

which improvements have been constructed, then the Association, to the extent reasonably practicable and in accordance with plans reasonably adopted by the Board, shall restore or replace such Common Property improvements, unless a contrary determination is made by Declarant, during the Development Period, or, following the end of the Development Period, by the affirmative vote of sixty-seven percent (67%) or more of the votes cast by the Members present at a meeting of the Association.

If any portion of any award for a Taking of the Common Property is attributable to any Limited Common Property, such portion of the award shall be apportioned among the Owners of the Lots to which the Limited Common Elements was allocated at the time of the Taking based on the Allocated Interests of such Owners in such Limited Common Elements at the time of the Taking.

ARTICLE IX. USE AND CONDUCT

Section 1. Use of the Properties. Except as otherwise allowed by this Declaration, no portion of the Properties shall be used for other than residential purposes, streets, utilities, greenways, open space, Common Elements, recreational purposes, or other purposes substantially related to residential use which are allowed under applicable Governmental Authority zoning ordinances for such portions of the Properties (unless such substantially related purposes are prohibited by other provisions of this Declaration), or any other uses allowed under applicable Governmental Authority zoning ordinances for such portions of the Properties and approved by the Declarant during the Development Period or thereafter, by the Board. Provided, however, and notwithstanding the foregoing sentence, during the Development Period: (i) Declarant, and any Builder or other Person with Declarant's consent, may maintain model homes, sales offices and temporary construction trailers and other facilities within the Properties for the purpose of conducting business related to the development, improvement, and/or sale or marketing of any part or all of the Properties, including the sale and marketing of Dwellings, and including a reasonable time within which to remove such items following completion of such construction of initial improvements; and (ii) Declarant, and any Builder or other Person with Declarant's consent, may conduct such business and other activities within the Properties as may be necessary or desirable in connection with the development, improvement, and/or sale or marketing of any part or all of the Properties, including the sale and marketing of Dwellings.

Section 2. Animals. No animals of any kind (including livestock, reptiles or poultry) shall be kept on any portion of the Properties or in any Dwelling except for dogs, cats or other domestic household pets which are not used for breeding or other commercial purposes, and provided that they do not create a nuisance (in the judgment of the Board), by number or type of animals, noise, odor, damage or destruction of property, animal waste, or any other reason, and further provided that they are kept in compliance with all Legal Requirements and such Restrictions and Rules and other rules and regulations pertaining thereto as the Association may adopt, which rules and regulations may include requirements that animals be kept on a leash or otherwise restrained or confined whenever they are anywhere on the Properties other than on the Owner's Lot or other areas specifically designated for animals not on leashes, that animals be restrained or confined inside a fence or other restraint when on a Lot outside of the Dwelling, and which may prohibit the keeping of animals on the Properties that are excluded from coverage or subject to reduced coverage under liability insurance policies generally available for the Properties. The Board may require any Owner to furnish the Board with evidence that a particular animal is not excluded or subject to reduced coverage under the liability insurance policy maintained by such Owner for that Owner's portion of the Properties, and the Owner shall furnish the Board with the required evidence (in the form of a copy of the applicable policy or such other evidence reasonably

satisfactory to the Board) within ten (10) days following the date on which the Board gives a notice that it is requiring same. Provided, however, no Board member shall have any liability for any failure of the Board to adopt a Restriction or Rule or other rule or regulation that prohibits the keeping of a particular type or breed of animal. The Owner responsible for an animal being on the Properties promptly shall clean up or remove from any portion of the Properties not owned by such Owner all solid bodily wastes from that animal.

Each Owner who keeps any animal on any portion of the Properties shall be deemed to have indemnified and agreed to hold harmless the Association, Declarant and all other Owners, from and against *any* loss, claim for damages to person or property, cause of action, or liability of any kind, including all costs of defending against same (including reasonable attorneys' fees), arising out of or resulting from such animal, including any actions of the animal. An easement over and upon the Properties hereby is reserved for the applicable Governmental Authority to exercise and enforce Legal Requirements relating to animal control.

Section 3. Harmful Discharges. There shall be no emissions of dust, sweepings, dirt, cinders, odors, gases or other substances from any portion of the Properties into the atmosphere (other than those resulting from cleaning or reasonable residential chimney or outdoor grill emissions), there shall be no production, storage or discharge of hazardous wastes from or on any portion of the Properties, and there shall be no discharges of liquid or solid wastes or other harmful matter into the ground, sewer or any body of water within the Properties, if such emission, production, storage or discharge may adversely affect the use of any portion of the Properties, or may adversely affect the health, safety or comfort of the occupants of the Properties. Provided, however, the foregoing prohibitions shall not prevent or interfere with the reasonable development or maintenance of any portion of the Properties or improvements thereon by Declarant, any Builder or any other Person in accordance with Legal Requirements, nor shall they prevent, as incident to the residential use of the Properties, the reasonable use, handling, storage and disposal of medically related hazardous substances and wastes in compliance with all Legal Requirements.

Section 4. Home Businesses. An Owner may maintain an office or home business on such Owner's Dwelling or other improvement in the Properties only if: (i) such office or home business is operated by the Owner or a member of the Owner's household residing in the Dwelling; (ii) there are no displays or signs indicating that the Dwelling or improvement or portion of the Properties on which it is located is being used other than as a residence; (iii) such office or business does not generate significant traffic or parking usage by the business itself or by clients, customers or other Persons, it being in the discretion of the Board to determine compliance with this requirement; (iv) no vehicles, equipment or other items related to the office or business are stored, parked or otherwise kept on the streets in the Subdivision or on the portion of the Properties on which such Dwelling is located outside of the Dwelling or other enclosure approved by the Architectural Review Committee; (v) such Owner has obtained from the applicable Governmental Authority, and maintains in effect, all required approvals for such use; (vi) the activity is consistent with the residential nature of the Properties and complies with all Legal Requirements and other provisions of this Declaration; (vii) no person is employed in such office or home business except for the Owner or the members of the Owner's household residing in the Dwelling or the Owner's tenant residing in the Dwelling; and (viii) the Owner has obtained prior written approval from the Board before commencing such business or office use and thereafter registers annually with the Association and obtains annual re-approval of such business or office use by the Board as long as the operation of the home business continues. As a condition to such use, the Association may require the Owner to pay any increase in the rate of insurance, trash removal, utilities or other costs for the Association or other Owners which result or reasonably may be anticipated to result from such use. Garage sales, yard sales and similar activities

shall be conducted only in accordance with all Legal Requirements and the rules and regulations, if any, adopted by the Association.

Section 5. Hunting; Discharge of Firearms. Hunting and trapping of wild animals, fowl and game and the discharge of firearms and/or bows and arrows and/or other weapons within the Properties is prohibited, unless required for safety or personal protection reasons.

Section 6. Leases. Every lease for any Lot or Dwelling shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration and other Governing Documents, and that each lessee shall comply with the terms of such documents. Provided, however, this Declaration and other Governing Documents apply to all such leases, whether or not so stated therein.

Section 7. Legal Requirements. Nothing herein contained shall be deemed to constitute a waiver of any Legal Requirement applicable to any portion of the Properties, and all Legal Requirements relative to the construction of improvements on, and/or use and utilization of; any portion of the Properties shall be complied with by the Owners and occupants of such portions of the Properties, whether or not the Approved Plans for same are in compliance with such Legal Requirements. Provided, that in any instance in which the provisions of this Declaration contain a provision that requires something more than or in addition to, or prohibits something otherwise allowed under, a Legal Requirement (for example, prohibition of a use allowed under a Legal Requirement or requirement of a greater distance or size than required under a Legal Requirement), the provisions of this Declaration shall control, unless prohibited by a Legal Requirement.

Section 8. Motorized Vehicles. All motorized vehicles operating within the Properties, including automobiles, motorcycles, trucks, lawn mowers, and golf carts, must have proper and adequate mufflers. Each Owner shall provide for adequate parking space on such Owner's Lot for all of the following "vehicles" that are regularly used in connection with the Lot by any Person or are used or kept on the Lot by any Person: motorized vehicles; bicycles; and other apparatus moved by use of wheels or otherwise designed or used for movement over and upon streets or highways (whether motorized or whether or not self-propelled), including trailers and carts. Except as reasonably necessary for maintenance of improvements or as otherwise allowed by Declarant during the Development Period (and thereafter, by the Board), no vehicles of any kind shall be parked or left in the Common Elements (except in areas, if any, designated for parking), and trucks with tonnage in excess of one (1) ton shall not be permitted to park overnight on the streets, driveways or otherwise within the Properties. Provided, however, and notwithstanding the foregoing, and subject to Legal Requirements, vehicles may be parked temporarily on streets and driveways within the Properties as reasonably necessary in connection with construction, installation, or maintenance of improvements within the Properties. In addition to and supplemental to, but not inconsistent with, the foregoing, the Association also may adopt and enforce Restrictions and Rules relating to the parking of vehicles on Lots or any other portion of the Properties outside of garages or screened areas approved for such parking by the Architectural Control Committee.

Section 9. New Construction. Construction of new Dwellings or Improvements only shall be permitted on Lots, it being the intent of this Section to prohibit the moving of any existing building or structure onto any Lot and remodeling or converting same into a Dwelling. Provided, however, the foregoing shall not be construed as prohibiting maintenance of, remodeling of, or construction of additions to, existing Dwellings or Improvements that previously have been constructed in compliance with this Declaration, provided that such maintenance, remodeling or addition is performed in accordance with the Approved Plans therefor (or Architectural Guidelines not requiring Approved Plans) and other requirements of this Declaration.

The Architectural Control Committee has the right (but is not required) to implement and enforce requirements for the location and screening of construction materials, the use, type and location of fencing, the use, location and screening of portable toilets, the use, location and screening of receptacles for the collection of construction debris and excess materials, and the use, location and screening of other materials and devices used in connection with construction or maintenance of improvements on Lots.

Section 10. Noises. No Person shall cause any unreasonably loud noise anywhere on the Properties, except for security devices used in the manner intended therefor, nor shall any Person permit or engage in any activity, practice or behavior resulting in substantial and unjustified annoyance, discomfort or disturbance to any Person lawfully present on any portion of the Properties. Provided, however, the prohibition against noises contained in this Section shall not preclude or limit activities in the Properties conducted in accordance with the applicable Restrictions and Rules or other rules and regulations of the Association, including recreational events and social events. Further provided, the foregoing prohibitions shall not prevent or interfere with the reasonable development, construction, use, or maintenance of any portion of the Properties or improvements thereon by the Association, Declarant, a Builder, a Governmental Authority, a utility provider, or any other Person in accordance with Legal Requirements or the Governing Documents.

Section 11. Nuisance and Other Matters. No noxious or offensive activity shall be conducted upon any portion of the Properties, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the Community or any part thereof, or to any person lawfully residing in the Subdivision. Provided, however, the usual, customary or reasonable use and maintenance of a Lot, a Dwelling, or any Common Elements shall not constitute a nuisance. Further provided, the development of the Properties by Declarant and Builders, and the usual, customary or reasonable construction and maintenance of Dwellings and other improvements in the Properties shall not constitute a nuisance. Further provided, the operation and use of the Common Elements in the manner required or allowed by the provisions of this Declaration shall not constitute a nuisance.

No trade materials or inventories (other than materials used for construction of Dwellings or other approved structures or improvements) shall be stored upon any portion of the Properties and no tractors, inoperable motor vehicles, RVs, ATVs, trailers, boats, rubbish, trash, or unsightly materials of any kind shall be stored, regularly placed, or allowed to remain on any portion of the Properties unless adequately screened or contained as approved by the Architectural Review Committee, except that trash, leaves, tree limbs, materials for trail) or recycling pick-up and similar items may be kept or placed temporarily and only for such time as is reasonably necessary

to enable the applicable Governmental Authority or appropriate private entity to remove same, and inoperable motor vehicles may be stored only if the same are kept entirely in an enclosed garage or other building. Provided, however, and notwithstanding anything to the contrary herein, (i) as approved by Declarant during the Development Period, trucks and/or other construction vehicles, materials and equipment may be allowed to remain on the Properties temporarily during construction of roads, utilities, Dwellings and other improvements in the Properties, and (ii) such vehicles, materials and equipment also may be allowed to remain on the Properties during construction or maintenance on the Properties of Dwellings and/or other improvements which have been approved by the Architectural Review Committee. Notwithstanding the foregoing, no vehicle of any type or size which transports inflammatory or explosive cargo or which stores or transports materials or substances defined as hazardous or toxic by any Legal Requirements shall be kept or stored or allowed to remain in or on the Properties at any time, except as may be required to effectuate transportation or removal of such prohibited materials and substances through or from the Properties, or, with respect to explosive materials, as may be reasonably required in connection with the construction or maintenance of streets, utilities or other improvements in the Properties, or as may be allowed by Declarant, during the Development Period, and thereafter, the Board, when reasonably required for the construction or maintenance of improvements within the Properties.

Section 12. Obstructions, etc. No Owner shall obstruct any of the Common Property, Town greenways or greenway easements or any pedestrian access easements providing access to Common Property or Town greenways or greenway easements, nor shall anything be kept, stored, altered, constructed or planted in or on the Common Property or removed therefrom (except as necessary to prevent injury to person or property), without the prior consent of Declarant, during the Development Period, and, thereafter, the Board, or except in the exercise of any valid easement over any portion of the Common Property. Provided, however, the Association, and, during the Development Period Declarant and Builders (with Declarant's consent), shall have the right to maintain signs in and on the Common Property, and to maintain in the Common Property such materials, equipment and other apparatus, as may be reasonably necessary to enable the Association to perform its functions and provide the services under this Declaration, or to enable Declarant or such Builders to market, develop, and sell the Properties. Following the end of the Development Period each Builder shall have the right, subject to the reasonable review and approval of the Board (or Architectural Control Committee if directed by the Board), to maintain signs in the Common Property as such Builder determines is reasonably necessary or desirable for marketing and selling all portions of the Properties owned by such Builder. The rights of use and enjoyment of the Common Property conferred upon Owners by this Declaration do not include the right to interfere with the use or maintenance of the Common Property by Declarant, any Builder, or the Association.

Section 13. Owner Liability. If any Owner or such Owner's family members, tenants, guest, employees, contractors, subcontractors, or agents is legally responsible for damage inflicted on any Common Property, the Association may direct such Owner to repair such damage, or the Association itself may cause the repairs to be made and recover damages from the responsible Owner, including costs incurred in seeking and enforcing such recovery or other applicable legal remedies, including reasonable attorneys' fees. In addition to or as an alternative to the foregoing, the Association may impose a special individual assessment against any such Owner.

Section 14. Prohibition on Use for Streets. Without the written consent of Declarant during the Development Period (and, thereafter, by the Board), which consent may be given or denied in the sole discretion of the party having the right to give the consent, and which consent may be given and evidenced only by the execution by the consenting party of a plat or document

recorded in the Registry, or unless required by a Development Plan or a Legal Requirement, no Lot or portion thereof may be used, established or dedicated as a public street right of way or a private street right of way or driveway, where one of the purposes therefor or results thereof is to provide pedestrian or vehicular access to any property that is not part of the Properties, except for such vehicular and/or pedestrian access easements as are described or shown in documents or on plats of the Properties recorded in the Registry and are established to provide access to Common Property or to Town greenways or greenway easements.

Section 15. Recreational Areas, Equipment, and Facilities. The Association may adopt and enforce Restrictions and Rules relating to the type, location, number, and use of recreational areas, equipment and facilities on Lots and other portions of the Properties, including requirements for screening from view.

Section 16. Restricted Actions by Owners. No Owner shall do or permit anything to be done or kept within the Properties or on the Common Property which will result in the cancellation of or increase in the cost of any insurance carried by the Association, or which would be in violation of any Legal Requirement or any rule or regulation established by the Association. No waste shall be committed on the Common Property, except as may be necessary to enable Declarant, a Builder, the Association, an Owner, or the holder of an easement to construct or maintain improvements (in accordance with Approved Plans or Architectural Guidelines, when applicable), or to maintain the Properties, or to exercise any rights reserved to them hereunder or provided in an applicable easement, or except as may be necessary to enable the Association to perform its functions and provide services under this Declaration. Each Owner shall comply with all Legal Requirements applicable to any part or all of the Properties, including applicable zoning ordinances and building codes.

Section 17. Soil Erosion Control. During all periods of construction on any portion of the Properties, the Owner thereof, or the Person exercising easement rights thereon, shall maintain proper and adequate soil erosion control to protect other portions of the Properties from accumulated silt and other soil erosion.

Section 18. Temporary Structures as Dwellings Prohibited. No structure of a temporary character shall be used on any portion of the Properties at any time as a Dwelling.

Section 19. Wetlands; Conservation Areas; Buffers.

(a) Wetlands. Legal Requirements of the United States of America may result in portions of the Properties being designated as "wetlands". Notwithstanding anything to the contrary that may appear herein or in any other restrictive covenants applicable to such portions of the Properties, and whether or not the Approved Plans for any improvements on the portion of the Properties on which such wetlands are located are in compliance with Legal Requirements applicable to wetlands, any subsequent fill or alteration of any such wetlands shall conform to the Legal Requirements in force at the time of the proposed fill or alteration. The intent of this subsection (a) is to prevent filling or alteration of such wetlands except as allowed under Legal Requirements: accordingly, the Owner of any such portion of the Properties should not assume that any application for fill or alteration of wetlands will be approved. The Owner of the applicable portion of the Properties shall report the name of the Subdivision, together with the name of the particular phase, section or subdivision within the Properties, if any, in any application pertaining to filling or alteration of wetlands. The

provisions of this Section are intended to ensure continued compliance with wetlands rules under Legal Requirements and this Section may be enforced by the United States of America or, State of North Carolina or any other Governmental Authority having jurisdiction over the subject wetlands.

(b) Conservation Areas. Legal Requirements of the United States of America may result in portions of the Properties being designated as "conservation areas". Notwithstanding anything to the contrary that may appear herein or in any other restrictive covenants applicable to such portions of the Properties, and whether or not the Approved Plans for any improvements on the portion of the Properties on which such conservation areas are located are in compliance with Legal Requirements applicable to conservation areas, all such conservation areas shall be maintained in perpetuity in their natural or mitigated condition. No Person shall perform any of the following activities *on* any such conservation areas:

- (1) fill, grade, excavate, or perform any other land disturbing activities.
- (2) cut, mow, burn, remove, or harm any vegetation.
- (3) construct or place any roads, trails, walkways, buildings, mobile homes, signs, utility poles or towers, or any other permanent or temporary structures.
- (4) drain or otherwise disrupt or alter the hydrology or drainage ways of any conservation area.
- (5) dump or store soil, trash, or other waste.
- (6) graze or water animals, or use for any agricultural or horticultural purpose.

The intent of this subsection (b) is to ensure continued compliance with the mitigation condition of any Clean Water Act authorization for the Properties or any part thereof issued by the United States of America, U. S. Army Corps of Engineers, for the district in which the Properties is located, and may be enforced by the United States of America or any other Governmental Authority having jurisdiction over conservation areas.

(c) Buffers. Portions of the Properties may be subject to river basin or stream buffers designated by the State of North Carolina or other applicable Governmental Authority. Owners of all portions of the Properties subject to such buffer requirements shall at all times comply with same, whether or not the Approved Plans for any improvements are in compliance therewith. The provisions of this Section, including all of its subsections, shall run with the Properties and be binding on all Owners of any part or all of the Properties and all persons claiming under them.

Section 20. Party Walls and Other Shared Improvements. Each wall, fence, driveway or similar structure built as a part of the original construction on the Lots which serves and/or separates any two adjoining Lots shall constitute a party structure. To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. The cost of reasonable repair and maintenance of a party structure shall be shared equally by the Owners who make use of the party structure. If a party structure is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the structure may restore it. If other Owners

thereafter use the structure, they shall contribute to the restoration cost in equal proportions. However, such contribution will not prejudice the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

Section 21. Exclusion for Declarant. Notwithstanding any other provision of this Declaration or any other Governing Documents, Declarant, during the Development Period (and thereafter, the Board) has the right, permanently or temporarily (as determined in the discretion of Declarant or the Board, as applicable) to waive any one or more of the provisions of this Article with respect to construction or maintenance of any improvements in the Properties, except that there shall be no waivers with respect to soil erosion controls and Legal Requirements. Any such waiver granted by the Declarant to a Builder or other Person during the Development Period shall be binding on the Board after the Development Period has ended.

ARTICLE X. RESTRICTIONS AND RULES

Section 1. Framework for Regulation. As part of the general plan of development for the Properties, the Governing Documents establish a framework of affirmative and negative covenants, easements, and restrictions. Within that framework, the Declarant, Board, and Members need the ability and flexibility to supplement this Declaration with additional Restrictions and Rules and to respond to unforeseen problems and changes in circumstances, conditions, needs, desires, trends, and technology. Therefore, this Article discusses Restrictions and Rules and procedures with respect to Restrictions and Rules. This Article does not apply to rules and regulations relating to use and operation of the Common Area adopted by the Board, unless the Board in its discretion chooses to submit to such procedures. This Article does not apply to administrative policies which the Board adopts to interpret, define or implement the Restrictions and Rules or other Governing Documents, nor does it apply to Architectural Guidelines.

Section 2. Restrictions and Rules. All Owners and occupants of Lots and their guests and invitees shall abide by the Restrictions and Rules. The Declarant and the Association shall have the power to enforce compliance with the Restrictions and Rules in the same manner and to the same extent that this Declaration provides for enforcement of this Declaration, and any Person determined by judicial action to have violated the Restrictions and Rules shall be liable to the Declarant or Association or other applicable Person for all damages and fines, including all costs incurred in seeking and enforcing applicable legal remedies, including reasonable attorneys' fees.

Section 3. Rule Making Authority.

(a) Subject to the terms of this Article and the Board's duty to exercise business judgment and reasonableness on behalf of the Association and its Members, the Board may adopt, amend, modify, cancel, limit, create exceptions to, add to, or expand the Restrictions and Rules. The Board shall give notice to all Owners (notice to any one Owner of a Lot being sufficient) concerning any such proposed action at least five (5) business days prior to the Board meeting at which such action is to be considered. Owners shall have a reasonable opportunity to be heard at a Board meeting prior to such action being taken. During the Development Period, no action taken

by the Board pursuant to this subsection shall be effective unless approved in writing by the Declarant.

Prior to any such action taken by the Board becoming effective, the Board shall send a copy of the new rule or explanation of any changes to the Restrictions and Rules to each Owner (notice to any one Owner of a Lot being sufficient), which notice shall state the effective date of the action, which shall be not less than thirty (30) days following the date on which the notice is given by the Board. The Association shall provide to any requesting Owner (but not to more than one Owner of a Lot), without cost, one copy of the Restrictions and Rules then in effect, together with the action taken by the Board. Additional copies may be provided by the Association upon payment of a reasonable charge as established by the Board. The action taken by the Board shall become effective on the later of the 31st day after the Board gives the notice of the action to the Owners or such later effective date specified in the notice, unless, prior to the effective date, Members representing more than 50% of the total number of votes in the Association disapprove such action at a meeting or in writing to the Board. The Board shall have no obligation to call a meeting of the Members to consider disapproval except upon receipt, prior to the effective date of the action taken by the Board, of a petition of the Members as required by the Governing Documents for special meetings of the Association or a written request from the Declarant. Upon such petition of the Members or written request from the Declarant prior to the effective date of any Board action under this Section, the proposed action shall not become effective until after such meeting is held, and then subject to the outcome of such meeting.

(b) Alternatively, when they have a right to vote under this Declaration, Class A Members representing more than 50% of the total number of votes in the Association, at an Association meeting called for such purpose, may vote to adopt rules that modify, cancel, limit, create exceptions to, add to, or expand the Restrictions and Rules then in effect. Provided, however, during the Development Period no such action shall be effective without the written approval of the Declarant. Upon such action being taken by the Class A Members, the Board shall notify each Owner of the new rule or explanation of any changes to the Restrictions and Rules, and the action taken by the Members shall become effective on the later of the 31 day after the action is taken by the Members or such later effective date specified in the notice.

(c) No action taken by the Board or Class A Members under this Article shall have the effect of modifying, amending, repealing, limiting, or expanding the Architectural Guidelines or any provision of this Declaration or other Governing Documents. Prior to the end of the Development Period, no such action shall be effective unless approved in writing by the Declarant. In the event of a conflict between the Architectural Guidelines and the Restrictions and Rules, the Architectural Guidelines shall control.

(d) Notwithstanding the foregoing procedures for amending the Restrictions and Rules, and notwithstanding anything to the contrary elsewhere in this Article or this Declaration, during the Development Period the Declarant, in its sole discretion and without any prior notice to any Person, may adopt, amend, modify, cancel, limit, create exceptions to, add to or expand the Restrictions and Rules. Prior to any action taken by the Declarant under becoming effective, the Declarant, or the Board at the direction of the Declarant, shall give notice of the new rule or explanation of any changes to the Restrictions and Rules to each Owner (notice sent to any one Owner of a Lot being sufficient notice), which notice shall state action taken and the effective date of the action, which date may be any time on or after the date on which the notice is given to the Owners.

Section 4. Owners' Acknowledgment and Notice to Purchasers. All Owners are given notice that use of their Lots and Dwellings and the Common Area is subject to the Restrictions and Rules as modified from time to time. By acceptance of a deed, each Owner acknowledges and agrees that the use and enjoyment and marketability of such Owner's Lot and Dwelling can be affected by this provision and that the Restrictions and Rules may change from time to time. All Owners hereby are notified that, as provided for herein, the Declarant or the Board or the Members may adopt Restrictions and Rules or changes to any Restrictions and Rules in effect at any particular time.

Section 5. Protection of Owners and Others. Except as may be set forth in the Governing Documents, all Restrictions and Rules shall comply with the following provisions:

(a) **Similar Treatment.** Similarly situated Owners shall be treated similarly; however, the Restrictions and Rules may differ between types of residential uses. The determination of which Owners are similarly situated being in the reasonable judgment of the Declarant or Board, as applicable.

(b) **Displays.** The rights of Owners to display religious and holiday signs (the word "sign" or "display" as used in this Declaration includes signs, banners, flags (including a flag of the United States of America, a United States flag, a North Carolina flag, or other flag), symbols, decorations, and other displays) inside Dwellings or improvements and not visible outside the Dwelling or Improvement shall not be abridged, except that there may be rules regulating the number, size, time, and place and manner of posting or displaying such signs that are located outside of or are visible from outside of the Dwelling or Improvement, including regulation or specification of design criteria (for example, color, style, materials).

No rules shall regulate the content of political signs; however, rules may regulate the number, size, time, and place and manner of posting or displaying, such political signs that are located outside of or are visible from outside of the Dwelling or Improvement, including regulation or specification of design criteria (for example, color, style, materials).

Signs required by Legal Requirements to be posted or displayed, and signs prohibited by Legal Requirements from being excluded or prohibited shall be allowed (for example, a street number sign for a Dwelling required by a Governmental Authority). However, to the extent that it would not violate the Legal Requirement, rules may regulate the number, size, time, and place and manner of posting or displaying, such signs, including regulation or specification of design criteria (for example, color, style, materials).

(c) **Household Composition.** No rule shall interfere with the Owners' freedom to determine the composition of their households, except that rules may require that all occupants be members of a single housekeeping unit and reasonably may limit the total number of occupants permitted in each Dwelling on the basis of the size and facilities of the Dwelling and its fair use of the Common Area.

(d) **Activities Within Dwellings.** No rule shall interfere with the activities carried on within the confines of Dwellings, except that rules may prohibit activities not normally associated with property restricted to residential use or otherwise allowed by this Declaration, and may restrict or prohibit any activities that create monetary costs for the Association or other Owners, that create a danger to the health or safety of occupants of other Dwellings, that generate excessive noise or traffic, that create unsightly conditions visible outside the Dwelling, that create an unreasonable

source of annoyance, or that would violate any of the Governing Documents or any Legal Requirement.

(e) **Allocation of Burdens and Benefits.** No rule shall alter the allocation of financial burdens among the various Lots or rights to use the Common Area to the detriment of any Owner over that Owner's objection expressed in writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Area available, from adopting generally applicable rules for use of Common Area, or from denying use privileges to those who are delinquent in paying assessments, abuse the Common Area, or violate the Governing Documents. This provision does not affect the right to increase the amount of assessments as provided herein.

(f) **Alienation.** No rule shall prohibit leasing or transfer of any Dwelling, or require consent of the Association or Board for leasing or transfer of any Dwelling; provided, however, rules may require a minimum lease term not to exceed 12 months and such other rules with respect to leases as are reasonably adopted by the Declarant or the Board, but shall not impose any fee on the lease or transfer of any Dwelling greater than an amount reasonably based on the costs to the Association of administering that lease or transfer.

(g) **Abridging Existing Rights.** No rule shall require an Owner to dispose of personal property that was in a Dwelling or improvement or on a Lot prior to the adoption of such rule if such personal property was in compliance with all rules and Legal Requirements previously in force. This exemption shall apply only during the period of such Owner's ownership of the Lot and shall not apply to subsequent Owners who take title to the Lot after adoption of the rule.

(h) **Declarant Rights.** Without the written consent of Declarant, no rule or action by the Board or Members shall restrict, impair, prohibit, exclude, impede, interfere with, or in any way adversely affect any Special Declarant Right or other right of Declarant under this Declaration.

The limitations in subsections (a) through (h) of this Section shall only limit the rule making authority exercised under this Section; they shall not apply to other Sections and provisions of this Declaration or amendments to the Declaration adopted as provided in the Declaration.

ARTICLE XI. ARCHITECTURAL APPROVAL

Section 1. Architectural Review Committee - Jurisdiction and Purpose. Except for ordinary and routine maintenance to an existing Dwelling or other improvement on a Lot (changes in exterior colors, architectural style, or materials being examples of items that are not ordinary and routine), and excluding planting and maintenance of flowers, plants, shrubs, grass and trees that do not result in any material change in the landscaping for a Lot approved as part of the Approved Plans ("material" being as determined from time to time by the Architectural Review Committee) or allowed by Architectural Guidelines, and except as otherwise provided herein: no site preparation of a Lot, no change in grade or slope, no construction of, alteration of, additions to, or changes to any improvement on a Lot (including a Dwelling or other Improvement on a Lot) shall be commenced, nor shall any of the same be placed, altered or allowed to remain, until the "Architectural Review Committee" has approved in writing the Plans therefor or the Architectural Guidelines allow the improvement without obtaining Approved Plans. The Architectural Review Committee is established to ensure, insofar as is reasonable and practicable, that improvements are constructed and maintained in a manner that provides for harmony of external design and location in relation to Dwellings and Improvements in the Properties and to natural features and topography,

that avoids Improvements deleterious to the aesthetic or property values of any portion of the Properties, and that promotes the general welfare of the Owners. Notwithstanding anything to the contrary expressed or implied herein: (i) all Plans and other architectural approvals given by the Declarant during the Development Period, all improvements constructed or maintained by Declarant or the Association within the Properties, all portions of the Properties owned by Declarant or the Association, all Common Property and improvements therein maintained by the Association, and all portions of the Properties owned by or subject to easements in favor of a Governmental. Authority or public utility providers (except for any such portions of the Properties that contain or are proposed to contain Dwellings or other Improvements), are specifically excluded from the requirements of this Article; and (ii) during the Development Period (x) the Declarant has the right to exercise all rights of the Architectural Review Committee and the Board that are described in this Article as it determines in its sole discretion, including whether to utilize an Architectural Review Committee or to serve as the Architectural Review Committee itself, or any combination thereof, (y) the Declarant determines the matters, if any, to be reviewed by the Architectural Review Committee, and (z) any decision of the Declarant made during the Development Period with respect to any matter subject to this Article controls over any contrary decision of the Architectural Review Committee or the Board. Declarant, in its sole discretion, may require applicants for approvals being considered by Declarant to follow the procedural requirements of this Article, or may impose procedural requirements that are different from those contained in this Article.

Section 2. Composition and Duration. During the Development Period, the Architectural Review Committee, if utilized by Declarant, may consist of such number of Persons as determined and appointed by Declarant. Declarant, in its sole discretion, has the right to appoint, remove, and replace the Persons appointed by it to the Architectural Review Committee. Following the end of the Development Period, the Architectural Review Committee shall consist of not less than three (3) Persons, who shall be appointed by, and shall be subject to removal with or without cause by, the Board (or the Board may serve as the Architectural Review Committee if it chooses to do so). Persons who serve on the Architectural Review Committee are not required to be Members of the Association.

Section 3. Procedure for Review by Architectural Review Committee.

(a) Unless otherwise permitted by the Architectural Review Committee in its sole discretion, prior to the commencement of any construction, alteration, addition, or placement of any Improvement requiring approval by the Architectural Review Committee, Plans for the proposed improvement shall be submitted to the Architectural Review Committee, in such format and in such numbers or sets (not to exceed three) as the Architectural Review Committee may require. The Architectural Review Committee shall have the right to refuse to approve any Plans for improvements which are not, in its sole discretion, suitable or desirable for the Properties, including for any of the following: (i) lack of harmony of external design with surrounding structures and environment; and (ii) aesthetic reasons. Each Owner acknowledges that determinations as to such matters may be subjective and opinions may vary as to the desirability and/or attractiveness of particular improvements. Unless a written response is given by the Architectural Review Committee within sixty (60) days following its receipt of the required number of complete sets of Plans and payment by the applicant of any applicable processing fee, Declarant fee and consulting fees due and payable at the time request for approval of Plans is submitted by the applicant, the Plans shall be deemed not approved. At any time that the Architectural Review Committee consists of more than one individual, decisions of the Architectural Review Committee shall be by majority vote of its members present at a meeting thereof (or by the written consent of a majority of all the members of the Architectural

Review Committee). The written response of the Architectural Review Committee may be an approval, a denial of approval, a conditional approval, or a request for additional information. A request for additional information shall be deemed a determination that the information submitted was incomplete or inadequate, and the sixty (60) day time period for further Architectural Review Committee response shall commence only upon receipt of the requested additional information. If conditional approval is granted, the conditions imposed shall become fully a part of the Approved Plans. Any material modification or change in the Approved Plans must again be submitted to the Architectural Review Committee for its review in accordance with the foregoing requirements or such other procedures as adopted by the Architectural Review Committee. If the Plans are approved, or conditional approval is given, at least one set of Approved Plans shall be retained by the Association for not less than three (3) years and at least one set of Approved Plans shall be returned to the applicant. The Architectural Review Committee shall keep such other records of its activities as it is instructed to keep by either the Declarant or the Board, whichever is applicable.

(i) The Declarant or the Board, as applicable, may from time to time adopt procedures for the Architectural Review Committee to conduct the architectural reviews and its other duties, provided that such procedures do not conflict with the specific requirements of this Declaration. Subject to the rights of Declarant with respect to architectural review and approval, as determined by the Board in its sole discretion the Board may adopt a procedure for architectural review that utilizes the Architectural Review Committee as a committee to review requests for architectural approval and to recommend to the Board whether a request for architectural approval should be approved, denied, or approved subject to conditions, with the Board determining whether or not the request for architectural is approved, denied, or approved subject to conditions. If the Board adopts such a procedure, or if the Board elects to serve as the Architectural Review Committee, then the provisions herein for appeal of an Architectural Review Committee decision to the Board are not applicable. Such procedures may include reasonable fees for processing requests for approval, and also may include fees for the services of the Declarant, an architect or other consultant to assist the Architectural Review Committee in its review of any Plans, the costs of all such fees being the responsibility of the applicant. Processing fees shall be due and payable to the Association at the time the Plans are submitted to the Architectural Review Committee, and the fees of the architect, Declarant or consultant shall be due and payable to the Association either at the time the Plans are submitted to it or immediately upon its receipt of an invoice therefor, as determined by the Architectural Review Committee from time to time. Prior to incurring any architect or consultant fees not due and payable at the time Plans are submitted, the Architectural Review Committee shall afford the applicant a reasonable opportunity either to agree to pay such fees or to withdraw the request for approval. The sixty (60) day time period within which the Architectural Review Committee is required to respond to a request for approval does not commence until all processing fees and Declarant, architect or consultant fees due and payable at the time of submission of the request for approval have been paid. Notwithstanding anything to the contrary in this Article, in no event shall approval of Plans by the Architectural Review Committee be deemed to have been given until all such processing fees and Declarant, architect or consultant fees have been paid by the applicant. The payment of such fees and costs, as well as other expenses of the Architectural Review Committee required to be paid, whether or not the applicant's Plans are approved, is deemed to be a special individual assessment, enforceable against any applicant in the same manner provided herein for enforcement of other assessments.

(c) The Declarant, during the Development Period and, thereafter, the Board, and the Architectural Review Committee as authorized by the Declarant or the Board, as applicable, may establish, amend, revise and/or delete Architectural Guidelines for one or more types of

improvements to be constructed or maintained on any portion of the Properties, which Architectural Guidelines shall not conflict with the specific terms of this Declaration or any applicable Supplemental Declaration or Subdivision Declaration, shall be fair and reasonable, and shall carry forward the spirit and intention of this Declaration, Architectural Guidelines may be enforced in the same manner and to the same extent as the provisions of this Declaration may be enforced. If there is any conflict between Approved Plans and Architectural Guidelines, the Approved Plans control, it being within the discretion of the Architectural Review Committee to approve Plans that differ in one or more respects from the then existing Architectural Guidelines. Compliance with Architectural Guidelines does not guarantee approval by the Architectural Review Committee of Plans for improvements that must be submitted for approval. With respect to improvements other than initial construction of a Dwelling, the Architectural Guidelines may, but shall not be required to, allow construction or maintenance of one or more types of improvements in accordance with the Architectural Guidelines without submitting the Plans therefor to the Architectural Review Committee and going through the formal approval process provided for herein, and subject to such conditions and requirements as specified in the Architectural Guidelines. Provided, however, this shall not prohibit the Declarant, Board, or Architectural Review Committee from taking action against any Owner with respect to an improvement on that Owner's Lot that does not comply with the applicable Architectural Guidelines. Architectural Guidelines may include any or all of the following: types of improvements allowed; types of materials allowed; permitted colors; architectural styles; minimum and/or maximum square footage for Dwellings, garages, and other Improvement; minimum distances that Dwellings and other Improvements must be located from Lot boundary lines; landscaping requirements; and screening requirements.

(d) The Declarant or the Board, as applicable, in its sole discretion, may appoint more than one Architectural Review Committee, with the specific division of authority between or among such Architectural Review Committees to be as specified by the Declarant or Board, as applicable. Each such Architectural Review Committee separately shall be subject to and shall comply with the provisions of this Declaration applicable to the Architectural Review Committee, including the appointment, removal and replacement of its members and the review of Plans by the Architectural Review Committee. The members of each Architectural Review Committee may consist of one or more of the same Persons.

(e) Approval by the Architectural Review Committee of any Plans shall not relieve the owner of the applicable Lot from any obligation to obtain all required Governmental Authority approvals and permits, and shall not relieve such Owner of the obligation and responsibility to comply with all Legal Requirements with respect to such improvements. An Owner also must comply with all applicable Legal Requirements with respect to Improvements constructed, placed, or used on a Lot in compliance with Architectural Guidelines.

(f) Approval of any particular Plans does not waive the right of the Architectural Review Committee to disapprove the same or substantially similar Plans subsequently submitted, nor does such approval relieve an applicant of the requirement to resubmit such Plans for approval in connection with any portion of the Properties other than the portion for which the Plans were approved. Each Owner acknowledges that the Persons reviewing Plans, as well as compliance with Approved Plans and Architectural Guidelines, may change at any time and from time to time and that opinions on aesthetic matters, as well as interpretation and application of the Architectural Guidelines, may vary accordingly. In addition, each Owner acknowledges that it may not always be possible to identify objectionable features until work is completed, in which case it may be unreasonable to require changes to the improvements involved, but the Architectural Review

Committee may refuse to approve similar proposals in the future and may revise Architectural Guidelines with respect to such improvements.

(g) Notwithstanding anything to the contrary herein, architectural approvals given prior to the end of the Development Period by the Declarant or by an Architectural Review Committee appointed by the Declarant shall remain in effect following the end of the Development Period, but subject to expiration if the construction or installation of the approved improvements is not completed within any applicable time limits required by any Governing Documents or the Approved Plans. In addition, with respect to each Lot for which there are no Approved Plans that include a Dwelling in effect at the end of the Development Period, Declarant shall continue to have all of the Declarant rights under this Article for a period of one (1) year following the end of the Development Period. Approved Plans may not be revoked or withdrawn by the Architectural Review Committee without the written consent of the Person who owns the portion of the Properties to which the Approved Plans are applicable.

(h) The Architectural Review Committee shall have the right, but not the obligation, to inspect Improvements that are being constructed or maintained on any portion of the Properties to monitor compliance with the provisions of this Article, with the Approved Plans for such Improvements, and with the Architectural Guidelines, such right to include entry onto such portion of the Properties at reasonable times to inspect the improvements. Provided, however, without the consent of an Owner or occupant of the Dwelling, no member of the Architectural Review Committee shall have the right to enter an occupied Dwelling, or a Dwelling for which a certificate of occupancy has been issued, or a Dwelling in which doors and windows capable of being locked have been installed and are locked. With respect to such Improvements, the Architectural Review Committee has the right and authority to require the Owner on whose portion of the Properties the improvements are being constructed or maintained to take such actions as may be required, in the sole discretion of the Architectural Approval Committee, to comply with this Article, the Approved Plans, or the Architectural Guidelines, as applicable.

(i) Except for matters with respect to which the Declarant or Board is serving as the Architectural Review Committee or with respect to which the Architectural Review Committee is serving only in an advisory capacity to the Board, an applicant Owner who disagrees with a decision of the Architectural Review Committee may appeal the decision to the Board by giving written notice of appeal within fifteen (15) days following receipt of notice of disapproval or of approval with conditions not agreeable to the applicant Owner. Additionally, the Board may allow a decision of the Architectural Review Committee to be appealed to the Board when the decision is not unanimous by the members of the Architectural Review Committee who have voted on the decision. The Board then shall review the Plans and any additional information requested by the Board, and shall give the applicant Owner and the Architectural Review Committee a reasonable opportunity, at one or more meetings of the Board, to present evidence and arguments as to why the decision should be affirmed or overruled. Following the last such meeting the Board, by majority vote, either shall affirm or overrule, in whole or in part, the decision of the Architectural Review Committee, and shall notify the Architectural Review Committee and the applicant Owner of its decision within thirty (30) days following its decision. The decision of the Board is final, subject to the rights of Declarant during the Development Period to overrule any such decision of the Board.

Section 4. Landscaping; Utility Lines. No fence, wall, sign, tree, hedge, shrub, or other vegetation or other improvement which obstructs sight lines for vehicular traffic on public or private streets in the Properties shall be placed or permitted to remain on any portion of the

Properties. Pavement, fences, walls, signs, trees, hedges, shrubs, and other vegetation shall not be placed or permitted to remain on any portion of the Properties: (i) if such materials may damage or unreasonably interfere with any easement for the installation or maintenance of utilities; or (ii) in violation of the requirements of such easements; or (iii) unless in conformity with applicable standards of the holder of the easement; or (iv) if such materials may unreasonably change, obstruct or retard direction or flow of any stormwater drainage. Otherwise, the installation and maintenance of such materials within utility easements shall be permitted as allowed by Approved Plans or Architectural Guidelines. Except for hoses, gauges and controls for well pumps, temporary lines and other equipment reasonably necessary in connection with construction or maintenance activities or normal landscape or yard maintenance, no water pipe, sewer pipe, gas pipe, stormwater drainage pipe, television or telephone cable, electric line or other, similar transmission line shall be installed or maintained on any Lot above the surface of the ground, except for those located in easements maintained by a Governmental Authority or applicable public utility provider or otherwise required by a Governmental Authority or applicable public utility provider, or as necessary for such pipes, lines and other facilities to function properly, unless the same are adequately screened, as determined by the Architectural Review Committee, or the same are approved by Approved Plans or allowed by Architectural Guidelines.

Section 5. Tree Cutting. Architectural Guidelines also may address the cutting or removal of trees and other vegetation. No trees planted by the Declarant to comply with Legal Requirements shall be cut without the prior written approval of the Declarant, during the Development Period, and thereafter, only with approval of the Architectural Review Committee.

Section 6. Commencement and Completion of Construction. Unless the time period is extended by the Architectural Review Committee, Approved Plans for a Dwelling or other Improvement expire unless construction or installation of the Dwelling or other improvement commences within six (6) months after the date of the approval. Provided, however, and notwithstanding the foregoing, the Declarant may allow Approved Plans that have been approved by Declarant to continue in effect for longer than six (6) months after the date of approval. Construction or installation of all such improvements shall be completed not later than six (6) months immediately after construction or installation is commenced, or shall commence and be completed by such later dates as specified in the Approved Plans. For the purposes of this Section, construction or installation is "commenced" when a building permit has been issued by the applicable Governmental Authority (or if no building permit is required, when work commences or materials for the improvement are delivered to the applicable portion of the Properties), and construction or installation is "completed" when it has been completed in compliance with Approved Plans or Architectural Guidelines and the applicable Governmental Authority has issued a certificate of occupancy or completion for the improvement (or if no certificate of occupancy is required, when the improvement has been substantially completed as determined by the Architectural Review Committee). The Architectural Review Committee, in its sole discretion, may grant waivers or extensions of the foregoing time periods for commencement and completion of construction or installation of improvements, and, when requested and upon reasonable evidence of the existence thereof, shall grant reasonable waivers or extensions for events of Force Majeure that delay or prevent a Person from commencing or completing construction or installation within the foregoing time periods. Each Owner is responsible for providing that maintenance of improvements not addressed in the foregoing provisions of this Section. (for example, repainting of a Dwelling) is diligently pursued until completion.

Section 7. Compensation. No member of the Architectural Review Committee shall be compensated for service on the Architectural Review Committee, However, the Association may

reimburse members of the Architectural Review Committee for reasonable out-of-pocket expenses incurred in serving on the Architectural Review Committee.

Section 8. Limitation of Liability. Neither the Architectural Review Committee nor the members thereof, nor Declarant, nor the Association, nor any shareholders, directors, officers, partners, members, managers, agents or employees of Declarant or the Association, shall be liable in damages or otherwise to any Person by reason of: (i) mistake of judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval of Plans, or the failure to approve or disapprove any Plans, except where the foregoing results from gross negligence or willful misconduct; or (ii) any failure of Approved Plans to comply with any Legal Requirements, including zoning and building codes; or (iii) any defect in, or lack of structural soundness or integrity of, any improvements constructed, placed, or maintained on any portion of the Properties.

Section 9. Violation; Enforcement. Each failure of an Owner or any other Person to construct or maintain any improvement in accordance with the Approved Plans or applicable Architectural Guidelines shall be a violation of this Declaration. Declarant, each Owner and the Association each shall have the right, but not the obligation, to enforce the provisions of this Article against an Owner or any other Person who violates or attempts to violate same, either to restrain the violation, recover damages, or seek other available legal or equitable remedies. Any failure to enforce this Article of this Declaration or seek any applicable remedy with respect to any specific violation hereof shall not constitute a waiver of the right to do so thereafter, nor shall it constitute a waiver of the right to enforce this Article of this Declaration at any other time with respect to the same or substantially similar matter. All such rights, remedies and privileges granted in this Section are cumulative, and the exercise of any one or more of such rights, remedies or privileges shall not constitute an election of remedies or preclude subsequent exercise of other rights, remedies and privileges.

ARTICLE XII. EASEMENTS AND OTHER RIGHTS

Section 1. Exercise of Easement Rights. Each easement described in this Article include the following rights as reasonably necessary for the full exercise of the easement: vehicular and pedestrian ingress, egress, and regress (together referred to as "access") over other portions of the Properties as reasonably necessary to go to and from the easement area (the "easement area" being defined as the portion of the Properties subject to the easement) and to transport equipment and materials to and from the easement area; the right to maintain equipment, structures, facilities and soil and water impoundments in the easement area; the right to remove any obstruction within the easement area that interferes with the use of the easement or with the maintenance of any equipment or structures or facilities or soil or water impoundments located therein; and the right to use as temporary work space such portions of the Properties immediately adjacent to and outside of the easement areas as may be reasonably necessary for the full exercise of such easements. Provided, with respect to any portion of the Properties outside of the applicable easement area damaged as a result of the exercise of such access or temporary work space rights, the Person who exercises the access or temporary work space rights, as soon as practicable after completion of the work (and during the performance of the work if such restoration is necessary to prevent injury or death to any Person or damage to any other property or damage to any Dwelling), shall restore all such portions of the Properties to substantially the same condition as they were *in* immediately prior to the occurrence of the damage.

The easements established in this Article may be exercised in the discretion of the Declarant, the Association, or other Person for whom they are established, but this Article does not impose any obligation on the Declarant, the Association, or other Person to exercise any such easements or rights.

Section 2. Easements Reserved by Declarant. Declarant, for itself, and its successors and assigns and transferees (which may include the Association, Governmental Authorities, and public utility providers), reserves the following easements and rights in, over, under, across and through the Properties, which may be exercised by Declarant or its successors or assigns in its sole discretion, in whole or in part, without any obligation to exercise any of same, and without the consent, approval, or joinder of the Association, any Owner, or any other Person, except where such consent, approval, or joinder specifically is required in this Section. These easements specifically include the right to connect to and use and maintain new and existing wires, poles, lines, pipes, conduits, meters, equipment, structures, facilities, and soil and water impoundments and other Stormwater Control Measures in the easement areas, without payment of any charge or fee to the Association or any Owner of any part or all of the Properties, and during the Development Period the right (without obligation) to exercise all of the easements reserved for the Association in this Article:

(a) Perpetual, exclusive or non-exclusive, and alienable easements for commencement and completion of development of any portion of the Properties or any Additional Property, for the exercise of any Special Declarant Right or other right granted to or reserved by Declarant under this Declaration or any other Governing Documents, and for Declarant to conduct any activity necessary to fulfill any obligation to any Governmental Authority, the Association, a Builder or any Owner with respect to any portion of the Properties. Such easement rights include the right to construct, install, and maintain streets (both publicly dedicated and private streets), water, sanitary sewer and other utilities and related appurtenances and equipment, retaining walls, and soil and water impoundments and other Stormwater Control Measures, including wires, poles, lines, pipes, transformer boxes and conduits, meters, equipment, structures, and facilities related thereto, in, over, under, across, and through all of the following: (i) easement areas that have been identified as easements on plats or in documents that have been executed by the Declarant or other Owner of such portions of the Properties and recorded in the Registry; (ii) all streets in the Properties, including both publicly dedicated and private streets; (iii) an area on each Lot and adjacent to each boundary line thereof, or such shorter distance from the applicable Lot boundary to the exterior portion of the Dwelling, garage, or other permanent building on the Lot; (iv) portions of Lots and Common Elements on which retaining walls are located an area immediately adjacent to each side of each retaining wall, (v) any other portion of a Lot, subject to the written approval of an Owner of the Lot (the written approval of any one of multiple Owners of a Lot is sufficient), which approval shall not be unreasonably withheld, delayed, or conditioned; and (vi) the Common Elements. Provided, however, neither the foregoing reservation of easement rights nor any similar reservation of easement rights contained in this Declaration shall create or impose any obligation upon Declarant, or its successors and assigns, to provide or maintain any such street, wire, pole, line, pipe, conduit, meter, equipment, structure, facilities, or soil and water impoundment or other Stormwater Control Measures. Declarant's rights under this Section Include the right to assign its rights under the easements and/or to grant easements to other Persons, for recording in the Registry, in, over, under, across and through those portions of the Properties described in the foregoing items nos. (i), (ii), (iii), (iv), (v), and (vi) in this subsection.

(b) The right to subject the Properties and/or the Association to a contract with Duke Energy (or other, appropriate utility provider) for the installation and maintenance of above ground or underground electric cables and lines and/or the installation and maintenance of street lighting

(including poles and light fixtures), either or both of which may require an initial payment and/or a continuing monthly payment by each Owner and/or by the Association as part of the Common Expenses. The Association shall accept assignment from Declarant of contracts entered into by the Declarant with Duke Energy or other utility provider for such electrical and/or lighting services.

(c) A perpetual, non-exclusive, and alienable easement to maintain all vegetation required or allowed under any planting, landscaping, tree conservation plan, or replanting plan required or approved for the Subdivision pursuant to a Development Plan or Legal Requirements.

Section 3. Agreements With Other Persons. In connection with its exercise of any easements or rights reserved in this Article, Declarant reserves the additional right, which may be exercised by Declarant or its successors or assigns in its sole discretion, in whole or in part, without any obligation to exercise such right, to enter into agreements on behalf of and binding on the Association with other Persons (including other associations of property owners) for any one or more of the following: (i) use and maintenance of any easements and associated improvements and facilities therein located on the Properties or on the properties owned or used by such other Persons, which agreements may provide for financial and/or management responsibilities for the Association and/or for such Persons; and (ii) use and maintenance of Stormwater Control Facilities in the Properties and/or on the properties owned or used by such. Persons.

Section 4. Easements Reserved for the Association. Easements are reserved for the Association as follows, which may be exercised by the Association in its sole discretion, without any obligation to exercise any of same. These easements specifically include the right to connect to and use and maintain new and existing wires, poles, lines, pipes, conduits, meters, equipment, structures, facilities, and soil and water impoundments and other Stormwater Control Measures in the easement areas, without payment of any charge or fee to any Owner of any part or all of the Properties:

(a) A perpetual, non-exclusive and alienable easement in, over, under, across and through all portions of the Properties to enable the Association to perform its functions and provide the services under this Declaration, and specifically including the same easement reserved for Declarant herein with respect to retaining walls. Provided, however that any such entry by the Association upon any portion of the Properties shall be made with as minimum inconvenience to the Owner of such portion of the Properties as reasonably practicable, and any damage caused by or resulting from the gross negligence or willful misconduct of the Association's employees, contractors or agents shall be repaired by the Association at the expense of the Association.

(b) In addition to the foregoing, and in order to implement effective and adequate soil erosion controls and/or stormwater management, a perpetual, non-exclusive easement to enter upon any portion of the Properties, before and after improvements have been constructed or placed thereon, to maintain or cause to be maintained soil erosion control and/or stormwater management; provided, however, the Association shall not at any time be required to exercise this easement, and no exercise of the easement shall interfere unreasonably with any permanent improvements constructed on any such portion of the Properties (which improvements have been approved by the Architectural Review Committee as required herein). If the need for stormwater management or soil erosion controls results from the construction of improvements on any portion of the Properties or any excavation, grading, removal, reduction, addition or clearing of any portion of the Properties, the cost of any such work performed by the Association for the purpose of implementing effective and adequate stormwater management or soil erosion control shall be assessed against the Owner of such the portion of the Properties on which such work has been performed as a special individual assessment. Provided, however, if the Association determines that appropriate corrective action is necessary on any portion of the Properties, prior to

exercising this easement the Association shall give the Owner of such portion of the Properties written notice of the proposed corrective action and a reasonable opportunity to take the corrective action specified in such notice. If such Owner fails to complete the corrective action by the date specified in the notice, the Association then may exercise this easement.

(c) A perpetual, non-exclusive, and alienable easement to maintain all vegetation required or allowed under any planting, landscaping, tree conservation plan, or replanting plan required or approved for the Subdivision pursuant to any Development Plan or Legal Requirements.

(d) The Association has the right to assign its rights under its easements as it deems reasonable in the best interests of the Subdivision.

Section 5. Easement Reserved for the Governmental Entities and Public Utilities.

Perpetual, non-exclusive and alienable easements are hereby reserved and established over all portions of the Properties for governmental entities and for all public utility providers serving the Properties, and their agents, employees and contractors, for the purposes, as applicable to the Governmental Authority or utility provider, of setting, removing and reading utility meters, maintaining Stormwater Control Measures, maintaining utility equipment, facilities and connections, and acting for other purposes consistent with the public safety and welfare, including garbage removal, police protection, fire protection (including access to any and all fire hydrants located outside of public street rights of way or easements dedicated to a Governmental Authority) and delivery of mail. Except in an emergency, these easements shall be exercised in a reasonable manner and at reasonable times. Any pedestrian access easement established by Declarant or the Association over any portion of the Properties for the purpose of providing pedestrian access to and from Governmental Authority greenways or Governmental Authority greenway easements are established for the benefit of the applicable Governmental Authority and the public in general.

Section 6. Easements Shown On Recorded Plats.

Declarant, for itself and its successors and assigns (which may include the Association, the applicable Governmental Authority, and public utility providers), and in addition to all other easements reserved in this Declaration, hereby reserves perpetual, non-exclusive and alienable easements in the locations and for the purposes shown and indicated on all plats of the Properties recorded in the Registry. These easements specifically include the right to maintain in the easement areas identified on such plats all improvements (including landscaping and signs, as applicable) deemed necessary, in the reasonable discretion of the Person who exercises the easement rights, for the full exercise of such easements. Except as otherwise required by the Governing Documents or Legal Requirements, the Persons who have the foregoing easement rights shall have no obligation to exercise any part or all of same. On those certain development plans approved by the Town of Zebulon and potentially other future plats with respect to the Properties, certain easements may be referred to as being "Public" without reference to which public entity those easements are being granted to, in which case such easements shall be deemed granted to the Town of Zebulon; additionally, certain easements may be referred to as being "Private" without reference to which private entity those easements are being granted to, in which case such easements shall be deemed granted to the Association.

Section 7. Easement for Encroachments.

If, in accordance with Approved Plans, any Dwelling is closer than five (5) feet to any boundary line of the Lot on which that Dwelling is located (for the purposes of this Section, the "subject Lot"), then the Owner of the Dwelling, and such Owner's tenants and contractors, shall have a perpetual, non-exclusive access easement over the adjoining Lot or other portion of the Properties as reasonably necessary from time to time to facilitate maintenance of the Dwelling on the subject Lot. All such maintenance shall be done expeditiously and the exercise of this easement shall in all respects be reasonable and, upon completion of the maintenance, as reasonably practicable the Owner of the

subject Lot shall restore the Lot or other portion of the Properties on which the easement has been exercised, including all improvements thereon that are damaged by the exercise of this easement, to substantially the same or better condition as it was in prior to the maintenance. When the foregoing easement exists, except in accordance with Approved Plans no fence, wall, storage shed, or similar structure or any other kind of obstruction to the exercise of the easement shall be permitted on the adjoining Lot or other portion of the Properties (as a guideline, the area on the adjoining Lot or other portion of the Properties within live (5) feet of the common boundary line of the adjoining Lot or other portion of the Properties and the subject Lot shall be left free of all such obstructions). Provided, however, the easement established by this Section shall not restrict or impair any other easements established herein in favor of the Declarant, the Association, an Owner, a Governmental Authority, or any public utility provider.

Section 8. Restriction on Entry. Notwithstanding anything to the contrary contained in this Article, no right or easement granted, reserved or established in this Declaration shall be construed to give Declarant, the Association, an Owner, a Governmental Authority or any other Person the right to enter any Dwelling or other Improvement located on any portion of the Properties, except as otherwise specifically stated in the provision of this Declaration relating to the particular right or easement or as reasonably and necessarily implied in order for the right or easement to be exercised (for example, maintenance of a party wall), or as allowed by the Owner of the applicable portion of the Properties. Provided, however, each Owner hereby is given notice that Legal Requirements may allow such entry by a Governmental Authority or other Persons, even though the particular easement granted, reserved or established in this Declaration does not allow such entry.

ARTICLE XIII OWNER MAINTENANCE RESPONSIBILITIES

Section 1. Duty to Maintain. Except for those items for which the Association or an Additional Association has maintenance responsibility under the Governing Documents, or except as otherwise provided in the Governing Documents, each Owner, at such Owner's sole cost and expense, shall maintain such Owner's Lot, including all improvements thereon, in a safe, clean and attractive condition at all times, subject to and in a manner consistent with the Governing Documents and Community Wide Standard, including all of the following:

- (a) Prompt removal of all litter, trash, refuse and wastes.
- (b) Lawn mowing and maintenance on a regular basis, including, subject to any Legal Requirements, any portions of a publicly dedicated street right of way or private street right of way adjacent to any boundary of such Lot that are not maintained in accordance with the Community Wide Standard by either the Association or a Governmental Authority.
- (c) Tree and shrub pruning and removal of dead or diseased trees, shrubs and other plant material.
- (d) Maintenance of flower and plant gardens.
- (e) Maintenance of exterior lighting and mechanical facilities.
- (f) Maintenance of parking areas and driveways.

- (g) Complying with all Legal Requirements.
- (h) Soil erosion control as required by this Declaration.
- (i) Maintenance of drainage easements and Storm water Control Measures as required by this Declaration.

The foregoing responsibilities shall be performed in a manner that does not unreasonably disturb or interfere with the reasonable enjoyment of the Properties by Persons entitled thereto. Provided, however, and notwithstanding anything to the contrary appearing herein, Declarant is exempt from the required maintenance provisions of this Article with respect to all portions of the Properties it owns, except for any of same on which Dwellings are located.

Section 2. Enforcement. If any Owner fails to perform any of the foregoing maintenance responsibilities, then the Association may give such Owner written notice of the failure and such Owner must, within ten (10) days after such notice is given by the Association, perform the required maintenance. If any such Owner fails to perform the required maintenance within the allotted time period, then the Association, acting through its authorized agent or agents, shall have the right and power, but not the obligation, to enter such Owner's Lot and perform such maintenance without any liability for damages for wrongful entry or trespass. Such Owner shall be liable to the Association for the expenses incurred by the Association in performing the required maintenance, and shall reimburse the Association for such expenses within thirty (30) days after the Association mails or delivers to such Person an invoice therefor. If any Owner fails to reimburse the Association as required, the Association may impose a special individual assessment against the Owner and such Owner's Lot for the amount owed.

Section 3. Unimproved Portions of the Properties. Notwithstanding the foregoing provisions of this Article, but subject to the other applicable provisions of this Declaration, Owners of unimproved Lots or other unimproved portions of the Properties shall be required to maintain same only in accordance with such maintenance standards, if any, as are established by the Declarant, during the Development Period, and thereafter, in accordance with such reasonable maintenance standards established by the Board.

Section 4. Maintenance by Additional Associations. Any Additional Association shall maintain its common property and any other property for which it has maintenance responsibility in a manner consistent with the Governing Documents, the Community-Wide Standard and all applicable covenants. The Association may assume the maintenance responsibility of any Additional Association, either by agreement with the Additional Association or because, in the opinion of the Board, the level and quality of maintenance then being provided is not consistent with the Community-Wide Standard. All costs of maintenance pursuant to this paragraph shall be assessed only against the Lots subject to the jurisdiction of the Additional Association. The provision of services in accordance with this Section shall not constitute discrimination within a class.

ARTICLE XIV. INSTITUTIONAL LENDERS; MORTGAGEES

Section 1. Notice to Board. Upon request from the Board, any Owner who mortgages such Owner's Lot shall notify the Association of the name and address of the Mortgagee. No Institutional Lender shall be entitled to any rights under this Declaration unless it has notified the

Association as required in this Article and has requested Institutional Lender rights under this Declaration.

Section 2. Requirements of Institutional Lender. Whenever any Institutional Lender desires to avail itself of the rights afforded Institutional Lenders under the Governing Documents, it shall furnish written notice thereof to the Association by certified or registered mail, or by overnight delivery service, identifying the Lot upon which such Institutional Lender holds a first lien mortgage or deed of trust, specifying which rights it wishes to exercise, specifying notices or other information it wishes to receive, and designating the name of the person and mailing address to which notices, reports or information are to be sent by the Association. The Institutional Lender shall be responsible for updating the information required by this Section, and the Association is obligated to give the required notices only to the most current name and address it has received from the Institutional Lender. Such notice shall be deemed to have been received by the Association only upon actual delivery thereof, as evidenced by the return registry receipt or records of the overnight delivery service.

Upon assignment or other transfer, or payment in full, of the indebtedness secured by the lien of the mortgage subject to the notice given to the Association by the institutional Lender, the Institutional Lender promptly shall notify the Association that it no longer wishes to exercise the rights requested in the previously given written notice, such new notice to be given in the same manner as the previously given notice. To avail itself of the rights of Institutional Lenders under the Governing Documents, any such assignee or transferee must first notify the Association in the manner provided for in this Article of this Declaration.

Section 3. Obligation of Association to Institutional Lenders. Any Institutional Lender who has notified the Association as required in the immediately preceding Section of this Article, shall have each of the following rights that are specifically requested in the notice to the Association, until the earlier of such time as the indebtedness secured by the lien of the mortgage subject to the notice given to the Association has been paid in full or the Institutional Lender has transferred or assigned ownership thereof to another Person:

- (a) To inspect and receive copies of Governing Documents and other Association documents and records on the same terms as the Members of the Association. The Association has the right to charge a reasonable amount to Members and Institutional Lenders for production and delivery of copies of such Governing Documents and other Association documents and records,
- (b) To receive a financial statement of the Association for the immediately preceding fiscal year of the Association.
- (c) To be notified of any proposed amendments to this Declaration and any meetings of the Association at which such proposed amendments are to be voted on.
- (d) To be notified of any proposed action of the Association that requires the consent of a specified percentage of Institutional Lenders.
- (e) To be notified of any condemnation or casualty loss affecting either a material portion of the Common Elements or the Lot securing its Mortgage.

(f) To be notified of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

(g) With respect to the Lot that secures its mortgage, to be notified of any delinquency in the payment of any assessment or charge (which delinquency remains uncured for a period of sixty (60) days), and to be notified of any other default of the provisions of this Declaration by the Owner of such Lot. Provided, however, any failure of the Association to notify the Institutional Lender of the delinquency or default shall not affect the validity of any Association lien, or any other Association rights and remedies, against the defaulting Owner or such Owner's Lot.

(h) To be notified of any other matters for which applicable Institutional Lender rules and regulations or other Governmental Authority rules or regulations require the Association to give notice to Institutional Lenders, and the Institutional Lender desiring to be notified of such matters shall described the matters and applicable rules and regulations in the notice it gives to the Association.

Section 4. Institutional Lenders Not Obligated to Collect Assessments. No Institutional Lender shall have any obligation to collect any assessment under this Declaration.

ARTICLE XV. AMENDMENT OF DECLARATION

Section 1. Amendment by Declarant. In addition to specific amendment rights, if any, granted or reserved elsewhere in this Declaration, during the Development Period Declarant may unilaterally, and in its sole discretion, without the consent, approval, or joinder of any Owner, the Association, or any other Person. (except to the extent that Legal Requirements require the consent or joinder of a Governmental Authority or a vote of the Members), and without the necessity of a meeting of the Association, amend this Declaration for any purpose that is not prohibited by the Act or other Legal Requirement, including, without limitation, amending any provision of the Declaration or any Subdivision Declaration or Supplemental Declaration to: (i) make non-material, clarifying or corrective changes not materially affecting any Owner's rights or obligations hereunder; or (ii) satisfy the requirements of FHA, VA, FNMA, FHLMC, OILSR or other governmental agency, Secondary Mortgage Market Agency or Institutional Lender; or (iii) establish or maintain the tax exempt status of the Association under the laws of the United States or the State of North Carolina; or (iv) amend the Declaration as may be necessary to prevent it from being declared invalid under any Legal Requirement or by any court of competent jurisdiction, or to add or delete provisions to or from the Declaration as may be necessary to prevent it from being declared invalid under any Legal Requirement or by any court of competent jurisdiction. Any amendment of this Declaration adopted by the Declarant shall be effective upon the later of the date of its recording in the Registry or the effective date specified therein.

Section 2. Amendment by the Members. Unless amended as allowed under Section 1 of this Article, this Declaration may be amended only as follows:

(a) Unless a higher percentage or different voting requirement is specified herein or by Legal Requirements, this Declaration may be amended only by (i) the written agreement or consent of those Members, or the affirmative vote at a meeting of the Association of those Members, to whom are allocated sixty-seven percent (67%) or more of the total number of votes in the Association, and (ii) during the Development Period, with the written consent or joinder of Declarant.

(b) Written notice of an annual or special meeting of the Association at which any proposed amendment to this Declaration is to be voted on, together with at least a summary description of the proposed amendment, shall be given to all Members not less than ten (10) days nor more than sixty (60) days in advance of the date of such meeting.

(c) When any amendment to this Declaration is approved by Members of the Association (and Declarant, when applicable) as provided in this Section, the appropriate officers of the Association (and Declarant, when applicable) shall execute in the same manner as a deed and record in the Registry, a document setting forth the following: the amendment; the effective date of the amendment (if no effective date is stated the amendment shall be effective upon the recording of same in the Registry); and if applicable, the date of the meeting of the Association at which such, amendment was adopted, the date that notice of such meeting was given, the total number of votes required to constitute a quorum at such meeting, the total number of votes present at such meeting, the total number of votes necessary to adopt the amendment, the total number of votes cast in favor of such amendment and the total number of votes cast against the amendment. The document shall be recorded in the Registry within thirty (30) days following the date of the meeting at which the amendment was adopted or the written agreement for the amendment is completed. Provided, however, and notwithstanding the foregoing or anything to the contrary appearing herein, no amendment to this Declaration duly adopted by the Members of the Association shall be void or invalid solely because the document describing the amendment is not recorded in the Registry within said thirty (30) day period, and any such duly adopted amendment to this Declaration recorded following the end of said thirty (30) day period shall become effective on the later of the effective date specified therein, if any, or on the date it is recorded in the Registry.

(d) Amendment of Subdivision Declarations and Supplemental Declarations shall be governed by the provisions for amendment contained therein, if any; otherwise, the provisions regarding amendment of the Declaration shall apply to amendment of those documents.

Section 3. Consent of Mortgagees. Unless required by a Legal Requirement, or as set forth in Section 4 herein, no consent, joinder, or approval of any Mortgagee to any amendment of this Declaration by Declarant during the Development Period is required. No consent, joinder, or approval of any Mortgagee to any other amendment of this Declaration is required unless (i) the amendment materially, adversely affects the rights of Mortgagees under this Declaration, or (ii) a Legal Requirement requires the consent of Mortgagees or a percentage of Mortgagees, or (iii) the mortgage held by such Mortgagee specifically requires the Mortgagee's consent with respect to the Member's Lot subject to the mortgage, and if either (ii) or (iii) is applicable, the Mortgagee has notified the Association of its rights regarding consent to amendments in the same manner required for an Institutional Lender to notify the Association in the Article of this Declaration dealing with Institutional Lenders. If the amendment is adopted by the required percentage of Members exclusive of the Member or Members who own Lots for which consent of a Mortgagee is required under this Section, then the amendment is valid whether or not the necessary Mortgagees have consented to the amendment.

Section 4. Prohibited Effects of Amendment. No amendment to this Declaration, whether adopted by the Declarant, by the Association, or by the Members or any applicable group of Members of the Association, shall do or result in any of the following:

- (a) increase the financial obligations of an Owner in a discriminatory manner.
- (b) further restrict development on any portion of the Properties in a discriminatory manner.
- (c) diminish or impair, or in any way adversely affect the rights or protections of Declarant without the written consent of Declarant.
- (d) impose additional obligations upon Declarant without the written consent of Declarant.
- (e) diminish or impair the express rights of Institutional Lenders under this Declaration without the prior written approval of a majority of the Institutional Lenders who have requested the exercise of such rights as provided herein.
- (f) terminate or revise any easement established by this Declaration, without the written consent of the Persons whose Lots or other real property is benefitted by the easement and, with respect to a revision, the written consent of the Persons whose Lots or other real property is burdened by the easement.
- (g) without the consent of the applicable Governmental Authority, terminate, reduce, amend, revise, or alter any obligation of the Association or the Members of the Association under any Legal Requirement or under any encroachment agreement, or other agreement entered into with a Governmental Authority by the Association or, as allowed by this Declaration, by the Declarant on behalf of the Association.
- (h) alter or remove or attempt to alter or remove any applicable Legal Requirement.

ARTICLE XVI. DURATION OF DECLARATION; DISSOLUTION OF ASSOCIATION

Section I. Duration. Unless sooner terminated as required by Legal Requirements, this Declaration shall run with and bind the Properties and each Owner, and shall inure to the benefit of the Association and each other Owner of any portion of the Properties, and their respective heirs, successors, and assigns, from and after the recording of this Declaration in the Registry until such time as it is terminated by a written termination agreement, executed or ratified in the same manner as a deed, by those Members to whom eighty percent (80%) or more of the total number of votes in the Association are allocated, and also with the written consent of Declarant during the Development Period. Execution or ratification by any one of multiple Owners of a Lot is sufficient for that Lot unless, prior to the time the termination agreement is recorded in the Registry, any other Owner of that Lot files with the Association a written objection to the termination of this Declaration (in which event the vote allocated to that Lot shall be considered as not having been exercised). The termination agreement shall specify a date after which it will be void unless it is recorded in the Registry before that date. The termination agreement may not be recorded in the Registry unless and until the requisite number of signatures have been obtained as provided herein, and it shall be effective only upon recording. If, pursuant to the termination

agreement, any real estate in the Properties is to be sold following termination of this Declaration, the minimum terms of the sale shall be set forth therein.

The Declaration shall be deemed incorporated in all deeds and conveyances hereinafter made by Declarant or any other Owner. Every Person, including a Mortgagee, acquiring or holding any interest or estate in any portion of the Properties shall take or hold such interest or estate, or the security interest with respect thereto, with notice of the terms and provisions of this Declaration; and in accepting such interest or estate in, or a security interest with respect to, any portion of the Properties, such Person shall be deemed to have assented to this Declaration and all of the terms and provisions hereof.

Section 2. Dissolution of the Association. The Association shall be dissolved upon the termination of this Declaration. Provided, however, until any sale of the Common Property authorized by the termination agreement or approved by the Owners in the same manner as required for approval of the termination agreement is completed and the sale proceeds distributed, the Association shall continue in existence with all of the powers it had before termination. The Association, on behalf of the Owners, may contract for the sale of the Common Property, but the contract is not binding unless such sale has been authorized in the termination agreement or it has been approved by the Owners in the same manner as required for approval of the termination agreement. Proceeds of the sale of Common Property shall be distributed to the Owners and lienholders as their interests may appear, as provided in the termination agreement or other agreement approved by the Owners in the same manner as required for approval of the termination agreement. If the Common Property is not to be sold following termination of this Declaration, title to the Common Property vests in the Owners upon termination, as tenants in common in proportion to their respective interests as provided in the termination agreement.

Upon dissolution of the Association or upon loss of ownership of all of the Common Property by the Association for any reason whatsoever (except for exchange or dedication or conveyance of any part or all of the Common Property as allowed by this Declaration, or by reason of merger and/or consolidation with any other association as allowed by this Declaration), except as otherwise provided in the termination agreement, other agreement approved by the Owners in the same manner as required for approval of the termination agreement, or Legal Requirements (in particular, Section 47F-2-118 of the Act, or any successor Section of the Act), any portion of the Common Property not under the jurisdiction of and being maintained by another association substantially similar to the Association, together with all other assets of the Association, first shall be offered to the Town of Zebulon (or, if the Town of Zebulon refuses such offer, then to some other appropriate Governmental Authority or public agency as determined by the Board) to be dedicated for public use for purposes similar to those to which the Common Property and such assets were required to be devoted by the Association. If the Town of Zebulon or such other Governmental Authority or public agency accepts the offer of dedication, such portion of the Common Property and assets shall be conveyed by the Association to the Town of Zebulon or such other appropriate governmental entity or public agency, subject to the superior right of an Owner to an easement (if necessary) for reasonable ingress and egress to and from such Owner's Lot and the public or private street(s) on which that Lot is located, subject to all other applicable rights of way and easements, and subject to ad valorem property taxes subsequent to the date of such conveyance.

If the Town of Zebulon or such other appropriate Governmental Authority or public agency refuses the offer of dedication and conveyance, the Association may transfer and convey such Common Property and assets to any nonprofit corporation, association, trust or other entity which is or shall be devoted to purposes and uses that would most nearly conform to the purposes and uses

to which the Common Property was required to be devoted by this Declaration, such transfer and conveyance to be made subject to the rights of Owners and the other matters set forth in the immediately preceding paragraph of this Section. If there is no nonprofit corporation, association, trust or other entity who will accept such transfer and conveyance of the Common Property and assets of the Association, then such Common Property and assets shall be distributed as provided in the plan of termination/dissolution adopted by the Association.

ARTICLE XVII. RECREATIONAL AMENITIES

Section 1. Recreational Amenities Contemplated. Declarant has no obligation to construct, furnish, or provide for any Recreational Amenities for the Subdivision, except as required by Legal Requirements and any such Recreational Amenities may be provided by third-parties on or off the Properties.

Section 2. Other Recreational Facilities, Declarant may in the future develop other real property that is not be part of the Subdivision but that may have recreational facilities (the term "recreational facilities" is being used here to distinguish it from the term "Recreation Amenities" as defined in the Declaration) that are available for use to Owners of Lots in the Subdivision in accordance with the rules and regulations applicable to those recreational facilities. Provided, however, nothing herein shall be construed as a commitment from Declarant or the owners of such other real property, or as a requirement of Declarant or such owners, to develop such other real property or to provide for such recreational facilities on such other real property that are available for use by the Owners of Lots in the Subdivision. With respect to any such recreational facilities that are on such other real property, one of the requirements for, the use of those recreational facilities by Owners of Lots *in* the Subdivision may be that all of the Owners of Lots in the Subdivision pay assessments or membership fees or use fees for the use and/or maintenance of such recreational facilities, or that the Association pay such assessments or fees on behalf of the Owners of Lots in the Subdivision. In the event that the applicable rules and regulations for use of such recreational facilities by the Owners of Lots in the Subdivision require all of the Owners of Lots in the Subdivision to pay assessments or membership fees or use fees for the use and/or maintenance of such recreational facilities or that the Association pay such assessments or fees on behalf of the Owners of Lots in the Subdivision, then the Declaration may be amended to require all of the Owners of Lots in the Subdivision, either individually or through assessments paid to the Association, to pay assessments or membership fees or use fees for the use and/or maintenance of such recreational facilities, subject to the following: (i) any such amendment to the Declaration must be approved by the affirmative vote at a meeting of the Association of those Members to whom are allocated eighty percent (80%) or more of the total number of votes in the Association, and during the Development Period, with the written consent of Declarant, and (ii) the per lot amount to be paid is the same for each Lot in the Subdivision. ???

The foregoing provisions for amendment of the Declaration with respect to recreational facilities on real property that is not part of the Subdivision are applicable to other real property that is developed by Declarant and to other real property that is developed by another Person (for example, there may be another residential development that offers to allow Owners of Lots in the Subdivision to use its recreational facilities). Also, the foregoing provisions for amendment of the Declaration with respect to recreational facilities are in addition to matters dealing with merger of the Association with another association that results in the members of each having rights to use recreational facilities that are owned by the other association.

Section 3. Parties with Right to Use Recreational Amenities. The Owner of a Residential Lot who resides in the Dwelling on such Lot may extend his or her right of use and enjoyment of the Recreational Amenities to the other members of his or her household and to guests, subject to reasonable Board regulation. If the Owner of a Residential Lot does **not** reside in the Dwelling on such Lot, the Owner shall be deemed to have assigned all of the Owner's rights to use and enjoy the Recreational Amenities the occupants of the Dwelling, who may extend the privilege of use and enjoyment to their guests, subject to reasonable Board regulation. The Board may require written notice of any Person to whom such rights are assigned or extended.

Section 4. Use of Recreational Amenities. Subject to the rights of Declarant to use the Recreational Amenities reserved in the Declaration, use of the Recreational Amenities shall be subject to the rules and regulations established by the Association, and any use of the Recreational Amenities in violation of those rules and regulations shall be deemed a trespass and shall subject such Owner or other Person to all of the penalties for violation established by the Association or the Governing Documents. The Board, at any time and from time to time, when it determines that is in the 'best interests of the Association or the Members of the Association, may establish memberships or other use rights for Recreational Amenities Users in the Recreational Amenities, such membership or other use rights to be upon such terms, and for payment of such fees or charges, as the Board, in the exercise of its reasonable discretion, may determine

Section 5. Use of Recreational Amenities by Declarant. During the Development Period, Declarant hereby reserves the right to use the Recreational Amenities at any time and from time to time, without any charge or payment therefor, for any one or more of the following purposes: (i) the club house, as an administrative and sales office for Declarant and/or for any real estate brokerage company or individual used or authorized by Declarant for sales of Lots (with or without Dwellings thereon) for marketing, meeting and promotional functions in connection with the marketing or sale of any part of the Properties, and as an office and meeting room for the Declarant, the Association, the Board, the Architectural Review Committee and other Board committees; (ii) the remaining Recreational Amenities, for marketing, meeting and promotional functions in connection with the marketing or sale of any part of the Properties. The foregoing rights of the Declarant include the right to use a reasonable number of parking spaces on the Recreational Amenities and any other Common Property parking areas. Declarant's use of the Recreational Amenities as aforesaid shall have priority over the use of the Recreational Amenities by the Association and other Persons who have rights or privileges to use the Recreational Amenities.

Section 6. Use Not a Nuisance. Use of any part of the Recreational Amenities by Declarant as described herein, or by any other Person in accordance with the rules and regulations established by the Association, including use of the swimming pool for swim meets and social events, shall not constitute a nuisance.

Section 7. Management. The Association with Declarants approval shall have the right and authority, at any time and from time to time, to employ a property manager or other Person to manage and operate the Recreational Amenities for the Association.

Section 8. Risks Associated With Use. Declarant hereby informs all Persons who use any part or all of the Recreational Amenities that there are certain risks associated with the use thereof, particularly with use of the swimming pool, if any, whether or not a lifeguard is on duty during times when the swimming pool is open for use. The Association may, but shall not be required to, employ or provide for the services of one or more lifeguards during certain times that the swimming pool is open for use, it being within the sole discretion of the Board whether or not to employ or provide for the

services of lifeguards. Each Owner, by acceptance of a deed to such Owner's Lot, and each other Person who uses any part or all of the Recreational Amenities, specifically acknowledges the existence and acceptance of the foregoing risks, and agrees to comply with the rules and regulations established by the Association for use of the Recreational Amenities.

Section 9. Limitation of Liability. Neither the Declarant, nor any of its members, managers, employees, agents, contractors, affiliates, subsidiaries, predecessors or successors (for the purposes of this paragraph, referred to as a "Named Person") shall be responsible or liable in any way to any Owner or to any other Person for any claims, causes of action, damages, judgments, liens, losses, injuries, demands, interference, liabilities, or obligations whatsoever, that may result from property damage or personal injury in connection with such Owner or other Person's use of any Recreational Amenities, unless the same arises out of or results from the gross negligence or intentional act or omission of such Named Person, or unless the same arises out of or results from the act or omission of any such named Person while actually using the Recreational Amenities.

Section 10. Use Fees. The Board may establish use fees for the use the Recreational Amenities for the upkeep of the Recreational Facilities, which fees may be charged to Owners or any party to whom an Owner assigns its rights and/or to Recreational Amenities User.

ARTICLE XVIII. DISCLOSURES AND WAIVERS

The following are in addition to any other disclosures and waivers in this Declaration.

Section 1. Construction Activities. All Owners and other Persons who use the Properties hereby are notified that Declarant and/or its agents, contractors, subcontractors, licensees, and other designees, successors, or assigns, may, from time to time, conduct blasting, excavation, construction, and other activities within the Properties. By the acceptance of a deed or other conveyance or mortgage, leasehold, license, or other interest, and by using any portion of a Lot or the Properties generally, such Owners and such other Persons acknowledge, stipulate, and agree: (i) such activities shall not be deemed nuisances, or noxious or offensive activities, under any applicable covenants or at law generally; (ii) not to enter upon, or allow their children or other Persons under their control or direction to enter upon (regardless of whether such entry is a trespass or otherwise) any property within or in proximity to the portion of the Properties where such activities are being conducted (even if not being actively conducted at the time of entry, such as at night or otherwise during non-working hours); (iii) that Declarant and its agents, contractors, subcontractors, licensees, and other designees, successors, and assigns, shareholders, directors, officers, partners, members, managers, agents and employees shall not be liable but, rather, shall be held harmless for any and all losses, damages (compensatory, consequential, punitive, or otherwise), injuries, or deaths arising from or relating to the aforesaid activities; (iv) that any purchase or use of any portion of the Properties has been and will be made with full knowledge of the foregoing; and (v) this acknowledgment and agreement is a material inducement to Declarant to sell, convey, lease, and/or allow the use of the Properties.

Section 2. Conveyance of Common Property. Declarant may convey or transfer all Common Property, including all improvements thereon, to the Association in an "AS IS, WHERE IS" condition, and in such conveyances may reserve such easements as Declarant, in its sole discretion, deems necessary or advisable for completion or maintenance of any improvements in the Common Elements and any development of the Subdivision. Declarant hereby disclaims and makes no representations, warranties or other agreements, express or implied, by law or fact, with respect to the Common Property and improvements thereon. including, without limitation,

representations or warranties of merchantability regarding the condition, construction, accuracy, completeness, design, adequacy of size or capacity thereof in relation to the utilization, date of completion, or the future economic performance or operations of or the materials, furniture, or equipment used therein. Neither the Association nor any Owner or any other Person shall make any claim against Declarant, its successors and assigns, relating to the condition, operation, use, accuracy or completeness of the Common Property, or for incidental or consequential damages arising therefrom.

Declarant shall transfer and assign to the Association, without recourse, all warranties received from manufacturers and suppliers relating to any of the Common Property or improvements thereon, or relating to any personal property transferred by Declarant to the Association, which exist at the time of transfer and are assignable, but Declarant's failure to do so shall not constitute any grounds for any claim, cause of action or other legal recourse against Declarant for failing to do so, other than to compel Declarant to transfer or assign same.

Section 3. Liability for Association Operations. The Association shall, to the fullest extent permitted by law, indemnify, defend, and hold harmless Declarant, its successors and assigns, and its shareholders, directors, officers, partners, members, managers, agents and employees from and against any and all losses, claims, demands, damages, costs, and expenses of whatever kind or nature (including, without limitation, reasonable attorneys' fees and costs at all tribunal levels and whether or not suit is instituted, including those incurred in establishing the right to be indemnified, defended, and held harmless pursuant hereto), which relate to or arise out of Association management and operations, including, without limitation, improvement, maintenance, and operation of Common Property and the collection of assessments.

Section 4. Public Facilities and Services. Certain facilities and areas within and adjoining the Properties may be open for use and enjoyment of the public. Such facilities and areas may include, for example: greenways, trails and paths, parks, and other neighborhood spots conducive to gathering and interaction, roads, sidewalks, and medians. In addition to any such facilities and areas that are open for use and enjoyment of the public pursuant to Legal Requirements, Declarant may designate facilities and areas as open to the public, at the time Declarant makes such facilities and areas a part of the Common Property or the Board may so designate at any time thereafter.

Section 5. Safety and Security. Each Owner and occupant of a Dwelling, or Improvement, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property in the Subdivision. The Association may, but shall not be obligated to, maintain or support certain activities within the Subdivision designed to enhance the level of safety or security which each Person provides for himself or herself and his or her property. Neither the Association nor Declarant shall in any way be considered insurers or guarantors of safety or security within the Subdivision, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

No representation or warranty is made that any systems or measures, including any mechanism or system for limiting access to the Subdivision, cannot be compromised or circumvented, nor that any such systems or security measures undertaken will prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing such Owner's tenants and all occupants of its Dwelling that the Association, its Board and committees, and Declarant are not insurers or guarantors of security or safety and that each Person within Subdivision assumes all

risks of personal injury and loss or damage to property, including Dwellings and the contents thereof, resulting from acts of third parties.

Section 6. View Impairment. Neither Declarant nor the Association guarantee or represent that any view from, over, or across any portion of the Properties will be preserved without impairment or change. Neither Declarant nor the Association shall be obligated to relocate, prune, or thin trees or other landscaping except as otherwise *required* under a separate covenant or agreement, if any. The Association (with respect to the Common Property) has the right to add or remove trees and other landscaping to and from the Common Property, subject to Legal Requirements. Any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

Section 7. Powers of the Association Relating to Additional Associations. The Association shall have the power to block any action taken or contemplated to be taken by any Additional Association which the Board reasonably determines to be adverse to the interests of the Association or its Members or inconsistent with the Community-Wide Standard. The Association also shall have the power to require specific action to be taken by any Additional Association in connection with its obligations and responsibilities, such as requiring specific maintenance or repairs *or* aesthetic changes to be effectuated and requiring that a proposed budget include certain items and that expenditures be made therefor. An Additional Association shall take appropriate action required by the Association in a written notice within the reasonable time frame set by the Association in the notice. If the Additional Association fails to comply, the Association shall have the right to effect such action on behalf of the Additional Association and levy Specific Assessments against the Units subject to the Additional Association's jurisdiction to cover the costs incurred, as well as an administrative charge and sanctions.

Section 8. Water Management. Each Owner and any other Person who uses any portion of the Properties acknowledges and agrees that any or all bodies of water (including lakes, ponds, creeks, streams, and wetlands in the Properties), together with any dams or other facilities or devices that contain, control, or direct such waters, may be designed as water management areas (including stormwater management) and not designed solely as aesthetic features, and that, with respect to those that are water management areas, due to fluctuations in ground water elevations within the immediate area and/or the receipt or discharge of stormwater, the water level of such lakes, ponds, and wetlands may rise and fall. Each Owner and other such Person further acknowledges and agrees that Declarant has no control over such elevations. Therefore, each Owner and other such Person releases and discharges Declarant, and its successors, assigns, contractors, subcontractors, shareholders, directors, officers, partners, members, managers, agents and employees from and against any and all losses, claims, demands, damages, costs, and expenses of whatever nature or kind, including reasonable attorneys' fees and costs at all tribunal levels, related to or arising out of any claim relating to such fluctuations in water elevations.

Declarant reserves for itself, the Association, and their successors, assigns, and designees, the perpetual, nonexclusive right and easement, but not the obligation, to enter upon bodies of water and wetlands located within or adjoining the Properties to do any or all of the following: (i) install, operate, maintain, and replace pumps to supply irrigation water to the Common Areas; (ii) construct, maintain, and repair structures and equipment used for retaining water; and (iii) maintain such areas in a manner consistent with the Community Wide Standard. Declarant further reserves for itself, the Association, and their successors, assigns, and designees, a perpetual, nonexclusive right and easement of access and encroachment over the Common Area and Lots (but not the Dwellings thereon) adjacent to or within 50 feet of bodies of water within or adjoining the Properties, in order

to do any or all of the following: (i) temporarily flood and back water upon and maintain water over such portions of the Properties; (ii) alter in any manner and generally maintain the bodies of water within and adjoining the Properties; and (iii) maintain and landscape the slopes and banks pertaining to such areas. All Persons entitled to exercise these easements shall use reasonable care in and repair any damage to a Lot resulting from the intentional exercise of such easements. Nothing herein shall be construed to make Declarant or any other Person liable for damage resulting from flooding due to hurricanes, heavy rainfall, or other natural occurrences.

Owners and other Persons who use any portions of the Properties shall not alter, modify, expand, or fill any lakes, ponds, or wetlands located in the Properties without the prior written approval of the governmental entities having jurisdiction over such matters, including the U. S. Army Corps of Engineers if applicable, and the Declarant, during the Development Period, and the Association thereafter.

ARTICLE XIX. ALTERNATIVE DISPUTE RESOLUTION

Section 1. Agreement to Encourage Resolution of Disputes Without Litigation.

(a) Declarant, the Association and its officers, directors, and committee members, all Owners and other Persons subject to this Declaration, and any other Person not subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties"), agree or are deemed to agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Community without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in subsection (b), unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in this Article in a good faith effort to resolve such Claim.

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

- (1) the interpretation, application, or enforcement of the Governing Documents;
- (2) the rights, obligations, and duties of any Bound Party under the Governing Documents; or
- (3) the design or construction of improvements within the Community, other than matters of aesthetic judgment, which shall not be subject to review.

(c) Provided, however, that the following shall not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in this Article (the word "action" includes any legal or equitable action or procedure filed in any court, as well as any other procedure):

- (1) any action by the Association to collect assessments or other amounts due from any Owner;
- (2) any action by the Association to obtain a temporary restraining order or other emergency equitable relief and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the

provisions this Declaration relating to creation and maintenance of the Community Wide Standard;

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

(4) any action in which any indispensable party is not a Bound Party; and

(5) any action as to which any applicable statute of limitations or statute of repose would expire within one hundred eight (180) days of date of the filing of the action, unless the party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article; and

(6) any action to enforce any financial or monetary obligation of any Person under the Governing Documents;

Section 2. Dispute Resolution Procedures.

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

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

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

(3) the Claimant's proposed resolution or remedy; and

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

Within thirty (30) days of receipt of the Notice, the Respondent, subject to all of the foregoing requirements for the giving of the Notice, shall give the Claimant a Notice of any Claim the Respondent has against the Claimant.

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

(c) Mediation. If the Bound Parties have not resolved the Claim through negotiation within thirty (30) days of the date of the Notice, or within such other period as the Bound Parties may agree upon, either of the Bound Parties shall have thirty (30) additional days to submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing dispute resolution services in the Wake County, North Carolina area.

If the Claim is not submitted to mediation within such time, or if the Bound Party who submitted the Claim to mediation does not appear for the mediation when scheduled, that Bound Party shall be deemed to have waived the Claim, and the other Bound Party shall be relieved of any and all liability to the Bound Party who submitted the Claim to mediation (but not third parties) on account of such Claim.

if the Bound Parties do not settle the Claim within thirty (30) days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated. Either the Claimant or Respondent thereafter shall be entitled to file suit or to initiate administrative proceedings on the Claim, as appropriate.

Each Bound Party shall bear its own costs of the mediation, including attorneys' fees, and each Bound Party shall share equally all fees charged by the mediator.

(d) Right to File Action. Notwithstanding anything to the contrary herein, a Bound Party may file an action with respect to any matter subject to a pending negotiation or a pending mediation, if the applicable statute of limitations or statute of repose would expire within ninety (90) days or less of the date of the filing of the action.

(e) Resolution of Claim. Any resolution or settlement of the Claim through negotiation or mediation shall be documented in writing and signed by the Claimant and Respondent. If either of such Bound Parties thereafter fails to abide by the terms of any negotiated or mediated settlement, then the other Bound Party may pursue an action to enforce the settlement without the need to again comply with the procedures set forth in this Section. In such event, the Bound Party taking action to enforce any settlement, upon prevailing, is entitled to recover from the noncomplying Bound Party (or if more than one non-complying Bound Party, from all such Bound Parties in equal proportions) all costs incurred in enforcing such settlement, including, without limitation, attorneys' fees and court costs.

ARTICLE XX. RETAINING WALLS ENCROACHMENT AND OVERHANG EASEMENT

Retaining walls installed in the Properties by or on behalf of Declarant that are located on more than one (1) Lot or that are located partially on a Lot and partially on Common Elements, are Common Elements and are the property of the Association. With respect to initial construction or installation and subsequent maintenance of retaining walls, Declarant and the Association shall have all of the easements reserved for Declarant and the Association in Article XII of this Declaration. Declarant, during the Development Period, and thereafter the Association, has the right to determine what constitutes a retaining wall and to resolve all issues and other matters related to retaining walls.

There shall be reciprocal appurtenant easements for encroachment along the rear and sides of each adjacent Lot for the placement and construction of fencing allowing any encroaching portion of a fence constructed or to be constructed in conjunction with the improvements on the Lots to exist and/or remain over and across that portion of the Lot along the rear or side property lines and to any existing or to be constructed fence which easement area is to be no more than

twelve inches (12") in width and running the length of the applicable rear or side boundary line of the Lot. This easement is granted to encourage fence construction that serves and separates two adjoining lots allowing any such existing or constructed fence encroachment to remain in its present or initially constructed location. No Lot Owner shall erect any other improvement in the easement area and any Lot Owners whose fence so encroaches shall maintain any areas so encroached upon.

ARTICLE XXI. PRIVATE AMENITIES

Section 1. Private Amenities. Various properties within, adjacent to, or in the vicinity of the Community may contain Private Amenities that may be made available for use by Owners and others for recreational purposes, pursuant to an agreement with the Association or otherwise. Access to and use of any Private Amenity is strictly subject to the rules and procedures of the owner of such Private Amenity, and except as may otherwise be set forth in a written agreement between the Association and the owner of the Private Amenity, no Person gains any right to enter or to use any Private Amenity solely by virtue of membership in the Association or ownership or occupancy of a Lot.

All Persons, including all Owners, are hereby advised that no representations or warranties have been or are made by Declarant, the Association, any Builder, or by any Person acting on behalf of any of the foregoing, with regard to the continuing ownership, operation or availability of any Private Amenity. No purported representation or warranty in such regard, written or oral, shall be effective unless specifically set forth in a written instrument executed by the record owner of the Private Amenity.

Rights to use the Private Amenities will be granted only to such persons, and on such terms and conditions, as may be determined by their respective owners. Such owners shall have the right, from time to time in their sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of their respective Private Amenities and to terminate use rights altogether. No consent of the Association, any Additional Association, or any Owner shall be required to effectuate any change in ownership, operation or terms of access to any Private Amenity.

ARTICLE XXII. GENERAL PROVISIONS

Section 1. Assignment. Declarant specifically reserves the right, in Declarant's sole discretion, to assign temporarily or permanently any or all of its rights, privileges, powers and/or obligations under this Declaration or under any Supplemental Declaration or Subdivision Declaration, including assignment of any or all of same as security for any obligation of Declarant to one or more Persons. Except as otherwise provided in this Section, no such assignment shall be effective unless (i) it is in writing, (ii) it is executed by the assignee (unless, with respect to an assignment to the Association of a Governmental Authority permit, execution of the assignment by the assignee is not required by the applicable Governmental Authority or Legal Requirement), (iii) it is recorded in the Registry or other Governmental Authority office required under Legal Requirements, with the date of recording or such later effective date stated in the assignment being the effective date thereof (and the terms of the recorded assignment shall be conclusive and binding as to the matters assigned), and (iv) if it purports to assign any obligations of the Declarant to complete initial capital improvements within the Subdivision required by a Development Plan or other Legal Requirements, it describes the specific obligations assigned.

Upon Declarant's request, the Association shall execute any such assignment by Declarant to the Association, and Declarant is designated by this Declaration as the Association's agent and/or attorney-in-fact to execute any such assignment on behalf of the Association, which agency and power of attorney shall be effective until the end of the Development Period, unless sooner terminated in writing by Declarant. Provided, however, and notwithstanding anything herein to the contrary, Declarant may not assign to the Association any obligation to complete initial capital improvements within the Subdivision required by a Development Plan or other Legal Requirements to be completed by Declarant. With respect to assignments described in any instrument under which Declarant rights specifically or impliedly are given as security for an obligation of Declarant, the terms of such instrument shall control over the provisions of this Section, including execution and recording requirements and the matters assigned thereby. Upon any completed foreclosure sale pursuant to any instrument under which the Declarant rights become security for an obligation, or the recording or filing of a deed or other instrument in lieu of foreclosure, the purchaser at the foreclosure sale, or the grantee under any deed or other instrument in lieu of foreclosure, shall receive the rights, privileges, powers and/or obligations that were assigned as security for the Declarant's obligation, unless the foreclosure documents or conveying document specifically exclude such rights, privileges, powers and/or obligations.

Notwithstanding anything to the contrary in this Section, with respect to Common Elements, Stormwater Control Measures and utilities in the Subdivision, Declarant may assign to the Association, and the Association shall accept assignment of and execute the assignment document with respect to, any or all of the following in whole or in part, including the casts thereof: all rights, duties, liabilities, obligations and indemnities of the Declarant under all permits issued by a Governmental Authority (but execution of the assignment by the Association is not required unless required by the applicable Governmental Authority or Legal Requirement); and all easements and agreements with any provider of utilities to any part or all of the Subdivision and/or under all agreements between the Declarant and a Governmental Authority or any provider of utilities to any part or all of the Subdivision, with respect to maintenance of Common Elements, Stormwater Control Measures and/or utilities in the Subdivision. Provided, however, and notwithstanding the foregoing, Declarant may not assign to the Association any of its obligations or liabilities or indemnities directly related to the initial construction or installation of improvements for Common Elements, Stormwater Control Measures, utilities, and/or publicly dedicated streets in the Subdivision as required by a Governmental Authority or a utility provider for development of the Properties in accordance with a Development Plan. Declarant shall have the authority to resolve any dispute as to what rights, duties, liabilities, obligations and/or indemnities can be assigned to the Association pursuant to this Section.

Any approvals, waivers, or variances granted by the Declarant under the Governing Documents shall be binding upon all assignees and successors to Declarant's approval, waiver, or variance authority.

Section 2. Duration of Special Declarant Rights. Unless otherwise specifically provided *in* the Governing Documents, or unless waived or released by the Declarant or other Person possessing such rights, all Special Declarant Rights under this Declaration shall exist and continue through the end of the Development Period.

Section 3. Association Contracts and Leases During Declarant Control Period. All Association contracts and leases that affect or relate to the Properties or any part thereof and (i) are entered into prior to the time that the first Board whose majority of directors is elected by the Members takes office, and (ii) are not bona fide or were unconscionable to the Owners at the

time entered into under the circumstances then prevailing, may be terminated without penalty by the Association at any time after such first Board whose majority of directors is elected by the Members takes office, upon not less than ninety (90) days written notice to the other parties to the contract or lease (or any different minimum time period provided for in the Act), and all such contracts and leases are terminable as provided in this Section, whether or not the right of the Association to terminate is stated therein.

Section 4. Conflicts. Whenever there exists a conflict among the Governing Documents of the Association, the order in which Governing Documents control is as follows: agreements with Governmental Authorities; this Declaration; other Governing Documents, except that as to matters of compliance with the Nonprofit Corporation Act, the Articles shall control. Whenever there is a conflict between the provisions of the Articles and Bylaws, the provisions of the Articles shall control. The provisions of the Bylaws shall control over any conflicting provision of any Restrictions and Rules, Board resolutions or rules and regulations, or Architectural Guidelines. With respect to the foregoing, specific provisions shall control general provisions, except that a construction consistent with the Act, the Nonprofit Corporation Act and the Code shall in all cases control over any construction inconsistent therewith.

The provisions of the Code and other Legal Requirements control over any conflicting provisions of this Declaration and any other Governing Documents.

Whenever the Act, the Nonprofit Corporation Act, or the Code provides for limitations on any amount of assessments, fines, late payment fees, charges, or attorney fees that may be assessed, fined, charged, imposed, or collected by the Association, and the amount of any such assessment, fine, late payment fee, charge, or attorney fee allowed or authorized by this Declaration or other Governing Documents (including any assessment, fine, late payment fee, charge, or attorney fee amount established by the Board as allowed by this Declaration or other Governing Documents) exceeds the applicable limitation of the Act, the Nonprofit Corporation Act, or the Code, unless the applicable limitation specified by the Act, the Nonprofit Corporation Act, or the Code is a mandatory limitation that cannot be exceeded by provisions in this Declaration or other Governing Documents allowing or providing for the possibility of a greater amount than the applicable limitation otherwise allows, the provisions of this Declaration or other Governing Documents control and are deemed to constitute an express provision contrary to the limitation contained in the Act, the Nonprofit Corporation Act, or the Code. The provisions of the Act and Nonprofit Corporation Act shall in all cases control over any conflicting provisions of the Code. The Governing Documents shall be construed together with the construction that avoids, insofar as possible, conflicts among them.

For the purposes of this Article and any other references in this Declaration to similar conflicts, a 'conflict' is a situation in which the provisions in question cannot be reconciled or where enforcement of one provision necessarily would prohibit enforcement of another provision for example, where one provision allows a certain action and the other provision prohibits the same action. Two provisions that are different, but not mutually exclusive or prohibitive of each other do not constitute a conflict for the purposes of this Article.

Section 5. Consent and Notice. Except as otherwise may be specifically required by the Governing Documents or Legal Requirements, when a Lot is owned by more than one Person: (1) with respect to any matter under this Declaration requiring the consent of an Owner is required, the consent of any one of such Owners is sufficient and (ii) the notice provisions of this Declaration are deemed satisfied if notice is given to an one of such Owners Whenever the written consent of

Declarant is required for the effectiveness of some action under this Declaration in addition to any required vote of the Members of the Association, the votes in the Association allocated to Declarant shall be counted in determining the vote of the Members, the written consent requirement being in addition to the voting requirement, whether or not Declarant actually participates in the voting.

Section 6. Costs and Reasonable Attorneys' Fees. In any action to enforce the provisions of any Governing Documents, the court may award reasonable attorneys' fees to the prevailing party, even if such action is settled prior to any trial, judgment or appeal. It also is the specific intent of this Section that it constitute the allowance of the award of reasonable attorneys' fees as required under Section 47F-3-120 of the Act

Section 7. Determination of Class of Membership. If at any time during the Development Period there is a question or dispute as to what class of membership is applicable to the Owner of a particular portion of the Properties, the Declarant has the right and authority to resolve such question or dispute. Following the end of the Development Period, the Board has the right to resolve any such question or dispute.

Section 8. Enforcement. Subject to applicable alternative dispute resolution provisions of this Declaration, and subject to any rights of enforcement provided for any Governmental Authority by this Declaration or any Legal Requirement, (1) the Declarant and the Association shall have the right, but not the obligation, to enforce the provisions of this Declaration and other Governing Documents relating to the collection of assessments and other charges payable to the Association, and (ii) the Declarant, the Association, each Owner, and, when enforcement rights are granted by this Declaration, an Institutional Lender or other Secondary Mortgage Market Agency, shall have the right, but not the obligation, to enforce the other provisions of this Declaration and other Governing Documents, by any proceeding at law or in equity (or otherwise, as provided in this Declaration) against any Person who has violated, is violating, or is attempting to violate, any part of this Declaration or other Governing Documents, either to restrain the violation, recover damages, or seek other available legal or equitable remedies. Any failure by the Declarant, the Association, an Owner, or any other Person to enforce this Declaration or other Governing Document or seek any applicable remedy with respect to any specific violation or lien shall not constitute a waiver of the right to do so thereafter, nor shall it constitute a waiver of the right to enforce this Declaration at any other time with respect to the same or substantially similar matter. All rights, remedies and privileges granted to the Declarant, the Association, any Owner, or any other Person herein are cumulative, and the exercise of any one or more of such rights, remedies or privileges shall not constitute an election of remedies or preclude subsequent exercise of other rights, remedies and privileges.

Section 9. Exclusive Rights to Use Name of Subdivision. During the Development Period, no Person shall use the name "Barrington" or any derivative of such name in any logo or depiction in any printed or promotional material without Declarant's prior written consent. However, Owners may use the name "Barrington" in printed or promotional matter where such term is used solely to specify that a particular Lot is located within the Subdivision and the Association shall be entitled to use the words "Barrington" in its name and for other purposes related to the functions of the Association under this Declaration.

Section 10. Intentionally deleted.

Section 11. Legal Requirements. All Governing Documents shall be subject to and construed in accordance with all Legal Requirements and all applicable provisions of the Code. It shall be the responsibility of each Owner to comply with all Legal Requirements, whether or not any approval, disapproval, waiver or variance of the terms of any Governing Documents has been given by Declarant, the Association or the Architectural Review Committee. It is the express intention of the Governing Documents to comply with the Act, and any provisions of the Governing Documents that are not in compliance with the Act shall be deemed reformed from to comply therewith. Provided, however, it also is the intention of the Governing Documents that, unless its provisions violate the Act, such provisions shall control, and, insofar as reasonably possible, the provisions of the Governing Documents shall be construed in such manner as to be consistent with, and not in violation of, the Act.

Section 12. Marketable Title Act. It is the intention of the Declarant that this Declaration exist and continue until terminated as provided herein, and that it constitute an exception to any automatic termination or expiration provision that might be applicable under the Real Property Marketable Title Act as contained in Chapter 47B of the North Carolina General Statutes, or under any successor or replacement statute or any other Legal Requirement that would or could terminate this Declaration other than in the manner provided for termination herein. Accordingly, the Association, in its discretion, may re-record in the Registry this Declaration or some memorandum or other notice hereof in order to continue this Declaration in full force and effect and/or to qualify this Declaration as an exception to any such automatic termination, or expiration provision of the Real Property Marketable Title Act or any other Legal Requirement.

Section 13. No Exemption. No Owner may become exempt from any obligations imposed hereby by non-use or abandonment of the Common Elements or any portion of the Properties owned by such Owner.

Section 14. No Timesharing. No Dwelling or Improvement may be used for operation of a timesharing, fraction-sharing, or similar program whereby the right to use or occupancy of the Dwelling rotates among participants in the program on a fixed or floating time schedule over any period of time.

Section 15. Notice. Except as otherwise provided herein, whenever written notice to any Person (including Owners and Members) is required hereunder, such notice may be hand delivered to such Person, or given by *first* class United States mail, postage prepaid, or given in such other manner specifically allowed or required by Legal Requirements, or given in such other manner determined by the Board to be proper and which does not violate any Legal Requirements, addressed to the address of such Person appearing on the records of the Association or to the address for such Person appearing in the records of the Wake County Revenue Department. Properly addressed notice shall be deemed to have been given by the Association as follows: (i) in the absence of any delays in delivery by the United States Postal Service resulting from acts of war or terrorism, on the third day following the date the notice was deposited in the United States mail, first class postage prepaid; or (ii) on the date of personal delivery to the Person or an adult residing with the Person, as evidenced by a receipt signed by the Person or such other Person; or (iii) on the delivery date indicated on a return certified or registered mail receipt, or (iv) on the date indicated by the records of a national, regional or local same day or overnight courier service, or (v) on the date acknowledged in writing by the recipient Person or other adult residing with such Person, or (vi) upon execution of a written waiver of such notice by the Person. Notice to the Association may be given and shall be deemed to have been given in the same manner as notice to a Person, when addressed to the principal business

office of the Association or the property manager employed by the Association. It shall be the duty of each Owner and other Person entitled to receive a notice from the Association to keep the Association informed of such Owner's or other Person's current mailing address and telephone number. If an Owner or other Person has not provided the Association with such current mailing address the Association may use as the mailing address the street address of the Lot owned by such Owner or other Person or the address for such Owner or other Person in the records of the Wake County Revenue Department. If no address for an Owner other Person or is reasonably available to the Association, the Association shall not be required to give notice to that Owner or other Person. Notice given to any one of multiple Owners of any portion of the Properties shall be deemed to have been given to all of such Owners. When an Owner requests that communications from the Association be given by electronic mail, then notices under this Declaration also may be given to that Owner by electronic mail by an officer, director, or agent of the Association (which may include a property manager) and shall be deemed to have been given on the date that it is sent by the sending Person to the Owner to the electronic mail address of the Owner most recently given to the Association.

Section 16. Number and Gender. Whenever the context of this Declaration requires, the singular shall include the plural and one gender shall include all.

Section 17. Reserved Rights. Whenever this Declaration reserves a right for, or requires or authorizes a consent, approval, variance, or waiver by Declarant, and thereafter confers such right upon, or requires or authorizes such consent, approval, variance, or waiver by the Association or Board, the applicable right may be exercised, or the applicable consent, approval, variance, or waiver may be given, only by Declarant (or its assigns, which may include the Board) during the applicable period, and, thereafter, only by the Board or its authorized designee (unless a vote or consent of the Members of the Association also is required or alone is required).

All rights of Declarant and the Association under this Declaration, unless otherwise specifically provided or limited, may be exercised at any time and from time to time.

Section 18. Rule Against Perpetuities. As provided in Section 47F-2-103(b) of the Act, the rule against perpetuities may not be applied to defeat any provision of this Declaration, or the Bylaws, rules, or regulations adopted pursuant to Section 47F-3-102(1) of the Act. In the event of the absence of the protection of Section 47F-2-103(h) of the Act, if this Declaration or any provision thereof violates any applicable Rule Against Perpetuities, this Declaration or such provisions shall be deemed reformed to continue in effect for the maximum period of time that this Declaration or such provision could exist without violating such applicable Rule Against Perpetuities.

Section 19. 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 and final jurisdiction to be illegal, null or void, the remaining paragraphs, sections, sentences, clauses and phrases of this Declaration shall continue in full force and effect and shall not be affected thereby. To the extent that any provision of the Governing Documents is determined to be overly broad or unenforceable and a narrower or partially enforceable construction may be given to such provision without destroying its intent, then the narrower or partially enforceable provision shall be applied and, to the extent lawful, shall be enforced. It is hereby declared that said remaining paragraphs, sections, sentences, clauses and phrases would have been and are imposed 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 20. Subdivision, Combination of Lots; Plat Re-recording. Except as to Lot 1, Phase 1, any portion of the Properties may be subdivided, and the boundaries of any portion of the Properties may be altered, only with the written consent of the Owner thereof and the Declarant, during the Development Period (and, thereafter, the Board), and with any prior approval required by a Governmental Authority. Provided, however, and notwithstanding the foregoing sentence, such written consent of the Declarant is not required for leases, deeds of correction, deeds to resolve boundary line disputes or similar corrective instruments, or deeds or other instruments granting any easement, right-of-way or license to Declarant, the Association, a Governmental Authority, or a public utility provider, provided that the number of then existing Lots in the Properties is not changed by any such action.

Lot 1, Phase 1 may not be withdrawn or subdivided except in a manner that is consistent with the then applicable Code and with the prior written approval of the Town of Zebulon. Except as to Lot 1, Phase 1 shall not be further subdivided, one or more Lots may be combined into a single Lot, and a Lot may be subdivided into two or more Lots, only with the written consent of the Owner thereof and the Declarant during the Development Period and, when the Development Period is not in existence, only with the written consent of such Owner and the Board. Unless otherwise provided on the plat that records the combined Lot or in a written instrument recorded in the Registry and executed by Declarant, the Association, and/or the Owner, as applicable, when two or more such Lots are combined into one Lot, the resulting Lot shall continue to be assessed and have voting rights in the Association based on the number of Lots that existed prior to the combination into one Lot. When one Lot is subdivided into two or more Lots, the resulting Lots each shall be considered as a separate Lot and each shall be subject to assessments and have voting rights in the Association in accordance with the assessments and voting rights then applicable to a Lot. When the boundaries of two or more such Lots are changed but the resulting number of Lots is the same as the original number of Lots, the assessments and voting rights in the Association for those resulting Lots shall continue as they were immediately prior to the change. When two or more such Lots are combined into one Lot, the easements reserved by this Declaration around the boundaries of the former Lots shall continue in effect, except that any such easements reserved along the former common boundary line(s) between the combined parcels and not actually being exercised or used by any Person at the time of the combination shall terminate. Provided, however, it shall be the responsibility of the Owner of such resulting Lot to obtain any documentation that is necessary or required to confirm such termination and to obtain termination or relocation of any such easements that are actually being exercised or used at the time of the combination of Lots. When a Lot is subdivided into two or more Lots, the easements established herein adjacent to the boundaries of a Lot shall apply to all of the resulting Lots.

Except for Lot 1, Phase 1 nothing contained herein shall prohibit or restrict the right of Declarant, during the Development Period to (i) subdivide, combine, re-subdivide or recombine, or to record or re-record maps relating to, any portion of the Properties owned by Declarant, or (ii) to approve or disapprove such activities with respect to portions of the Properties owned by other Owners. The provisions of the immediately preceding paragraph with respect to the effects of subdivision or combination of Lots are applicable to subdivision or combination of Lots owned by the Declarant unless the Declarant otherwise indicates on the plat of such subdivision or combination recorded in the Registry or in an instrument recorded in the Registry prior to the end of the Development Period.

Section 21. 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, except as necessary with respect to any cross-referencing of any provisions of this Declaration.

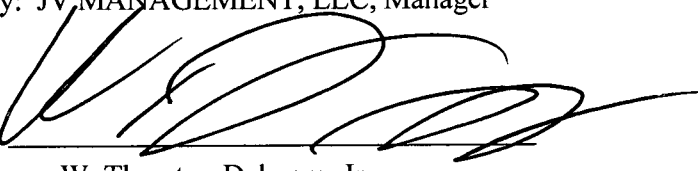
Section 22. Effective Date. This Declaration becomes effective as of the date and time of its recording in the Registry with no further act or confirmation required by Declarant or any other Person.

(execution and exhibit pages follow)

IN WITNESS WHEREOF, Declarant has caused the Declaration to be executed in legal and binding form, by its duly authorized official, on the date indicated in the acknowledgement of such signature.

264 INVESTMENTS, LLC

By: JV MANAGEMENT, LLC, Manager

BY: 

Name: W. Thurston Debnam, Jr.

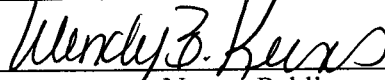
Title: Manager

NORTH CAROLINA

Nash COUNTY

I, a Notary Public of the County and state aforesaid, certify that W. Thurston Debnam, Jr., personally came before me this day and acknowledged that he is Manager of JV Management, LLC, a North Carolina limited liability company, who is the Manager of 264 Investments, LLC, a North Carolina Limited Liability Company, and that by authority duly given and as the act of said limited liability company, the foregoing instrument was signed in its name by its Manager.

Witness my hand and official stamp or seal this 14 day of April, 2019.


Notary Public

My commission expires: 9/30/2020



EXHIBIT A
PROPERTY DESCRIPTION

All those certain lots or parcels of land situated in the Town of Zebulon, Little River Township, Wake County, North Carolina (the "Property") and more particularly described as follows:

Tract 1:

REID: 0010041

Address: 601 Parks Village Road, Zebulon, NC 27597

That certain tract of land containing 38.5 acres more or less, known as the Roger and Virginia Bunn home tract, bounded on the north by Beaverdam Creek, on the east by Ledford, now or formerly, on the south by Kemp lands, and on the west by Mary M. Finch, subject to the right-of-way of US 64 and Parks Village Road.

Formerly known as Wake County Tax Parcel 422-11. This being the same property identified as Parcel 3 and conveyed to Grantor by deed recorded in Book 5068, Page 215, Wake County Registry. See also deeds recorded in Book 3090, Page 570, and Book 2515, Page 7, Wake County Registry.

Tract 2:

REID: 0010042

Address: 0 Old Bunn Road, Zebulon, NC 27597

The Harvey Parrish land starting at stob between me and Mrs. E.R. Bunn land on the northwest corner going West to new road; thence South across the old road to Cleveland Hicks land to a hickory tree and then east to gap and crooked maple on branch line between myself and Minda Bunn; thence to the beginning; and subject to the right-of-way of SR 2341.

LESS AND EXCEPT therefrom the property described in deeds recorded in Book 4920, Page 709, and Book 4578, Page 63, Wake County Registry; and the right-of way of US 264 as described in Book 2261, Page 630, Wake County Registry.

This being a portion of the property formerly known as Wake County Tax Parcel 450-2, and acquired by Rodger Bunn (a/k/a E. Roger Bunn, Jr.) under that Will of A.G. Kemp dated September 9, 1945 and recorded in Will Book Q at page 125, Wake County Registry. Also being a portion of the property identified as Parcel 1 and conveyed to Grantor by deed recorded in Book 5068, Page 215, Wake County Registry. See also deeds recorded in Book 3090, Page 570, and Book 2515, Page 7, Wake County Registry.

Tract 3:

REID: 0010043

Address: 1745 Old Bunn Road, Zebulon, NC 27597

That certain tract of land containing 139.88 acres, more or less, known as Kemp and Bunn land, being described in deeds recorded in Book 2515, Page 7, Book 1734, Page 538, Book 1744, Page 581, and Book 1754, Page 33, and deed of trust recorded in Book 2048, Page 583, Wake Co. Reg., reference to said recorded instruments being hereby made for greater certainty of description.

LESS AND EXCEPT therefrom the property described in deeds recorded in Book 2910, Page 932, and Book 12408, Page 2144, Wake County Registry; the right-of way of US 264 as described in Book 2261, Page 630, Wake County Registry; and a lot 160 feet by 170 feet on the South side of Bunn Road as more particularly described in deed recorded in Book 1744, Page 581, Wake County Registry (Wake County Real Estate Identification Number: 0001583).

Formerly known as Wake County Tax Parcel 450-3. This being the same property identified as Parcel 4 and conveyed to Grantor by deed recorded in Book 5068, Page 215, and rerecorded in Book 16408, Page 1077, Wake County Registry. See also deeds recorded in Book 6057, Page 594, Book 2050, Page 51, Book 2042, Page 339, and Book 275, Page 485, Wake County Registry.

That certain tract of land containing 9.38 acres designated as New Lot 1, Phase 1, Barrington Subdivision as shown by map recorded in Book of Maps 2019, Pages 633-634, Wake County Registry is specifically included in this legal description.



BOOK: 017414 PAGE: 00789 - 00889



Please retain yellow trailer page

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

Charles P. Gilliam

Register of Deeds

Wake County Justice Center

300 South Salisbury Street, Suite 1700

Raleigh, NC 27601

☐ New Time Stamp

☐ \$25 Non-Standard Fee

☐ Additional Document Fee

☐ Additional Reference Fee

This Customer Group

_____ # of Excessive Entities

_____ # of Time Stamps Needed

This Document

101 # of Pages *PS*