lot conveyed after the recording of this Declaration. Any person or entity submitting Additional Property to this Declaration shall convey fee simple title to the Common Property contained therein to the Association, which Common Property shall include any private roads or drives which may have been previously created, free and clear of all encumbrances and liens, except public streets, private roads or drives, greenway easements and utility easements before the conveyance of any Lot contained in such Additional Property.

Section 8. Utility Charges for Water and Street Lights. As consideration for the conveyance of the Common Property and as consideration for the rights, entitlements and benefits granted to and conferred upon the Association under and by virtue of this Declaration, the Association covenants and agrees to accept the responsibility for payment of any and all fees, charges and expenses arising by virtue of the use of water provided to and used in connection with any of the Common Property and by virtue of the use and operation of the street lights installed and erected with the Common Property from and after the date of such acceptance. Such costs of fees, charges and expenses paid by the Association shall be charged ratably to the Owners as an Assessment according to the provisions in Article IV.

ARTICLE X

GREENWAY-CITY OF RALEIGH

Notwithstanding any other provisions of this Declaration, the Association, Owners, Members, Tenants of Members, Members' guests or invitees, or families of Members shall not, within any portion of the Common Property which is greenway area dedicated to the City of Raleigh, without the prior written consent of the City of Raleigh:

- (a) Grant easements of any nature whatsoever;
- (b) Remove any trees or vegetation;
- (c) Erect gates, fences or other structures;
- (d) Place any garbage receptacles;
- (e) Fill or excavate;
- (f) Plant vegetation or otherwise restrict or interfere with the use maintenance and preservation of said greenway in its natural state, including without

limitation, recreational pursuits such as walking, bicycling and other similar activities by the general public.

It is understood and agreed that within any greenway area, the City of Raleigh may erect trails, trail markers, place litter receptacles, and other convenience facilities and adopt and amend regulations concerning the use of the greenway (including without limitation hours of operation), which shall be equally applicable to the general public and the Owners. The Association and Lot Owners may adopt such other regulations governing the use of the greenway, not inconsistent with those adopted by the City and may enter into such agreements with the City of Raleigh as is deemed appropriate to insure the maintenance and upkeep of the greenway in its natural state, free of litter and unsightly debris.

ARTICLE XI

LAKE RULES AND REGULATIONS

Section 1. Lake Use. Each Owner's use and enjoyment of the lake located on the Properties and other adjoining Common Property shall be subject to the following provisions:

- (a) no motorized boats nor any boats greater than fourteen (14) feet in length shall be allowed or permitted except for a boat used by the Association for maintenance, care and repair of the lake or facilities attendant thereto;
- (b) no boats may be stored or left unattended on the lake or upon any other Common Property;
- (c) no net fishing, with the exception of minnow seines or nets, shall be allowed or permitted;
- (d) no dumping or discharge of any substance into the lake shall be allowed or permitted;
- (e) the Association shall not be responsible for supervision of any activities or uses of or on the lake;
- (f) at all times when the lake is being utilized for any purpose by a member of his family, guest, invitee or licensee, the Owner shall be responsible for supervising such use, unless otherwise agreed to among the Owner and such members of his family, guest, invitee or licensee; and,
- (g) except in cases of emergency, no spot light or search light shall be shown over or across the lake;

Section 2. Disclaimer and Standard of Liability. Neither the Association nor Turf Grass assumes any responsibility for the method, manner or means by which any Owner, the members of his family, guests, invitees, licensees, tenants, contract purchasers or others acting through Owner shall use and enjoy the lakes. Accordingly, neither the Association nor Turf Grass shall be liable to any Owner, the members of his family, guests, invitees, licensees, tenants, contract purchasers or others acting through Owner, except where physical injury to a natural person is proximately caused by the gross negligence or recklessness of the Association or Turf Grass, as the case may be. This disclaimer and standard of liability shall be binding on the Association, Turf Grass, all Owners, members of their families, guests, invitees, licensees, tenants, contract purchasers and others acting through Owner. If this disclaimer and standard of liability should be held inapplicable to or not binding upon any class or sub-class of persons referenced above by a court of competent jurisdiction, it shall nonetheless survive and remain in full force and effect as to all other classes or sub-classes. Nothing contained in this Section shall be deemed a waiver or modification of any common law or statutory defenses otherwise available to the Association or Turf Grass, including, but not Limited to, contributory negligence. Any Owner whose conduct was a concurring or a proximate cause of any injury or damage for which the Association or Turf Grass is sued shall indemnify and hold the Association and Turf Grass harmless in the event the claim on behalf of any such person injured or damaged is reduced to judgment or otherwise paid by the Association or Turf Grass, or both.

Section 3. Other Rules and Regulations. Pursuant to Article II and VI, the Association shall have the right to impose additional regulations for the use and enjoyment of the lakes located on the Properties.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Duration. This Declaration and the controls, covenants, restrictions and standards set forth herein shall run with and bind the Property and shall be to the benefit of every Owner of a Lot in the Property, including Turf Grass, and their respective heirs, successors, and assigns, for a term of thirty-five (35) years from the date this Declaration is recorded. At such time, the easements, covenants, conditions and restrictions herein will automatically be extended for period(s) of ten (10) additional years each unless and until a majority of the Owners of the Lots vote against such extension, which vote shall be evidenced by an appropriate instrument of record recorded on or before the expiration of the then-applicable period. Owners may vote in person or by proxy at a meeting duly called for such purpose, written notice of which shall have been given to all Owners at least thirty (30) days in advance of the date of such vote, which notice shall set forth the purpose of such meeting.

Section 2. Amendment. Subject to the limitations hereinafter contained, this Declaration or any Supplemental Declaration may be amended or modified at any time by

a vote of sixty six and two-thirds percent (66 2/3%) of the total eligible votes of the membership of the Association as defined in Article III hereof, with both classes of the membership voting together. Members may vote in person or by proxy at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance of the date of such vote, which notice shall set forth the purpose of such meeting. Notwithstanding anything contained hereinabove, it is understood and agreed that the consent of Turf Grass in writing to any amendment or modification hereof or of any Supplemental Declaration must first be obtained if such amendment or modification is to be effected prior to December 31, 1997. Turf Grass, without the consent or approval of any other Owner, shall have the right to amend these Declarations to conform to the requirements of any law or governmental agency having jurisdiction over the Property or to qualify the property or any Lots and improvements thereon for mortgages or improvement loans made or insured by a governmental agency or to comply with the requirements of law or regulations of any corporation or agency belonging to, sponsored by, or under the substantial control of, the United States Government or the State of North Carolina, regarding purchase or sale of such Lots and improvements, or mortgage interests therein, as well as any other law or regulation relating to the control of Property including, without limitation, ecological controls, construction standards, aesthetics, and matters affecting the public health, safety and general welfare. A letter from an official of any such corporation or agency, including, without limitation, the City of Raleigh, the Veterans Administration, U.S. Department of Housing and Urban Development, the Federal Home Loan Mortgage Corporation, Government National Mortgage Association, or the Federal National Mortgage Association, requesting or suggesting an amendment necessary to comply with the requirements of such corporation or agency shall be sufficient evidence of the approval of such corporation or agency, provided that the changes made substantially conform to such request or suggestion. In addition, Turf Grass may make minor amendments or modifications hereof which do not involve a change which materially affects the rights, duties or obligations specified herein provided it first obtains the approval (by vote at a duly called meeting) of the holders of fifty-one percent (51%) or more of the eligible votes of the Association (with both Classes of voting Members voting together). Any amendment or modification effected pursuant to this Section 2 shall become effective when an instrument is filed for the record in the Register of Deeds Office, Wake County, North Carolina, with the signatures of the requisite number of Owners (and the signature of Turf Grass, if such amendment or modification is to be effected prior to December 31, 1997). The foregoing shall not limit the rights of Declarant under Article 11, Section 5 above. All amendments hereto must be approved by the City Attorney for the City of Raleigh, such approval to be evidenced by attaching a letter from such City Attorney to the recorded amendment, provided, however, that the City Attorney upon failure to approve or disapprove of a proposed amendment within thirty (30) days of receipt of a copy of such proposed amendment shall be deemed to have approved such amendment.

Section 3. Amendment Form. If any amendment to these covenants, conditions and restrictions is so approved, each such amendment shall be delivered to the Board of the

Association. Thereupon, the Board of Directors shall within thirty (30) days, do the following:

(a) Reasonably assure itself that the amendment has been validly approved by the Owners of the required number of Lots. (For this purpose, the Board may rely on its roster of Members and shall not be required to cause any title to any Lot to be examined).

(b) Attach to the amendment a certification as to its validity, which certification shall be executed by the Association in the same manner that deeds are executed. The following form of certification is suggested:

**CERTIFICATION OF VALIDITY OF AMENDMENT TO COVENANTS
CONDITIONS AND RESTRICTIONS OF
VILLAGE LAKES SUBDIVISION**

By authority of its Board of Directors, Village Lakes Homeowners Association, Inc., hereby certifies that the foregoing Instrument has been duly approved by the Owners of Village Lakes Subdivision and is, therefore, a valid amendment to the existing covenants, conditions and restrictions of Village Lakes Subdivision.

This the ____ day of _____, 19__.

Village Lakes Homeowners Association, Inc.

ATTEST:

Secretary

(c) Immediately, and within the thirty (30) day period aforesaid, cause the amendment to be recorded in the Wake County Registry.

All amendments shall be effective from the date of their recordation in the Wake County Registry, provided, however, that no such instrument shall be valid until it has been indexed in the name of the Association. When any instrument purporting to amend the covenants, conditions, and restricts has been certified by the Board of Directors, recorded, and indexed as provided by this Section, it shall be conclusively presumed that such instrument constitutes a valid amendment as to all persons then owning or thereafter purchasing any Lots.

Section 4. Enforcement. Enforcement of the controls, covenants, conditions, restrictions, easements, development guidelines, charges and liens for which provision is made in this Declaration shall be by any proceeding at law or in equity (or otherwise, as

provided in this Declaration) against any person or persons violating or attempting to violate any such control, covenant, condition, restriction, easement, development guideline, charges or lien and in no event shall any delay in such enforcement be deemed a waiver of the right to do so thereafter or of any other or future violation of any thereof. Turf Grass, the Association and each Owner shall each independently have the right to enforce these Covenants.

Section 5. Severability of Provisions. If any paragraph, section, sentence, clause or phrase of this Declaration shall be or become illegal, null or void for any reason or shall be held by any court of competent jurisdiction to be illegal, null or void, the remaining paragraphs, sections, sentences, clauses and phrases shall remain effective irrespective of the fact that any one or more other paragraphs, sections, sentences, clauses, or phrases shall become or be illegal, null or void.

Section 6. Notice. Whenever written notice to an Owner (including Turf Grass) is required hereunder, such notice shall be given by the mailing of same, postage prepaid, to the address of such Owner appearing on the records of the Association. If notice is given in such manner, such notice shall be conclusively deemed to have been given by placing same in the United States mail properly addressed, with postage prepaid, whether received by the addressee or not. It is the Owner's responsibility to notify the Association of any changes in owner name and/or mailing address.

Section 7. Titles. The titles, headings and captions which have been used throughout this Declaration are for convenience only and are not to be used in construing this Declaration or any part thereof.

Section 8. Conflicts. In the event of any irreconcilable conflict between this Declaration and the ByLaws of the Association, the provisions of this Declaration shall control. In the event of any irreconcilable conflict between this Declaration or the ByLaws of the Association and the Articles of Incorporation of the Association, the provisions of this Declaration shall control.

Section 9. Turf Grass Consent. No provision hereof requiring the consent of Turf Grass shall be effective during any period while Turf Grass does not own property subject to the provisions of this Declaration.

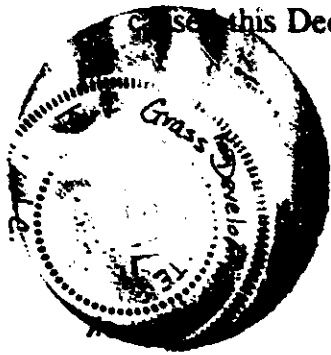
Section 10. City of Raleigh Requirements. For its approval of this Declaration, among other things, the City of Raleigh requires that this Declaration recite the following:

(a) In no case shall the City be responsible for failing to provide any emergency or regular fire, police or other public service to the Property or the Owners when such failure is due to the lack of access to such areas due to inadequate design or construction, blocking of access routes, inadequate maintenance or any other factor within the control of Turf Grass, the Homeowners Association or the Owners. In no case shall the City or the

State be responsible for maintaining any private street. Such responsibility shall rest with the Homeowners Association and Owners in that such private streets will not be constructed to the minimum standards sufficient to allow their inclusion or public maintenance.

(b) The Property is part of a cluster unit development approved by the Raleigh City Council in which residential density transfers are permitted. Therefore, even though some sites may appear to contain sufficient land area to construct additional dwelling units, prior approved density transfers within the cluster unit development may in fact preclude City of Raleigh approval of additional dwelling units. The maximum number of Lots and the maximum number of Lots per acre that may be contained on the Properties or transferred to portions of the Properties without rezoning is 360 Lots and 15 units per acre, respectively.

Section 11. Savings Clause. If this Declaration is ever declared invalid by a court of competent jurisdiction ("Event"), then the former declarations of Three Lakes, Tifton Hills, Tifton Lakes and Tifton Recreational will continue in full force and effect; however, unless such Event shall occur, this Declaration shall supersede all former declarations in their entirety and those former declarations are of no further force and effect.



IN WITNESS WHEREOF, the undersigned, being the Declarants herein, have
 signed this Declaration to be executed on the day and year first above written.

TURF GRASS FARM DEVELOPMENT COMPANY, a
 North Carolina General Partnership

By: The Winston Group, Inc., a North
 Carolina Corporation, General Partner (SEAL)

By: Charles M. Winston
 Charles M. Winston, President

ATTEST:

Lawrence J. Witek
 Asst., Secretary

(CORPORATE SEAL)

STATE OF NORTH CAROLINA
 COUNTY OF WAKE

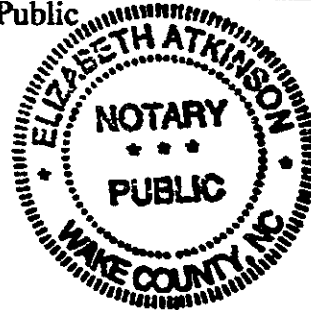
This 13th day of May, 1992, personally came before me, ELIZABETH ATKINSON, a
 notary public, LAWRENCE J. WITEK, who, being by me duly sworn, says that he knows the
 common seal of the Winston Group, Inc., a North Carolina corporation, and is acquainted
 with Charles M. Winston, who is the President of said Corporation, and that he, the said
LAWRENCE J. WITEK, is the Secretary of the said Corporation, and saw the said President
 sign the foregoing or annexed instrument by and on behalf of the corporation's general
 partner of Turf Grass Farm Development Company, a North Carolina General Partner, and
 saw the said common seal of said Corporation affixed to said instrument by said President,
 and that he, the said Secretary, signed his name in attestation of the execution of said
 instrument in the presence of said President of said Corporation.

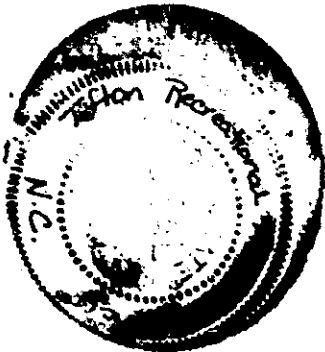
WITNESS my hand and official seal this 13th day of May, 1992.

Elizabeth Atkinson
 Notary Public

My Commission Expires:

4-7-97





BK5237 PG019

TIFTON RECREATIONAL ASSOCIATION, INC.

By:

Charles M. Winston
President

ATTEST:

Lawrence J. Witek
ASST. Secretary

(CORPORATE SEAL)

STATE OF NORTH CAROLINA
COUNTY OF WAKE

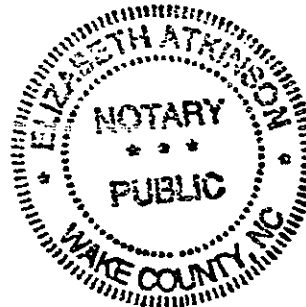
This 13 day of May, 1992, personally came before me, ELIZABETH ATKINSON, a notary public, LAWRENCE J. WITEK, who, being by me duly sworn, says that he knows the common seal of Tifton Recreational Association, Inc., and is acquainted with CHARLES M. WINSTON who is the President of said Corporation, and that he, the said LAWRENCE J. WITEK, is the Secretary of the said Corporation, and saw the said President sign the foregoing or annexed instrument, and saw the said common seal of said Corporation affixed to said instrument by said President, and that he, the said Secretary, signed his name in attestation of the execution of said instrument in the presence of said President of said Corporation.

WITNESS my hand and official seal this 13 day of May, 1992.

Elizabeth Atkinson
Notary Public

My Commission Expires:

4-7-97





8X5237PG0420

THREE LAKES COMMUNITY ASSOCIATION, INC.

By:

Charles M. Winston
President

ATTEST:

Lawrence J. Witek
Secretary

(CORPORATE SEAL)

STATE OF NORTH CAROLINA
COUNTY OF WAKE

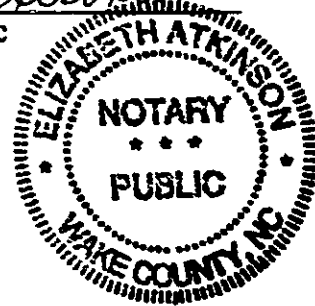
This 13 day of May, 1992, personally came before me, ELIZABETH ATKINSON, a notary public, LAURENCE J. WITEK, who, being by me duly sworn, says that he knows the common seal of Three Lakes Community Association, Inc., and is acquainted with CHARLES M. WINSTON who is the President of said Corporation, and that he, the said LAURENCE J. WITEK, is the Secretary of the said Corporation, and saw the said President sign the foregoing or annexed instrument, and saw the said common seal of said Corporation affixed to said instrument by said President, and that he, the said Secretary, signed his name in attestation of the execution of said instrument in the presence of said President of said Corporation.

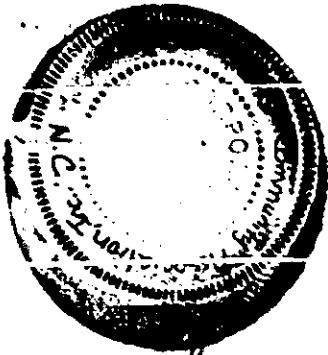
WITNESS my hand and official seal this 13 day of May, 1992.

Elizabeth Atkinson
Notary Public

My Commission Expires:

4-7-97





TIFTON HILLS COMMUNITY ASSOCIATION, INC.
(formerly Tifton Farms Community Association, Inc.)

By: Charles M. Winston

, President

Lawrence J. Witek
, Secretary

(CORPORATE SEAL)

STATE OF NORTH CAROLINA
COUNTY OF WAKE

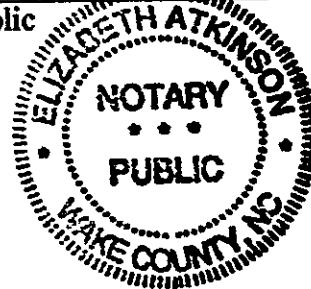
This 13 day of May, 1992, personally came before me, ELIZABETH ATKINSON, a notary public, LAURENCE J. WITEK, who, being by me duly sworn, says that he knows the common seal of Tifton Hills Community Association, Inc. (formerly Tifton Farms Community Association, Inc.), and is acquainted with CHARLES M. WINSTON who is the President of said Corporation, and that he, the said LAURENCE J. WITEK, is the Secretary of the said Corporation, and saw the said President sign the foregoing or annexed instrument, and saw the said common seal of said Corporation affixed to said instrument by said President, and that he, the said Secretary, signed his name in attestation of the execution of said instrument in the presence of said President of said Corporation.

WITNESS my hand and official seal this 13 day of May, 1992.

Elizabeth Atkinson
Notary Public

My Commission Expires:

4-7-97





TIFTON LAKES COMMUNITY ASSOCIATION, INC.

By: Charles M. Winston

, President

ATTEST:

Lawrence J. Witek
 , Secretary

(CORPORATE SEAL)

STATE OF NORTH CAROLINA
COUNTY OF WAKE

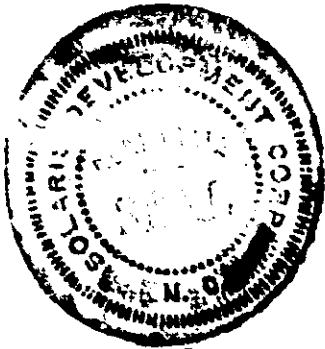
This 13 day of May, 1992, personally came before me, ELIZABETH ATKINSON, a notary public, LAURENCE J. WITEK, who, being by me duly sworn, says that he knows the common seal of Tifton Lakes Community Association, Inc., and is acquainted with CHARLES M. WINSTON who is the President of said Corporation, and that he, the said LAURENCE J. WITEK, is the Secretary of the said Corporation, and saw the said President sign the foregoing or annexed instrument, and saw the said common seal of said Corporation affixed to said instrument by said President, and that he, the said Secretary, signed his name in attestation of the execution of said instrument in the presence of said President of said Corporation.

WITNESS my hand and official seal this 13th day of May, 1992.

Elizabeth H. Atkinson
 Notary Public
 NOTARY
 PUBLIC
 WAKE COUNTY, NC

My Commission Expires:

4-7-97



SOLARIS DEVELOPMENT CORPORATION T/A
SUNSTAR HOMES

By: David K. Schmidt

, President

ATTEST:

Lawrence J. Witek
, Secretary

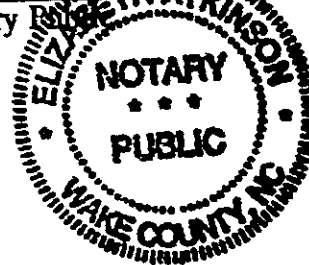
(CORPORATE SEAL)

STATE OF NORTH CAROLINA
COUNTY OF WAKE

This 13th day of May, 1992, personally came before me, ELIZABETH ATKINSON, a notary public, LAWRENCE J. WITEK, who, being by me duly sworn, says that he knows the common seal of Solaris Development Corporation t/a Sunstar Homes, and is acquainted with DAVID K. SCHMIDT who is the President of said Corporation, and that he, the said LAWRENCE J. WITEK, is the Secretary of the said Corporation, and saw the said President sign the foregoing or annexed instrument, and saw the said common seal of said Corporation affixed to said instrument by said President, and that he, the said Secretary, signed his name in attestation of the execution of said instrument in the presence of said President of said Corporation.

WITNESS my hand and official seal this 13th day of May, 1992.

Elizabeth Atkinson
Notary Public



My Commission Expires:

4-7-97

CONSENTED TO BY:

BRANCH BANK AND TRUST COMPANY



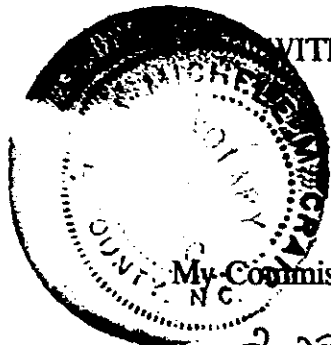
By: _____

Lynn Butler
President

Ann Marie Gardgraf
A.S.S.T., Secretary

STATE OF NORTH CAROLINA
COUNTY OF WAKE

This 13 day of May, 1992, personally came before me, Michelle M. Haig, a notary public, Michelle M. Haig who, being by me duly sworn, says that he knows the common seal of Branch Bank and Trust Company, and is acquainted with Lynn Butler who is the President of said Corporation, and that he, the said Ann Marie Gardgraf, is the Secretary of the said Corporation, and saw the said President sign the foregoing of annexed instrument, and saw the said common seal of said Corporation affixed to said instrument by said President, and that he, the said Secretary, signed his name in attestation of the execution of said instrument in the presence of said President of said Corporation.



WITNESS my hand and official seal this 13 day of May, 1992.

Michelle M. Haig
Notary Public

My Commission Expires:

2.28.94



SOUTHERN NATIONAL BANK OF NORTH CAROLINA

By: William M. Fleming, Jr.
Vice President

Arthur W. Watkins, Jr.
ASST. Secretary

STATE OF NORTH CAROLINA
COUNTY OF WAKE

This 13 day of May, 1992, personally came before me, Deborah S. Richards, a notary public, Arthur W. Watkins, Jr. who, being by me duly sworn, says that he knows the common seal of Southern National Bank of North Carolina, and is acquainted with William M. Fleming, Jr. who is the ^{Vice} President of said Corporation, and that he, the said Arthur W. Watkins, Jr. is the Secretary of the said Corporation, and saw the said President sign the foregoing or annexed instrument, and saw the said common seal of said Corporation affixed to said instrument by said President, and that he, the said Secretary, signed his name in attestation of the execution of said instrument in the presence of said President of said Corporation.

WITNESS my hand and official seal this 13 day of May, 1992.

Deborah S. Richards
Notary Public

My Commission Expires:

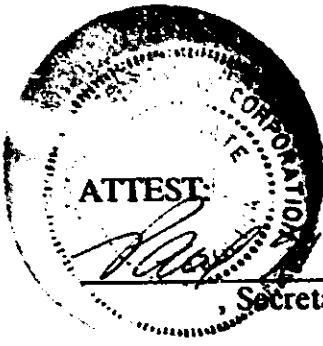
9-27-93



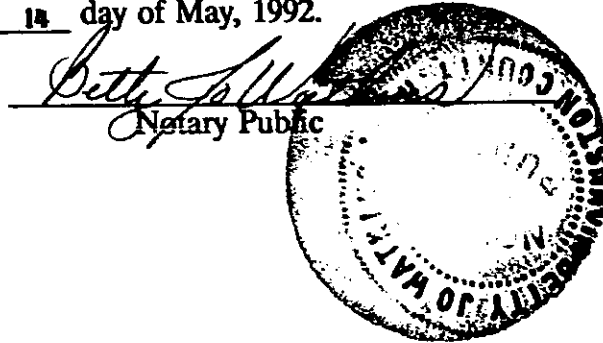
CAROLINA BUILDERS CORPORATION

By: Robert W. Williams

Vice, President

STATE OF NORTH CAROLINA
COUNTY OF WAKE

This 14 day of May, 1992, personally came before me, Betty Jo Watkins, a notary public, Paul H. Casey, who, being by me duly sworn, says that he knows the common seal of Carolina Builders Corporation, and is acquainted with Robert W. Williams who is the Vice President of said Corporation, and that he, the said Paul H. Casey, is the Secretary of the said Corporation, and saw the said Vice President sign the foregoing or annexed instrument, and saw the said common seal of said Corporation affixed to said instrument by said Vice President, and that he, the said Secretary, signed his name in attestation of the execution of said instrument in the presence of said President of said Corporation.

WITNESS my hand and official seal this 14 day of May, 1992.

My Commission Expires:

5/3/93

139-40322

WRITTEN CONSENT

The undersigned, members of Tifton Hills Community Association, Inc. (formerly Tifton Farms Community Association, Inc.), hereby consent in writing to the adoption of the Amended and Restated Declaration of Master Covenants, Conditions and Restrictions for Village Lakes Subdivision dated May 13, 1992.

Arthur J. Calfo (SEAL)
Name: *Arthur J. Calfo*
Lot Number: *#109*
Address: *504 Dandelion Place*

Arthur J. Calfo (SEAL)
Name: *Arthur J. Calfo*
Lot Number: *Lumina Alexander*
Address: *47*
5309 BENTGRASS DR

James L. Reid (SEAL)
Name: *James L. Reid*
Lot Number: *118*
Address: *508 BROOMSEDGE CT*

Francis D. Long (SEAL)
Name: *FRANCIS + DONALD SEPT 4*
Lot Number:
Address: *5201 Bentgrass Dr*
Ral. 27610

Bradley VanSledright (SEAL)
Name: *Bradley VanSledright*
Lot Number: *118*
Address: *500 Dandelion Ct.*
Raleigh, NC. 27610

Minnie S. Braddock (SEAL)
Name: *Derrick & Minnie Braddock*
Lot Number: *55*
Address: *5417 Bentgrass Dr.*
Raleigh, NC 27610

Ray Hicks (SEAL)
Name: *Ray + Hermine Hicks*
Lot Number: *54*
Address: *5413 Bentgrass Dr.*

Deborah + Steve Reel (SEAL)
Name: *Deborah + Steve Reel*
Lot Number: *53*
Address: *5409 Bentgrass Dr.*

Steve L. Harrow (SEAL)
Name: *Steve L. Harrow*
Lot Number: *52*
Address: *5405 BENTGRASS DRIVE*

Joseph Johnson (SEAL)
Name:
Lot Number: *111*
Address: *501 DANDELION PL*
RAL NC 27610

Chester L. Borden (SEAL)
Name: *CHESTER L. BORDEN*
Lot Number: *51*
Address: *5301 TIFTON DR*

Charlie S. Sones (SEAL)
Name: *CHARLIE S. SONES*
Lot Number: *122*
Address: *505 Broomsedge CT.*

WRITTEN CONSENT

The undersigned, members of Tifton Hills Community Association, Inc. (formerly Tifton Farms Community Association, Inc.), hereby consent in writing to the adoption of the Amended and Restated Declaration of Master Covenants, Conditions and Restrictions for Village Lakes Subdivision dated May 13, 1992.

Michael T. Schreier (SEAL)

Name: MICHAEL T. SCHREIER
Lot Number: 119
Address: 504 Broomridge Ct.

Robert J. Kinney (SEAL)

Name: ROBERT J. KINNEY
Lot Number: 51
Address: 5401 BENTGLASS DR.

Lynn B. Bunting (SEAL)

Name: Lynn Bunting
Lot Number:
Address: 5408 Bentglass Dr.

____ (SEAL)
Name:
Lot Number:
Address:

Cealie M. Ravenell (SEAL)

Name: Cealie M. RAVENELL
Lot Number: 121
Address: 501 Broomridge Ct.

____ (SEAL)
Name:
Lot Number:
Address:

David C. Brown (SEAL)

Name: David & Terri Brown
Lot Number: 24
Address: 5401 Wheatcross Pl

____ (SEAL)
Name:
Lot Number:
Address:

Susan M. Crickshanks (SEAL)

Name: Susan M. Crickshanks
Lot Number: 59
Address: 617 Pennross Dr.

____ (SEAL)
Name:
Lot Number:
Address:

Linda Claps (SEAL)

Name:
Lot Number: 120
Address: 500 Broomridge Ct.
Ral. Hc
27610

____ (SEAL)
Name:
Lot Number:
Address:

WRITTEN CONSENT

The undersigned, members of Tifton Recreational Association, Inc., hereby consent in writing to the adoption of the Amended and Restated Declaration of Master Covenants, Conditions and Restrictions for Village Lakes Subdivision dated May 13, 1992.

Richard M. Rhoads (SEAL)
Name:
Lot Number: 4
Address: 5236 Turfgrass Ct

Michael Gurrea (SEAL)
Name: Michael Gurrea
Lot Number:
Address: 813 Lake Brandon Trail

Mary Faulk (SEAL)
Name: Mary Faulk
Lot Number:
Address: 5248 Turf Grass Ct.

Paul W. Steiner (SEAL)
Name:
Lot Number: 110
Address: 500 DANDELION CTS

Frances D. Joseph (SEAL)
Name: FRANCES + DONALD JOSEPH
Lot Number:
Address: 5201 BENTGRASS DR
RA 27610

Minnie S. Braddock (SEAL)
Name: Minnie + Derrick Braddock
Lot Number: 55
Address: 5417 Bentgrass DR.
Raleigh, NC 27610

James L. Reed (SEAL) *
Name: James L. Reed
Lot Number: 118 Pearl Reed
Address: 508 BROOMSEDGE CT

Stewart L. Hanson (SEAL) *
Name: Stewart L. Hanson
Lot Number: 52
Address: 5405 BENTGRASS DRIVE

Charles L. Borden (SEAL) *
Name: Charles L. Borden
Lot Number: 1
Address: 5301 TIFTON DR.

Charles S. Jones (SEAL) *
Name: Charles S. Jones
Lot Number: 122
Address: 505 Broomsedge Ct.

Linda Clark (SEAL) *
Name:
Lot Number: 120
Address: 500 Broomsedge Ct. RA 27610

Luisa A. Alexander (SEAL)
Name: Luisa A. Alexander
Lot Number: 47
Address: 5309 Bentgrass DR

WRITTEN CONSENT

The undersigned, members of Tifton Recreational Association, Inc., hereby consent in writing to the adoption of the Amended and Restated Declaration of Master Covenants, Conditions and Restrictions for Village Lakes Subdivision dated May 13, 1992.

✓ Cealie M. Ravenell (SEAL) *
Name: Cealie M. RAVENELL
Lot Number: 121
Address: 501 Brownsedge Ct.

____ (SEAL)
Name:
Lot Number:
Address:

✓ Susan M. Cruickshanks (SEAL) *
Name: Susan M. Cruickshanks
Lot Number: 59
Address: 577 Remcross Dr.

____ (SEAL)
Name:
Lot Number:
Address:

✓ Michael T. Scherer (SEAL) *
Name: MICHAEL T. SCHERER
Lot Number: 119
Address: 504 Brownsedge Ct.

____ (SEAL)
Name:
Lot Number:
Address:

✓ Lynn B. Bittling (SEAL) *
Name: Lynn B. Bittling
Lot Number:
Address: 5408 Festigass Dr.

____ (SEAL)
Name:
Lot Number:
Address:

✓ David C. Brown (SEAL) *
Name: DAVID & Terri Brown
Lot Number: 24
Address: 5401 Wheatcross Pl

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

WRITTEN CONSENT

The undersigned, members of Tifton Lakes Community Association, Inc., hereby consent in writing to the adoption of the Amended and Restated Declaration of Master Covenants, Conditions and Restrictions for Village Lakes Subdivision dated May 13, 1992.

Mary Faulk (SEAL) x
Name: Mary Faulk
Lot Number: 5248 Tar Grass
Address:

____ (SEAL)
Name:
Lot Number:
Address:

✓ Richard M Rhoda (SEAL) r
Name:
Lot Number: 4
Address: 5236 Turfgrass Ct

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

WRITTEN CONSENT

The undersigned, members of Three Lakes Community Association, Inc., hereby consent in writing to the adoption of the Amended and Restated Declaration of Master Covenants, Conditions and Restrictions for Village Lakes Subdivision dated May 13, 1992.

Michael Guerra

Michael Guerra (SEAL)
Name: Michael Guerra
Lot Number: 83 Lake Brandon
Address:

____ (SEAL)
Name:
Lot Number:
Address:

Jermaine Hicks (SEAL)
Name:

____ (SEAL)
Name:
Lot Number:
Address:

Lot Number: 54
Address: 5413 Bentgrass Dr

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
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____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

NORTH CAROLINA

WAKE COUNTY

I Gary K. Joyner, a Notary Public of said County and State,
do hereby certify that:

Arthur J. Calloway
James L. Reid
Pearl D. Reid
Frances D. Joseph
Bradley K. Van Steenis
Sarah, Van Steenis
Winnie S. Braddock
Jermaine Hicks
Roy Hicks, IV
Debra Ricci
Stephan Ricci
Joseph Johnson
Chester L. Borden
Charlie S. Jones
Michael T Scherer
Lynn Bitting
Cealie M. Ravenell
Steven A. Hanson
David C. Brown
Susan M. Calkins ⁿⁱ Hicks
Linda Glass
Robert J. Kinney
Richard M. Rhodes
Marlee Gurrera

Michael Garrera
Mary Faulk
Anthony C. Alexander
Lumisha Alexander

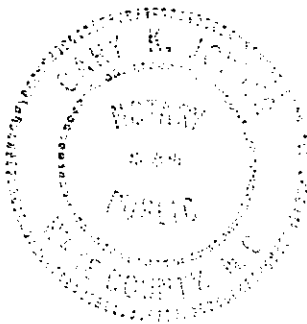
personally appeared before me this day and acknowledged the due execution of the Amended and Restated Declaration of Master Covenants for Village Lakes Subdivision dated May 13, 1992.

WITNESS my hand and notarial stamp this 13th day of May, 1992.

My Commission Expires:

MY COMMISSION EXPIRES: 2-8-94

139-43394





Notary Public

WRITTEN CONSENT

The undersigned, members of Tifton Hills Community Association, Inc. (formerly Tifton Farms Community Association, Inc.), hereby consent in writing to the adoption of the Amended and Restated Declaration of Master Covenants, Conditions and Restrictions for Village Lakes Subdivision dated May 13, 1992.

Margaret U. Ray (SEAL)
Name: Margaret U. Ray
Lot Number: 28
Address: 5417 Wheatcross Pl
Raleigh NC 27610

_____(SEAL)
Name:
Lot Number:
Address:

_____(SEAL)
Name:
Lot Number:
Address:

_____(SEAL)
Name:
Lot Number:
Address:

_____(SEAL)
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Name:
Lot Number:
Address:

_____(SEAL)
Name:
Lot Number:
Address:

_____(SEAL)
Name:
Lot Number:
Address:

_____(SEAL)
Name:
Lot Number:
Address:

WRITTEN CONSENT

The undersigned, members of Tifton Hills Community Association, Inc. (formerly Tifton Farms Community Association, Inc.), hereby consent in writing to the adoption of the Amended and Restated Declaration of Master Covenants, Conditions and Restrictions for Village Lakes Subdivision dated May 13, 1992.

Lorraine P. Kinney (SEAL)
 Name:
 Lot Number: 51
 Address: 5401- Bentgrass Dr.

____ (SEAL)
 Name:
 Lot Number:
 Address:

George D. Gutschraubs (SEAL)
 Name:
 Lot Number: 59
 Address: 617 Penn Cross Dr.

____ (SEAL)
 Name:
 Lot Number:
 Address:

____ (SEAL)
 Name:
 Lot Number:
 Address:

____ (SEAL)
 Name:
 Lot Number:
 Address:

____ (SEAL)
 Name:
 Lot Number:
 Address:

____ (SEAL)
 Name:
 Lot Number:
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____ (SEAL)
 Name:
 Lot Number:
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____ (SEAL)
 Name:
 Lot Number:
 Address:

____ (SEAL)
 Name:
 Lot Number:
 Address:

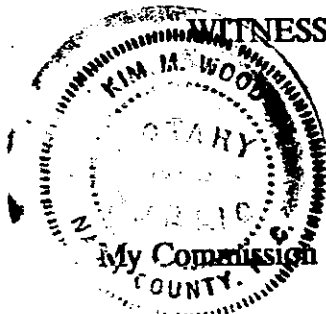
____ (SEAL)
 Name:
 Lot Number:
 Address:

NORTH CAROLINA
WAKE COUNTY
NASH

I, Kim M. Wood, the undersigned Notary Public of the aforesaid County and State, do hereby certify that SAM BASS personally appeared before me, and being duly sworn, stated that in her presence the following persons each acknowledged the execution of the attached Amended and Restated Declaration of Master Covenants for Village Lakes Subdivision dated May 13, 1992.

LORRAINE P. KINNEY
GEORGE D. CRICKSHANKS

WITNESS my hand and notarial stamp this 13th day of May, 1992.



My Commission Expires:

My Commission Expires 2-14-55

Kim M. Wood
Notary Public

WRITTEN CONSENT

The undersigned, members of Tifton Lakes Community Association, Inc., hereby consent in writing to the adoption of the Amended and Restated Declaration of Master Covenants, Conditions and Restrictions for Village Lakes Subdivision dated May 13, 1992.

Carolyn Rhodes (SEAL)
Name: CAROLYN RHODES
Lot Number: 141
Address:

5236 Turfgrass Ct
Burleston Faulk (SEAL)
Name: BURLESTER FAULK
Lot Number: 138
Address: 5248 Turfgrass Ct.

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
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____ (SEAL)
Name:
Lot Number:
Address:

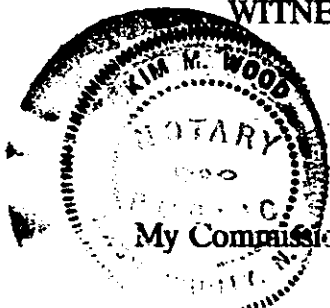
____ (SEAL)
Name:
Lot Number:
Address:

NORTH CAROLINA
WAKE COUNTY
NASH

I, Kim M. Wood, the undersigned Notary Public of the aforesaid County and State, do hereby certify that Sam Bass personally appeared before me, and being duly sworn, stated that in her presence the following persons each acknowledged the execution of the attached Amended and Restated Declaration of Master Covenants for Village Lakes Subdivision dated May 13, 1992.

CAROLYN RHODES
BURLESTER FAULK

WITNESS my hand and notarial stamp this ¹⁰⁴⁶13th day of ^{June}May, 1992.



My Commission Expires:

My Commission Expires 2-14-95

139-43387

Kim M. Wood
Notary Public

WRITTEN CONSENT

The undersigned, members of Three Lakes Community Association, Inc., hereby consent in writing to the adoption of the Amended and Restated Declaration of Master Covenants, Conditions and Restrictions for Village Lakes Subdivision dated May 13, 1992.

Victoria Nam (SEAL)
Name:
Lot Number: Lot 5
Address: 809 LAKE BRANTON DR.

____ (SEAL)
Name:
Lot Number:
Address:

Wesley Nam (SEAL)
Name:
Lot Number: Lot 5
Address: 809 LAKE BRANTON DR.

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
Address:

____ (SEAL)
Name:
Lot Number:
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Name:
Lot Number:
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____ (SEAL)
Name:
Lot Number:
Address:

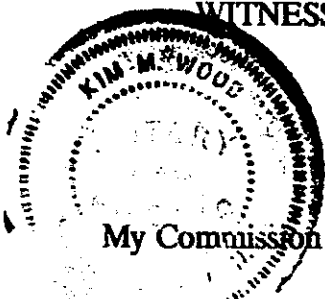
NORTH CAROLINA
WAKE COUNTY
NASH

I, Kim M. Wood the undersigned Notary Public of the aforesaid County and State, do hereby certify that Wade M. Poe personally appeared before me, and being duly sworn, stated that in her presence the following persons each acknowledged the execution of the attached Amended and Restated Declaration of Master Covenants for Village Lakes Subdivision dated May 13, 1992.

Victoria Dunn
Wesley Dunn

[illegible]

WITNESS my hand and notarial stamp this ^{10th} 15th day of ^{June} May, 1992.



My Commission Expires:

My Commission Expires 2-14-95

Kim M. Wood
Notary Public

NORTH CAROLINA — WAKE COUNTY

The foregoing certificate of _____

NORTH CAROLINA — WAKE COUNTY
The foregoing certificate of Elizabeth Atkinson,
Michelle M. Craig, Deborah S. Richard, Betty J. Watkins,
Jerry R. Fayman, Kim M. Wood, Notary(y) (ies) Public is
(are) certified to be correct. This instrument and this certificate are duly registered at the date and time
and in the book and page shown on the first page hereof.

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

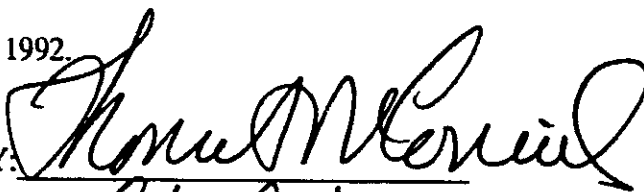
KENNETH C. WILKINS, Register of Deeds

By Barbara Elliott
Asst. Deputy Register of Deeds

THIS AMENDED AND RESTATED DECLARATION OF MASTER
COVENANTS, CONDITIONS AND RESTRICTIONS FOR VILLAGE LAKES
SUBDIVISION IS APPROVED AS TO FORM BY THE CITY OF RALEIGH.

THIS 22 DAY OF JUNE, 1992.

BY:



TITLE:

City Attorney

EXHIBIT A**PROPERTY SUBJECT TO DECLARATIONS OF
RESTRICTIONS AND COVENANTS OF
VILLAGE LAKES SUBDIVISION**

Being situated in Wake County, North Carolina and more particularly described as follows:

BEGINNING at N.C. Grid Coordinates Y = 741,179.4454 and X = 2,132,492.6546; thence North 86° 41' 43" East 598.99 feet to a point; thence North 86° 41' 43" East 51.60 feet to a point; thence South 17° 37' 16" East 193.45 feet to a point; thence in a curve to the left having a radius of 158.20 feet for an arc distance of 44.51 feet, the chord of said arc being South 25° 39' 21" East 22.40 feet to a point; thence South 33° 41' 24" East 18.03 feet to a point; thence in a curve to the right having a radius of 721.88 feet for an arc distance of 167.32 feet, the chord of said arc being South 27° 03' 00" East, 166.94 feet to a point; thence South 20° 24' 36" East 173.51 feet to a point; thence South 20° 24' 36" East 87.30 feet to a point; thence in a curve to the right having a radius of 1,273.97 feet for an arc distance of 216.79 feet, the chord of said arc being South 11° 52' 41" East, 216.53 feet to a point; thence in a curve to the right having a radius of 30.00 feet for an arc distance of 45.94 feet the chord of said arc being South 47° 12' 53" East, 41.58 feet to a point; thence North 88° 55' 00" East 609.23 feet to a point; thence in a curve to the left having a radius of 1,337.34 feet for an arc distance of 112.11 feet, the chord of said arc being North 86° 31' 08" East, 112.08 feet to a point; thence in a curve to the left having a radius of 1,380.26 feet for an arc distance of 559.36 feet, the chord of said arc being North 83° 53' 35" East, 555.54 feet to a point in the centerline of Rogers Lane; thence South 08° 44' 26" East 101.47 feet; thence North 71° 01' 27" East 44.70 feet; thence North 71° 01' 27" East 816.49 feet to a point; thence South 60° 21' 41" East 643.46 feet to a point; thence South 50° 00' 02" East 739.46 feet to a point; thence North 89° 57' 03" East 698.19 feet to a point; thence South 11° 12' 04" West 111.23 feet to a point; thence South 10° 16' 16" West 210.97 feet; thence South 08° 51' 10" East 264.74 feet; thence South 89° 57' 03" East 2021.50 feet in the centerline of Rogers Lane; thence North 03° 5' 7" West 104.71 feet; thence South 86° 29' 26" West 1314.59 feet to a point; thence South 36° 51' 56" West 1285.08 feet to a point in the Norfolk and Southern Railroad right-of-way; thence with the centerline of the Norfolk and Southern Railroad right-of-way North 56° 53' 48" West 128.24 feet to a point; thence North 00° 34' 09" East 1046.71 feet to a point; thence North 89° 28' 55" West 169.97 feet to a point; thence North 00° 26' 11" East 413.28 feet to a point; thence North 00° 40' 49" East 229.79 feet to a point; thence North 01° 12' 43" East 630.86 feet to a point; thence North 01° 12' 43" East 360.00 feet to the point and place of BEGINNING and being all portions of the property shown as Village Lakes Subdivision as recorded in Book of Maps 1992, Pages 715 & 716, Wake County Registry.

BK5274PG0586

PREPARED BY & HOLD FOR:
PETREE STOCKTON

NORTH CAROLINA

WAKE COUNTY

**SUPPLEMENT TO AMENDED AND RESTATED
DECLARATION OF MASTER COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
VILLAGE LAKES SUBDIVISION**

THIS SUPPLEMENT TO AMENDED AND RESTATED DECLARATION OF
MASTER COVENANTS, CONDITIONS AND RESTRICTIONS for Village Lakes
Subdivision (the "Supplement") made this 30th day of July, 1992, by the undersigned
owners of the property;

WITNESSETH:

THAT WHEREAS, Turf Grass Farm Development Company, a North Carolina
General Partnership ("Turf Grass"), Tifton Recreational Association, Inc. ("Tifton
Recreational"), Three Lakes Community Association, Inc. ("Three Lakes"), Tifton Hills
Community Association, Inc. (formerly known as Tifton Farms Community Association,
Inc.) ("Tifton Hills"), Tifton Lakes Community Association, Inc. ("Tifton Lakes"), Solaris
Development Corporation T/A Sunstar Homes ("Sunstar") and ninety (90%) percent of
the Owners of the Property (as defined in the Declarations) executed and filed for
recordation the Amended and Restated Declaration of Master Covenants, Conditions
and Restrictions for Village Lakes Subdivision dated May 13, 1992 and recorded in Book
5237, Page 385, Wake County Registry (the "Declaration"); and

WHEREAS, the undersigned are spouses of persons who have signed the
Declaration and desire to consent in writing to the Declaration and are Owners of
Property as defined in the Declaration and desire to consent to the Declaration; and

WHEREAS, the Declaration is incorporated herein by reference; and

NOW, THEREFORE, in consideration of the premises and covenants set forth in
the Declaration, the undersigned hereby consent in writing to the said Declaration,
thereby constituting 90% of the Owners of the Property.

This 30th day of July, 1992.

(See attached pages for signatures which are incorporated herein by reference)

KENNETH C. WILKINS
REGISTER OF DEEDS
WAKE COUNTY

92 JUL 30 PM 2:47

PRESENTED
FOR
REGISTRATION

164000

WRITTEN CONSENT

The undersigned, members of Tifton Hills Community Association, Inc. (formerly Tifton Farms Community Association, Inc.), hereby consent in writing to the adoption of the Amended and Restated Declaration of Master Covenants, Conditions and Restrictions for Village Lakes Subdivision dated May 13, 1992.

Bernice B. Borden (SEAL)
Name:
Lot Number: #1
Address: 5301 Tifton Dr.

Donald L. Borden (SEAL)
Name:
Lot Number: 56 55
Address: 5417 Bentgrass Dr.

Michelle Scherer (SEAL)
Name:
Lot Number:
Address: 504 Bromsedge Ct.

Terri M. Brown (SEAL)
Name:
Lot Number:
Address: 5401 Wheaters Pkwe
Raleigh N.C. 27610

Samuel C. Cline (SEAL)
Name:
Lot Number: 120
Address: 500 Bromsedge Ct.

James F. Cline (SEAL)
Name:
Lot Number:
Address: 5408 Bentgrass Dr.
Raleigh, N.C. 27610

Pamela Perry Johnson (SEAL)
Name: PAMELA PERRY Johnson
Lot Number: 111
Address: 501 Dandelion Place
Raleigh, N.C. 27610

____ (SEAL)
Name:
Lot Number:
Address:

Linda L. Hanson (SEAL)
Name:
Lot Number: 52
Address: 5405 Bentgrass Dr.
Raleigh NC 27610

____ (SEAL)
Name:
Lot Number:
Address:

Donald B. Joseph (SEAL)
Name: DONALD B. JOSEPH
Lot Number:
Address: 5201 Bentgrass Dr.
RAL. NC 27610

____ (SEAL)
Name:
Lot Number:
Address:

