NORTH CAROLINA

WAKE COUNTY

DECLARATION OF
THE GEORGETOWN NORTH CONDOMINIUMS

GEORGETOWN VENTURE, a Tennessee joint Venture (herein "Developer") does hereby make, declare and establish this Declaration of Condominium as and for the plan of dwelling ownership of THE GEORGETOWN NORTH CONDOMINIUMS being the property and improvements hereinafter described.

1. ESTABLISHMENT OF CONDOMINIUM. Developer is the owner of the fee simple title to that certain real property situate in the City of Raleigh, Wake County, State of North Carolina, and which property is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, and on which property there have been constructed fifteen (15) buildings containing a total of 108 condominium living units and their supporting facilities and other appurtenant improvements. The buildings are constructed of wood frame and brick veneer materials. The property contains sufficient parking space to accommodate at least one automobile for each Condominium Unit. Each Unit Owner has the right to the use, for at least one automobile, of such space. Developer does hereby submit the above described property and improvements to condominium ownership under the provisions of Chapter 47A of the General Statutes of North Carolina (Unit Ownership Act), and hereby declares the same to be a condominium to be known and identified as GEORGETOWN NORTH CONDOMINIUMS (herein "Condominium").

2. SURVEY AND DESCRIPTION OF IMPROVEMENTS. Filed simultaneously herewith and expressly made a part hereof as Unit Ownership File No. 11 (herein "Unit Ownership File"), consisting of 8 pages, is a Survey of the land and graphic descriptions and plans of the improvements constituting the Condominium, identifying the Condominium Units and Common Areas and Facilities, as said terms are hereinafter defined, and their respective locations and approximate dimensions. Each Condominium Unit is identified by specific numerical designation on said Unit Onwership File, and no Condominium Unit bears the same designation as any other Condominium Unit.

3. DEFINITIONS. The Condominium consists of Condominium Units and Common Areas and Facilities, as said terms are hereinafter defined.

A. Condominium Units as defined herein shall comprise the 108 separate numerically identified Dwelling Units which are designated in said Unit Ownership File, excluding all spaces and improvements lying:

(1) Beneath the subflooring material of all floors;

(2) Beneath the interior surfacing material of all perimeter walls, interior bearing walls and/or bearing partitions;

(3) Above the interior surfacing material of the ceilings;

and further excluding all pipes, ducts, wires, conduits and other facilities for the furnishing of utilities and other services to Condominium Units and Common Areas and Facilities up to and including the point of entry of such pipes, ducts, wires, and conduits through the interior surfacing material for walls and ceilings and subflooring surfacing material for floors. All pipes, ducts, wires, conduits and other such facilities within the interior surfacing materials shall be a part of the respective Condominium Unit. The decoration and painting of the exterior surface of doors and window frames shall be the responsibility of the Association, as hereinafter defined.

B. Common Areas and Facilities (herein "Common Property") shall comprise all of the real property, improvements and facilities of the Condominium other than the Condominium Units and all personal property held and maintained for the use and enjoyment of all the Owners of the Condominium Units.

C. Certain portions of the Common Areas and Facilities are reserved for the use of a particular Condominium Unit to the exclusion of other Units and are designated as "Limited Common Areas and Facilities." Limited Common Areas and Facilities and the Condominium Units to which they are reserved are as follows:

Patio adjoining each unit as shown on plans and surveys of the dwelling units;

The terms "Association of Unit Owners", "Building", "Common Areas and Facilities", "Common Expenses", "Common Profit", "Condominium", "Declaration", "Majority" or "Majority of Unit Onwers", "Person", "Property", "Recordation"; "Unit" or "Condominium Unit", "Unit Designation", and "Unit Owner", unless it is plainly evident from the context of this Declaration that a different meaning is intended, shall, have the meaning set out in Section 3 of Chapter 47A of the General Statutes of North Carolina.

4. OWNERSHIP OF CONDOMINIUM UNITS AND APPURTENANT INTEREST IN COMMON PROPERTY. Each Condominium Unit shall be conveyed and treated as an individual property capable of independent use and fee simple ownership, and the Owner of each Unit shall also own, as an appurtenance to the ownership of each said Condominium Unit, an undivided interest in the Common Property. The undivided interest appurtenant to each Condominium Unit shall be as set out in Exhibit "B" attached hereto and made a part hereof. The proportional interest in the Common Property that is appurtenant to each Condominium Unit has been determined by a ratio formulated upon the approximate relation that the fair market value of each Unit at the date of the Declaration bears to the then aggregate fair market value of all of the Units having an interest in the Common Property. The fair market value of each Unit and the aggregate fair market value of all the Units have been determined by the Developer, and are binding upon all Unit Owners. The percentage of undivided interest in the Common Property assigned to each Condominium Unit shall not be changed except with the unanimous consent of all the Owners of the Condominium Units and with the consent of all of the Lenders holding first mortgages or deeds of trust on the Condominium Units.

5. RESTRICTIONS AGAINST FURTHER SUBDIVISION OF CONDOMINIUM UNITS: SEPARATE CONVEYANCE OF APPURTENANT COMMON PROPERTY PROHIBITED. No Condominium Unit may be divided or subdivided into a smaller Unit or Units than as shown in the Unit Ownership File nor shall any Condominium Unit or portion thereof be added to or incorporated into any other Condominium Unit. The undivided interst in the Common Property declared to be an appurtenance to each Condominium Unit shall not be conveyed, devised, encumbered or otherwise dealt with separately from said Condominium Unit, and the undivided interest in Common Property appurtenant to each Condominium Unit shall be deemed conveyed, devised, encumbered or otherwise included with the Condominium Unit even though such undivided interest is not expressly mentioned or described in the instrument conveying, devising, encumbering or otherwise dealing with such Condominium Unit. Any conveyance, mortgage or other instrument which purports to grant any right, interest or lien in, to or upon a Condominium Unit, shall be null and void insofar as it purports to affect any interest in a Condominiun Unit and its appurtenant undivided interest in Common Property, unless it purports to convey, devise, or encumber the entire Condominium Unit. Any instrument conveying, devising, or encumbering any Condominium Unit, which describes said Condominium Unit by the numerical designation assigned thereto in the Unit Ownership File shall be construed to affect the entire Condominium Unit and its appurtenant undivided interst in the Common Property. No limitation is placed on the ownership of any Condominium Unit by any person as tenants in common, joint tenants, or as tenants by the entirety.

6. THE CONDOMINIUM SUBJECT TO RESTRICTIONS. The Condominium Units, Common Property and Limited Common Areas are hereby declared to be subject to the restrictions, easements, conditions and covenants prescribed and established herein governing the use of said Condominium Units, Common Property and Limited Common Areas and setting forth the obligations and responsibilities incident to ownership of each Condominium Unit and its appurtenant undivided interest in the Common Property, and said Condominium Units, Common Property and Limited Common Areas are further declared to be subject to the restrictions, easements, conditions, and limitations now of record affecting the land and improvements of the Condominium.

7. PERPETUAL NON-EXCLUSIVE EASEMENT IN COMMON PROPERTY. The Common

Property is hereby declared to be subject to a perpetual non-exclusive easement in favor of all of the Owners of Condominium Units for their use and the use of their immediate families, guests and invitees, for all property purposes, and for the furnishing of services and facilities for which they are intended, and for the enjoyment of the Owners. Norwithstanding the foregoing, the Association, hereinafter defined, shall have the exclusive right to establish the rules and regulations pursuant to which the Owner of any Condominium Unit, his family, guests and invitees, may be entitled to use the Common Property, including the right to assign parking spaces, and to establish regulations concerning their use.

8. EASEMENT FOR UNINTENTIONAL AND NON-NEGLIGENT ENCROACHMENTS. In the event that any Condominium Unit shall encroach upon any Common Property, or any other Condominium Unit for any reason not caused by the purposeful or negligent act of the Condominium Unit Owner, or agents of such Owners, then an easement appurtenant to such Condominium Unit shall exist for the continuance of such encroachment upon the Common Property or upon a Condominium Unit for as long as such encroachment shall naturally exist; and, in the event that any portion of the Common Property shall encroach upon any Condominium Unit, then an easement shall exist for the continuance of such encroachment of the Common Property upon any Condominium Unit for so long as such encroachment shall naturally exist. If any Condominium Unit or Common Property shall be partially or totally destroyed as a result of fire or other casualty, or as a result of condemnation or eminent domain proceedings, and if upon reconstruction of such Unit and/or Common Property in accordance with Article 21 hereof, there exist encroachments of portions of the Common Property upon any Condominium Unit, or of any Condominium Unit upon any other Condominium Unit or upon any portion of the Common Property, then such encroachments shall be permitted and a valid easement for the maintenane thereof shall exist so long as such encroachments shall naturally remain.

9. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON PROPERTY. Recognizing that the proper use of a Condominium Unit by an Owner or Owners is dependent upon the use and enjoyment of the Common Property in common with the Owners of all other Condominium Units, and that it is in the interest of all Owners that the ownership of the Common Property be retained in common by the Owners, it is hereby declared that the proportional undivided interest in the Common Property appurtenant to each Condominium Unit shall remain undivided and no Unit Owner shall bring or have any right to bring any action for partition or division.

10. ADMINISTRATION OF THE CONDOMINIUM BY GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD. To efficiently and effectively provide for the administration of the Condominium by the Owners of the Condominium Units, a non-profit North Carolina corporation known and designated as GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION (herein "Association") has been organized, and said corporation shall administer the operation and management of the Condominium and undertake and perform all acts and duties incident thereto in acordance with the terms of its Articles of Incorporation and By-laws. A true copy of said By-Laws and Articles of Incorporation are annexed hereto and expressly made a part hereof as Exhibits "C" and "D", respectively. The Owner or Owners of each Condominium Unit shall automatically become members of the Association upon acquiring an ownership interest in title to any Condominium Unit and its appurtenant undivided interest in Common Property; such membership shall terminate automatically upon the Owner or Owners being divested of such ownership interest in the title to such Condominium Unit, regardless of how such ownership may be divested. No person, firm or corporation holding any lien, mortgage or other encumbrance upon any Condominium Unit shall be entitled, by virtue of such lien, mortgage or other encumbrance, to membership in the Association or to any of the rights or privileges of such membership. In the administration of the operation and management of the Condominium, the Association is hereby granted the authority and power to enforce the provisions of this Declaration, to levy and to collect assessments in the manner hereinafter provided, and to adopt, promulgate and enforce such rules and regulations governing the use of the Condominium Units and Common Property as its Board of Directors may deem to be in its best interest.

11. RESIDENTIAL USE RESTRICTIONS APPLICABLE TO CONDOMINIUM UNITS.

Each Condominium Unit is hereby restricted to residential use by its Owner, his immediate family, guests, invitees and lessees. With the exception of a Lender in possession of a Condominium Unit following a default in a first deed of trust, a foreclosure proceeding or any deed in lieu of foreclosure, no Unit Owner shall lease his Unit for transient, hotel or commercial purposes. No Unit Owner may lease less than the entire Unit. Any lease agreement must provide that it shall be subject to the provisions of this Declaration, and that any failure by the lessee to comply with the terms hereof shall be a default under the lease, and shall be in writing. There is no other restriction on the right of any Unit Owner to lease his Unit.

12. USE OF COMMON PROPERTY SUBJECT TO RULES OF ASSOCIATION. The use of all Common Property by the Owner or Owners of all Condominium Units, and all other parties authorized to use the same, shall be subject to such rules and regulations as may be prescribed and established by the Association.

13. THE CONDOMINIUM TO BE USED FOR LAWFUL PURPOSES: RESTRICTION AGAINST NUISANCES. No immoral, improper, offensive or unlawful use shall be made of any Condominium Unit or of the Common Property, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction of the Condominium shall be observed. No Owner of any Condominium Unit shall permit anything to be done or kept in his Condominium Unit, or on the Common Property, which will increase the rate of insurance on the Condominium, or which will interfere with the rights of other occupants of the Condominium or annoy them by unreasonable noises, nor shall any Owner undertake any use which shall constitute a nuisance to any other Owner of a Condominium Unit, or which interferes with the peaceful possession and proper use of any other Condominium Unit or the Common Property.

14. RIGHT OF ENTRY INTO CONDOMINIUM UNITS IN EMERGENCIES AND FOR MAINTENANCE OF COMMON PROPERTY. In case of any emergency originating in or threatening any Condominium Unit, regardless of whether the Owner is present at the time of such emergency, the Board of Directors of the Association, or any other person authorized by it, shall have the right to enter such Condominium Unit for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate.

Whenever it may be necessary to enter any Condominium Unit in order to perform any maintenance, alteration or repair to any portion of the Common Property, the owner of each Condominium Unit shall permit other Owners or their representatives, or an agent of the Association, to enter such Condominium Unit for such purpose, provided that the entry shall be made only at reasonable times and with reasonable advance notice.

15. LIMITATION UPON RIGHT OF OWNERS TO ALTER AND MODIFY CONDOMINIUM UNITS: NO RIGHT TO ALTER COMMON PROPERTY. No Owner of a Condominium Unit shall permit any structural modification or alteration to be made to such Condominium Unit without first obtaining the written consent of the Association, which consent may be withheld in the event that a majority of the Board of Directors of the Association shall determine that such structural modifications or alterations would adversely affect or in any manner endanger the Condominium in part or in its entirety. No Owner shall cause any improvements or changes to be made on the exterior of the Condominium (including painting or other decoration, or the installation of electrical wiring, television or radio antennae or any other objects or machines which may protrude through the walls or roof of the Condominium) or in any manner alter the appearance of the exterior portion of any building without the written consent of the Association being first obtained. No Unit Owner shall cause any object to be fixed to the Common Property or to any Limited Common Area (including the location or construction of fences and the planting or growing of flowers, trees, shrubs or any other vegetation) or in any manner change the appearance of the Common Property or Limited Common Area without the written consent of the Association being first obtained.

16. RIGHT OF ASSOCIATION TO ALTER AND IMPROVE COMMON PROPERTY AND ASSESSMENT THEREFOR. The Association shall have the right to make such alterations or improvements to the Common Property which do not prejudice the rights of the Owner of any Condominium Unit in the use and enjoyment of his

Condominium Unit, provided the making of such alterations and improvements are approved by the Board of Directors of the Association, and their costs shall be common expenses to be assessed and collected from all of the Owners of Condominium Units. However, where any alterations and improvements are exclusively or substantially for the benefit of the Owner or Owners of certain Condominium Unit or Units requesting them, then the cost of such alterations or improvements shall be charged against and collected solely from the Owner or Owners of the Condominium Unit or Units exclusively or substantially benefited, the charge to be levied in such proportion as may be determined by the Board of Directors of the Association.

17. MAINTENANCE AND REPAIR BY OWNERS OF CONDOMINIUM UNITS. Every Owner shall perform promptly all maintenance and repair work within his Condominium Unit which, if omitted, would affect the Condominium, either in its entirety or in a part belonging to other Owners, every Owner being expressly responsibile for the damages and liability which his failure to do so may engender. The Owner of each Condominium Unit shall be liable and responsible for the maintenance, repair and replacement of all heating and air conditioning equipment, stoves, refrigerators, fans, or other appliances or equipment, including any fixtures and/or their connections required to provide water, light, power, telephone, sewage and sanitary service to his Condominium Unit. Such Owner shall further be responsible and liable for the maintenance, repair and replacement of the interior surfaces of all walls, ceilings and floors within his Unit including painting, decorating and furnishings, and all other accessories which such Owner may desire to place or maintain in his Condominium Unit. Whenever the maintenance, repair and replacement of any item for which the Owner is obligated to maintain, replace or repair at his own expense is occasioned by any loss or damage which may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by the Association shall be used for the purpose of making such maintenance, repair or replacement except that the Owner of such Condominium Unit shall be, in said instance, required to pay such portion of the costs of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement. The Owner of a Condominium Unit who has exclusive use of any Limited Common Area shall maintain such at his own expense. All doors, window frames, panes and screens are a part of the respective Condominium Units and shall be maintained by the respective Unit Owners, except as set forth in provision 3.A. hereinabove.

18. MAINTENANCE AND REPAIR OF COMMON PROPERTY BY THE ASSOCIATION. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of all of the Common Property, including those portions thereof which contribute to the support of the buildings, and all conduits, ducts, plumbing, wiring and other facilities located in the Common Property for the furnishing of utility and other services to the Condominium Units and said Common Property, and should any incidental damage be caused to any Condominium Unit by virtue of any work which may be done or caused to be done by the Association in the maintenance, repair or replacement of any Common Property, the Association shall, at its expense, repair such incidental damage. Whenever the maintenance, repair and replacement of any item for which the Association is obligated to maintain, replace or repair at its expense is occasioned by any act of a Condominium Unit Owner, his immediate family, guests, or invitees, and such loss or damage may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by Association shall be used for the purpose of making such maintenance, repair or replacement, except that the Unit Owner who is responsible for the act causing the damage (whether done by himself or by his family, guests or invitees) shall be required to pay such portion of th cost of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement.

19. INSURANCE AND AUTHORITY TO PURCHASE INSURANCE. Insurance policies upon the Property (other than title insurance) shall be purchased by the Association in the name of the Board of Directors of the Association, as Trustees for the Condominium Unit Owners and their respective mortgagees as

their interests may appear, and shall provide for the issuance of certificates or mortgage endorsements to the holders of first mortgages on the Condominium Units or any of them, and if the companies writing such policies will agree, the policies shall provide that the insurer waives its rights of subrogation as to any claims against Condominium Unit Owners, the Association and their respective servants, agents and guests. Each Condominium Unit Owner shall obtain insurance, at his own expense, affording coverage upon his Condominium Unit, his personal property and for his personal liability and as may be permitted or required by law, but all such insurance shall contain the same wavier of subrogation referred to above if available.

20. INSURANCE COVERAGE TO BE MAINTAINED: USE AND DISTRIBUTION OF INSURANCE PROCEEDS.

A. The following insurance coverage shall be maintained in full force and effect by the Association covering the operation and management of the Condominium Units and Common Property:

(1) Casualty insurance covering the buildings and all improvements upon the land and all personal property described in Exhibit "A", except such personal property as may be owned by the Condominium Unit Owners, shall be procured in an amount equal to the maximum insurable replacement value thereof (exclusive of excavation, foundations, streets and parking facilities) as determined annually by the insurance company on a co-insurance basis of not less than eighty percent (80%). Such coverage shall afford protection against: (a) loss or damage by fire and other hazards covered by the standard extended coverage endorsement; (b) such other risks as from time to time customarily shall be covered with respect to the buildings similar in construction, locaton and use, including, vandalism and malicious mischief.

(2) Public liability and property damage insurance in such amounts and in such forms as shall be required by the Association, including legal liability, hired automobile, non-owned automobile and off-premises employee coverages.

(3) All liability insurance shall contain cross-liability endorsements to cover liabilities of the Condominium Unit Owners as a group to a Condominium Unit Owner.

B. Premiums upon insurance policies purchased by the Association shall be paid by the Association as comon expenses to be assessed and collected from all of the Owners of Condominium Units.

C. All insurance policies purchased by the Association shall be for the benefit of the Association and the Condominium Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds payable as a result of casualty losses shall be paid to the Association. The Association shall hold such proceeds in trust for the benefit of the Association, the Condominium Unit Owners and their respective mortgagees in the following shares:

(1) Proceeds on account of damage to Common Property: in undivided shares for each Condominium Unit Owner and his mortgagee, if any, which shares are shown on Exhibit "B."

(2) Proceeds on account of damages to Condominium Units shall be held in the following undivided shares:

(a) Partial destruction when the Condominium is to be restored: for the Owners of damaged Condominium Units in proportion to the costs of repairing the damage suffered by each damaged Condominium Unit;

(b) Total destruction of the Condominium or where the Condominium is not to be restored: for all Condominium Unit Owners and their mortgagees, the share of each being set forth in Exhibit "B."

D. In the event a mortgagee endorsement has been issued as to a Condominium Unit, the share of the Condominium Unit Owner shall be held for the mortgagee and the Condominium Unit Owner as their interests may appear, but no mortgagee shall have the right to participate in the determination of reconstruction or repair.

E. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the beneficial Condominium Unit Owners in the following manner:

(1) If the damage for which the proceeds were paid is to be repaired or reconstructed, the proceeds shall be paid to defray the costs. Any proceeds remaining after defraying such costs shall be distributed to the beneficial Condominium Unit Owners, all remittances to Condominium Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Condominium Unit and may be enforced by him.

(2) If it is determined that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the beneficial Condominium Unit Owners, remittances to Condominium Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Condominium unit and may be enforced by him.

F. Each Unit Owner, at his expense, shall keep in force comprehensive personal liability insurance covering liability for damages to person or property of others located within such Owner's Unit, or another Unit, or upon the Common Area and facilities in such amounts as the Board of Directors shall, from time to time, determine, but in no case less than $100,000 for each occurrence.

21. RECONSTRUCTION OR REPAIR OF CASUALTY DAMAGE; DAMAGE TO COMMON PROPERTY; DAMAGE TO CONDOMINIUM UNITS.

A. If any part of the Common Property shall be damaged by casualty, the determination of whether or not to reconstruct or repair it shall be made as follows:

(1) Partial destruction shall be destruction of 2/3 or less of the Bulding. In the event of partial destruction, the Common Property shall be reconstructed or repaired unless this Declaraton is terminated by the unanimous vote of all of the Condominium Unit Owners as a meeting of the members of the Association called and held prior to commencement of such reconstruction or repair.

(2) Total destruction shall be destruction of more than 2/3 of the Building. In the event of total destruction, the Common Property shall not be reconstructed or repaired if, at a meeting which shall be called within thirty (30) days after the occurrence of the casualty, or if by such date the insurance loss has not been finally adjusted, then within thirty (30) days after such adjustment, Condominium Unit Owners who own three-fourths (3/4) or more of the Building vote against reconstruction or repair.

(3) Any such reconstruction or repair shall be substantially in accordance with the plans and specifications contained herein.

B. If the damage is only to those parts of one or more Condominium Units for which the responsibilty for maintenance and repair is that of the Unit Owner, then the Condominium Unit Owner shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association as follows:

(1) Immediately after the casualty causing damage to property for which the Association has the responsibility for maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before the casualty. Such costs may include professinoal fees and premiums for such bonds as the

Board of Directors deems appropriate.

(2) When the damage is to both Common Property and Condominium Units, the insurance proceeds shall be applied first to the costs of repairing the Common Property and the balance to the Condominium Units.

C. Each Condominium Unit Owner delegates to the Board of Directors of the Association his right to adjust with insurance companies all losses under policies purchased by the Association, except in any case where the damage is restricted to one Condominium Unit.

22. ASSOCIATION TO MAINTAIN REGISTER OF OWNERS AND MORTGAGEES. The Association shall maintain a Register setting forth the names of the Owners of all of the Condominium Units. In the event of the transfer of any Condominium Unit to a third party, the transferee shall notify the Association in writing of his interest in such Condominium Unit, together with the recording information necessary to identify the instrument by which the transferee has acquired his interest. The Owner of each Condomnium Unit shall also notify the Association of the parties holding any mortgage on any Condominium Unit, the amount of such mortgage and the recording information necessary to identify the mortgage. The holder of any mortgage upon any Condominium Unit may notify the Associaton of the existence of any mortgage and the Association shall register in its records all pertinent information relating thereto.

23. ASSESSMENTS: LIABILITY, LIEN AND ENFORCMENT. The Association is given the authority to administer the operation and management of the Condominium as being in the best interest of the Owners of all Condominium Units. To properly administer the operation and management of the Condominium, the Association will incur for the mutual benefit of all of the Owners of Condominium Units, costs and expenses (herein "Common expense"). To provide the funds necessary for such proper operation, management and capital improvement, the Association has been granted the right to make, levy and collect assessments against the Unit Owners and their Condominium Units. In furtherance thereof, the following provisions shall be operative and binding upon the Owners of all Condominium Units:

A. All assessments levied against the Unit Owners and their Condominium Units shall be uniform and, unless specifically otherwise provided for herein, all assessments made by the Association shall be in such amount that any assessment levied against a Unit Owner and his Condominium Unit shall bear the same ratio to the total assessment made against all Unit Owners and their Condominium Units as the undivided interest in Common Property appurtenant to each Condominium Unit bears to the total undivided interest in Common Property appurtenant to all Condominium Units. Should the Association be the Owner of a Condominium Unit or Units, the assessment which would otherwise be due and payable to the Association by the Owner of such Unit or Units, reduced by the amount of income which may be derived from the leasing of such Unit or Units by the Association, shall be apportioned and assessment therefor levied ratably among the Owners of all Units which are not owned by the Association, based upon their proportionate interest in Common Property exclusive of the interest therein appurtenant to any Unit or Units owned by the Association. Developer shall not be required to expend from his own funds any sums of money for maintenance, improvements, or any other expenses of the administration of the Common Areas and Facilities, provided, however, Developer may at his option advance such sums necessary for such expenses, maintenance, and improvements or may pay directly the costs thereof. In either event Developer shall be allowed a credit for such sums so advanced or expended, such credit to be fully aplied against any liability Developer has hereunder for payment of his pro rata share of the common expenses as an Owner.

B. Assessments provided for herein shall be payable in monthly installments, or in such other manner as the Board of Dirctors of the Association shall determine. Such assessments shall commence for each Unit on May 1, 1980, unless the Board of Directors of the Association decides to assess monthly dues before this date.

C. The Board of Directors of the Association shall establish an Annual Budget in advance for each fiscal year (which shall correspond to the

calendar year, except that in the initial year of operation of the Condominium, the fiscal year shall commence with the closing of the sale of the first Condominium Unit). Such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves, such budget to take into account anticipated income which is to be applied in reduction of the amounts required to be collected as an assessment each year. The Board of Directors shall keep separate, in accordance with paragraph "D" hereof, items relating to operation and maintenace from items relating to capital improvements. Upon adoption of such Annual Budget by the Board of Directors of the Association, copies shall be delivered to each Owner of a Condominium Unit and the assessment for said year shall be established based upon such budget, although the non-delivery of a copy of it to each Owner shall not affect the liability of any Owner for such assessment. A majority of the Owners must approve an increase in the assessment by an amount greater than the percentage increase in the Consumer Price Index compiled by the Bureau of Labor Statistics of the United States Department of Labor from January 1 of the prior year to January 1 of the current year.

D. The Board of Directors of the Association, in establishing the Annual Budget for operation, management and mainenance of the Condominium, shall designate a sum to be collected and maintained as a reserve fund for replacement of and capital improvements to the Common Property (herein "Capital Improvement Fund") shall be for the purpose of enabling the Association to replace structural elements and mechanical equipment constituting a part of the Common Property, and the replacement of personal property constituting a portion of the Common Property held for the joint use and benefit of the Owners of Condominium Units. The amount to be allocated to the Capital Improvement Fund may be established by the Board of Directors to Collect and maintain a sum reasonbly necessary to anticipate the need for replacement of Common Property. The amount collected for the Capital Improvement Fund shall be maintained in a separate account by the Association and shall be used only to make capital improvements to Common Property. Any interest earned on the Capital Improvement Fund may be expended for current operation and maintenance.

E. All funds collected by the Association shall be treated as the separate property of the Association, and such funds may be applied by the Association to the payment of any expense of operating and managing the Condominium, or to the proper undertaking of all acts and duties imposed upon it by this Declaration, the Articles of Incorporation and the By-Laws of the Association. Although all funds and common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom or from the leasing or use of Common Property, shall be held for the benfit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Condominium Unit. When the Owner of a Codnominium Unit shall cease to be a member of the Association, the Association shall not be required to account to such Owner for any share of the fund or assets of the Association, or which may have been paid to the Association by such Owner, as all funds which any Owner has paid to the Association shall constitute an asset of the Association which may be used in the operation and management of the Condominium.

F. The payment of any assessment of installment thereof shall be in default if such assessment or installment is not paid to the Association within thirty (30) days of its due date. When in default, the delinquent assessment or delinquent installment thereof due to Association shall bear interest at the highest rate allowed by law until paid in full to the Association.

G. The Owner or Owners of each Condominium Unit shall be personally liable, jointly and severally, to the Association for the payment of all assessments, regular or special, which may be levied by the Association against such Condominium Unit while such party or parties are Owner or Owners of a Condominium Unit. In the event that any Unit Owner or Owners are in default in payment of any assessment or installment owed to the Association, such Unit Owner or Owners shall be personally liable, jointly and severally, for interest on such delinquent assessment or installment thereof

as above provided, and for all costs of collecting such assessment or installment and interest thereon, including reasonable attorneys' fees, whether suit be brought or not.

H. No Owner of a Condominium Unit may exempt himself from liability for any assessment levied against him or his Condominium Unit by waiver of the use of enjoyment of any of the Common Property, or by abandonment of the Condominium Unit or in any other way.

I. Recognizing that proper operation and management of the Condominium requires the continuing payment of costs and expenses therefor, and that such proper operation and maintenance results in benefit to all of the Owners of Condominium Units, and that the payment of such common expenses represented by the assessments levied and collected by Association is necessary in order to preserve and protect the investment of each Unit Owner, the Association is hereby granted a lien upon each Condominium Unit and its appurtenant undivided interest in Common Property, which lien shall secure the funds due for all assessements now or hereafter levied against the Owner of each such Condominium Unit, which lien shall also secure all costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in enforcing this lien upon said Condominium Unit. The lien granted to the Association may be forclosed in the same manner that real estate deeds of trust and mortgages may be foreclosed in the State of North Carolina, and in any suit for the foreclosure of said lien, the Association shall be entitled to reasonable rental from the Owner of any Condominium Unit from the date on which the payment of any assessment or installment thereof became delinquent, and shall be entitled to the appointment of a Receiver for said Condominium Unit. The lien granted to the Association shall further secure such advances for taxes, and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, including interest at twelve (12%) percent on any such advances so made. All persons, who shall acquire any interest in the ownership of any Condominium Unit, or who may be given or acquire a mortgage, lien or other encumbrance thereon, are hereby placed on notice of the lien rights granted to the Association, and shall acquire such interest in any Condominium Unit expressly subject to such lien rights.

J. The lien herein granted to the Association shall be enforceable from the time of recording a claim of lien in the Public Records of Wake County, North Carolina (hereafter the Public Registry), which claim shall state the description of the Condominium Unit encumbered thereby, the name of the record owner, the amount due and the date when due. The claim of lien shall be recordable any time after default and the lien shall continue in effect until all sums secured by said lien shall have been fully paid. Such claims of lien shall include only assessments which are due and payble when the claim of lien is recorded, plus interest, costs, attorney's fees, advances to pay taxes and prior encumbrances and interst thereon. It shall be signed and verified by an officer of agent of the Association. Upon full payment of all sums secured by such claim of lien, it shall be satisfied of record.

The lien provided for herein shall be subordinated to the lien of any mortgage or deed of trust. Any person, firm or corporation acquiring title to any Condominium Unit and its appurtenant undivided interest in Common Property by any foreclosure, deed in lieu of foreclosure, or judicial sale, shall be liable and obligated only for assessments as shall accrue and become due and payble for said Condominium Unit and its appurtenant undivided interest in Common Property subsequent to the date of acquisition of such title, and it shall not be liable for the payment of any assessments which were in default and delinquent at the time it acquired such title. In the event of the acquisition of title to a Condominium Unit by foreclosure, deed in lieu of foreclosure, or judicial sale, any assessment which the party so acquiring title shall not be liable shall be absorbed and paid by all Owners of all Condominium Units as a part of the Common expense, although nothing herein contained shall release the party liable for such delinquent assessment from the payment thereof or th enforcement of collection of such payment by means other than foreclosure.

K. Whenever any Condominium Unit may be leased, sold or mortgaged by

The Owner thereof, the Association, upon written request of the Unit Owners, shall furnish to the proposed lessee, purchaser or mortgagee, a statement verifying the status of payment of any assessment which shall be due and payable to the Association by such Unit. Such statement shall be executed by any officer of the Association, and any lessee, purchaser or mortgagee may rely upon such statement in concluding the proposed lease, purchase or mortgage transaction, and the Association shall be bound by such statement.

In the event that a Condominium Unit is to be leased, sold or mortgaged at the time when payment of any assessment against the Owner of said Condominium Unit and such Condominium Unit due to the Association shall be in default (whether or not a claim of lien has been recorded by the Association), then the rent, proceeds of such purchase or mortgage proceeds, shall be applied by the lessee, purchaser or mortgagee first to the payment of any then delinquent assessment or installments thereof due to the Association before the payment of any rent, proceeds of purchase or mortgage proceeds to the Owner of any Condominium Unit who is responsible for payment of such delinquent assessment.

In any voluntary conveyance of a Condominium Unit, the purchaser thereof shall be jointly and severally liable with seller for all unpaid assessments against seller made prior to the time of such voluntary conveyance, without prejudice to the rights of the purchaser to recover from seller the amounts paid by purchaser therefor.

Institution of a lawsuit to attempt to collect the payment of any delinquent assessment shall not be an election by the Association which shall prevent it from thereafter seeking, by foreclosure action, enforcement of the collection of any sums remaining owing to it, nor shall proceeding by foreclosure to attempt such collection be deemed to be an election precluding the institution of a suit at law to collect any sum then remaining owing to Association.

24. COMMON SURPLUS. "Common Surplus", meaning all funds and other assets of the Association (including excess of receipts of the Association, including but not limited to assessments, rents, profits and revenues from whatever source over amount of the common expense), shall be owned by the Owners of all Condominium Units in the same proportion that the undivided interest in Common Property appurtenant to each Owner's Condominium Unit bears to the total of all undivided interest in Common Property appurtenant to all Condominium Units; provided, however, that said common surplus shall be held by the Association in the manner, and subject to the terms, provisions and conditions of this Declaration, imposing certain limitations and restrictions upon the use and distribution thereof. Except for distribution of any insurnace indemnity herein provided, or upon termiantion of the Condominium Units in accordance with their percentage interest in common surplus as declared herein.

25. TERMINATION. The Condominium shall be terminated, if at all, in the following manner:

A. The termination of the Condominium may be effected only by the unanimous agreement of all Condominium Unit Owners expressed in an instrument duly recorded; and, provided that the holders of all liens affecting any of the Condominium Units consent thereunto, or agree, by instrument duly recorded, that their liens be transferred to the percentage of the undivided interest of the Condominium Unit Owner in the Property as provided in subparagraph "C" below. The termination shall become effective when such agreement has been recorded in the Public Registry.

B. If it is determined in the manner elsewhere provided that the Condominium shall not be reconstructed after casualty, the Condominium plan of ownership shall be terminated and the Declaration of Condominium revoked. The determination not to reconstruct after casualty shall be evidenced by a Certificate of the Association certifying as to the facts effecting the termination, which Certificate shall become effective upon being recorded in the Public Registry.

C. After termination of the Condominium, the Condominium Unit Owners shall own the Property as tenants in common in undivided shares and the

holders of mortgages and liens against the Condominium Unit or Units formerly owned by such Condominium Unit Owners shall have mortgages and liens upon the respective undivided shares of the Condominium Unit Owners. The undivided share or interest owned as tenants in common shall be that percentage of the undivided interest in the Common Area and Facilities previously owned by each Unit Owner. All funds held by the Association and insurance proceeds, if any, shall be held for the Unit Owners in the same proportion. The costs incurred by the Association in connection with the termination shall be a Common Expense.

D. Following termination, the property may be partitioned and sold upon the application of any Condominium Unit Owner. Following a termination, if the Board of Directors determined by not less than a three-fourths (3/4) vote to accept an offer for the sale of property, each Condominium Unit Owner shall be bound to execute such deeds and other documents reasonably required to effect such sale at such times and in such form as the Board of Directors directs. In such event, any action for partition or other division of the property shall be held in abeyance pending such sale, and upon the consummation thereof shall be discontinued by all parties thereto.

E. The members of the Board of Directors acting collectively as agent for all Condominium Unit Owners, shall continue to have such powers as granted herein, even though the Association may be dissolved upon a termination.

26. AMENDMENT OF DECLARATION OF CONDOMINIUM. This Declaration of Condominium may be amended in the following manner:

A. An Amendment to this Declaraton of Condominium may be proposed by the Board of Directors of the Association acting upon a vote of a majority of the Directors, or by the members of the Association owning a majority of the Condominium Units, whether meeting as members or by instrument in writing signed by them. Upon any Amendment to this Declaration being proposed by the Board of Directors or members, such proposed Amendment shall be transmitted to the President of the Association, or other officer of the Association in the absence of the President, who shall thereupon call a Special Meeting of the members of the Association for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt by him of the proposed Amendment. It shall be the duty of the Secretary to give to each member written notice of such Special Meeting, stating the time and place, and reciting the proposed Amendment in reasonably detailed form, which notice shall be mailed not less than ten (10) days nor more than thirty (30) days before the date set for such Special Meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States Mail addressed to the member at his Post Office address as it appears on the records of the Association, the postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of notice to such member. At the meeting, the Amendment proposed must be approved by an affirmative vote of seventy-five (75%) percent of the members owning Units in the Condominium in order for such Amendment to become effective. Thereupon such Amendment of this Declaration shall be transcribed and certified by the President and Secretary of the Association as having been duly adopted. The original or an executed copy of such Amendment so certified and executed with the same formalities as a deed, shall be recorded in the Public Registry within ten (10) days from the date on which the same became effective. At any meeting held to consider such Amendment, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association prior to such meeting or at such meeting.

B. No alteration in the percentage of ownership in Common Property appurtenant to each Condominium Unit, or alteration of the basis for sharing common expenses and other apportionment of assessments which may be levied by the Association in accordance with the provisions hereof, or alteration of basis of ownership of Common Surplus, or alteration of voting rights in the Association, shall be made without the prior written consent of all of

the Owners of all Condominium Units and all of the Lenders holding first mortgages or first deeds of trust on the Condominium Units.

C. No alteration, amendment or modification of the rights and privileges granted and reserved hereunder in favor of Lender shall be made without prior written consent of all Lenders holding mortgages on Condominium Units in the Condominium being first had and obtained.

D. No alteration, amendment or modification of the rights and privileges granted and reserved heeunder in favor of Developer shall be made without the written consent of said party being first had and obtained.

27. REMEDIES IN EVENT OF DEFAULT. The Owner or Owners of each Condominium Unit shall be governed by and shall comply with the provision of this Declaration and the Articles of Incorporation and By-Laws of the Association, as they may be amended from time to time. A default by the Owner of any Condominium Unit shall entitle the Association or the Owner of other Condominium Units to the following relief:

A. Failure to comply with any of the terms of this Declaration or other restrictions and regulations contained in the Articles of Incorporation or By-Laws of the Association, or which may be adopted pursuant thereto, shall be grounds for relief including without limitation an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof. Such relief may be sought by the Association or, if appropriate, by an aggrieved Unit Owner.

B. Each Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandoment of a Condominium Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

C. In any proceeding arising because of an alleged default by a Unit Owner, the Association shall be entitled to recover the costs of the proceeding reasonable attorney's fees.

D. The failure of the Association or any Unit Owner to enforce any rights, provision, covenant or condition which may be granted by this Declaration or the other above-mentioned documents shall not consitute a waiver of the right of the Association or of the Unit Owner to enforce such right, provision, covenant or condition in the future.

E. All rights, remedies and privileges granted to the Association or the Owner or Owners of a Condominium Unit pursuant to any terms, provisions, covenants or conditions of this Declaration or other above-mentioned documents, shall be cumulative, and the exercise of any one or more shall not constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and addtional rights, remedies or privileges as may be available to such party at law or in equity.

F. The failure of Developer to enforce any right, privilege, covenant or condition which may be granted to it by this Declaration or other above-mentioned documents shall not constitute a waiver of the right of Developer to thereafter enforce such right, provision, covenant or condition in the future.

G. The failure of a Lender to enforce any right, provision, privilege, covenant or condition which may be granted to it or them by this Declaration or other above-mentioned documents, shall not constitute a waiver of the right of said party or parties to thereafter enforce such rights, privilege, covenant or condition in the future.

28. RIGHTS RESERVED UNTO LENDERS. As long as any Lender shall hold any mortgage upon any Condominium Unit or Units, or shall be the Owner of

any Condominium Unit or Units, such Lender shall have the following rights:

A. To approve the company or companies with whom casualty insurance is placed.

B. To examine, upon request and at reasonable times and upon reasonable notice, the books and records of the Association; and to be furnished at least one copy of the Annual Audited Financial Statement and Report of the Association prepared by a Certified Public Accountant designated by the Association, such Financial Statement and Report to be furnished by April 1 of each calendar year.

C. To be given written notice by the Association of the call of any meeting of the membership, which notice shall state the purpose of such meeting; and to designate a representative to attend.

D. To be given written notice of default by any Owner owning a Condominium Unit encumbered by a mortgage held by the Lender, such notice to be sent to the place which it may designate in writing.

E. To be given written notice of any loss to or taking of, the common elements of the Condominium if such loss or taking exceeds $10,000 or damage in excess of $1,000 to a Condominium Unit on which such Lender shall hold a mortgage.

F. To receive written notice of any condemnation or eminent domain proceeding or proposed acquisition by a condemning authority.

Whenever any Lender desires the provisions of this Article to be applicable to it, it shall serve written notice of such fact upon the Association by Registered Mail or Certified Mail addressed to the Association and sent to its address stated herein, identifying the Condominium Unit or Units upon which any such Lender holds any mortgage, or identifying any Condominium Units owned by it, together with sufficient facts to identify such mortgage and which notice shall designate the place to which notices are to be given by the Association to such Lender.

29. RIGHT OF DEVELOPER TO REPRESENTATION ON BOARD OF DIRECTORS OF THE ASSOCIATION; OTHER RIGHTS OF THE DEVELOPER. So long as Developer owns thirty (30) or more Condominium Units in the Condominium, but in any event, no longer than December 31, 1980, Developer shall have the right to designate and select a majority of the persons who shall serve as members of each Board of Directors of the Association.

In the event of dissolution of Developer or assignment by Developer at the time when it is the Owner of a Condominium Unit, then the rights of the Developer shall pass to and may be exercised by its successors receiving ownership of any such Condominium Unit in dissolution.

Whenever Developer shall be entitled to designate and select any person to serve on the Board of Directors of the Association, the manner in which such person shall be designated shall be as provided in the Articles of Incorporation and/or By-Laws of the Association, and Developer shall have the right to remove any person selected by it to act and serve on said Board of Directors and to replace such person with another person to act and serve in the place of any Director so removed for the remainder of the unexpired term of any Director so removed. Any Director designated and selected by Developer need not be a resident in the Condominium. However, Developer shall be responsible for the payment of any assessments which may be levied by the Association against any Condominium Unit or Units owned by the said Developer, and for complying with the remaining terms and provisions hereof in the same manner as any other Owner of a Condominium Unit or Units.

During the period of sale by the Developer of any unit, the Developer, and said Developer's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to an egress from said units and across the Property as may be required for purposes of said sale of units. While the Developer owns any of the units and until each unit sold by it is occupied by the purchasers, the Developer and its employees may use and show one or more of such unsold or unoccupied

units as a model unit or units and may use one or more of such unsold or unoccupied units as a sales office, and may maintain customary signs in connection therewith.

30. FEDERAL HOME LOAN MORTGAGE CORPORATION REGULATIONS. Notwithstanding anything to the contrary contained in this Declaration, or in the Articles of Incorporation or the By-Laws which are attached hereto, all terms, conditions and regulations which are now existing, or which may be amended from time to time, by the Federal Home Loan Mortgage Corporation pertaining to condominiums are hereby incorporated as terms and conditions of the Delcarations and By-Laws and such shall be governing upon the Property, the Developer, and the Association of Unit Owners, so long as such terms or conditions are not inconsistent with the laws of the State of North Carolina, including, but not limited to, the North Carolina Unit Ownership Act.

31. MISCELLANEOUS.

A. In the event that any of the terms, provisions or covenants of this Delcaration are held to be partially or wholly invalid or unenforceable, such holding shall not affect, alter, modify or impair in any manner any of the other terms, provisions or covenants hereof or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

B. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan of Condominium ownership. Throughout this Declaration wherever appropriate the singular shall include the plural and the masculine gender the feminine or neuter. The Article headings are for convenience of reference only and shall not be considered terms of this Declaration.

C. The restrictions and burdens imposed by the covenants of this Declaration shall constitute covenants running with the land, and shall constitute an equitable servitude upon each Condominium Unit and its appurtenant undivided interest in Common Property. This Declaration shall be binding upon Developer, its successors and assigns, and upon all parites who may subsequently become Owners of Condominium Units in the Condominium, and their respective heirs, legal representatives, successors and assigns.

D. The following named individual is designated as the person to receive service of process for the Association:

Frank R. Liggett, III, Attorney
6th Floor, Branch Bank Building
Raleigh, North Carolina 27602

E. Developer and its agents shall have the right to continue its sales efforts on the premise and post "For Sale" signs thereon for so long as it shall own any unit.

F. Pursuant to Section 20-4.4(B) and (C) of the Subdivision Standards Ordinance of the City of Raleigh, North Carolina, it is agreed that the City of Raleigh shall in no case be responsible for failing to provide any emergency or regular fire, police or other public service to developments or their occupants when such failure is due to lack of access to such areas, due to inadequate design or construction, blocking of access routes, or any other factor within the control of the Developer, Homeowners' Association, or occupants. This statement is placed herein pursuant to the requirements of Section 20-4.4(C) of the Subdivision Standards Ordinance of the City of Raleigh, North Carolina.

G. Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall not be stored or kept in the corridors, hallways, lobby or other Common Areas. Storage of boats, trailers, campers, and motor homes on the Property shall be subject to the rules and regulations of the Board applicable thereto.

H. It is herewith agreed that this Declaration may not be amended unless either the City of Raleigh, City Attorney's Office, has agreed to any proposed amendments, or, the City of Raleigh, City Attorney's Office, has received the proposed amendment by certified mail, return receipt requested, and has for a period of thirty (30) days after receipt, failed to respond negatively to the proposed amendment.

IN WITNESS WHEREOF, GEORGETOWN VENTURE, a Tennessee Joint Venture, has caused these presents to be executed in its name, by its Partners, this day of February, 1980, at Raleigh, North Carolina.

GEORGETOWN, A Tennessee Joint Venture

by its Partner,

BUCHANAN/TALLENT PROPERTIES, a Partnership

BY: _____
Sam A. Buchanan, III

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Peggie Anne Bridgers, a Notary Public of said County and State, do hereby certify that SAM A. BUCHANAN, III, acting as a Partner of Buchanan/Tallent Properties, personally came before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and notarial seal this 14th day of February, 1980

Peggie Anne Bridgers
NOTARY PUBLIC

My Commission Expires 6-25-83

NORTH CAROLINA—WAKE COUNTY

The foregoing certificate ____ of Peggie Anne Bridgers

Notary(ies) Public is (are) certified to be correct. This instrument was presented for registration and recorded in this office in Book 2808, Page 894

This 14 day of February, 1980, at 2:57 o'clock P M

R. B. McKENZIE Jr. Register of Deeds

By Joyce B. Johnson
Deputy Register of Deeds

H. It is herewith agreed that this Declaration may not be amended unless either the City of Raleigh, City Attorney's Office, has agreed to any proposed amendments, or, the City of Raleigh, City Attorney's Office, has received the proposed amendment by certified mail, return receipt requested, and has for a period of thirty (30) days after receipt, failed to respond negatively to the proposed amendment.

IN WITNESS WHEREOF, GEORGETOWN VENTURE, a Tennessee Joint Venture, has caused these presents to be executed in its name, by its Partners, this day of February, 1980, at Raleigh, North Carolina.

GEORGETOWN, A Tennessee Joint Venture

by its Partner,

BUCHANAN/TALLENT PROPERTIES, a Partnership

BY: _____
Sam A. Buchanan, III

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Peggie Anne Bridgers, a Notary Public of said County and State, do hereby certify that SAM A. BUCHANAN, III, acting as a Partner of Buchanan/Tallent Properties, personally came before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and notarial seal this 14th day of February, 1980

Peggie Anne Bridgers
NOTARY PUBLIC

My Commission Expires 6-25-83

NORTH CAROLINA—WAKE COUNTY

The foregoing certificate ..... of Peggie Anne Bridgers

..... Notary(ies) Public is (are) certified to be correct. This instrument was presented for registration and recorded in this office in Book 2808, Page 894.

This 14 day of February, 1980, at 2:57 o'clock P M.

R. B. McKENZIE, JR., Register of Deeds

By Joyce B. Johnson
Deputy Register of Deeds

TRACT I:

BEGINNING at a stake in the northern line of the property conveyed by Hathaway Cross and wife to J. T. Hobby and Son, Inc., by Deed recorded in Book 1661, at Page 472, Wake County Registry, said stake being distant as measured along said northern line South 88 degrees 20 minutes East 148.80 feet from the eastern line of the right-of-way of Six Forks Road, said stake also marking the southeastern corner of the property entitled Roanoke Island Company Property as shown on map to which reference is hereinafter made; runs thence along the eastern line of said Roanoke Island Company Property North 9 degrees 46 minutes West 381.54 to a stake in the Center line of Computer Drive; runs thence along the center line of Computer Drive North 64 degrees 40 minutes 15 feet to a stake; thence leaving said Computer Drive, runs thence South 88 degrees 20 minutes East 902 feet to a stake; runs thence South 1 degree 40 minutes West 175 feet to a stake; runs thence South 88 degrees 20 minutes East 154 feet to a stake; thence South 1 degree 40 minutes West 205.81 feet to a stake in the northern line of Browning Place; runs thence along the northern line of Browning Place 88 degrees 20 minutes West 796.74 feet to a stake; runs thence leaving the northern line of Browning Place North 88 degrees 20 minutes West 197 feet to the point of Beginning, and being Lot 1 entitled Levin Property as shown on map by Boney and Newcomb dated January 4, 1966, and recorded in Book of Maps 1965, Page 273, Wake County Registry.

TRACT II:

BEGINNING at a point where the Northern line of Browning Place intersects the southern line of the Levin Property as shown on a map entitled, "Property of Eugene M. Levin and wife, Betty N. Levin", recorded in Book of Maps 1965, Page 273, Wake County Registry; runs thence along the southern line of the Levin Property North 88 degrees 20 minutes West 147.9 feet to a stake; runs thence South 25 degrees 20 minutes East 35.8 feet to a stake in the Northern line of Browning Place; runs thence along the Northern line of Browning Place as it curves in an eastern direction to the point of Beginning, the Chord course and distance of the last cal being North 78 degrees 03 minutes East 135.5 feet, and being designated as Lot No. 2 on the aforesaid map recorded in Book of Maps 1965, Page 273, Wake County Registry.

EXHIBIT "A"

GEORGETOWN NORTH CONDOMINIUMS

SCHEDULE OF UNIT INTEREST IN COMMON

AREAS AND FACILITIES

ADDRESS	TYPE	UNIT INTERESTS
3719 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3721 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3723 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3725 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3727 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3729 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3731 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3733 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3801 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3803 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3805 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3807 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3809 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3811 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3813 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3815 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3821 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3823 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3825 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3827 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3829 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3831 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3833 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3835 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3901 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3903 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3905 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3907 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3909 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3911 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3913 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3915 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3921 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3923 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3925 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3927 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3929 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3931 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3933 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3935 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3711 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3712 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3713 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3714 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3715 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3716 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3717 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3718 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3719 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3720 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3721 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3722 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3723 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3724 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3725 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3726 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3731 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375

3732 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3733 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3734 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3735 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3736 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3737 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3738 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3739 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3740 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3741 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3742 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3743 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3744 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3745 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3746 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3747 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3748 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3749 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3750 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3751 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3753 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3755 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3757 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3759 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3761 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3714 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3716 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3718 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3720 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3722 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3724 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3730 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3731 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3732 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3733 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3734 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3735 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3736 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3737 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3738 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3739 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3740 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3741 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3743 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3745 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3747 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3749 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3751 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3753 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3755 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3757 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375

rn to: A. H. Peterson, P.O. Box 10096, Raleigh, N.C. 27605

BOOK 2855 PAGE 98

PRESENTED FOR REGISTRATION
AUG 26 4 15 PM '80
REGISTER OF DEEDS
WAKE COUNTY, N.C.

NORTH CAROLINA

WAKE COUNTY

SUPPLEMENTAL DECLARATION OF THE GEORGETOWN NORTH CONDOMINIUMS

This Supplemental Declaration of the Georgetown North Condominiums, made this 25th day of August, 1980, by Georgetown Venture, a Tennessee joint venture (the equivalent of a general partnership and hereinafter called the "Developer");

W I T N E S S E T H: That

WHEREAS, the Developer heretofore executed and caused to be recorded that certain Declaration of the Georgetown Condominiums (hereinafter called the "Declaration") dated February, 1980, and recorded in Book 2808, Page 894 of the Wake County, North Carolina Registry; and

WHEREAS, the Developer is still the owner of all of the Dwelling Units and Common Areas comprising Georgetown North Condominiums and desires to supplement and amend the Declaration as hereinafter provided.

NOW, THEREFORE, the Developer hereby declares as follows:

1. The following sentence is hereby added to paragraph 1 of the Declaration: "The fifteen buildings referred to above are not named or numbered but their location and size are shown on the survey and plans referred to in paragraph 2 hereof as 'Unit Ownership File'".

2. The following sentence is hereby added to paragraph 2 of the Declaration: "The numerical designation of each Condominium Unit is the street address of such unit as shown on the Unit Ownershp File."

3. The certificate of Roderic S. Leland, Jr., Architect, attached hereto as Exhibit A, shall supplement the

certificate of said architect affixed to the plans comprising Unit Ownership File, and said certificate shall be deemed affixed to and is hereby made a part of said plans.

4. The date "May 1, 1980" appearing in subparagraph B of paragraph 23 of the Declaration is hereby changed to "September 1, 1980."

GST

5. As hereby modified and supplemented, the Declaration and Unit Ownership File are hereby readopted and ratified.

IN WITNESS WHEREOF, Developer has caused these presents to be executed in its name, under seal, by its partner thereunto duly authorized, as of the day and year first above written.

GEORGETOWN VENTURE (a Tennessee joint venture or partnership) (SEAL)

By: BUCHANAN-TALLENT PROPERTIES, a Tennessee partnership and a partner of Georgetown Venture) (SEAL)

By: Guy S. Tallent (SEAL)
Guy S. Tallent, a partner of Buchanan-Tallent Properties

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I, Winnie K. Haigh, a Notary Public of said county and state, do hereby certify that Guy S. Tallent personally came before me this day and acknowledged that he executed the foregoing instrument in his capacity as a partner of Buchanan-Tallent Properties, a partnership which in turn is a partner of Georgetown Venture, a joint venture or partnership, and that said instrument is the act and deed of said Georgetown Venture.

Witness my hand and notarial seal this 26th day of August, 1980.

Winnie K. Haigh
Notary Public

WINNIE K. HAIGH NOTARY PUBLIC WAKE COUNTY, N.C.

My commission expires:
JUN 21 1985

NORTH CAROLINA — WAKE COUNTY
The foregoing certificate _____ of Winnie K. Haigh
_____ Notar(y)(ies) Public is (are) certified to be correct. This instrument and this certificate are duly registered at the date and time and in the book and page shown on the first page hereof.
R. B. McKENZIE, JR., Register of Deeds

By Gladys C. Smith
Deputy Register of Deeds

EXHIBIT A

NORTH CAROLINA

WAKE COUNTY

The undersigned, Roderic S. Leland, Jr., being first duly sworn, hereby certifies as follows:

1. That he is a licensed, registered architect of the State of North Carolina.

2. That he prepared or supervised the preparation of the eight sheets of plans or drawings appearing in Condominium Plan File Number 11 in the Office of the Register of Deeds of Wake County, North Carolina comprising the plans of Georgetown North Condominiums.

3. That said plans or drawings are an accurate copy of the plans and drawings as filed with and approved by the City of Raleigh.

4. That said plans and drawings fully and accurately depict the layout, location, ceiling and floor elevations, unit numbers and dimensions of the 108 units of Georgetown North Condominiums, as built.

5. That this certificate shall be deemed affixed to and made a part of said plans or drawings appearing in Condominium Plan File Number 11 in the Office of the Register of Deeds of Wake County, North Carolina.

This 25TH day of AUGUST, 1980.

EDNA H. McCABE NOTARY PUBLIC WAKE COUNTY, N.C.

Roderic S. Leland, Jr.
Roderic S. Leland, Jr., Architect
North Carolina Registration No. 2837

Sworn to and Subscribed before me this 25th day of August, 1980.

Edna H. McCabe
Notary Public

My commission expires: 13 July 1985

STATE OF NORTH CAROLINA

COUNTY OF WAKE

Before me, the undersigned, a Notary Public within and for the County and State aforesaid, personally appeared this day Angeline Maletto and Barbara R Weaver, who, being by me first duly sworn, say that they are the President and Secretary, respectively, of GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD.; that the seal affixed to the foregoing instrument in writing is the corporate seal of the Corporation, and that said writing was signed and sealed by them in behalf of said Corporation by its authority duly given. And the said President and Secretary acknowledged the said writing to be the act and deed of said Corporation.

WITNESS my hand and notarial seal, this 6th day of December, 1982.

Anne H. Stiner
Notary Public

(Notary Seal)

My Commission Expires:

2-23-86

Mail To: ROBERT W. WILSON, JR.
P. O. BOX 10[illegible]
[illegible] 27605-0096
[illegible] Hartsfield & Townsend, Attys.

BOOK 2969 PAGE 581

STATE OF NORTH CAROLINA

COUNTY OF WAKE

AMENDMENT TO DECLARATION
OF THE
GEORGETOWN NORTH CONDOMINIUMS
AND BY-LAWS OF
GEORGETOWN NORTH HOMEOWNERS'
ASSOCIATION, LTD.

THIS AMENDMENT to Declaration of The Georgetown North Condominiums and By-Laws of Georgetown North Homeowners' Association, Ltd., made this 15th day of June, 1981, by GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD., a North Carolina not for profit corporation (hereinafter called the "Association");

PRESENTED FOR REGISTRATION
OCT 27 12 21 PM '81
R.E. McKENZIE, JR.
REGISTER OF DEEDS
WAKE COUNTY, N.C.

WITNESSETH: That

WHEREAS, Georgetown Venture heretofore executed and caused to be recorded that certain Declaration of The Georgetown North Condominiums (hereinafter called the "Declaration") dated February, 1980, and recorded in Book 2808, Page 894 of the Wake County Registry and supplemented by Supplemental Declaration of The Georgetown North Condominiums dated August 25, 1980, and recorded in Book 2855, Page 98 of the Wake County Registry; and

WHEREAS, the By-Laws of Georgetown North Homeowners' Association, Ltd., are attached to the Declaration as "Exhibit C" and made a part thereof; and

WHEREAS, at a meeting of the members of the Association duly called and held on the 16th day of June, 1981, at which a quorum of members was present, the following resolutions were duly adopted:

"RESOLVED, that the number 'three (3)' appearing in the first sentence of paragraph A of provision 4.

(BOARD OF DIRECTORS.) of the By-Laws of Georgetown North Homeowners' Association, Ltd., is hereby changed to 'five (5)'";

"RESOLVED, that subparagraph (4) of paragraph B of provision 4. (BOARD OF DIRECTORS.) of the By-Laws of Georgetown North Homeowners' Association, Ltd., is hereby deleted in its entirety, and in lieu thereof, a new subparagraph (4) is substituted which reads as follows:

> 'The initial Board of Directors will consist of the members whose names are set forth in the Articles of Incorporation. From and after the date of the first Annual Meeting of members there shall be five (5) Directors. The initial Board shall serve until their successors are elected and qualify. Two (2) of the initial Board of Directors elected by the members shall hold office for a term of two (2) years. Three (3) of the initial Board of Directors elected by the members shall hold office for a term of one (1) year. Thereafter, all Directors shall hold office for a term of two (2) years or until his death, resignation, retirement, removal, disqualification, or until his successor is elected and qualifies.'"

WHEREAS, the Declaration as amended contained an error in Exhibit B thereto "Schedule of Unit Interest In Common Area And Facilities" in that it stated that 3740 Jamestown Circle was a 1 Bedroom - 1-1/2 Bath unit carrying a percentage of .7914 and that 3742 Jamestown Circle was a 3 Bedroom - 1-1/2 Bath unit carrying a percentage of 1.0419 when in fact 3740 Jamestown Circle is a 3 Bedroom - 1-1/2 Bath unit and 3742 Jamestown Circle is a 1 Bedroom - 1-1/2 Bath unit;

WHEREAS, subparagraph A of paragraph 26 of the Declaration provides that an amendment to the Declaration shall be certified by the President and Secretary of the Association as having been duly adopted, executed with the same formalities as a deed and recorded in the Public Registry; and

WHEREAS, paragraph (c) of provision 8. (AMENDMENTS TO BY-LAWS.) provides that an amendment to the By-Laws shall be transcribed, certified by the President and Secretary of the Association and recorded in the Public Registry;

NOW, THEREFORE, the Association does hereby declare and certify as follows:

> "The number 'three (3)' appearing in the first sentence of paragraph A of provision 4. (BOARD OF DIRECTORS.) of the By-Laws of Georgetown North Homeowners' Association, Ltd., is hereby changed to 'five (5)'";
>
> "Subparagraph (4) of paragraph B of provision 4. (BOARD OF DIRECTORS.) of the By-Laws of Georgetown North Homeowners' Association, Ltd., is hereby deleted in its entirety, and in lieu thereof, a new subparagraph (4) is substituted which reads as follows:
>
> > 'The initial Board of Directors will consist of the members whose names are set forth in the Articles of Incorporation. From and after the date of the first Annual Meeting of members there shall be five (5) Directors. The initial Board shall serve until their successors are elected and qualify. Two (2) of the initial Board of Directors elected by the members shall hold office for a term of two (2) years. Three (3) of the initial Board of Directors elected by the members shall hold office for a term of one (1) year. Thereafter, all Directors shall hold office for a term of two (2) years or until his death, resignation, retirement, removal, disqualification, or until his successor is elected and qualifies.'"

Exhibit B to the Declaration "Schedule of Unit Interest In Common Area And Facilities" is hereby amended in part to read as follows:

ADDRESS	TYPE	UNIT INTEREST
3740 Jamestown Circle	3 Bedroom - 1-1/2 Bath	1.0419
3742 Jamestown Circle	1 Bedroom - 1-1/2 Bath	.7914

Except as herein amended, the Declaration as previously amended shall remain the same.

IN WITNESS WHEREOF, the Association has caused these presents to be executed in its corporate name by its duly authorized officers and its seal to be hereunto affixed, all as of the day and year first above written.

GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD.

By: _____ President

ATTEST:

_____ Secretary

(Corporate Seal)

BOOK 2969 PAGE 585

STATE OF NORTH CAROLINA

COUNTY OF WAKE

Before me, the undersigned, a Notary Public within and for the County and State aforesaid, personally appeared this day Malcolm P. Arey and Barbara A. Weaver, who, being by me first duly sworn, say that they are the President and Secretary, respectively, of GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD.; that the seal affixed to the foregoing instrument in writing is the corporate seal of the Corporation, and that said writing was signed and sealed by them in behalf of said Corporation by its authority duly given. And the said President and Secretary acknowledged the said writing to be the act and deed of said Corporation.

WITNESS my hand and notarial seal, this 21st day of October, 1981.

Anne H. Fetner
Notary Public

(Notary Seal)

My Commission Expires: My Commission Expires 2-23-86

NORTH CAROLINA — WAKE COUNTY

The foregoing certificate _____ of Anne H. Fetner

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

R. B. McKENZIE, JR., Register of Deeds

By R B McKenzie Jr
Deputy Register of Deeds

215-120682-10

Prepared By: Poyner, Geraghty, Hartsfield & Townsend

Mail To: ALAN H. PETERSON
POST OFFICE BOX 10096
RALEIGH, NORTH CAROLINA 27605

BOOK 3070 PAGE 03

STATE OF NORTH CAROLINA

COUNTY OF WAKE

SECOND AMENDMENT TO DECLARATION
OF THE
GEORGETOWN NORTH CONDOMINIUMS
AND BY-LAWS OF
GEORGETOWN NORTH HOMEOWNERS'
ASSOCIATION, LTD.

PRESENTED
FOR
REGISTRATION
DEC 10 9 25 AM '82
R.D. MCKENZIE, JR.
REGISTER OF DEEDS
WAKE COUNTY, N.C.

THIS AMENDMENT to Declaration of The Georgetown North Condominiums and By-Laws of Georgetown North Homeowners' Association, Ltd., made this 1st day of December, 1982, by GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD., a North Carolina not for profit corporation (hereinafter called the "Association");

W I T N E S S E T H: That

WHEREAS, Georgetown Venture heretofore executed and caused to be recorded that certain Declaration of The Georgetown North Condominiums (hereinafter called the "Declaration") dated February, 1980, and recorded in Book 2808, Page 894 of the Wake County Registry and supplemented by Supplemental Declaration of The Georgetown North Condominiums dated August 25, 1980, and recorded in Book 2855, Page 98 of the Wake County Registry; and

WHEREAS, the By-Laws of Georgetown North Homeowners' Association, Ltd., are attached to the Declaration as "Exhibit C" and made a part thereof; and

WHEREAS, at a meeting of the members of the Association duly called and held on the 1st day of December, 1982, at which a quorum of members was present, the following resolutions were duly adopted:

"RESOLVED, that the number 'five (5)' appearing in the first sentence of paragraph A of provision 4. (BOARD OF DIRECTORS.) of the By-Laws of Georgetown North Homeowners' Association, Ltd., is hereby changed to 'seven (7)'";

"RESOLVED, that subparagraph (4) of paragraph B of provision 4. (BOARD OF DIRECTORS.) of the By-Laws of Georgetown North Homeowners' Association, Ltd., is hereby deleted in its entirety, and in lieu thereof, a new subparagraph (4) is substituted which reads as follows:

'The Board of Directors will consist of seven (7) Directors. All Directors shall hold office for a term of two (2) years or until his/her death, resignation, retirement, removal, disqualification, or until his/her successor is elected and qualified. The terms of three (3) of the Directors shall expire on the date of the annual meeting in March, 1984, and every two (2) years thereafter. The terms of four (4) of the Directors shall expire on the date of the annual meeting in March, 1985, and every two (2) years thereafter.'"

"RESOLVED, that paragraph D of provision 1. (IDENTITY.) of the By-Laws of Georgetown North Homeowners' Association, Ltd., is hereby deleted in its entirety, and in lieu thereof, a new paragraph D is substituted which reads as follows:

'The fiscal year of the Association shall end on April 30.'"

WHEREAS, subparagraph A of paragraph 26 of the Declaration provides that an amendment to the Declaration shall be certified by the President and Secretary of the Association as having been duly adopted, executed with the same formalities as a deed and recorded in the Public Registry; and

WHEREAS, paragraph (c) of provision 8. (AMENDMENTS TO BY-LAWS.) provides that an amendment to the By-Laws shall be transcribed, certified by the President and Secretary of the Association and recorded in the Public Registry;

NOW, THEREFORE, the Association does hereby declare and certify as follows:

"The number 'five (5)' appearing in the first sentence of paragraph A of provision 4. (BOARD OF DIRECTORS.) of the By-Laws of Georgetown North Homeowners' Association, Ltd., is hereby changed to 'seven (7)'";

"Subparagraph (4) of paragraph B of provision 4. (BOARD OF DIRECTORS.) of the By-Laws of Georgetown North Homeowners' Association, Ltd., is hereby deleted in its entirety, and in lieu thereof, a new subparagraph (4) is substituted which reads as follows:

'The Board of Directors will consist of seven (7) Directors. All Directors shall hold office for a term of two (2) years or until his/her death, resignation, retirement, removal, disqualification, or until his/her successor is elected and qualified. The terms of three (3) of the Directors shall expire on the date of the annual meeting in March, 1984, and every two (2) years thereafter. The terms of four (4) of the Directors shall expire on the date of the annual meeting in March, 1985, and every two (2) years thereafter.'"

215-120682-10

BOOK 3070 PAGE 05

"Paragraph D of provision 1. (IDENTITY.) of the By-Laws of Georgetown North Homeowners' Association, Ltd., is hereby deleted in its entirety, and in lieu thereof, a new paragraph D is substituted which reads as follows:

'The fiscal year of the Association shall end on April 30.'"

Except as herein amended, the Declaration as previously amended shall remain the same.

IN WITNESS WHEREOF, the Association has caused these presents to be executed in its corporate name by its duly authorized officers and its seal to be hereunto affixed, all as of the day and year first above written.

GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD.

By: Angeline M. Maletto
President

ATTEST:

Secretary

(Corporate Seal)

215-120682-10

BOOK 3070 PAGE 06

STATE OF NORTH CAROLINA

COUNTY OF WAKE

Before me, the undersigned, a Notary Public within and for the County and State aforesaid, personally appeared this day Angeline Malitto and Barbara A. Weaver, who, being by me first duly sworn, say that they are the President and Secretary, respectively, of GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD.; that the seal affixed to the foregoing instrument in writing is the corporate seal of the Corporation, and that said writing was signed and sealed by them in behalf of said Corporation by its authority duly given. And the said President and Secretary acknowledged the said writing to be the act and deed of said Corporation.

WITNESS my hand and notarial seal, this 6th day of December, 1982.

Anne H. Fetner
Notary Public

(Notary Seal)

ANNE H. FETNER NOTARY PUBLIC WAKE COUNTY, N.C.

My Commission Expires:

8-23-86

NORTH CAROLINA — WAKE COUNTY

The foregoing certificate _____ of Anne H. Fetner

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

R. B. McKENZIE, JR., Register of Deeds

By Joyce B. Johnson
Deputy Register of Deeds

Prepared by: Poyner, Geraghty, Hartsfield & Townsend
Return to: A. H. Peterson, P.O. Box 10096, Raleigh, N.C. 27605

BOOK 2855 PAGE 98

PRESENTED FOR REGISTRATION
AUG 26 4 [illegible] PM '80
R.B. [illegible] JR.
REGISTER OF DEEDS
WAKE COUNTY, N.C.

NORTH CAROLINA

WAKE COUNTY

SUPPLEMENTAL DECLARATION OF
GEORGETOWN NORTH CONDOMINIUMS

This Supplemental Declaration of the Georgetown North Condominiums, made this 25th day of August, 1980, by Georgetown Venture, a Tennessee joint venture (the equivalent of a general partnership and hereinafter called the "Developer");

W I T N E S S E T H: That

WHEREAS, the Developer heretofore executed and caused to be recorded that certain Declaration of the Georgetown Condominiums (hereinafter called the "Declaration") dated February, 1980, and recorded in Book 2808, Page 894 of the Wake County, North Carolina Registry; and

WHEREAS, the Developer is still the owner of all of the Dwelling Units and Common Areas comprising Georgetown North Condominiums and desires to supplement and amend the Declaration as hereinafter provided.

NOW, THEREFORE, the Developer hereby declares as follows:

1. The following sentence is hereby added to paragraph 1 of the Declaration: "The fifteen buildings referred to above are not named or numbered but their location and size are shown on the survey and plans referred to in paragraph 2 hereof as 'Unit Ownership File'".

2. The following sentence is hereby added to paragraph 2 of the Declaration: "The numerical designation of each Condominium Unit is the street address of such unit as shown on the Unit Ownershp File."

3. The certificate of Roderic S. Leland, Jr., Architect, attached hereto as Exhibit A, shall supplement the

certificate of said architect affixed to the plans comprising Unit Ownership File, and said certificate shall be deemed affixed to and is hereby made a part of said plans.

4. The date "May 1, 1980" appearing in subparagraph B of paragraph 23 of the Declaration is hereby changed to "September 1, 1980."

GST

5. As hereby modified and supplemented, the Declaration and Unit Ownership File are hereby readopted and ratified.

IN WITNESS WHEREOF, Developer has caused these presents to be executed in its name, under seal, by its partner thereunto duly authorized, as of the day and year first above written.

GEORGETOWN VENTURE (a Tennessee joint venture or partnership) (SEAL)

By: BUCHANAN-TALLENT PROPERTIES, a Tennessee partnership and a partner of Georgetown Venture) (SEAL)

By: Guy S. Tallent (SEAL)
Guy S. Tallent, a partner of Buchanan-Tallent Properties

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I, Winnie K. Haigh, a Notary Public of said county and state, do hereby certify that Guy S. Tallent personally came before me this day and acknowledged that he executed the foregoing instrument in his capacity as a partner of Buchanan-Tallent Properties, a partnership which in turn is a partner of Georgetown Venture, a joint venture or partnership, and that said instrument is the act and deed of said Georgetown Venture.

Witness my hand and notarial seal this 26th day of August, 1980.

Winnie K. Haigh
Notary Public

WINNIE K. HAIGH NOTARY PUBLIC WAKE COUNTY, N.C.

My commission expires:
4-21-85

NORTH CAROLINA — WAKE COUNTY
The foregoing certificate _____ of Winnie K. Haigh
_____ Notar(y)(ies) Public is (are) certified to be correct. This instrument and this certificate are duly registered at the date and time and in the book and page shown on the first page hereof.
R. B. McKENZIE, JR., Register of Deeds

By Gladys C. Smith
Deputy Register of Deeds

EXHIBIT A

NORTH CAROLINA

WAKE COUNTY

The undersigned, Roderic S. Leland, Jr., being first duly sworn, hereby certifies as follows:

1. That he is a licensed, registered architect of the State of North Carolina.

2. That he prepared or supervised the preparation of the eight sheets of plans or drawings appearing in Condominium Plan File Number 11 in the Office of the Register of Deeds of Wake County, North Carolina comprising the plans of Georgetown North Condominiums.

3. That said plans or drawings are an accurate copy of the plans and drawings as filed with and approved by the City of Raleigh.

4. That said plans and drawings fully and accurately depict the layout, location, ceiling and floor elevations, unit numbers and dimensions of the 108 units of Georgetown North Condominiums, as built.

5. That this certificate shall be deemed affixed to and made a part of said plans or drawings appearing in Condominium Plan File Number 11 in the Office of the Register of Deeds of Wake County, North Carolina.

This 25TH day of AUGUST, 1980.

EDNA H. McCABE NOTARY PUBLIC WAKE COUNTY, N.C.

Roderic S. Leland Jr.
Roderic S. Leland, Jr., Architect
North Carolina Registration No. 2837

Sworn to and Subscribed before me this 25th day of August, 1980.

Edna H. McCabe
Notary Public

My commission expires: 13 July 1985

NORTH CAROLINA

WAKE COUNTY

DECLARATION OF
THE GEORGETOWN NORTH CONDOMINIUMS

GEORGETOWN VENTURE, a Tennessee joint Venture (herein "Developer") does hereby make, declare and establish this Declaration of Condominium as and for the plan of dwelling ownership of THE GEORGETOWN NORTH CONDOMINIUMS being the property and improvements hereinafter described.

1. ESTABLISHMENT OF CONDOMINIUM. Developer is the owner of the fee simple title to that certain real property situate in the City of Raleigh, Wake County, State of North Carolina, and which property is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, and on which property there have been constructed fifteen (15) buildings containing a total of 108 condominium living units and their supporting facilities and other appurtenant improvements. The buildings are constructed of wood frame and brick veneer materials. The property contains sufficient parking space to accommodate at least one automobile for each Condominium Unit. Each Unit Owner has the right to the use, for at least one automobile, of such space. Developer does hereby submit the above described property and improvements to condominium ownership under the provisions of Chapter 47A of the General Statutes of North Carolina (Unit Ownership Act), and hereby declares the same to be a condominium to be known and identified as GEORGETOWN NORTH CONDOMINIUMS (herein "Condominium").

2. SURVEY AND DESCRIPTION OF IMPROVEMENTS. Filed simultaneously herewith and expressly made a part hereof as Unit Ownership File No. 11 (herein "Unit Ownership File"), consisting of 8 pages, is a Survey of the land and graphic descriptions and plans of the improvements constituting the Condominium, identifying the Condominium Units and Common Areas and Facilities, as said terms are hereinafter defined, and their respective locations and approximate dimensions. Each Condominium Unit is identified by specific numerical designation on said Unit Onwership File, and no Condominium Unit bears the same designation as any other Condominium Unit.

3. DEFINITIONS. The Condominium consists of Condominium Units and Common Areas and Facilities, as said terms are hereinafter defined.

A. Condominium Units as defined herein shall comprise the 108 separate numerically identified Dwelling Units which are designated in said Unit Ownership File, excluding all spaces and improvements lying:

(1) Beneath the subflooring material of all floors;

(2) Beneath the interior surfacing material of all perimeter walls, interior bearing walls and/or bearing partitions;

(3) Above the interior surfacing material of the ceilings;

and further excluding all pipes, ducts, wires, conduits and other facilities for the furnishing of utilities and other services to Condominium Units and Common Areas and Facilities up to and including the point of entry of such pipes, ducts, wires, and conduits through the interior surfacing material for walls and ceilings and subflooring surfacing material for floors. All pipes, ducts, wires, conduits and other such facilities within the interior surfacing materials shall be a part of the respective Condominium Unit. The decoration and painting of the exterior surface of doors and window frames shall be the responsibility of the Association, as hereinafter defined.

B. Common Areas and Facilities (herein "Common Property") shall comprise all of the real property, improvements and facilities of the Condominium other than the Condominium Units and all personal property held and maintained for the use and enjoyment of all the Owners of the Condominium Units.

C. Certain portions of the Common Areas and Facilities are reserved for the use of a particular Condominium Unit to the exclusion of other Units and are designated as "Limited Common Areas and Facilities." Limited Common Areas and Facilities and the Condominium Units to which they are reserved are as follows:

Ret to Ralph H. Ellis, Jr. 1349 Biltmore Drive Charlotte NC 28207

Patio adjoining each unit as shown on plans and surveys of the dwelling units;

The terms "Association of Unit Owners", "Building", "Common Areas and Facilities", "Common Expenses", "Common Profit", "Condominium", "Declaration", "Majority" or "Majority of Unit Owners", "Person", "Property", "Recordation", "Unit" or "Condominium Unit", "Unit Designation", and "Unit Owner", unless it is plainly evident from the context of this Declaration that a different meaning is intended, shall, have the meaning set out in Section 3 of Chapter 47A of the General Statutes of North Carolina.

4. OWNERSHIP OF CONDOMINIUM UNITS AND APPURTENANT INTEREST IN COMMON PROPERTY. Each Condominium Unit shall be conveyed and treated as an individual property capable of independent use and fee simple ownership, and the Owner of each Unit shall also own, as an appurtenance to the ownership of each said Condominium Unit, an undivided interest in the Common Property. The undivided interest appurtenant to each Condominium Unit shall be as set out in Exhibit "B" attached hereto and made a part hereof. The proportional interest in the Common Property that is appurtenant to each Condominium Unit has been determined by a ratio formulated upon the approximate relation that the fair market value of each Unit at the date of the Declaration bears to the then aggregate fair market value of all of the Units having an interest in the Common Property. The fair market value of each Unit and the aggregate fair market value of all the Units have been determined by the Developer, and are binding upon all Unit Owners. The percentage of undivided interest in the Common Property assigned to each Condominium Unit shall not be changed except with the unanimous consent of all the Owners of the Condominium Units and with the consent of all of the Lenders holding first mortgages or deeds of trust on the Condominium Units.

5. RESTRICTIONS AGAINST FURTHER SUBDIVISION OF CONDOMINIUM UNITS: SEPARATE CONVEYANCE OF APPURTENANT COMMON PROPERTY PROHIBITED. No Condominium Unit may be divided or subdivided into a smaller Unit or Units than as shown in the Unit Ownership File nor shall any Condominium Unit or portion thereof be added to or incorporated into any other Condominium Unit. The undivided interst in the Common Property declared to be an appurtenance to each Condominium Unit shall not be conveyed, devised, encumbered or otherwise dealt with separately from said Condominium Unit, and the undivided interest in Common Property appurtenant to each Condominium Unit shall be deemed conveyed, devised, encumbered or otherwise included with the Condominium Unit even though such undivided interest is not expressly mentioned or described in the instrument conveying, devising, encumbering or otherwise dealing with such Condominium Unit. Any conveyance, mortgage or other instrument which purports to grant any right, interest or lien in, to or upon a Condominium Unit, shall be null and void insofar as it purports to affect any interest in a Condominiun Unit and its appurtenant undivided interest in Common Property, unless it purports to convey, devise, or encumber the entire Condominium Unit. Any instrument conveying, devising, or encumbering any Condominium Unit, which describes said Condominium Unit by the numerical designation assigned thereto in the Unit Ownership File shall be construed to affect the entire Condominium Unit and its appurtenant undivided interst in the Common Property. No limitation is placed on the ownership of any Condominium Unit by any person as tenants in common, joint tenants, or as tenants by the entirety.

6. THE CONDOMINIUM SUBJECT TO RESTRICTIONS. The Condominium Units, Common Property and Limited Common Areas are hereby declared to be subject to the restrictions, easements, conditions and covenants prescribed and established herein governing the use of said Condominium Units, Common Property and Limited Common Areas and setting forth the obligations and responsibilities incident to ownership of each Condominium Unit and its appurtenant undivided interest in the Common Property, and said Condominium Units, Common Property and Limited Common Areas are further declared to be subject to the restrictions, easements, conditions, and limitations now of record affecting the land and improvements of the Condominium.

7. PERPETUAL NON-EXCLUSIVE EASEMENT IN COMMON PROPERTY. The Common

Property is hereby declared to be subject to a perpetual non-exclusive easement in favor of all of the Owners of Condominium Units for their use and the use of their immediate families, guests and invitees, for all property purposes, and for the furnishing of services and facilities for which they are intended, and for the enjoyment of the Owners. Notwithstanding the foregoing, the Association, hereinafter defined, shall have the exclusive right to establish the rules and regulations pursuant to which the Owner of any Condominium Unit, his family, guests and invitees, may be entitled to use the Common Property, including the right to assign parking spaces, and to establish regulations concerning their use.

8. EASEMENT FOR UNINTENTIONAL AND NON-NEGLIGENT ENCROACHMENTS. In the event that any Condominium Unit shall encroach upon any Common Property, or any other Condominium Unit for any reason not caused by the purposeful or negligent act of the Condominium Unit Owner, or agents of such Owners, then an easement appurtenant to such Condominium Unit shall exist for the continuance of such encroachment upon the Common Property or upon a Condominium Unit for as long as such encroachment shall naturally exist; and, in the event that any portion of the Common Property shall encroach upon any Condominium Unit, then an easement shall exist for the continuance of such encroachment of the Common Property upon any Condominium Unit for so long as such encroachment shall naturally exist. If any Condominium Unit or Common Property shall be partially or totally destroyed as a result of fire or other casualty, or as a result of condemnation or eminent domain proceedings, and if upon reconstruction of such Unit and/or Common Property in accordance with Article 21 hereof, there exist encroachments of portions of the Common Property upon any Condominium Unit, or of any Condominium Unit upon any other Condominium Unit or upon any portion of the Common Property, then such encroachments shall be permitted and a valid easement for the maintenane thereof shall exist so long as such encroachments shall naturally remain.

9. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON PROPERTY. Recognizing that the proper use of a Condominium Unit by an Owner or Owners is dependent upon the use and enjoyment of the Common Property in common with the Owners of all other Condominium Units, and that it is in the interest of all Owners that the ownership of the Common Property be retained in common by the Owners, it is hereby declared that the proportional undivided interest in the Common Property appurtenant to each Condominium Unit shall remain undivided and no Unit Owner shall bring or have any right to bring any action for partition or division.

10. ADMINISTRATION OF THE CONDOMINIUM BY GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD. To efficiently and effectively provide for the administration of the Condominium by the Owners of the Condominium Units, a non-profit North Carolina corporation known and designated as GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION (herein "Association") has been organized, and said corporation shall administer the operation and management of the Condominium and undertake and perform all acts and duties incident thereto in acordance with the terms of its Articles of Incorporation and By-laws. A true copy of said By-Laws and Articles of Incorporation are annexed hereto and expressly made a part hereof as Exhibits "C" and "D", respectively. The Owner or Owners of each Condominium Unit shall automatically become members of the Association upon acquiring an ownership interest in title to any Condominium Unit and its appurtenant undivided interest in Common Property; such membership shall terminate automatically upon the Owner or Owners being divested of such ownership interest in the title to such Condominium Unit, regardless of how such ownership may be divested. No person, firm or corporation holding any lien, mortgage or other encumbrance upon any Condominium Unit shall be entitled, by virtue of such lien, mortgage or other encumbrance, to membership in the Association or to any of the rights or privileges of such membership. In the administration of the operation and management of the Condominium, the Association is hereby granted the authority and power to enforce the provisions of this Declaration, to levy and to collect assessments in the manner hereinafter provided, and to adopt, promulgate and enforce such rules and regulations governing the use of the Condominium Units and Common Property as its Board of Directors may deem to be in its best interest.

11. RESIDENTIAL USE RESTRICTIONS APPLICABLE TO CONDOMINIUM UNITS.

Each Condominium Unit is hereby restricted to residential use by its Owner, his immediate family, guests, invitees and lessees. With the exception of a Lender in possession of a Condominium Unit following a default in a first deed of trust, a foreclosure proceeding or any deed in lieu of foreclosure, no Unit Owner shall lease his Unit for transient, hotel or commercial purposes. No Unit Owner may lease less than the entire Unit. Any lease agreement must provide that it shall be subject to the provisions of this Declaration, and that any failure by the lessee to comply with the terms hereof shall be a default under the lease, and shall be in writing. There is no other restriction on the right of any Unit Owner to lease his Unit.

12. USE OF COMMON PROPERTY SUBJECT TO RULES OF ASSOCIATION. The use of all Common Property by the Owner or Owners of all Condominium Units, and all other parties authorized to use the same, shall be subject to such rules and regulations as may be prescribed and established by the Association.

13. THE CONDOMINIUM TO BE USED FOR LAWFUL PURPOSES: RESTRICTION AGAINST NUISANCES. No immoral, improper, offensive or unlawful use shall be made of any Condominium Unit or of the Common Property, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction of the Condominium shall be observed. No Owner of any Condominium Unit shall permit anything to be done or kept in his Condominium Unit, or on the Common Property, which will increase the rate of insurance on the Condominium, or which will interfere with the rights of other occupants of the Condominium or annoy them by unreasonable noises, nor shall any Owner undertake any use which shall constitute a nuisance to any other Owner of a Condominium Unit, or which interferes with the peaceful possession and proper use of any other Condominium Unit or the Common Property.

14. RIGHT OF ENTRY INTO CONDOMINIUM UNITS IN EMERGENCIES AND FOR MAINTENANCE OF COMMON PROPERTY. In case of any emergency originating in or threatening any Condominium Unit, regardless of whether the Owner is present at the time of such emergency, the Board of Directors of the Association, or any other person authorized by it, shall have the right to enter such Condominium Unit for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate.

Whenever it may be necessary to enter any Condominium Unit in order to perform any maintenance, alteration or repair to any portion of the Common Property, the owner of each Condominium Unit shall permit other Owners or their representatives, or an agent of the Association, to enter such Condominium Unit for such purpose, provided that the entry shall be made only at reasonable times and with reasonable advance notice.

15. LIMITATION UPON RIGHT OF OWNERS TO ALTER AND MODIFY CONDOMINIUM UNITS: NO RIGHT TO ALTER COMMON PROPERTY. No Owner of a Condominium Unit shall permit any structural modification or alteration to be made to such Condominium Unit without first obtaining the written consent of the Association, which consent may be withheld in the event that a majority of the Board of Directors of the Association shall determine that such structural modifications or alterations would adversely affect or in any manner endanger the Condominium in part or in its entirety. No Owner shall cause any improvements or changes to be made on the exterior of the Condominium (including painting or other decoration, or the installation of electrical wiring, television or radio antennae or any other objects or machines which may protrude through the walls or roof of the Condominium) or in any manner alter the appearance of the exterior portion of any building without the written consent of the Association being first obtained. No Unit Owner shall cause any object to be fixed to the Common Property or to any Limited Common Area (including the location or construction of fences and the planting or growing of flowers, trees, shrubs or any other vegetation) or in any manner change the appearance of the Common Property or Limited Common Area without the written consent of the Association being first obtained.

16. RIGHT OF ASSOCIATION TO ALTER AND IMPROVE COMMON PROPERTY AND ASSESSMENT THEREFOR. The Association shall have the right to make such alterations or improvements to the Common Property which do not prejudice the rights of the Owner of any Condominium Unit in the use and enjoyment of his

Condominium Unit, provided the making of such alterations and improvements are approved by the Board of Directors of the Association, and their costs shall be common expenses to be assessed and collected from all of the Owners of Condominium Units. However, where any alterations and improvements are exclusively or substantially for the benefit of the Owner or Owners of certain Condominium Unit or Units requesting them, then the cost of such alterations or improvements shall be charged against and collected solely from the Owner or Owners of the Condominium Unit or Units exclusively or substantially benefited, the charge to be levied in such proportion as may be determined by the Board of Directors of the Association.

17. MAINTENANCE AND REPAIR BY OWNERS OF CONDOMINIUM UNITS. Every Owner shall perform promptly all maintenance and repair work within his Condominium Unit which, if omitted, would affect the Condominium, either in its entirety or in a part belonging to other Owners, every Owner being expressly responsibile for the damages and liability which his failure to do so may engender. The Owner of each Condominium Unit shall be liable and responsible for the maintenance, repair and replacement of all heating and air conditioning equipment, stoves, refrigerators, fans, or other appliances or equipment, including any fixtures and/or their connections required to provide water, light, power, telephone, sewage and sanitary service to his Condominium Unit. Such Owner shall further be responsible and liable for the maintenance, repair and replacement of the interior surfaces of all walls, ceilings and floors within his Unit including painting, decorating and furnishings, and all other accessories which such Owner may desire to place or maintain in his Condominium Unit. Whenever the maintenance, repair and replacement of any item for which the Owner is obligated to maintain, replace or repair at his own expense is occasioned by any loss or damage which may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by the Association shall be used for the purpose of making such maintenance, repair or replacement except that the Owner of such Condominium Unit shall be, in said instance, required to pay such portion of the costs of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement. The Owner of a Condominium Unit who has exclusive use of any Limited Common Area shall maintain such at his own expense. All doors, window frames, panes and screens are a part of the respective Condominium Units and shall be maintained by the respective Unit Owners, except as set forth in provision 3.A. hereinabove.

18. MAINTENANCE AND REPAIR OF COMMON PROPERTY BY THE ASSOCIATION. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of all of the Common Property, including those portions thereof which contribute to the support of the buildings, and all conduits, ducts, plumbing, wiring and other facilities located in the Common Property for the furnishing of utility and other services to the Condominium Units and said Common Property, and should any incidental damage be caused to any Condominium Unit by virtue of any work which may be done or caused to be done by the Association in the maintenance, repair or replacement of any Common Property, the Association shall, at its expense, repair such incidental damage. Whenever the maintenance, repair and replacement of any item for which the Association is obligated to maintain, replace or repair at its expense is occasioned by any act of a Condominium Unit Owner, his immediate family, guests, or invitees, and such loss or damage may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by Association shall be used for the purpose of making such maintenance, repair or replacement, except that the Unit Owner who is responsible for the act causing the damage (whether done by himself or by his family, guests or invitees) shall be required to pay such portion of th cost of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement.

19. INSURANCE AND AUTHORITY TO PURCHASE INSURANCE. Insurance policies upon the Property (other than title insurance) shall be purchased by the Association in the name of the Board of Directors of the Association, as Trustees for the Condominium Unit Owners and their respective mortgagees as

their interests may appear, and shall provide for the issuance of certificates or mortgage endorsements to the holders of first mortgages on the Condominium Units or any of them, and if the companies writing such policies will agree, the policies shall provide that the insurer waives its rights of subrogation as to any claims against Condominium Unit Owners, the Association and their respective servants, agents and guests. Each Condominium Unit Owner shall obtain insurance, at his own expense, affording coverage upon his Condominium Unit, his personal property and for his personal liability and as may be permitted or required by law, but all such insurance shall contain the same wavier of subrogation referred to above if available.

20. INSURANCE COVERAGE TO BE MAINTAINED: USE AND DISTRIBUTION OF INSURANCE PROCEEDS.

A. The following insurance coverage shall be maintained in full force and effect by the Association covering the operation and management of the Condominium Units and Common Property:

(1) Casualty insurance covering the buildings and all improvements upon the land and all personal property described in Exhibit "A", except such personal property as may be owned by the Condominium Unit Owners, shall be procured in an amount equal to the maximum insurable replacement value thereof (exclusive of excavation, foundations, streets and parking facilities) as determined annually by the insurance company on a co-insurance basis of not less than eighty percent (80%). Such coverage shall afford protection against: (a) loss or damage by fire and other hazards covered by the standard extended coverage endorsement; (b) such other risks as from time to time customarily shall be covered with respect to the buildings similar in construction, locaton and use, including, vandalism and malicious mischief.

(2) Public liability and property damage insurance in such amounts and in such forms as shall be required by the Association, including legal liability, hired automobile, non-owned automobile and off-premises employee coverages.

(3) All liability insurance shall contain cross-liability endorsements to cover liabilities of the Condominium Unit Owners as a group to a Condominium Unit Owner.

B. Premiums upon insurance policies purchased by the Association shall be paid by the Association as comon expenses to be assessed and collected from all of the Owners of Condominium Units.

C. All insurance policies purchased by the Association shall be for the benefit of the Association and the Condominium Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds payable as a result of casualty losses shall be paid to the Association. The Association shall hold such proceeds in trust for the benefit of the Association, the Condominium Unit Owners and their respective mortgagees in the following shares:

(1) Proceeds on account of damage to Common Property: in undivided shares for each Condominium Unit Owner and his mortgagee, if any, which shares are shown on Exhibit "B."

(2) Proceeds on account of damages to Condominium Units shall be held in the following undivided shares:

(a) Partial destruction when the Condominium is to be restored: for the Owners of damaged Condominium Units in proportion to the costs of repairing the damage suffered by each damaged Condominium Unit;

(b) Total destruction of the Condominium or where the Condominium is not to be restored: for all Condominium Unit Owners and their mortgagees, the share of each being set forth in Exhibit "B."

D. In the event a mortgagee endorsement has been issued as to a Condominium Unit, the share of the Condominium Unit Owner shall be held for the mortgagee and the Condominium Unit Owner as their interests may appear, but no mortgagee shall have the right to participate in the determination of reconstruction or repair.

E. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the beneficial Condominium Unit Owners in the following manner:

(1) If the damage for which the proceeds were paid is to be repaired or reconstructed, the proceeds shall be paid to defray the costs. Any proceeds remaining after defraying such costs shall be distributed to the beneficial Condominium Unit Owners, all remittances to Condominium Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Condominium Unit and may be enforced by him.

(2) If it is determined that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the beneficial Condominium Unit Owners, remittances to Condominium Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Condominium unit and may be enforced by him.

F. Each Unit Owner, at his expense, shall keep in force comprehensive personal liability insurance covering liability for damages to person or property of others located within such Owner's Unit, or another Unit, or upon the Common Area and facilities in such amounts as the Board of Directors shall, from time to time, determine, but in no case less than $100,000 for each occurrence.

21. RECONSTRUCTION OR REPAIR OF CASUALTY DAMAGE; DAMAGE TO COMMON PROPERTY; DAMAGE TO CONDOMINIUM UNITS.

A. If any part of the Common Property shall be damaged by casualty, the determination of whether or not to reconstruct or repair it shall be made as follows:

(1) Partial destruction shall be destruction of 2/3 or less of the Bulding. In the event of partial destruction, the Common Property shall be reconstructed or repaired unless this Declaraton is terminated by the unanimous vote of all of the Condominium Unit Owners as a meeting of the members of the Association called and held prior to commencement of such reconstruction or repair.

(2) Total destruction shall be destruction of more than 2/3 of the Building. In the event of total destruction, the Common Property shall not be reconstructed or repaired if, at a meeting which shall be called within thirty (30) days after the occurrence of the casualty, or if by such date the insurance loss has not been finally adjusted, then within thirty (30) days after such adjustment, Condominium Unit Owners who own three-fourths (3/4) or more of the Building vote against reconstruction or repair.

(3) Any such reconstruction or repair shall be substantially in accordance with the plans and specifications contained herein.

B. If the damage is only to those parts of one or more Condominium Units for which the responsibilty for maintenance and repair is that of the Unit Owner, then the Condominium Unit Owner shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association as follows:

(1) Immediately after the casualty causing damage to property for which the Association has the responsibility for maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before the casualty. Such costs may include professinoal fees and premiums for such bonds as the

Board of Directors deems appropriate.

(2) When the damage is to both Common Property and Condominium Units, the insurance proceeds shall be applied first to the costs of repairing the Common Property and the balance to the Condominium Units.

C. Each Condominium Unit Owner delegates to the Board of Directors of the Association his right to adjust with insurance companies all losses under policies purchased by the Association, except in any case where the damage is restricted to one Condominium Unit.

22. ASSOCIATION TO MAINTAIN REGISTER OF OWNERS AND MORTGAGEES. The Association shall maintain a Register setting forth the names of the Owners of all of the Condominium Units. In the event of the transfer of any Condominium Unit to a third party, the transferee shall notify the Association in writing of his interest in such Condominium Unit, together with the recording information necessary to identify the instrument by which the transferee has acquired his interest. The Owner of each Condomnium Unit shall also notify the Association of the parties holding any mortgage on any Condominium Unit, the amount of such mortgage and the recording information necessary to identify the mortgage. The holder of any mortgage upon any Condominium Unit may notify the Associaton of the existence of any mortgage and the Association shall register in its records all pertinent information relating thereto.

23. ASSESSMENTS: LIABILITY, LIEN AND ENFORCMENT. The Association is given the authority to administer the operation and management of the Condominium as being in the best interest of the Owners of all Condominium Units. To properly administer the operation and management of the Condominium, the Association will incur for the mutual benefit of all of the Owners of Condominium Units, costs and expenses (herein "Common expense"). To provide the funds necessary for such proper operation, management and capital improvement, the Association has been granted the right to make, levy and collect assessments agains the Unit Owners and their Condominium Units. In furtherance thereof, the following provisions shall be operative and binding upon the Owners of all Condominium Units:

A. All assessments levied against the Unit Owners and their Condominium Units shall be uniform and, unless specifically otherwise provided for herein, all assessments made by the Association shall be in such amount that any assessment levied against a Unit Owner and his Condominium Unit shall bear the same ratio to the total assessment made against all Unit Owners and their Condominium Units as the undivided interest in Common Property appurtenant to each Condominium Unit bears to the total undivided interest in Common Property appurtenant to all Condominium Units. Should the Association be the Owner of a Condominium Unit or Units, the assessment which would otherwise be due and payable to the Association by the Owner of such Unit or Units, reduced by the amount of income which may be derived from the leasing of such Unit or Units by the Association, shall be apportioned and assessment therefor levied ratably among the Owners of all Units which are not owned by the Association, based upon their proportionate interest in Common Property exclusive of the interest therein appurtenant to any Unit or Units owned by the Association. Developer shall not be required to expend from his own funds any sums of money for maintenance, improvements, or any other expenses of the administration of the Common Areas and Facilities, provided, however, Developer may at his option advance such sums necessary for such expenses, maintenance, and improvements or may pay directly the costs thereof. In either event Developer shall be allowed a credit for such sums so advanced or expended, such credit to be fully aplied against any liability Developer has hereunder for payment of his pro rata share of the common expenses as an Owner.

B. Assessments provided for herein shall be payable in monthly installments, or in such other manner as the Board of Dirctors of the Association shall determine. Such assessments shall commence for each Unit on May 1, 1980, unless the Board of Directors of the Association decides to assess monthly dues before this date.

C. The Board of Directors of the Association shall establish an Annual Budget in advance for each fiscal year (which shall correspond to the

calendar year, except that in the initial year of operation of the Condominium, the fiscal year shall commence with the closing of the sale of the first Condominium Unit). Such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves, such budget to take into account anticipated income which is to be applied in reduction of the amounts required to be collected as an assessment each year. The Board of Directors shall keep separate, in accordance with paragraph "D" hereof, items relating to operation and maintenace from items relating to capital improvements. Upon adoption of such Annual Budget by the Board of Directors of the Association, copies shall be delivered to each Owner of a Condominium Unit and the assessment for said year shall be established based upon such budget, although the non-delivery of a copy of it to each Owner shall not affect the liability of any Owner for such assessment. A majority of the Owners must approve an increase in the assessment by an amount greater than the percentage increase in the Consumer Price Index compiled by the Bureau of Labor Statistics of the United States Department of Labor from January 1 of the prior year to January 1 of the current year.

D. The Board of Directors of the Association, in establishing the Annual Budget for operation, management and mainenance of the Condominium, shall designate a sum to be collected and maintained as a reserve fund for replacement of and capital improvements to the Common Property (herein "Capital Improvement Fund") shall be for the purpose of enabling the Association to replace structural elements and mechanical equipment constituting a part of the Common Property, and the replacement of personal property constituting a portion of the Common Property held for the joint use and benefit of the Owners of Condominium Units. The amount to be allocated to the Capital Improvement Fund may be established by the Board of Directors to Collect and maintain a sum reasonbly necessary to anticipate the need for replacement of Common Property. The amount collected for the Capital Improvement Fund shall be maintained in a separate account by the Association and shall be used only to make capital improvements to Common Property. Any interest earned on the Capital Improvement Fund may be expended for current operation and maintenance.

E. All funds collected by the Association shall be treated as the separate property of the Association, and such funds may be applied by the Association to the payment of any expense of operating and managing the Condominium, or to the proper undertaking of all acts and duties imposed upon it by this Declaration, the Articles of Incorporation and the By-Laws of the Association. Although all funds and common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom or from the leasing or use of Common Property, shall be held for the benfit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Condominium Unit. When the Owner of a Codnominium Unit shall cease to be a member of the Association, the Association shall not be required to account to such Owner for any share of the fund or assets of the Association, or which may have been paid to the Association by such Owner, as all funds which any Owner has paid to the Association shall constitute an asset of the Association which may be used in the operation and management of the Condominium.

F. The payment of any assessment of installment thereof shall be in default if such assessment or installment is not paid to the Association within thirty (30) days of its due date. When in default, the delinquent assessment or delinquent installment thereof due to Association shall bear interest at the highest rate allowed by law until paid in full to the Association.

G. The Owner or Owners of each Condominium Unit shall be personally liable, jointly and severally, to the Association for the payment of all assessments, regular or special, which may be levied by the Association against such Condominium Unit while such party or parties are Owner or Owners of a Condominium Unit. In the event that any Unit Owner or Owners are in default in payment of any assessment or installment owed to the Association, such Unit Owner or Owners shall be personally liable, jointly and severally, for interest on such delinquent assessment or installment thereof

as above provided, and for all costs of collecting such assessment or installment and interest thereon, including reasonable attorneys' fees, whether suit be brought or not.

H. No Owner of a Condominium Unit may exempt himself from liability for any assessment levied against him or his Condominium Unit by waiver of the use of enjoyment of any of the Common Property, or by abandonment of the Condominium Unit or in any other way.

I. Recognizing that proper operation and management of the Condominium requires the continuing payment of costs and expenses therefor, and that such proper operation and maintenance results in benefit to all of the Owners of Condominium Units, and that the payment of such common expenses represented by the assessments levied and collected by Association is necessary in order to preserve and protect the investment of each Unit Owner, the Association is hereby granted a lien upon each Condominium Unit and its appurtenant undivided interest in Common Property, which lien shall secure the funds due for all assessements now or hereafter levied against the Owner of each such Condominium Unit, which lien shall also secure all costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in enforcing this lien upon said Condominium Unit. The lien granted to the Association may be forclosed in the same manner that real estate deeds of trust and mortgages may be foreclosed in the State of North Carolina, and in any suit for the foreclosure of said lien, the Association shall be entitled to reasonable rental from the Owner of any Condominium Unit from the date on which the payment of any assessment or installment thereof became delinquent, and shall be entitled to the appointment of a Receiver for said Condominium Unit. The lien granted to the Association shall further secure such advances for taxes, and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, including interest at twelve (12%) percent on any such advances so made. All persons, who shall acquire any interest in the ownership of any Condominium Unit, or who may be given or acquire a mortgage, lien or other encumbrance thereon, are hereby placed on notice of the lien rights granted to the Association, and shall acquire such interest in any Condominium Unit expressly subject to such lien rights.

J. The lien herein granted to the Association shall be enforceable from the time of recording a claim of lien in the Public Records of Wake County, North Carolina (hereafter the Public Registry), which claim shall state the description of the Condominium Unit encumbered thereby, the name of the record owner, the amount due and the date when due. The claim of lien shall be recordable any time after default and the lien shall continue in effect until all sums secured by said lien shall have been fully paid. Such claims of lien shall include only assessments which are due and payble when the claim of lien is recorded, plus interest, costs, attorney's fees, advances to pay taxes and prior encumbrances and interst thereon. It shall be signed and verified by an officer of agent of the Association. Upon full payment of all sums secured by such claim of lien, it shall be satisfied of record.

The lien provided for herein shall be subordinated to the lien of any mortgage or deed of trust. Any person, firm or corporation acquiring title to any Condominium Unit and its appurtenant undivided interest in Common Property by any foreclosure, deed in lieu of foreclosure, or judicial sale, shall be liable and obligated only for assessments as shall accrue and become due and payble for said Condominium Unit and its appurtenant undivided interest in Common Property subsequent to the date of acquisition of such title, and it shall not be liable for the payment of any assessments which were in default and delinquent at the time it acquired such title. In the event of the acquisition of title to a Condominium Unit by foreclosure, deed in lieu of foreclosure, or judicial sale, any assessment which the party so acquiring title shall not be liable shall be absorbed and paid by all Owners of all Condominium Units as a part of the Common expense, although nothing herein contained shall release the party liable for such delinquent assessment from the payment thereof or th enforcement of collection of such payment by means other than foreclosure.

K. Whenever any Condominium Unit may be leased, sold or mortgaged by

The Owner thereof, the Association, upon written request of the Unit Owners, shall furnish to the proposed lessee, purchaser or mortgagee, a statement verifying the status of payment of any assessment which shall be due and payable to the Association by such Unit. Such statement shall be executed by any officer of the Association, and any lessee, purchaser or mortgagee may rely upon such statement in concluding the proposed lease, purchase or mortgage transaction, and the Association shall be bound by such statement.

In the event that a Condominium Unit is to be leased, sold or mortgaged at the time when payment of any assessment against the Owner of said Condominium Unit and such Condominium Unit due to the Association shall be in default (whether or not a claim of lien has been recorded by the Association), then the rent, proceeds of such purchase or mortgage proceeds, shall be applied by the lessee, purchaser or mortgagee first to the payment of any then delinquent assessment or installments thereof due to the Association before the payment of any rent, proceeds of purchase or mortgage proceeds to the Owner of any Condominium Unit who is responsible for payment of such delinquent assessment.

In any voluntary conveyance of a Condominium Unit, the purchaser thereof shall be jointly and severally liable with seller for all unpaid assessments against seller made prior to the time of such voluntary conveyance, without prejudice to the rights of the purchaser to recover from seller the amounts paid by purchaser therefor.

Institution of a lawsuit to attempt to collect the payment of any delinquent assessment shall not be an election by the Association which shall prevent it from thereafter seeking, by foreclosure action, enforcement of the collection of any sums remaining owing to it, nor shall proceeding by foreclosure to attempt such collection be deemed to be an election precluding the institution of a suit at law to collect any sum then remaining owing to Association.

24. COMMON SURPLUS. "Common Surplus", meaning all funds and other assets of the Association (including excess of receipts of the Association, including but not limited to assessments, rents, profits and revenues from whatever source over amount of the common expense), shall be owned by the Owners of all Condominium Units in the same proportion that the undivided interest in Common Property appurtenant to each Owner's Condominium Unit bears to the total of all undivided interest in Common Property appurtenant to all Condominium Units; provided, however, that said common surplus shall be held by the Association in the manner, and subject to the terms, provisions and conditions of this Declaration, imposing certain limitations and restrictions upon the use and distribution thereof. Except for distribution of any insurnace indemnity herein provided, or upon termiantion of the Condominium Units in accordance with their percentage interest in common surplus as declared herein.

25. TERMINATION. The Condominium shall be terminated, if at all, in the following manner:

A. The termination of the Condominium may be effected only by the unanimous agreement of all Condominium Unit Owners expressed in an instrument duly recorded; and, provided that the holders of all liens affecting any of the Condominium Units consent thereunto, or agree, by instrument duly recorded, that their liens be transferred to the percentage of the undivided interest of the Condominium Unit Owner in the Property as provided in subparagraph "C" below. The termination shall become effective when such agreement has been recorded in the Public Registry.

B. If it is determined in the manner elsewhere provided that the Condominium shall not be reconstructed after casualty, the Condominium plan of ownership shall be terminated and the Declaration of Condominium revoked. The determination not to reconstruct after casualty shall be evidenced by a Certificate of the Association certifying as to the facts effecting the termination, which Certificate shall become effective upon being recorded in the Public Registry.

C. After termination of the Condominium, the Condominium Unit Owners shall own the Property as tenants in common in undivided shares and the

holders of mortgages and liens against the Condominium Unit or Units formerly owned by such Condominium Unit Owners shall have mortgages and liens upon the respective undivided shares of the Condominium Unit Owners. The undivided share or interest owned as tenants in common shall be that percentage of the undivided interest in the Common Area and Facilities previously owned by each Unit Owner. All funds held by the Association and insurance proceeds, if any, shall be held for the Unit Owners in the same proportion. The costs incurred by the Association in connection with the termination shall be a Common Expense.

D. Following termination, the property may be partitioned and sold upon the application of any Condominium Unit Owner. Following a termination, if the Board of Directors determined by not less than a three-fourths (3/4) vote to accept an offer for the sale of property, each Condominium Unit Owner shall be bound to execute such deeds and other documents reasonably required to effect such sale at such times and in such form as the Board of Directors directs. In such event, any action for partition or other division of the property shall be held in abeyance pending such sale, and upon the consummation thereof shall be discontinued by all parties thereto.

E. The members of the Board of Directors acting collectively as agent for all Condominium Unit Owners, shall continue to have such powers as granted herein, even though the Association may be dissolved upon a termination.

26. AMENDMENT OF DECLARATION OF CONDOMINIUM. This Declaration of Condominium may be amended in the following manner:

A. An Amendment to this Declaraton of Condominium may be proposed by the Board of Directors of the Association acting upon a vote of a majority of the Directors, or by the members of the Association owning a majority of the Condominium Units, whether meeting as members or by instrument in writing signed by them. Upon any Amendment to this Declaration being proposed by the Board of Directors or members, such proposed Amendment shall be transmitted to the President of the Association, or other officer of the Association in the absence of the President, who shall thereupon call a Special Meeting of the members of the Association for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt by him of the proposed Amendment. It shall be the duty of the Secretary to give to each member written notice of such Special Meeting, stating the time and place, and reciting the proposed Amendment in reasonably detailed form, which notice shall be mailed not less than ten (10) days nor more than thirty (30) days before the date set for such Special Meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States Mail addressed to the member at his Post Office address as it appears on the records of the Association, the postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of notice to such member. At the meeting, the Amendment proposed must be approved by an affirmative vote of seventy-five (75%) percent of the members owning Units in the Condominium in order for such Amendment to become effective. Thereupon such Amendment of this Declaration shall be transcribed and certified by the President and Secretary of the Association as having been duly adopted. The original or an executed copy of such Amendment so certified and executed with the same formalities as a deed, shall be recorded in the Public Registry within ten (10) days from the date on which the same became effective. At any meeting held to consider such Amendment, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association prior to such meeting or at such meeting.

B. No alteration in the percentage of ownership in Common Property appurtenant to each Condominium Unit, or alteration of the basis for sharing common expenses and other apportionment of assessments which may be levied by the Association in accordance with the provisions hereof, or alteration of basis of ownership of Common Surplus, or alteration of voting rights in the Association, shall be made without the prior written consent of all of

the Owners of all Condominium Units and all of the Lenders holding first mortgages or first deeds of trust on the Condominium Units.

C. No alteration, amendment or modification of the rights and privileges granted and reserved hereunder in favor of Lender shall be made without prior written consent of all Lenders holding mortgages on Condominium Units in the Condominium being first had and obtained.

D. No alteration, amendment or modification of the rights and privileges granted and reserved heeunder in favor of Developer shall be made without the written consent of said party being first had and obtained.

27. REMEDIES IN EVENT OF DEFAULT. The Owner or Owners of each Condominium Unit shall be governed by and shall comply with the provision of this Declaration and the Articles of Incorporation and By-Laws of the Association, as they may be amended from time to time. A default by the Owner of any Condominium Unit shall entitle the Association or the Owner of other Condominium Units to the following relief:

A. Failure to comply with any of the terms of this Declaration or other restrictions and regulations contained in the Articles of Incorporation or By-Laws of the Association, or which may be adopted pursuant thereto, shall be grounds for relief including without limitation an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof. Such relief may be sought by the Association or, if appropriate, by an aggrieved Unit Owner.

B. Each Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandoment of a Condominium Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

C. In any proceeding arising because of an alleged default by a Unit Owner, the Association shall be entitled to recover the costs of the proceeding reasonable attorney's fees.

D. The failure of the Association or any Unit Owner to enforce any rights, provision, covenant or condition which may be granted by this Declaration or the other above-mentioned documents shall not consitute a waiver of the right of the Association or of the Unit Owner to enforce such right, provision, covenant or condition in the future.

E. All rights, remedies and privileges granted to the Association or the Owner or Owners of a Condominium Unit pursuant to any terms, provisions, covenants or conditions of this Declaration or other above-mentioned documents, shall be cumulative, and the exercise of any one or more shall not constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and addtional rights, remedies or privileges as may be available to such party at law or in equity.

F. The failure of Developer to enforce any right, privilege, covenant or condition which may be granted to it by this Declaration or other above-mentioned documents shall not constitute a waiver of the right of Developer to thereafter enforce such right, provision, covenant or condition in the future.

G. The failure of a Lender to enforce any right, provision, privilege, covenant or condition which may be granted to it or them by this Declaration or other above-mentioned documents, shall not constitute a waiver of the right of said party or parties to thereafter enforce such rights, privilege, covenant or condition in the future.

28. RIGHTS RESERVED UNTO LENDERS. As long as any Lender shall hold any mortgage upon any Condominium Unit or Units, or shall be the Owner of

any Condominium Unit or Units, such Lender shall have the following rights:

A. To approve the company or companies with whom casualty insurance is placed.

B. To examine, upon request and at reasonable times and upon reasonable notice, the books and records of the Association; and to be furnished at least one copy of the Annual Audited Financial Statement and Report of the Association prepared by a Certified Public Accountant designated by the Association, such Financial Statement and Report to be furnished by April 1 of each calendar year.

C. To be given written notice by the Association of the call of any meeting of the membership, which notice shall state the purpose of such meeting; and to designate a representative to attend.

D. To be given written notice of default by any Owner owning a Condominium Unit encumbered by a mortgage held by the Lender, such notice to be sent to the place which it may designate in writing.

E. To be given written notice of any loss to or taking of, the common elements of the Condominium if such loss or taking exceeds $10,000 or damage in excess of $1,000 to a Condominium Unit on which such Lender shall hold a mortgage.

F. To receive written notice of any condemnation or eminent domain proceeding or proposed acquisition by a condemning authority.

Whenever any Lender desires the provisions of this Article to be applicable to it, it shall serve written notice of such fact upon the Association by Registered Mail or Certified Mail addressed to the Association and sent to its address stated herein, identifying the Condominium Unit or Units upon which any such Lender holds any mortgage, or identifying any Condominium Units owned by it, together with sufficient facts to identify such mortgage and which notice shall designate the place to which notices are to be given by the Association to such Lender.

29. RIGHT OF DEVELOPER TO REPRESENTATION ON BOARD OF DIRECTORS OF THE ASSOCIATION; OTHER RIGHTS OF THE DEVELOPER. So long as Developer owns thirty (30) or more Condominium Units in the Condominium, but in any event, no longer than December 31, 1980, Developer shall have the right to designate and select a majority of the persons who shall serve as members of each Board of Directors of the Association.

In the event of dissolution of Developer or assignment by Developer at the time when it is the Owner of a Condominium Unit, then the rights of the Developer shall pass to and may be exercised by its successors receiving ownership of any such Condominium Unit in dissolution.

Whenever Developer shall be entitled to designate and select any person to serve on the Board of Directors of the Association, the manner in which such person shall be designated shall be as provided in the Articles of Incorporation and/or By-Laws of the Association, and Developer shall have the right to remove any person selected by it to act and serve on said Board of Directors and to replace such person with another person to act and serve in the place of any Director so removed for the remainder of the unexpired term of any Director so removed. Any Director designated and selected by Developer need not be a resident in the Condominium. However, Developer shall be responsible for the payment of any assessments which may be levied by the Association against any Condominium Unit or Units owned by the said Developer, and for complying with the remaining terms and provisions hereof in the same manner as any other Owner of a Condominium Unit or Units.

During the period of sale by the Developer of any unit, the Developer, and said Developer's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to an egress from said units and across the Property as may be required for purposes of said sale of units. While the Developer owns any of the units and until each unit sold by it is occupied by the purchasers, the Developer and its employees may use and show one or more of such unsold or unoccupied

units as a model unit or units and may use one or more of such unsold or unoccupied units as a sales office, and may maintain customary signs in connection therewith.

30. FEDERAL HOME LOAN MORTGAGE CORPORATION REGULATIONS. Notwithstanding anything to the contrary contained in this Declaration, or in the Articles of Incorporation or the By-Laws which are attached hereto, all terms, conditions and regulations which are now existing, or which may be amended from time to time, by the Federal Home Loan Mortgage Corporation pertaining to condominiums are hereby incorporated as terms and conditions of the Delcarations and By-Laws and such shall be governing upon the Property, the Developer, and the Association of Unit Owners, so long as such terms or conditions are not inconsistent with the laws of the State of North Carolina, including, but not limited to, the North Carolina Unit Ownership Act.

31. MISCELLANEOUS.

A. In the event that any of the terms, provisions or covenants of this Delcaration are held to be partially or wholly invalid or unenforceable, such holding shall not affect, alter, modify or impair in any manner any of the other terms, provisions or covenants hereof or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

B. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan of Condominium ownership. Throughout this Declaration wherever appropriate the singular shall include the plural and the masculine gender the feminine or neuter. The Article headings are for convenience of reference only and shall not be considered terms of this Declaration.

C. The restrictions and burdens imposed by the covenants of this Declaration shall constitute covenants running with the land, and shall constitute an equitable servitude upon each Condominium Unit and its appurtenant undivided interest in Common Property. This Declaration shall be binding upon Developer, its successors and assigns, and upon all parites who may subsequently become Owners of Condominium Units in the Condominium, and their respective heirs, legal representatives, successors and assigns.

D. The following named individual is designated as the person to receive service of process for the Association:

Frank R. Liggett, III, Attorney
6th Floor, Branch Bank Building
Raleigh, North Carolina 27602

E. Developer and its agents shall have the right to continue its sales efforts on the premise and post "For Sale" signs thereon for so long as it shall own any unit.

F. Pursuant to Section 20-4.4(B) and (C) of the Subdivision Standards Ordinance of the City of Raleigh, North Carolina, it is agreed that the City of Raleigh shall in no case be responsible for failing to provide any emergency or regular fire, police or other public service to developments or their occupants when such failure is due to lack of access to such areas, due to inadequate design or construction, blocking of access routes, or any other factor within the control of the Developer, Homeowners' Association, or occupants. This statement is placed herein pursuant to the requirements of Section 20-4.4(C) of the Subdivision Standards Ordinance of the City of Raleigh, North Carolina.

G. Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall not be stored or kept in the corridors, hallways, lobby or other Common Areas. Storage of boats, trailers, campers, and motor homes on the Property shall be subject to the rules and regulations of the Board applicable thereto.

H. It is herewith agreed that this Declaration may not be amended unless either the City of Raleigh, City Attorney's Office, has agreed to any proposed amendments, or, the City of Raleigh, City Attorney's Office, has received the proposed amendment by certified mail, return receipt requested, and has for a period of thirty (30) days after receipt, failed to respond negatively to the proposed amendment.

IN WITNESS WHEREOF, GEORGETOWN VENTURE, a Tennessee Joint Venture, has caused these presents to be executed in its name, by its Partners, this day of February, 1980, at Raleigh, North Carolina.

GEORGETOWN, A Tennessee Joint Venture

by its Partner,

BUCHANAN/TALLENT PROPERTIES, a Partnership

BY: _____
Sam A. Buchanan, III

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Peggie Anne Bridgers, a Notary Public of said County and State, do hereby certify that SAM A. BUCHANAN, III, acting as a Partner of Buchanan/Tallent Properties, personally came before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and notarial seal this 14th day of February, 1980

Peggie Anne Bridgers
NOTARY PUBLIC

My Commission Expires 6-25-83

NORTH CAROLINA—WAKE COUNTY

The foregoing certificate ____ of Peggie Anne Bridgers

_____ Notary(ies) Public is (are) certified to be correct. This instrument was presented for registration and recorded in this office in Book 2808, Page 894

This 14 day of February, 1980, at 2:57 o'clock P M.

R. B. McKENZIE, JR., Register of Deeds

By Joyce B. Johnson
Deputy Register of Deeds

TRACT I:

BEGINNING at a stake in the northern line of the property conveyed by Hathaway Cross and wife to J. T. Hobby and Son, Inc., by Deed recorded in Book 1661, at Page 472, Wake County Registry, said stake being distant as measured along said northern line South 88 degrees 20 minutes East 148.80 feet from the eastern line of the right-of-way of Six Forks Road, said stake also marking the southeastern corner of the property entitled Roanoke Island Company Property as shown on map to which reference is hereinafter made; runs thence along the eastern line of said Roanoke Island Company Property North 9 degrees 46 minutes West 381.54 to a stake in the Center line of Computer Drive; runs thence along the center line of Computer Drive North 64 degrees 40 minutes 15 feet to a stake; thence leaving said Computer Drive, runs thence South 88 degrees 20 minutes East 902 feet to a stake; runs thence South 1 degree 40 minutes West 175 feet to a stake; runs thence South 88 degrees 20 minutes East 154 feet to a stake; thence South 1 degree 40 minutes West 205.81 feet to a stake in the northern line of Browning Place; runs thence along the northern line of Browning Place 88 degrees 20 minutes West 796.74 feet to a stake; runs thence leaving the northern line of Browning Place North 88 degrees 20 minutes West 197 feet to the point of Beginning, and being Lot 1 entitled Levin Property as shown on map by Boney and Newcomb dated January 4, 1966, and recorded in Book of Maps 1965, Page 273, Wake County Registry.

TRACT II:

BEGINNING at a point where the Northern line of Browning Place intersects the southern line of the Levin Property as shown on a map entitled, "Property of Eugene M. Levin and wife, Betty N. Levin", recorded in Book of Maps 1965, Page 273, Wake County Registry; runs thence along the southern line of the Levin Property North 88 degrees 20 minutes West 147.9 feet to a stake; runs thence South 25 degrees 20 minutes East 35.8 feet to a stake in the Northern line of Browning Place; runs thence along the Northern line of Browning Place as it curves in an eastern direction to the point of Beginning, the Chord course and distance of the last cal being North 78 degrees 03 minutes East 135.5 feet, and being designated as Lot No. 2 on the aforesaid map recorded in Book of Maps 1965, Page 273, Wake County Registry.

EXHIBIT "A"

GEORGETOWN NORTH CONDOMINIUMS

SCHEDULE OF UNIT INTEREST IN COMMON

AREAS AND FACILITIES

ADDRESS	TYPE	UNIT INTERESTS
3719 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3721 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3723 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3725 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3727 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3729 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3731 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3733 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3801 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3803 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3805 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3807 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3809 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3811 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3813 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3815 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3821 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3823 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3825 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3827 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3829 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3831 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3833 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3835 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3901 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3903 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3905 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3907 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3909 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3911 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3913 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3915 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3921 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3923 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3925 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3927 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3929 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3931 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3933 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3935 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3711 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3712 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3713 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3714 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3715 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3716 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3717 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3718 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3719 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3720 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3721 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3722 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3723 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3724 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3725 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3726 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3731 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375

Exhibit "B"

3732	Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3733	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3734	Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3735	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3736	Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3737	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3738	Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3739	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3740	Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3741	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3742	Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3743	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3744	Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3745	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3746	Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3747	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3748	Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3749	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3750	Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3751	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3753	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3755	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3757	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3759	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3761	Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3714	Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3716	Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3718	Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3720	Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3722	Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3724	Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3730	Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3731	Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3732	Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3733	Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3734	Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3735	Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3736	Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3737	Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3738	Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3739	Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3740	Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3741	Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3743	Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3745	Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3747	Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3749	Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3751	Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3753	Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3755	Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3757	Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375

BY-LAWS

OF

GEORGETOWN NORTH HOMEOWNERS'
ASSOCIATION, LTD.

A corporation not for profit under
the laws of the State of North Carolina

1. IDENTITY. These are the By-Laws of GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD. (herein "Association"), a non-profit corporation under the laws of the State of North Carolina, the Articles of Incorporation of which were filed in the Office of the Secretary of State. It has been organized for the purpose of administering the operation and management of GEORGETOWN NORTH CONDOMINIUMS (herein "Condominium"), a condominium to be established in accordance with the laws of the State of North Carolina upon the property situate, lying and being in Wake County, North Carolina, and described in Exhibit "A" of the Declaration of Condominium and incorporated herein by reference.

A. The provisions of these By-Laws are applicable to the Condominium, and the terms and provisions hereof are expressly subject to the terms, provisions, conditions and authorization contained in the Articles of Incorporation and in the Declaration of Condominium which will be recorded in the Wake County Public Registry (herein "the Public Registry"), at the time said property and the improvements now situated thereon are submitted to the plan of condominium ownership, the terms and provisions of said Articles of Incorporation and Declaration of Condominium to be controlling wherever they may be in conflict herewith.

B. All present or future owners, tenants, future tenants, or their employees, or any other person that might use the Condominium or any of the facilities thereof in any manner, are subject to the regulations set forth in these By-Laws and in said Articles of Incorporation and Declaration of Condominium.

C. The office of the Association shall be at such place in Raleigh, North Carolina, as the Board of Directors shall designate from time to time.

D. The fiscal year of the Association shall be the calendar year, except that in the initial year of operation of the Condominium, the fiscal year shall commence with the closing of the sale of the first Condominium Unit.

2. MEMBERSHIP, VOTING, QUORUM, PROXIES.

A. The qualification of members, the manner of their admission to membership and termination of such membership, and voting by members, shall be as set forth in Article VI of the Articles of Incorporation of the Association, the provisions of which said Article VI of the Articles of Incorporation are incorporated herein by reference.

B. A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum.

C. The vote of the Owners of a Condominium Unit owned by more than one person or by a corporation or other entity shall be cast by the one person named in a Certificate signed by all of the Owners of the Condominium Unit and filed with the Secretary of the Association, and such Certificate shall be valid until revoked by subsequent Certificate. If such a Certificate is not on file, the vote of such Owners shall not be considered for any purpose.

Exhibit "C"

D. Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting.

E. Approval or disapproval of a Unit Owner upon any matter, whether or not the subject of an Association meeting, shall be by the same person who would cast the vote of such Owner if in an Association meeting.

F. The terms "75% of the members" or "75% of the membership," (or "3/4" in lieu of "75%") when used in the context of membership voting rights, shall mean the owners of at least 75% of the aggregate interest in the Common Areas and Facilities.

G. Except where otherwise required under the provisions of the Articles of Incorporation of the Association, these By-Laws, the Declaration of Condominium, or whether the same may otherwise be required by law, the affirmative vote of the persons entitled to cast a majority of the votes at any duly called members' meeting at which a quorum is present shall be binding upon the members.

3. ANNUAL AND SPECIAL MEETING OF MEMBERSHIP.

A. The Annual Members' Meeting shall be held at a time and place designated by the Board of Directors, on the first Tuesday in March of each year that is not a legal holiday for the purpose of electing Directors and of transacting any other business authorized to be transacted by the members.

B. Special Members' Meetings shall be held whenever called by the President or Vice-President or by a majority of the Board of Directors and must be called by such Officers upon receipt of written request from members of the Association owning a majority of the Condominium Units.

C. Notice of all members' meetings, regular or special, shall be given by the President, Vice-Presidentor Secrtary of the Association, or other Officer of the Assoeiation in absence of said Officers, to each member, unless waived in writing, such notice to be written and to state the time and place and purpose for which the meeting is called. Such notice shall be given to each member not less than ten (10) days nor more thsn sixty (60) days prior to the date set for such meeting, which notice shall be mailed or delivered personally to each member within said time. If delivered personally, receipt of such notice shall be signed by the member, indicating the date on which such notice was received by him. If mailed, such notice shall be deemed to be properly given when deposited in the United States Mail addressed to the member at his post offioce address as it appears on the Register of Owners of the Association as of the date of mailing such notice, the postage thereon prepaid. Proof of such mailing shall be given by the Affidavit of the person giving the notice. Any member may, by signed written waiver of notice, waive such notice and, when filed in the records of the Association, whether before or after the holding of the meeting, such waiver shall be deemed equivalent to the giving of notice to the member. If any members' meeting cannot be organized because a quorum has not attended, or because the greater percentage of the membership required to constitute a quorum for particular purposes has not attended (wherever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these By-Laws or the Declaration of Condominium) the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum, or the required percentage of attendance, if greater than a quorum, is present.

D. The order of business as far as practical at any members' meetings, shall be:

1. Calling of the roll and certifying of proxies;
2. Proof of notice of meeting or waiver of notice;
3. Reading and disposal of any unapproved minutes;
4. Reports of Officers;
5. Reports of Committees;
6. Appointment of Inspectors of Election by Chairman;
7. Unfinished business;

8. New business; and
9. Adjournment.

4. BOARD OF DIRECTORS.

A. The initial Board of Directors of the Association and each succeeding Board of Directors shall consist of three (3) persons. At least a majority of the Board of Directors shall be members or employees of a corporate member of the Association. Notwithstanding the foregoing so long as the developer, GEORGETOWN NORTH VENTURE, a Tennessee Partnership (herein "Developer") owns thirty (30) or more Condominium Units in the GEORGETOWN NORTH CONDOMINIUMS, but in any event no longer than December 31, 1980, the Developer shall have the right to select a majority of the persons who shall serve as members of each Board of Directors of the Association. Any Director selected by Developer need not be a resident in the Condominium.

B. Election of Directors shall be conducted in the following manner:

1. Developer shall, at the beginning of the election of the Board of Directors select that number of the members of the Board of Directors which it shall be entitled to select in accordance with the provisions of these By-Laws, and upon such selection of Developer by written instrument presented to the meeting at which such election is held, said individuals so selected by Developer shall be considered Directors of the Association, and shall thenceforth perform the offices and duties of such Directors until their successors shall have been elected in accordance with the provisions of these By-Laws.

2. All members of the Board of Directors whom Developer shall not be entitled to select under the terms and provisions of these By-Laws, shall be elected by a plurality of the votes cast at the Annual Meeting of the members of the Association immediately following the selection of the members of the Board of Directors whom Developer shall be entitled to select.

3. Vacancies in the Board of Directors may be filled until the date of the next Annual Meeting by the remaining Directors, except that should any vacancy in the Board of Directors be created in any Directorship previously filled by any person selected by Developer, such vacancy shall be filled by Developer selecting, by written instrument delivered to any Officer of the Association, the successor Director to fill the vacated Directorship for the unexpired term thereof.

4. The initial Board of Directors will consist of the three members whose names are set forth in the Articles of Incorporation. From and after the date of the first Annual Meeting of members, there shall be three Directors. The initial Board shall serve until their successors at the first Annual Meeting of members are elected and qualify. Each Director shall hold office for a term of one (1) year or until his death, resignation, retirement, removal, disqualification, or until his successor is elected and qualifies. If at the time of the first Annual Meeting, Developer owns thirty (30) or more Condominium Units in the Condominium, then Developer shall have the right to designate and select two (2) Directors.

5. In the election of Directors, there shall be appurtenant to each Condominium Unit a total vote equal to the number of Directors to be elected multiplied by the Unit's appurtenant udivided interest in the Common Area as set forth in Exhibit "B" of the Declaration;

provided, however, that no member or Owner of one (1) Condominium Unit may cast a vote greater than the Unit's appurtenant undivided interest in the Common Area for any one person nominated as a Director so that voting for Directors shall be noncumulative. Notwithstanding the fact that Developer may be entitled to select a majority of the members of the Board of Directors, it shall still be entitled to cast the vote for each Condominium Unit owned by it in the elections of other Directors; provided, however, that the other Directors elected are persons other than Officers, Directors, Stockholders and Employees of Developer, or wives and relatives of any said persons.

6. In the event the Developer, in accordance with the rights herein established, selects any person to serve on any Board of Directors of the Association, Developer shall have the absolute right at any time, in its sole discretion, to replace such person with another person to serve on any Board of Directors. Replacement of any person designated by Developer to serve on any Board of Directors of the Association shall be made by written instrument delivered to any officer of the Association, which instrument shall specify the name of the person to be replaced and the name of the person designated as successor to the person so removed from the Board of Directors. The removal of any Director and designation of his successor shall be effective immediately upon delivery of such written instrument by Developer to any officer of the Association.

C. The organizational meeting of each newly elected Board of Directors shall be held within ten (10) days of their election, at such time and at such place as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary, provided a quorum shall be present.

D. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegram, at least three (3) days prior to the day named for such meeting, unless notice is waived.

E. Special meetings of the Directors may be called by the President, and must be called by the Secrtary at the written request of one-third of the votes of the Board. Not less than thre (3) days' notice of a meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting.

F. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

G. A quorum at a Directors' meeting shall consist of the Directors entitled to cast a majority of the votes of the entire Board. The acts of the Board approved by a majority of the votes cast at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except as specifically otherwise provided in the Articles of Incorporation, or these By-Laws or the Declaration of Condominium. If any Directors' meeting cannot be organized because a quorum has not attended, or because the greater percentage of the Directors required to constitute a quorum for particular purposes has not attended, wherever the latter percentage of attendance may be required as set forth in the Articles of Incorporation, these By-Laws or Declaration of Condominium, the Directors who are present may adjourn the meeting from time to time until a quorum, or the required percentage of attendance if greater than a quorum, is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring

in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

H. The Presiding Officer of Directors' meetings shall be the Chairman of the Board, if such an Officer has been elected; and if none, then the President of the Association shall preside. In the absence of the Presiding Officer, the Directors present shall designate one of their number to preside.

I. Directors' fees, if any, shall be determined by the members.

J. All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under the common law and statutes, the Articles of Incorporation of the Association, these By-Laws and the Declaration of Condominium, and shall include, without limiting the generality of the foregoing, the following:

1. To make, levy and collect assessments against members and members' Condominium Units to defray the costs of the Condominium, as provided for in Article 23 of the Declaration of Condominium which Article is herein incorporated by reference, and to use the proceeds of said assessments in the exercise of the powers and duties granted unto the Association;

2. To mainain, repair, replace, operate and manage the Common Areas and Facilities wherever the same is required to be done and accomplished by the Association for the benefit of its members; and further to approve any expenditure made or to be made for said purposes;

3. To reconstruct any part of the Common Property after casualty in accordance with Article 21 of the Declaration of Condominium, and to make further improvement to the Common Property, real and personal, and to make and to enter into any and all contracts, necessary or desirable to accomplish said purposes;

4. To make, amend and enforce regulations governing the use of the Common Property and Condominium Units so long as such regulations or amendments thereto do not conflict with the restrictions and limitations which may be placed upon the use of such property under the terms of the Articles of Incorporation and Declaration of Condominium;

5. To acquire, operate, lease, manage and otherwise trade and deal with property, real and personal, including Condominium Units in the Condominium as may be necessary or convenient in the operation and management of the Condominium, and in accomplishing the purposes set forth in the Declaration of Condominium, provided that the acquisition of real property other than Condominium Units shall require the approval of the Association;

6. To acquire now or at any time hereafter, and to enter into leases and agreements whereby the Association acquires leaseholds, memberships, and other possessory or use interests in lands or facilities including, but not limited to, swimming pools, tennis and other recreational facilities whether or not contiguous to the lands of the Condominium to provide enjoyment, recreation or other use or benefit to the Owners of Condominium Units;

7. To contract for the management of the Condominium and to designate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration of Condominium to

have approval of the Board of Directors or membership of the Association;

8. To enforce by legal means or proceedings the provisions of the Articles of Incorporation and By-Laws of the Association, the Declaration of Condominium and the regulations hereinafter promulgated governing use of the Common Property in the Condominium.

9. To pay all taxes and assessments which are or may become liens against any part of the Condominium, other than Condominium Units and the appurtenances thereto, and to assess the same against the members and their respective Condominium Units subject to such liens;

10. To purchase insurance for the protection of the members and the Association against casualty and liability in accordance with Article 20 of the Declaration of Condominium;

11. To pay all costs of power, water, sewer, and other utility services rendered to the Condominium and not billed to the Owners of the separate Condominium Units; and

12. To designate and remove personnel necessary for the maintenance, repair, replacement and operation of the Condominium including the Common Property.

K. The initial Board of Directors of the Association shall be comprised of the three (3) persons designated to serve as Directors in the Articles of Incorporation, which persons shall serve until their successors are elected at the first Annual Meeting of the members of the Association called after the Declaration of Condominium has been recorded in the Public Registry. Should any member of the initial Board of Directors be unable to serve for any reason, a majority of the remaining members of the Board of Directors shall have the right to designate a party to serve as a Director for the unexpired term.

L. The undertaking and contracts authorized by the initial Board of Directors shall be binding upon the Association in the same manner as though such undertakings and contracts had been authorized by any Board of Directors duly elected by the membership after the Declaration of Condominium has been recorded, so long as such undertakings and contracts are within the scope of the powers and duties which may be exercised by theBoard of Directors of the Association in accordance with all applicable condominium documents.

M. Any one or more of the members of the Board of Directors may be removed, either with or without cause, at any time by a vote of the members owning a majority of the Condominium Units in the Condominium, at any Special Meeting called for such purpose, or at the Annual Meeting. Provided, however, that only the Developer shall have the right to remove a Director appointed by it.

5. <u>OFFICERS</u>.

A. The executive officers of the Association shall be a President, who shall be a Director, a Vice-President, a Treasurer, a Secretary and an Assistant Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by a vote of the Directors at any meeting. Any persons may hold two or more offices, except that the President shall not also be Vice-President, Secretary or an Assistant Secretary. The Board of Directors shall from time to time, elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

B. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually

vested in the office of the president of any association, including, the power to appoint committees from among the members as he may determine appropriate to assist in the conduct of the affairs of the Association.

C. The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

D. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all Notices to the members and Directors, and such other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the Directors or the President. The Assistant Secretary shall perform the duties of Secretary when the Secretary is absent.

E. The Treasurer shall have custody of all of the property of the Association, including funds, securites and evidences of indebtedness. He shall keep, or supervise the keeping of, detailed, accurate records in chronological order of the receipts and expenditures affecting the common areas and facilities, specifying and identifying the maintenance and repair expenses of the common areas and facilities and any other expense incurred.

F. The compensation of all officers and employees of the Association shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee of the Association, nor preclude the contracting with a Director for the management of the Condominium.

G. All Officers shall serve at the pleasure of the Board of Directors and any Officer may be removed from office at any time, with or without cause, by a majority vote of the Board of Directors.

6. FISCAL MANAGEMENT. The provisions for fiscal management of the Association set forth in the Declaration of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

A. The assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Condominium Unit. Such account shall designate the name and address of the Unit Owner or Owners, the amount of each assessment against the Owners, the dates and amounts in which assessments come due, the amounts paid upon the account and the balance due upon assessments.

B. The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the function so of the Association, including, but not limited to, the following:

1. Common Expense Budget, which may include, without limiting the generality of the foregoing, the estimated amounts necessary for maintenance and operation of and capital improvements to the Common Property including landscaping, street and walkways, office expense, utility services, casualty insurance, liability insurance, administraton and reserves (operating and Capital Improvement Replacement), management fees and costs of maintaining leaseholds, memberships and other possessory or use interests in land or facilities whether or not contiguous to the lands of the Condominium, to provide enjoyment, recreation or other use or benefit to the Unit Owners; and

2. Proposed assessments against each member and his Unit.

Copies of the proposed budget and proposed assessments shall be transmitted to each member prior to January 1 of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each member concerned. Non-delivery of a copy of any budget or amended budget to each member shall not affect the liability of any member of any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of said budget and assessments levied pursuant thereto and nothing herein contained shall be construed as restricting the right of the Board of Directors, at any time in their sole discretion, to levy any additional assessments in the event that the budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

C. The Board of Directors shall retain professional management services to be primarily responsible for fiscal management of the Association and maintaining the Condominium. Any management agreement for the Condominium will be terminable by the Association with or without cause upon 30 days' written notice thereof, and the term of any such agreement may not exceed one year, renewable by agreement of the parties for successive one-year periods.

The prior written approval of Lenders holding 60% of the first mortgages will be required for the effectuation of any decision by the owners association to terminate professional management and assume self-management of the project.

D. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the funds of the Association shall be deposited. Withdrawal of funds from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

E. The books and all supporting documentation shall be available for examination by all Unit Owners and their Lenders or their agents during normal business hours.

F. An audit of the accounts of the Association shall be made annually by a Certified Public Accountant, and a copy of the report shall be furnished to each member not later than April of the year following the year for which the report is made.

G. Fidelity bonds may be required by the Board of Directors from all officers and employees of the Association and from any contractor handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors. The premiums on such bonds shall be paid by the Association.

7. PARLIAMENTARY RULES. Roberts Rules of Order (latest edition) shall govern the conduct of corporate proceedings when not in conflict with the Articles of Incorporation and these By-Laws or with the Statutes of the State of North Carolina.

8. AMENDMENTS TO BY-LAWS. Amendments to these By-Laws shall be proposed and adopted in the following manner:

A. Amendments to these By-Laws may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by members of the Association owning a majority of the Condominium Units in the Condominium, whether meeting as members or by instrument in writing signed by them.

B. Upon any amendment to these By-Laws being proposed by said Board of Directors or members, such proposed amendment shall be transmitted to the President of the Association, or other Officer of the Association in the absence of the President, who shall thereupon call a Special Joint Meeting of the members of the Board of Directors of the Association and the membership for a date not sooner than twenty (20) days or later than sixty (60) days from receipt by such Officer of the proposed amendment and it shall be the duty of the Secretary to give to each member written notice of

such meeting in the same form and in the same manner as notice of the call of a Special Meeting of the members is required as herein set forth.

C. In order for such amendment to become effective, it must be approved by an affirmative vote of a majority of the entire membership of the Board of Directors and by an affirmative vote of 75% of the membership of the Association. Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the Public Registry, within ten (10) days from the date on which any amendment has been approved by the Directors and members. No amendment shall become effective until it is duly recorded.

D. Upon the approval and proper recording of any amendment, it shall become binding upon all Unit Owners.

E. At any meeting held to consider any amendment to the By-Laws, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association at or prior to such meeting.

F. Notwithstanding the foregoing provisions of this Article 8, no amendment to these By-Laws which shall abridge, amend or alter the right of the Developer to designate and select members of each Board of Directors of the Association, as provided in Article 4 hereof, may be adopted or become effective without the prior written consent of the Developer.

9. RULES OF CONDUCT.

A. No resident of the Condominium shall post any advertisements or posters of any kind in or on the Common Property except as authorized by the Association.

B. Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television sets and amplifiers that may disturb other residents. Those keeping domestic animals will abide by the sanitary regulations of Wake County.

C. No garbage or trash shall be thrown or deposited outside the disposal installations provided for such purposes.

D. No Unit Owner shall cause any improvements or alterations to be made to the exterior of the Condominium (including painting or other decoration, or the installation of electrical wiring, television or radio antennae, or any other objects, machines or air conditioning units which may protrude through the walls or roof of the Condominium) or in any manner alter the appearance of any portion of the exterior surface of any building without the prior written permission of the Board of Directors or a duly appointed Architectural Control Committee. No Unit Owner shall cause any object to be fixed to the Common Property or to any Limited Common Area (including the location or construction of fences or the planting or growing of flowers, trees, shrubs or other vegetation) or in any manner change the appearance of the Common Property or Limited Common Area without the prior written permisson of the Board of Directors or a duly appointed Architectural Control Committee.

10. COMPLIANCE. These By-Laws are set forth to comply with the requirements of the Unit Ownership Act, Chapter 47A of the General Statutes of the State of North Carolina. In the event tht any of these By-Laws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will apply.

The foregoing were adoptd as the By-Laws of GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD., at the first meeting of the Board of Directors on February 14, 1980.

Roger H. Sullivan Jr
Secretary

APPROVED:

Gary McTallent
President

BOOK 2808 PAGE 922

Mail to
Ralph H. Tolls, Jr.
1349 Biltmore Dr.
Charlotte, NC. 28207

BOOK 2808 PAGE 887

State of North Carolina

Department of the Secretary of State

PRESENTED FOR REGISTRATION
FEB 14 2 57 PM '80
R.D. MCKENZIE, JR.
REGISTER OF DEEDS
WAKE COUNTY, N.C.

To all to whom these presents shall come, Greeting:

I, **Thad Eure,** *Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached (* 6 *sheets) to be a true copy of*

ARTICLES OF INCORPORATION

OF

GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD.

and the probates thereon, the original of which was filed in this office on the 14th *day of* February, 19 80, *after having been found to conform to law.*

In Witness Whereof, *I have hereunto set my hand and affixed my official seal.*

Done in Office, *at Raleigh, this* 14th *day of* February, *in the year of our Lord 19* 80.

Secretary of State

By Deputy Secretary of State

Exhibit "D"

264901

FILED
FEB 14 2 15 PM
THE SECRETARY OF STATE
NORTH CAROLINA

ARTICLES OF INCORPORATION

OF

GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD.

In accordance with the requirements of Chapter 55A of the North Carolina General Statutes, the undersigned, natural person of full age, has this day executed these Articles of Incorporation for the purpose of forming a non-profit corporation and hereby certifies:

ARTICLE I.

The name of the corporation is "Georgetown North Homeowners' Association, Ltd.", hereinafter called "the Corporation."

ARTICLE II.

The principal office of the Corporation is located at 3753 Yorktown Place, Raleigh, Wake County, North Carolina, 27609.

ARTICLE III.

Frank R. Liggett, III, whose address is 605 BB&T Bldg., Raleigh, Wake Co., North Carolina, is hereby appointed the initial Registered Agent of the Corporation, and this is the address of the initial registered office.

ARTICLE IV.

The Corporation does not contemplate pecuniary gain or profit to the members thereof and no part of the Corporation's net income shall inure to the benefit of any of its officers, directors or members or any other private individual. The purposes and objects of the corporation shall be to administer the operation and management of GEORGETOWN NORTH CONDOMINIUMS (hereinafter called "the Condominium"), a condominium to be established in accordance with the laws of the State of North Carolina upon the property situate, lying and being in Wake County, North Carolina, and more particularly described in Exhibit "A" of the formal Declaration of Condominium which will be recorded in the Public Records of Wake County, North Carolina, said Exhibit and Declaration of Condominium being incorporated herein by reference; to undertake the performance of the acts and duties incident to the administration of the operation and management of said Condominium in accordance with the terms, provisions, conditions and authorization contained in these Articles of Incorporation and the Declaration of Condominium at the time said property, and the improvements now or hereafter situate thereon, are submitted to the plan of Condominium Ownership; and to own, operate, lease, sell, trade and otherwise deal with such property, whether real or personal, as may be necessary or convenient in the administration of said Condominium.

ARTICLE V.

The Corporation shall have the following powers:

1. The Corporation shall have all of the powers and privileges granted to Non-Profit Corporations under the law pursuant to which this Corporation is chartered, and all of the powers and privileges which may be granted unto said Corporation under any other applicable laws of the State of North Carolina, including the Unit Ownership Act.

2. The Corporation shall have all the powers reasonably necessary to implement and effectuate the purposes of the Corporation, including but not limited to, the following:

(a) To make and establish reasonable rules and regulations governing the use of Condominium Units and Common Property in the Condominium as said terms may be defined in said Declaration of Condominium to be recorded.

(b) To levy and collect assessments against members of the Corporation to defray the common expenses of the Condominium as may be provided in said Declaration of Condominium and in the By-Laws of this Corporation which may be hereafter adopted, including the right to levy and collect assessments for the purposes of acquiring, operating, leasing, managing and otherwise trading and dealing with such property, whether real or personal, including Condominium Units in the Condominium, which may be necessary or convenient in the oepration and management of the Condominium and in accomplishing the purposes set forth in said Declaration of Condominium.

(c) To maintain, repair, replace, operate and manage the Condominium and the property comprising same, including the right to reconstruct improvements after casualty and to make further improvement of the Condominium property, and to make and enter into any and all contracts necessary or desirable to accomplish said purposes.

(d) To contract for the management of the Condominium and to delegate to such contractor all of the powers and duties of the Association except those which may be required by the Declaration of Condominium to have approval of the Board of Directors or membership of the Corporation.

(e) To acquire and enter into, now or at any time hereafter, leases and agreements whereby the Association acquires leaseholds, memberships, and other possessory or use interests in land or facilities including, but not limited to, swimming pools, tennis courts, and other recreation facilities whether or not contiguous to the lands of the Condominium to provide enjoyment, recreation or other use or benefit to the owners of the Condominium Units.

(f) To enforce the provisions of the Declaration of Condominium, these Articles of Incorporation, the By-Laws of the Corporation which may be hereafter adopted, and the rules and regulations governing the use of the Condominium as the same may be hereafter established.

(g) To exercise, undertake and accomplish all of the rights, duties and obligations which may be granted to or imposed upon the Corporation pursuant to the Declarations of Condominium aforementioned.

ARTICLE VI.

The qualification of the members, the manner of their admission to membership and termination of such membership, and voting by members shall be as follows:

1. The Owners of all Condominium Units in the Condominium shall be members of the Corporation, and no other person or entitites shall be entitled to membership, except as provided in item (5) of this Article VI.

2. Membership shall be established by the acquisition of fee title to a Condominium Unit in the Condominium, or by acquisition of a fee ownership interest therein, whether by conveyance, devise, judicial decree or otherwise, and the membership of any party shall be automatically terminated upon his being divested of all title to or his entire fee ownership interest in any Condominium Unit, except that nothing herein contained shall be construed as terminating the membership or any party who may own two or more Condominium Units or who may own a fee ownership interest in two or more Condominium Units, so long as such party shall retain title to or a fee ownership interest in any Condominium Unit.

3. The interest of a member in the funds and assets of the Corporation cannot be assigned, hypothecated or transferred in any manner, except as an appurtenance to his Condominium Unit. The funds and assets of the Corporation shall belong solely to the Corporation subject to the limitation that the same be expended, held or used for the benefit of the membership and for the purposes authorized herein, in the Declaration of Condominium and in the By-Laws which may be hereafter adopted.

4. On all matters which the membership shall be entitled to vote, each Condominium Unit shall have a vote equal to its appurtenant undivided interest in the Common Area as set forth in Exhibit "B" of the Declaration of Condominium. The vote of each Unit may be cast or exercised by the Owner or Owners of each Condominium Unit in such manner as may be provided in the By-Laws hereafter adopted by the Corporation. Should any member own more than one Condominium Unit, such member shall be entitled to exercise or cast the votes associated with each Condominium Unit owned in the manner provided by said By-Laws.

5. Until such time as the property described in Exhibit "A" of the Declaration of Condominium and the improvements constructed thereon, are recorded in the Register of Deeds of Wake County, the membership of the Corporation shall be comprised of the three (3) individuals named in Article XI hereof as the initial Board of Directors of the Corporation, and each such individual shall be entitled to cast one vote on all matters on which the membership shall be entitled to vote.

ARTICLE VII.

The Corporation shall have perpetual existence.

ARTICLE VIII.

The affairs of the Corporation shall be managed by the President of the Corporation, assisted by the Vice President, Secretary and Treasurer, subject to the directions of the Board of Directors. The Board of Directors, or the President with the approval of the Board of Directors, may employ a Managing Agent and/or such other managerial and supervisory personnel or entities to administer or assist in the administration of the operation and management of the Condominium, and the affairs of the Corporation, and any such person or entity may be so employed without regard to whether such person or entity is a member of the Corporation or a Director or Officer of the Corporation, as the case may be.

ARTICLE IX.

The number of members of the first Board of Directors of the Corporation shall be three (3). The number of members of succeeding Boards of Directors shall be as provided from time to time by the By-Laws of the Corporation. The members of the Board of Directors shall be elected by the members of the Corporation at the Annual Meeting of the membership as provided by the By-Laws of the Corporation, and at least a majority of the Board of Directors shall be members of the Corporation or shall be authorized representatives, officers or employees of a corporate member of the Corporation. Notwithstanding the foregoing, so long as Georgetown Venture, a Tennessee Partnership, owns thirty (30) or more Condominium Units in the Condominium, but in any event, not longer than December 31, 1980, Georgetown Venture, shall have the right to designate and select a majority of the persons who shall serve as members of each Board of Directors of the Corporation. Georgetown Venture may designate and select the person or persons to serve as a member or members of each said Board of Directors in the manner provided in the By-Laws of the Corporation, and such person or persons so designated and selected need not be a resident of the Condominium.

ARTICLE X.

The Board of Directors shall elect a President, Vice-President, Secretary and Treasurer. The President shall be elected from among the membership of the Board of Directors, but no other officer need be a Director. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the office of President and Vice-President shall not be held by the same person, nor shall the office of President and Secretary be held by the same person.

ARTICLE XI.

The names and post office addresses of the initial Board of Directors who, subject to the provisions of these Articles of Incorporation, the

the By-Laws and the laws of the State of North Carolina, shall hold office until the first Annual Meeting of the Membership (or until their successors are elected and qualified) are as follows:

Samuel A. Buchanan, III
103 Holly Forest Drive
Nashville, Tennessee 37221

Guy S. Tallent
3000 Hillsboro Road, Unit 81
Nashville, Tennessee 37215

Ralph H. Falls, Jr.
3149 Biltmore Drive
Charlotte, North Carolina 28207

ARTICLE XII.

The original By-Laws of the Corporation shall be adopted by a majority vote of the members of the Corporation present at a meeting of members at which a majority of the membership is present, and thereafter, such By-Laws may be altered or rescinded only in such manner as said By-Laws provide.

ARTICLE XIII.

Every Director and every Officer of the Corporation shall be indemnified by the Corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or Officer of the Corporation, whether or not he is a Director or Officer at the time such expenses are incurred, except in such cases wherein the Director or Officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or Officer seeking such reimbursement or indemnification, the indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interests of the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled.

ARTICLE XIV.

An amendment or amendments to these Articles of Incorportion shall require the assent of seventy-five (75%) percent of the membership.

No amendment to these Articles of Incorporation which shall abridge, amend or alter the right of Georgetown Venture to designate and select members of each Board of Directors of the Corporation, as provided in Article IX hereof, may be adopted or become effective without the prior written consent of Georgetown Venture.

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ARTICLE IV.

The name and address of the incorporator are as follows:

Ralph H. Falls, Jr.
1349 Biltmore Drive
Charlotte, North Carolina 28207

IN TESTIMONY WHEREOF, I, being the incorporator, have hereunto set my hand and seal, this the 14th day of February, 1980.

Ralph H. Falls, Jr. (SEAL)
Ralph H. Falls, Jr.

STATE OF NORTH CAROLINA

COUNTY OF Wake

I, the undersigned Notary Public, hereby certify that Ralph H. Falls, Jr., personally appeared before me, and being by me first duly sworn, declares that he signed the foregoing document in the capacity indicated and that the statements therein contained are true.

WITNESS my hand and notarial seal, this the 14th day of February, 1980.

Peggie Anne Bridgers
Notary Public

My Commission Expires:

6-25-83

DRAWN BY AND MAIL TO: Ralph H. Falls, Jr.
Attorney at Law
1349 Biltmore Drive
Charlotte, North Carolina 28207

NORTH CAROLINA

WAKE COUNTY

DECLARATION OF
THE GEORGETOWN NORTH CONDOMINIUMS

GEORGETOWN VENTURE, a Tennessee joint Venture (herein "Developer") does hereby make, declare and establish this Declaration of Condominium as and for the plan of dwelling ownership of THE GEORGETOWN NORTH CONDOMINIUMS being the property and improvements hereinafter described.

1. ESTABLISHMENT OF CONDOMINIUM. Developer is the owner of the fee simple title to that certain real property situate in the City of Raleigh, Wake County, State of North Carolina, and which property is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, and on which property there have been constructed fifteen (15) buildings containing a total of 108 condominium living units and their supporting facilities and other appurtenant improvements. The buildings are constructed of wood frame and brick veneer materials. The property contains sufficient parking space to accommodate at least one automobile for each Condominium Unit. Each Unit Owner has the right to the use, for at least one automobile, of such space. Developer does hereby submit the above described property and improvements to condominium ownership under the provisions of Chapter 47A of the General Statutes of North Carolina (Unit Ownership Act), and hereby declares the same to be a condominium to be known and identified as GEORGETOWN NORTH CONDOMINIUMS (herein "Condominium").

2. SURVEY AND DESCRIPTION OF IMPROVEMENTS. Filed simultaneously herewith and expressly made a part hereof as Unit Ownership File No. //

3. Vacancies in the Board of Directors may be filled until the date of the next Annual Meeting by the remaining Directors, except that should any vacancy in the Board of Directors be created in any Directorship previously filled by any person selected by Developer, such vacancy shall be filled by Developer selecting, by written instrument delivered to any Officer of the Association, the successor Director to fill the vacated Directorship for the unexpired term thereof.

ate numerically identified Dwelling Units which are designated in said Unit Ownership File, excluding all spaces and improvements lying:

(1) Beneath the subflooring material of all floors;

(2) Beneath the interior surfacing material of all perimeter walls, interior bearing walls and/or bearing partitions;

(3) Above the interior surfacing material of the ceilings;

and further excluding all pipes, ducts, wires, conduits and other facilities for the furnishing of utilities and other services to Condominium Units and Common Areas and Facilities up to and including the point of entry of such pipes, ducts, wires, and conduits through the interior surfacing material for walls and ceilings and subflooring surfacing material for floors. All pipes, ducts, wires, conduits and other such facilities within the interior surfacing materials shall be a part of the respective Condominium Unit. The decoration and painting of the exterior surface of doors and window frames shall be the responsibility of the Association, as hereinafter defined.

B. Common Areas and Facilities (herein "Common Property") shall comprise all of the real property, improvements and facilities of the Condominium other than the Condominium Units and all personal property held and maintained for the use and enjoyment of all the Owners of the Condominium Units.

C. Certain portions of the Common Areas and Facilities are reserved for the use of a particular Condominium Unit to the exclusion of other Units and are designated as "Limited Common Areas and Facilities." Limited Common Areas and Facilities and the Condominium Units to which they are reserved are as follows:

Patio adjoining each unit as shown on plans and surveys of the dwelling units;

The terms "Association of Unit Owners", "Building", "Common Areas and Facilities", "Common Expenses", "Common Profit", "Condominium", "Declaration", "Majority" or "Majority of Unit Onwers", "Person", "Property", "Recordation"; "Unit" or "Condominium Unit", "Unit Designation", and "Unit Owner", unless it is plainly evident from the context of this Declaration that a different meaning is intended, shall, have the meaning set out in Section 3 of Chapter 47A of the General Statutes of North Carolina.

4. OWNERSHIP OF CONDOMINIUM UNITS AND APPURTENANT INTEREST IN COMMON PROPERTY. Each Condominium Unit shall be conveyed and treated as an individual property capable of independent use and fee simple ownership, and the Owner of each Unit shall also own, as an appurtenance to the ownership of each said Condominium Unit, an undivided interest in the Common Property. The undivided interest appurtenant to each Condominium Unit shall be as set out in Exhibit "B" attached hereto and made a part hereof. The proportional interest in the Common Property that is appurtenant to each Condominium Unit has been determined by a ratio formulated upon the approximate relation that the fair market value of each Unit at the date of the Declaration bears to the then aggregate fair market value of all of the Units having an interest in the Common Property. The fair market value of each Unit and the aggregate fair market value of all the Units have been determined by the Developer, and are binding upon all Unit Owners. The percentage of undivided interest in the Common Property assigned to each Condominium Unit shall not be changed except with the unanimous consent of all the Owners of the Condominium Units and with the consent of all of the Lenders holding first mortgages or deeds of trust on the Condominium Units.

5. RESTRICTIONS AGAINST FURTHER SUBDIVISION OF CONDOMINIUM UNITS: SEPARATE CONVEYANCE OF APPURTENANT COMMON PROPERTY PROHIBITED. No Condominium Unit may be divided or subdivided into a smaller Unit or Units than as shown in the Unit Ownership File nor shall any Condominium Unit or portion thereof be added to or incorporated into any other Condominium Unit. The undivided interst in the Common Property declared to be an appurtenance to each Condominium Unit shall not be conveyed, devised, encumbered or otherwise dealt with separately from said Condominium Unit, and the undivided interest in Common Property appurtenant to each Condominium Unit shall be deemed conveyed, devised, encumbered or otherwise included with the Condominium Unit even though such undivided interest is not expressly mentioned or described in the instrument conveying, devising, encumbering or otherwise dealing with such Condominium Unit. Any conveyance, mortgage or other instrument which purports to grant any right, interest or lien in, to or upon a Condominium Unit, shall be null and void insofar as it purports to affect any interest in a Condominiun Unit and its appurtenant undivided interest in Common Property, unless it purports to convey, devise, or encumber the entire Condominium Unit. Any instrument conveying, devising, or encumbering any Condominium Unit, which describes said Condominium Unit by the numerical designation assigned thereto in the Unit Ownership File shall be construed to affect the entire Condominium Unit and its appurtenant undivided interst in the Common Property. No limitation is placed on the ownership of any Condominium Unit by any person as tenants in common, joint tenants, or as tenants by the entirety.

6. THE CONDOMINIUM SUBJECT TO RESTRICTIONS. The Condominium Units, Common Property and Limited Common Areas are hereby declared to be subject to the restrictions, easements, conditions and covenants prescribed and established herein governing the use of said Condominium Units, Common Property and Limited Common Areas and setting forth the obligations and responsibilities incident to ownership of each Condominium Unit and its appurtenant undivided interest in the Common Property, and said Condominium Units, Common Property and Limited Common Areas are further declared to be subject to the restrictions, easements, conditions, and limitations now of record affecting the land and improvements of the Condominium.

7. PERPETUAL NON-EXCLUSIVE EASEMENT IN COMMON PROPERTY. The Common

Property is hereby declared to be subject to a perpetual non-exclusive easement in favor of all of the Owners of Condominium Units for their use and the use of their immediate families, guests and invitees, for all property purposes, and for the furnishing of services and facilities for which they are intended, and for the enjoyment of the Owners. Norwithstanding the foregoing, the Association, hereinafter defined, shall have the exclusive right to establish the rules and regulations pursuant to which the Owner of any Condominium Unit, his family, guests and invitees, may be entitled to use the Common Property, including the right to assign parking spaces, and to establish regulations concerning their use.

8. EASEMENT FOR UNINTENTIONAL AND NON-NEGLIGENT ENCROACHMENTS. In the event that any Condominium Unit shall encroach upon any Common Property, or any other Condominium Unit for any reason not caused by the purposeful or negligent act of the Condominium Unit Owner, or agents of such Owners, then an easement appurtenant to such Condominium Unit shall exist for the continuance of such encroachment upon the Common Property or upon a Condominium Unit for as long as such encroachment shall naturally exist; and, in the event that any portion of the Common Property shall encroach upon any Condominium Unit, then an easement shall exist for the continuance of such encroachment of the Common Property upon any Condominium Unit for so long as such encroachment shall naturally exist. If any Condominium Unit or Common Property shall be partially or totally destroyed as a result of fire or other casualty, or as a result of condemnation or eminent domain proceedings, and if upon reconstruction of such Unit and/or Common Property in accordance with Article 21 hereof, there exist encroachments of portions of the Common Property upon any Condominium Unit, or of any Condominium Unit upon any other Condominium Unit or upon any portion of the Common Property, then such encroachments shall be permitted and a valid easement for the maintenane thereof shall exist so long as such encroachments shall naturally remain.

9. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON PROPERTY. Recognizing that the proper use of a Condominium Unit by an Owner or Owners is dependent upon the use and enjoyment of the Common Property in common with the Owners of all other Condominium Units, and that it is in the interest of all Owners that the ownership of the Common Property be retained in common by the Owners, it is hereby declared that the proportional undivided interest in the Common Property appurtenant to each Condominium Unit shall remain undivided and no Unit Owner shall bring or have any right to bring any action for partition or division.

10. ADMINISTRATION OF THE CONDOMINIUM BY GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD. To efficiently and effectively provide for the administration of the Condominium by the Owners of the Condominium Units, a non-profit North Carolina corporation known and designated as GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION (herein "Association") has been organized, and said corporation shall administer the operation and management of the Condominium and undertake and perform all acts and duties incident thereto in acordance with the terms of its Articles of Incorporation and By-laws. A true copy of said By-Laws and Articles of Incorporation are annexed hereto and expressly made a part hereof as Exhibits "C" and "D", respectively. The Owner or Owners of each Condominium Unit shall automatically become members of the Association upon acquiring an ownership interest in title to any Condominium Unit and its appurtenant undivided interest in Common Property; such membership shall terminate automatically upon the Owner or Owners being divested of such ownership interest in the title to such Condominium Unit, regardless of how such ownership may be divested. No person, firm or corporation holding any lien, mortgage or other encumbrance upon any Condominium Unit shall be entitled, by virtue of such lien, mortgage or other encumbrance, to membership in the Association or to any of the rights or privileges of such membership. In the administration of the operation and management of the Condominium, the Association is hereby granted the authority and power to enforce the provisions of this Declaration, to levy and to collect assessments in the manner hereinafter provided, and to adopt, promulgate and enforce such rules and regulations governing the use of the Condominium Units and Common Property as its Board of Directors may deem to be in its best interest.

11. RESIDENTIAL USE RESTRICTIONS APPLICABLE TO CONDOMINIUM UNITS.

Each Condominium Unit is hereby restricted to residential use by its Owner, his immediate family, guests, invitees and lessees. With the exception of a Lender in possession of a Condominium Unit following a default in a first deed of trust, a foreclosure proceeding or any deed in lieu of foreclosure, no Unit Owner shall lease his Unit for transient, hotel or commercial purposes. No Unit Owner may lease less than the entire Unit. Any lease agreement must provide that it shall be subject to the provisions of this Declaration, and that any failure by the lessee to comply with the terms hereof shall be a default under the lease, and shall be in writing. There is no other restriction on the right of any Unit Owner to lease his Unit.

12. USE OF COMMON PROPERTY SUBJECT TO RULES OF ASSOCIATION. The use of all Common Property by the Owner or Owners of all Condominium Units, and all other parties authorized to use the same, shall be subject to such rules and regulations as may be prescribed and established by the Association.

13. THE CONDOMINIUM TO BE USED FOR LAWFUL PURPOSES: RESTRICTION AGAINST NUISANCES. No immoral, improper, offensive or unlawful use shall be made of any Condominium Unit or of the Common Property, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction of the Condominium shall be observed. No Owner of any Condominium Unit shall permit anything to be done or kept in his Condominium Unit, or on the Common Property, which will increase the rate of insurance on the Condominium, or which will interfere with the rights of other occupants of the Condominium or annoy them by unreasonable noises, nor shall any Owner undertake any use which shall constitute a nuisance to any other Owner of a Condominium Unit, or which interferes with the peaceful possession and proper use of any other Condominium Unit or the Common Property.

14. RIGHT OF ENTRY INTO CONDOMINIUM UNITS IN EMERGENCIES AND FOR MAINTENANCE OF COMMON PROPERTY. In case of any emergency originating in or threatening any Condominium Unit, regardless of whether the Owner is present at the time of such emergency, the Board of Directors of the Association, or any other person authorized by it, shall have the right to enter such Condominium Unit for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate.

Whenever it may be necessary to enter any Condominium Unit in order to perform any maintenance, alteration or repair to any portion of the Common Property, the owner of each Condominium Unit shall permit other Owners or their representatives, or an agent of the Association, to enter such Condominium Unit for such purpose, provided that the entry shall be made only at reasonable times and with reasonable advance notice.

15. LIMITATION UPON RIGHT OF OWNERS TO ALTER AND MODIFY CONDOMINIUM UNITS: NO RIGHT TO ALTER COMMON PROPERTY. No Owner of a Condominium Unit shall permit any structural modification or alteration to be made to such Condominium Unit without first obtaining the written consent of the Association, which consent may be withheld in the event that a majority of the Board of Directors of the Association shall determine that such structural modifications or alterations would adversely affect or in any manner endanger the Condominium in part or in its entirety. No Owner shall cause any improvements or changes to be made on the exterior of the Condominium (including painting or other decoration, or the installation of electrical wiring, television or radio antennae or any other objects or machines which may protrude through the walls or roof of the Condominium) or in any manner alter the appearance of the exterior portion of any building without the written consent of the Association being first obtained. No Unit Owner shall cause any object to be fixed to the Common Property or to any Limited Common Area (including the location or construction of fences and the planting or growing of flowers, trees, shrubs or any other vegetation) or in any manner change the appearance of the Common Property or Limited Common Area without the written consent of the Association being first obtained.

16. RIGHT OF ASSOCIATION TO ALTER AND IMPROVE COMMON PROPERTY AND ASSESSMENT THEREFOR. The Association shall have the right to make such alterations or improvements to the Common Property which do not prejudice the rights of the Owner of any Condominium Unit in the use and enjoyment of his

Condominium Unit, provided the making of such alterations and improvements are approved by the Board of Directors of the Association, and their costs shall be common expenses to be assessed and collected from all of the Owners of Condominium Units. However, where any alterations and improvements are exclusively or substantially for the benefit of the Owner or Owners of certain Condominium Unit or Units requesting them, then the cost of such alterations or improvements shall be charged against and collected solely from the Owner or Owners of the Condominium Unit or Units exclusively or substantially benefited, the charge to be levied in such proportion as may be determined by the Board of Directors of the Association.

17. MAINTENANCE AND REPAIR BY OWNERS OF CONDOMINIUM UNITS. Every Owner shall perform promptly all maintenance and repair work within his Condominium Unit which, if omitted, would affect the Condominium, either in its entirety or in a part belonging to other Owners, every Owner being expressly responsibile for the damages and liability which his failure to do so may engender. The Owner of each Condominium Unit shall be liable and responsible for the maintenance, repair and replacement of all heating and air conditioning equipment, stoves, refrigerators, fans, or other appliances or equipment, including any fixtures and/or their connections required to provide water, light, power, telephone, sewage and sanitary service to his Condominium Unit. Such Owner shall further be responsible and liable for the maintenance, repair and replacement of the interior surfaces of all walls, ceilings and floors within his Unit including painting, decorating and furnishings, and all other accessories which such Owner may desire to place or maintain in his Condominium Unit. Whenever the maintenance, repair and replacement of any item for which the Owner is obligated to maintain, replace or repair at his own expense is occasioned by any loss or damage which may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by the Association shall be used for the purpose of making such maintenance, repair or replacement except that the Owner of such Condominium Unit shall be, in said instance, required to pay such portion of the costs of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement. The Owner of a Condominium Unit who has exclusive use of any Limited Common Area shall maintain such at his own expense. All doors, window frames, panes and screens are a part of the respective Condominium Units and shall be maintained by the respective Unit Owners, except as set forth in provision 3.A. hereinabove.

18. MAINTENANCE AND REPAIR OF COMMON PROPERTY BY THE ASSOCIATION. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of all of the Common Property, including those portions thereof which contribute to the support of the buildings, and all conduits, ducts, plumbing, wiring and other facilities located in the Common Property for the furnishing of utility and other services to the Condominium Units and said Common Property, and should any incidental damage be caused to any Condominium Unit by virtue of any work which may be done or caused to be done by the Association in the maintenance, repair or replacement of any Common Property, the Association shall, at its expense, repair such incidental damage. Whenever the maintenance, repair and replacement of any item for which the Association is obligated to maintain, replace or repair at its expense is occasioned by any act of a Condominium Unit Owner, his immediate family, guests, or invitees, and such loss or damage may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by Association shall be used for the purpose of making such maintenance, repair or replacement, except that the Unit Owner who is responsible for the act causing the damage (whether done by himself or by his family, guests or invitees) shall be required to pay such portion of th cost of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement.

19. INSURANCE AND AUTHORITY TO PURCHASE INSURANCE. Insurance policies upon the Property (other than title insurance) shall be purchased by the Association in the name of the Board of Directors of the Association, as Trustees for the Condominium Unit Owners and their respective mortgagees as

their interests may appear, and shall provide for the issuance of certificates or mortgage endorsements to the holders of first mortgages on the Condominium Units or any of them, and if the companies writing such policies will agree, the policies shall provide that the insurer waives its rights of subrogation as to any claims against Condominium Unit Owners, the Association and their respective servants, agents and guests. Each Condominium Unit Owner shall obtain insurance, at his own expense, affording coverage upon his Condominium Unit, his personal property and for his personal liability and as may be permitted or required by law, but all such insurance shall contain the same wavier of subrogation referred to above if available.

20. INSURANCE COVERAGE TO BE MAINTAINED: USE AND DISTRIBUTION OF INSURANCE PROCEEDS.

A. The following insurance coverage shall be maintained in full force and effect by the Association covering the operation and management of the Condominium Units and Common Property:

(1) Casualty insurance covering the buildings and all improvements upon the land and all personal property described in Exhibit "A", except such personal property as may be owned by the Condominium Unit Owners, shall be procured in an amount equal to the maximum insurable replacement value thereof (exclusive of excavation, foundations, streets and parking facilities) as determined annually by the insurance company on a co-insurance basis of not less than eighty percent (80%). Such coverage shall afford protection against: (a) loss or damage by fire and other hazards covered by the standard extended coverage endorsement; (b) such other risks as from time to time customarily shall be covered with respect to the buildings similar in construction, locaton and use, including, vandalism and malicious mischief.

(2) Public liability and property damage insurance in such amounts and in such forms as shall be required by the Association, including legal liability, hired automobile, non-owned automobile and off-premises employee coverages.

(3) All liability insurance shall contain cross-liability endorsements to cover liabilities of the Condominium Unit Owners as a group to a Condominium Unit Owner.

B. Premiums upon insurance policies purchased by the Association shall be paid by the Association as comon expenses to be assessed and collected from all of the Owners of Condominium Units.

C. All insurance policies purchased by the Association shall be for the benefit of the Association and the Condominium Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds payable as a result of casualty losses shall be paid to the Association. The Association shall hold such proceeds in trust for the benefit of the Association, the Condominium Unit Owners and their respective mortgagees in the following shares:

(1) Proceeds on account of damage to Common Property: in undivided shares for each Condominium Unit Owner and his mortgagee, if any, which shares are shown on Exhibit "B."

(2) Proceeds on account of damages to Condominium Units shall be held in the following undivided shares:

(a) Partial destruction when the Condominium is to be restored: for the Owners of damaged Condominium Units in proportion to the costs of repairing the damage suffered by each damaged Condominium Unit;

(b) Total destruction of the Condominium or where the Condominium is not to be restored: for all Condominium Unit Owners and their mortgagees, the share of each being set forth in Exhibit "B."

D. In the event a mortgagee endorsement has been issued as to a Condominium Unit, the share of the Condominium Unit Owner shall be held for the mortgagee and the Condominium Unit Owner as their interests may appear, but no mortgagee shall have the right to participate in the determination of reconstruction or repair.

E. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the beneficial Condominium Unit Owners in the following manner:

(1) If the damage for which the proceeds were paid is to be repaired or reconstructed, the proceeds shall be paid to defray the costs. Any proceeds remaining after defraying such costs shall be distributed to the beneficial Condominium Unit Owners, all remittances to Condominium Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Condominium Unit and may be enforced by him.

(2) If it is determined that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the beneficial Condominium Unit Owners, remittances to Condominium Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Condominium unit and may be enforced by him.

F. Each Unit Owner, at his expense, shall keep in force comprehensive personal liability insurance covering liability for damages to person or property of others located within such Owner's Unit, or another Unit, or upon the Common Area and facilities in such amounts as the Board of Directors shall, from time to time, determine, but in no case less than $100,000 for each occurrence.

21. RECONSTRUCTION OR REPAIR OF CASUALTY DAMAGE; DAMAGE TO COMMON PROPERTY; DAMAGE TO CONDOMINIUM UNITS.

A. If any part of the Common Property shall be damaged by casualty, the determination of whether or not to reconstruct or repair it shall be made as follows:

(1) Partial destruction shall be destruction of 2/3 or less of the Bulding. In the event of partial destruction, the Common Property shall be reconstructed or repaired unless this Declaraton is terminated by the unanimous vote of all of the Condominium Unit Owners as a meeting of the members of the Association called and held prior to commencement of such reconstruction or repair.

(2) Total destruction shall be destruction of more than 2/3 of the Building. In the event of total destruction, the Common Property shall not be reconstructed or repaired if, at a meeting which shall be called within thirty (30) days after the occurrence of the casualty, or if by such date the insurance loss has not been finally adjusted, then within thirty (30) days after such adjustment, Condominium Unit Owners who own three-fourths (3/4) or more of the Building vote against reconstruction or repair.

(3) Any such reconstruction or repair shall be substantially in accordance with the plans and specifications contained herein.

B. If the damage is only to those parts of one or more Condominium Units for which the responsibilty for maintenance and repair is that of the Unit Owner, then the Condominium Unit Owner shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association as follows:

(1) Immediately after the casualty causing damage to property for which the Association has the responsibility for maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before the casualty. Such costs may include professinoal fees and premiums for such bonds as the

Board of Directors deems appropriate.

(2) When the damage is to both Common Property and Condominium Units, the insurance proceeds shall be applied first to the costs of repairing the Common Property and the balance to the Condominium Units.

C. Each Condominium Unit Owner delegates to the Board of Directors of the Association his right to adjust with insurance companies all losses under policies purchased by the Association, except in any case where the damage is restricted to one Condominium Unit.

22. ASSOCIATION TO MAINTAIN REGISTER OF OWNERS AND MORTGAGEES. The Association shall maintain a Register setting forth the names of the Owners of all of the Condominium Units. In the event of the transfer of any Condominium Unit to a third party, the transferee shall notify the Association in writing of his interest in such Condominium Unit, together with the recording information necessary to identify the instrument by which the transferee has acquired his interest. The Owner of each Condomnium Unit shall also notify the Association of the parties holding any mortgage on any Condominium Unit, the amount of such mortgage and the recording information necessary to identify the mortgage. The holder of any mortgage upon any Condominium Unit may notify the Associaton of the existence of any mortgage and the Association shall register in its records all pertinent information relating thereto.

23. ASSESSMENTS: LIABILITY, LIEN AND ENFORCMENT. The Association is given the authority to administer the operation and management of the Condominium as being in the best interest of the Owners of all Condominium Units. To properly administer the operation and management of the Condominium, the Association will incur for the mutual benefit of all of the Owners of Condominium Units, costs and expenses (herein "Common expense"). To provide the funds necessary for such proper operation, management and capital improvement, the Association has been granted the right to make, levy and collect assessments against the Unit Owners and their Condominium Units. In furtherance thereof, the following provisions shall be operative and binding upon the Owners of all Condominium Units:

A. All assessments levied against the Unit Owners and their Condominium Units shall be uniform and, unless specifically otherwise provided for herein, all assessments made by the Association shall be in such amount that any assessment levied against a Unit Owner and his Condominium Unit shall bear the same ratio to the total assessment made against all Unit Owners and their Condominium Units as the undivided interest in Common Property appurtenant to each Condominium Unit bears to the total undivided interest in Common Property appurtenant to all Condominium Units. Should the Association be the Owner of a Condominium Unit or Units, the assessment which would otherwise be due and payable to the Association by the Owner of such Unit or Units, reduced by the amount of income which may be derived from the leasing of such Unit or Units by the Association, shall be apportioned and assessment therefor levied ratably among the Owners of all Units which are not owned by the Association, based upon their proportionate interest in Common Property exclusive of the interest therein appurtenant to any Unit or Units owned by the Association. Developer shall not be required to expend from his own funds any sums of money for maintenance, improvements, or any other expenses of the administration of the Common Areas and Facilities, provided, however, Developer may at his option advance such sums necessary for such expenses, maintenance, and improvements or may pay directly the costs thereof. In either event Developer shall be allowed a credit for such sums so advanced or expended, such credit to be fully aplied against any liability Developer has hereunder for payment of his pro rata share of the common expenses as an Owner.

B. Assessments provided for herein shall be payable in monthly installments, or in such other manner as the Board of Dirctors of the Association shall determine. Such assessments shall commence for each Unit on May 1, 1980, unless the Board of Directors of the Association decides to assess monthly dues before this date.

C. The Board of Directors of the Association shall establish an Annual Budget in advance for each fiscal year (which shall correspond to the

calendar year, except that in the initial year of operation of the Condominium, the fiscal year shall commence with the closing of the sale of the first Condominium Unit). Such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves, such budget to take into account anticipated income which is to be applied in reduction of the amounts required to be collected as an assessment each year. The Board of Directors shall keep separate, in accordance with paragraph "D" hereof, items relating to operation and maintenace from items relating to capital improvements. Upon adoption of such Annual Budget by the Board of Directors of the Association, copies shall be delivered to each Owner of a Condominium Unit and the assessment for said year shall be established based upon such budget, although the non-delivery of a copy of it to each Owner shall not affect the liability of any Owner for such assessment. A majority of the Owners must approve an increase in the assessment by an amount greater than the percentage increase in the Consumer Price Index compiled by the Bureau of Labor Statistics of the United States Department of Labor from January 1 of the prior year to January 1 of the current year.

D. The Board of Directors of the Association, in establishing the Annual Budget for operation, management and mainenance of the Condominium, shall designate a sum to be collected and maintained as a reserve fund for replacement of and capital improvements to the Common Property (herein "Capital Improvement Fund") shall be for the purpose of enabling the Association to replace structural elements and mechanical equipment constituting a part of the Common Property, and the replacement of personal property constituting a portion of the Common Property held for the joint use and benefit of the Owners of Condominium Units. The amount to be allocated to the Capital Improvement Fund may be established by the Board of Directors to Collect and maintain a sum reasonbly necessary to anticipate the need for replacement of Common Property. The amount collected for the Capital Improvement Fund shall be maintained in a separate account by the Association and shall be used only to make capital improvements to Common Property. Any interest earned on the Capital Improvement Fund may be expended for current operation and maintenance.

E. All funds collected by the Association shall be treated as the separate property of the Association, and such funds may be applied by the Association to the payment of any expense of operating and managing the Condominium, or to the proper undertaking of all acts and duties imposed upon it by this Declaration, the Articles of Incorporation and the By-Laws of the Association. Although all funds and common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom or from the leasing or use of Common Property, shall be held for the benfit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Condominium Unit. When the Owner of a Codnominium Unit shall cease to be a member of the Association, the Association shall not be required to account to such Owner for any share of the fund or assets of the Association, or which may have been paid to the Association by such Owner, as all funds which any Owner has paid to the Association shall constitute an asset of the Association which may be used in the operation and management of the Condominium.

F. The payment of any assessment of installment thereof shall be in default if such assessment or installment is not paid to the Association within thirty (30) days of its due date. When in default, the delinquent assessment or delinquent installment thereof due to Association shall bear interest at the highest rate allowed by law until paid in full to the Association.

G. The Owner or Owners of each Condominium Unit shall be personally liable, jointly and severally, to the Association for the payment of all assessments, regular or special, which may be levied by the Association against such Condominium Unit while such party or parties are Owner or Owners of a Condominium Unit. In the event that any Unit Owner or Owners are in default in payment of any assessment or installment owed to the Association, such Unit Owner or Owners shall be personally liable, jointly and severally, for interest on such delinquent assessment or installment thereof

as above provided, and for all costs of collecting such assessment or installment and interest thereon, including reasonable attorneys' fees, whether suit be brought or not.

H. No Owner of a Condominium Unit may exempt himself from liability for any assessment levied against him or his Condominium Unit by waiver of the use of enjoyment of any of the Common Property, or by abandonment of the Condominium Unit or in any other way.

I. Recognizing that proper operation and management of the Condominium requires the continuing payment of costs and expenses therefor, and that such proper operation and maintenance results in benefit to all of the Owners of Condominium Units, and that the payment of such common expenses represented by the assessments levied and collected by Association is necessary in order to preserve and protect the investment of each Unit Owner, the Association is hereby granted a lien upon each Condominium Unit and its appurtenant undivided interest in Common Property, which lien shall secure the funds due for all assessements now or hereafter levied against the Owner of each such Condominium Unit, which lien shall also secure all costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in enforcing this lien upon said Condominium Unit. The lien granted to the Association may be forclosed in the same manner that real estate deeds of trust and mortgages may be foreclosed in the State of North Carolina, and in any suit for the foreclosure of said lien, the Association shall be entitled to reasonable rental from the Owner of any Condominium Unit from the date on which the payment of any assessment or installment thereof became delinquent, and shall be entitled to the appointment of a Receiver for said Condominium Unit. The lien granted to the Association shall further secure such advances for taxes, and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, including interest at twelve (12%) percent on any such advances so made. All persons, who shall acquire any interest in the ownership of any Condominium Unit, or who may be given or acquire a mortgage, lien or other encumbrance thereon, are hereby placed on notice of the lien rights granted to the Association, and shall acquire such interest in any Condominium Unit expressly subject to such lien rights.

J. The lien herein granted to the Association shall be enforceable from the time of recording a claim of lien in the Public Records of Wake County, North Carolina (hereafter the Public Registry), which claim shall state the description of the Condominium Unit encumbered thereby, the name of the record owner, the amount due and the date when due. The claim of lien shall be recordable any time after default and the lien shall continue in effect until all sums secured by said lien shall have been fully paid. Such claims of lien shall include only assessments which are due and payble when the claim of lien is recorded, plus interest, costs, attorney's fees, advances to pay taxes and prior encumbrances and interst thereon. It shall be signed and verified by an officer of agent of the Association. Upon full payment of all sums secured by such claim of lien, it shall be satisfied of record.

The lien provided for herein shall be subordinated to the lien of any mortgage or deed of trust. Any person, firm or corporation acquiring title to any Condominium Unit and its appurtenant undivided interest in Common Property by any foreclosure, deed in lieu of foreclosure, or judicial sale, shall be liable and obligated only for assessments as shall accrue and become due and payble for said Condominium Unit and its appurtenant undivided interest in Common Property subsequent to the date of acquisition of such title, and it shall not be liable for the payment of any assessments which were in default and delinquent at the time it acquired such title. In the event of the acquisition of title to a Condominium Unit by foreclosure, deed in lieu of foreclosure, or judicial sale, any assessment which the party so acquiring title shall not be liable shall be absorbed and paid by all Owners of all Condominium Units as a part of the Common expense, although nothing herein contained shall release the party liable for such delinquent assessment from the payment thereof or th enforcement of collection of such payment by means other than foreclosure.

K. Whenever any Condominium Unit may be leased, sold or mortgaged by

The Owner thereof, the Association, upon written request of the Unit Owners, shall furnish to the proposed lessee, purchaser or mortgagee, a statement verifying the status of payment of any assessment which shall be due and payable to the Association by such Unit. Such statement shall be executed by any officer of the Association, and any lessee, purchaser or mortgagee may rely upon such statement in concluding the proposed lease, purchase or mortgage transaction, and the Association shall be bound by such statement.

In the event that a Condominium Unit is to be leased, sold or mortgaged at the time when payment of any assessment against the Owner of said Condominium Unit and such Condominium Unit due to the Association shall be in default (whether or not a claim of lien has been recorded by the Association), then the rent, proceeds of such purchase or mortgage proceeds, shall be applied by the lessee, purchaser or mortgagee first to the payment of any then delinquent assessment or installments thereof due to the Association before the payment of any rent, proceeds of purchase or mortgage proceeds to the Owner of any Condominium Unit who is responsible for payment of such delinquent assessment.

In any voluntary conveyance of a Condominium Unit, the purchaser thereof shall be jointly and severally liable with seller for all unpaid assessments against seller made prior to the time of such voluntary conveyance, without prejudice to the rights of the purchaser to recover from seller the amounts paid by purchaser therefor.

Institution of a lawsuit to attempt to collect the payment of any delinquent assessment shall not be an election by the Association which shall prevent it from thereafter seeking, by foreclosure action, enforcement of the collection of any sums remaining owing to it, nor shall proceeding by foreclosure to attempt such collection be deemed to be an election precluding the institution of a suit at law to collect any sum then remaining owing to Association.

24. COMMON SURPLUS. "Common Surplus", meaning all funds and other assets of the Association (including excess of receipts of the Association, including but not limited to assessments, rents, profits and revenues from whatever source over amount of the common expense), shall be owned by the Owners of all Condominium Units in the same proportion that the undivided interest in Common Property appurtenant to each Owner's Condominium Unit bears to the total of all undivided interest in Common Property appurtenant to all Condominium Units; provided, however, that said common surplus shall be held by the Association in the manner, and subject to the terms, provisions and conditions of this Declaration, imposing certain limitations and restrictions upon the use and distribution thereof. Except for distribution of any insurnace indemnity herein provided, or upon termiantion of the Condominium Units in accordance with their percentage interest in common surplus as declared herein.

25. TERMINATION. The Condominium shall be terminated, if at all, in the following manner:

A. The termination of the Condominium may be effected only by the unanimous agreement of all Condominium Unit Owners expressed in an instrument duly recorded; and, provided that the holders of all liens affecting any of the Condominium Units consent thereunto, or agree, by instrument duly recorded, that their liens be transferred to the percentage of the undivided interest of the Condominium Unit Owner in the Property as provided in subparagraph "C" below. The termination shall become effective when such agreement has been recorded in the Public Registry.

B. If it is determined in the manner elsewhere provided that the Condominium shall not be reconstructed after casualty, the Condominium plan of ownership shall be terminated and the Declaration of Condominium revoked. The determination not to reconstruct after casualty shall be evidenced by a Certificate of the Association certifying as to the facts effecting the termination, which Certificate shall become effective upon being recorded in the Public Registry.

C. After termination of the Condominium, the Condominium Unit Owners shall own the Property as tenants in common in undivided shares and the

holders of mortgages and liens against the Condominium Unit or Units formerly owned by such Condominium Unit Owners shall have mortgages and liens upon the respective undivided shares of the Condominium Unit Owners. The undivided share or interest owned as tenants in common shall be that percentage of the undivided interest in the Common Area and Facilities previously owned by each Unit Owner. All funds held by the Association and insurance proceeds, if any, shall be held for the Unit Owners in the same proportion. The costs incurred by the Association in connection with the termination shall be a Common Expense.

D. Following termination, the property may be partitioned and sold upon the application of any Condominium Unit Owner. Following a termination, if the Board of Directors determined by not less than a three-fourths (3/4) vote to accept an offer for the sale of property, each Condominium Unit Owner shall be bound to execute such deeds and other documents reasonably required to effect such sale at such times and in such form as the Board of Directors directs. In such event, any action for partition or other division of the property shall be held in abeyance pending such sale, and upon the consummation thereof shall be discontinued by all parties thereto.

E. The members of the Board of Directors acting collectively as agent for all Condominium Unit Owners, shall continue to have such powers as granted herein, even though the Association may be dissolved upon a termination.

26. AMENDMENT OF DECLARATION OF CONDOMINIUM. This Declaration of Condominium may be amended in the following manner:

A. An Amendment to this Declaraton of Condominium may be proposed by the Board of Directors of the Association acting upon a vote of a majority of the Directors, or by the members of the Association owning a majority of the Condominium Units, whether meeting as members or by instrument in writing signed by them. Upon any Amendment to this Declaration being proposed by the Board of Directors or members, such proposed Amendment shall be transmitted to the President of the Association, or other officer of the Association in the absence of the President, who shall thereupon call a Special Meeting of the members of the Association for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt by him of the proposed Amendment. It shall be the duty of the Secretary to give to each member written notice of such Special Meeting, stating the time and place, and reciting the proposed Amendment in reasonably detailed form, which notice shall be mailed not less than ten (10) days nor more than thirty (30) days before the date set for such Special Meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States Mail addressed to the member at his Post Office address as it appears on the records of the Association, the postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of notice to such member. At the meeting, the Amendment proposed must be approved by an affirmative vote of seventy-five (75%) percent of the members owning Units in the Condominium in order for such Amendment to become effective. Thereupon such Amendment of this Declaration shall be transcribed and certified by the President and Secretary of the Association as having been duly adopted. The original or an executed copy of such Amendment so certified and executed with the same formalities as a deed, shall be recorded in the Public Registry within ten (10) days from the date on which the same became effective. At any meeting held to consider such Amendment, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association prior to such meeting or at such meeting.

B. No alteration in the percentage of ownership in Common Property appurtenant to each Condominium Unit, or alteration of the basis for sharing common expenses and other apportionment of assessments which may be levied by the Association in accordance with the provisions hereof, or alteration of basis of ownership of Common Surplus, or alteration of voting rights in the Association, shall be made without the prior written consent of all of

the Owners of all Condominium Units and all of the Lenders holding first mortgages or first deeds of trust on the Condominium Units.

C. No alteration, amendment or modification of the rights and privileges granted and reserved hereunder in favor of Lender shall be made without prior written consent of all Lenders holding mortgages on Condominium Units in the Condominium being first had and obtained.

D. No alteration, amendment or modification of the rights and privileges granted and reserved heeunder in favor of Developer shall be made without the written consent of said party being first had and obtained.

27. REMEDIES IN EVENT OF DEFAULT. The Owner or Owners of each Condominium Unit shall be governed by and shall comply with the provision of this Declaration and the Articles of Incorporation and By-Laws of the Association, as they may be amended from time to time. A default by the Owner of any Condominium Unit shall entitle the Association or the Owner of other Condominium Units to the following relief:

A. Failure to comply with any of the terms of this Declaration or other restrictions and regulations contained in the Articles of Incorporation or By-Laws of the Association, or which may be adopted pursuant thereto, shall be grounds for relief including without limitation an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof. Such relief may be sought by the Association or, if appropriate, by an aggrieved Unit Owner.

B. Each Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandoment of a Condominium Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

C. In any proceeding arising because of an alleged default by a Unit Owner, the Association shall be entitled to recover the costs of the proceeding reasonable attorney's fees.

D. The failure of the Association or any Unit Owner to enforce any rights, provision, covenant or condition which may be granted by this Declaration or the other above-mentioned documents shall not consitute a waiver of the right of the Association or of the Unit Owner to enforce such right, provision, covenant or condition in the future.

E. All rights, remedies and privileges granted to the Association or the Owner or Owners of a Condominium Unit pursuant to any terms, provisions, covenants or conditions of this Declaration or other above-mentioned documents, shall be cumulative, and the exercise of any one or more shall not constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and addtional rights, remedies or privileges as may be available to such party at law or in equity.

F. The failure of Developer to enforce any right, privilege, covenant or condition which may be granted to it by this Declaration or other above-mentioned documents shall not constitute a waiver of the right of Developer to thereafter enforce such right, provision, covenant or condition in the future.

G. The failure of a Lender to enforce any right, provision, privilege, covenant or condition which may be granted to it or them by this Declaration or other above-mentioned documents, shall not constitute a waiver of the right of said party or parties to thereafter enforce such rights, privilege, covenant or condition in the future.

28. RIGHTS RESERVED UNTO LENDERS. As long as any Lender shall hold any mortgage upon any Condominium Unit or Units, or shall be the Owner of

any Condominium Unit or Units, such Lender shall have the following rights:

A. To approve the company or companies with whom casualty insurance is placed.

B. To examine, upon request and at reasonable times and upon reasonable notice, the books and records of the Association; and to be furnished at least one copy of the Annual Audited Financial Statement and Report of the Association prepared by a Certified Public Accountant designated by the Association, such Financial Statement and Report to be furnished by April 1 of each calendar year.

C. To be given written notice by the Association of the call of any meeting of the membership, which notice shall state the purpose of such meeting; and to designate a representative to attend.

D. To be given written notice of default by any Owner owning a Condominium Unit encumbered by a mortgage held by the Lender, such notice to be sent to the place which it may designate in writing.

E. To be given written notice of any loss to or taking of, the common elements of the Condominium if such loss or taking exceeds $10,000 or damage in excess of $1,000 to a Condominium Unit on which such Lender shall hold a mortgage.

F. To receive written notice of any condemnation or eminent domain proceeding or proposed acquisition by a condemning authority.

Whenever any Lender desires the provisions of this Article to be applicable to it, it shall serve written notice of such fact upon the Association by Registered Mail or Certified Mail addressed to the Association and sent to its address stated herein, identifying the Condominium Unit or Units upon which any such Lender holds any mortgage, or identifying any Condominium Units owned by it, together with sufficient facts to identify such mortgage and which notice shall designate the place to which notices are to be given by the Association to such Lender.

29. RIGHT OF DEVELOPER TO REPRESENTATION ON BOARD OF DIRECTORS OF THE ASSOCIATION; OTHER RIGHTS OF THE DEVELOPER. So long as Developer owns thirty (30) or more Condominium Units in the Condominium, but in any event, no longer than December 31, 1980, Developer shall have the right to designate and select a majority of the persons who shall serve as members of each Board of Directors of the Association.

In the event of dissolution of Developer or assignment by Developer at the time when it is the Owner of a Condominium Unit, then the rights of the Developer shall pass to and may be exercised by its successors receiving ownership of any such Condominium Unit in dissolution.

Whenever Developer shall be entitled to designate and select any person to serve on the Board of Directors of the Association, the manner in which such person shall be designated shall be as provided in the Articles of Incorporation and/or By-Laws of the Association, and Developer shall have the right to remove any person selected by it to act and serve on said Board of Directors and to replace such person with another person to act and serve in the place of any Director so removed for the remainder of the unexpired term of any Director so removed. Any Director designated and selected by Developer need not be a resident in the Condominium. However, Developer shall be responsible for the payment of any assessments which may be levied by the Association against any Condominium Unit or Units owned by the said Developer, and for complying with the remaining terms and provisions hereof in the same manner as any other Owner of a Condominium Unit or Units.

During the period of sale by the Developer of any unit, the Developer, and said Developer's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to an egress from said units and across the Property as may be required for purposes of said sale of units. While the Developer owns any of the units and until each unit sold by it is occupied by the purchasers, the Developer and its employees may use and show one or more of such unsold or unoccupied

units as a model unit or units and may use one or more of such unsold or unoccupied units as a sales office, and may maintain customary signs in connection therewith.

30. FEDERAL HOME LOAN MORTGAGE CORPORATION REGULATIONS. Notwithstanding anything to the contrary contained in this Declaration, or in the Articles of Incorporation or the By-Laws which are attached hereto, all terms, conditions and regulations which are now existing, or which may be amended from time to time, by the Federal Home Loan Mortgage Corporation pertaining to condominiums are hereby incorporated as terms and conditions of the Delcarations and By-Laws and such shall be governing upon the Property, the Developer, and the Association of Unit Owners, so long as such terms or conditions are not inconsistent with the laws of the State of North Carolina, including, but not limited to, the North Carolina Unit Ownership Act.

31. MISCELLANEOUS.

A. In the event that any of the terms, provisions or covenants of this Delcaration are held to be partially or wholly invalid or unenforceable, such holding shall not affect, alter, modify or impair in any manner any of the other terms, provisions or covenants hereof or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

B. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan of Condominium ownership. Throughout this Declaration wherever appropriate the singular shall include the plural and the masculine gender the feminine or neuter. The Article headings are for convenience of reference only and shall not be considered terms of this Declaration.

C. The restrictions and burdens imposed by the covenants of this Declaration shall constitute covenants running with the land, and shall constitute an equitable servitude upon each Condominium Unit and its appurtenant undivided interest in Common Property. This Declaration shall be binding upon Developer, its successors and assigns, and upon all parites who may subsequently become Owners of Condominium Units in the Condominium, and their respective heirs, legal representatives, successors and assigns.

D. The following named individual is designated as the person to receive service of process for the Association:

Frank R. Liggett, III, Attorney
6th Floor, Branch Bank Building
Raleigh, North Carolina 27602

E. Developer and its agents shall have the right to continue its sales efforts on the premise and post "For Sale" signs thereon for so long as it shall own any unit.

F. Pursuant to Section 20-4.4(B) and (C) of the Subdivision Standards Ordinance of the City of Raleigh, North Carolina, it is agreed that the City of Raleigh shall in no case be responsible for failing to provide any emergency or regular fire, police or other public service to developments or their occupants when such failure is due to lack of access to such areas, due to inadequate design or construction, blocking of access routes, or any other factor within the control of the Developer, Homeowners' Association, or occupants. This statement is placed herein pursuant to the requirements of Section 20-4.4(C) of the Subdivision Standards Ordinance of the City of Raleigh, North Carolina.

G. Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall not be stored or kept in the corridors, hallways, lobby or other Common Areas. Storage of boats, trailers, campers, and motor homes on the Property shall be subject to the rules and regulations of the Board applicable thereto.

H. It is herewith agreed that this Declaration may not be amended unless either the City of Raleigh, City Attorney's Office, has agreed to any proposed amendments, or, the City of Raleigh, City Attorney's Office, has received the proposed amendment by certified mail, return receipt requested, and has for a period of thirty (30) days after receipt, failed to respond negatively to the proposed amendment.

IN WITNESS WHEREOF, GEORGETOWN VENTURE, a Tennessee Joint Venture, has caused these presents to be executed in its name, by its Partners, this day of February, 1980, at Raleigh, North Carolina.

GEORGETOWN, A Tennessee Joint Venture

by its Partner,

BUCHANAN/TALLENT PROPERTIES, a Partnership

BY: _____
Sam A. Buchanan, III

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Peggie Anne Bridgers, a Notary Public of said County and State, do hereby certify that SAM A. BUCHANAN, III, acting as a Partner of Buchanan/Tallent Properties, personally came before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and notarial seal this 14th day of February, 1980

Peggie Anne Bridgers
NOTARY PUBLIC

My Commission Expires 6-25-83

NORTH CAROLINA—WAKE COUNTY

The foregoing certificate ____ of Peggie Anne Bridgers

Notary(ies) Public is (are) certified to be correct. This instrument was presented for registration and recorded in this office in Book 2808, Page 894

This 14 day of February, 1980, at 2:57 o'clock P M

R. B. McKENZIE Jr. Register of Deeds

By Joyce B. Johnson
Deputy Register of Deeds

H. It is herewith agreed that this Declaration may not be amended unless either the City of Raleigh, City Attorney's Office, has agreed to any proposed amendments, or, the City of Raleigh, City Attorney's Office, has received the proposed amendment by certified mail, return receipt requested, and has for a period of thirty (30) days after receipt, failed to respond negatively to the proposed amendment.

IN WITNESS WHEREOF, GEORGETOWN VENTURE, a Tennessee Joint Venture, has caused these presents to be executed in its name, by its Partners, this day of February, 1980, at Raleigh, North Carolina.

GEORGETOWN, A Tennessee Joint Venture

by its Partner,

BUCHANAN/TALLENT PROPERTIES, a Partnership

BY: _____
Sam A. Buchanan, III

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Peggie Anne Bridgers, a Notary Public of said County and State, do hereby certify that SAM A. BUCHANAN, III, acting as a Partner of Buchanan/Tallent Properties, personally came before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and notarial seal this 14th day of February, 1980

Peggie Anne Bridgers
NOTARY PUBLIC

My Commission Expires 6-25-83

NORTH CAROLINA—WAKE COUNTY

The foregoing certificate ..... of Peggie Anne Bridgers

..... Notary(ies) Public is (are) certified to be correct. This instrument was presented for registration and recorded in this office in Book 2808, Page 894.

This 14 day of February, 1980, at 2:57 o'clock P M.

R. B. McKENZIE, JR., Register of Deeds

By Joyce B. Johnson
Deputy Register of Deeds

TRACT I:

BEGINNING at a stake in the northern line of the property conveyed by Hathaway Cross and wife to J. T. Hobby and Son, Inc., by Deed recorded in Book 1661, at Page 472, Wake County Registry, said stake being distant as measured along said northern line South 88 degrees 20 minutes East 148.80 feet from the eastern line of the right-of-way of Six Forks Road, said stake also marking the southeastern corner of the property entitled Roanoke Island Company Property as shown on map to which reference is hereinafter made; runs thence along the eastern line of said Roanoke Island Company Property North 9 degrees 46 minutes West 381.54 to a stake in the Center line of Computer Drive; runs thence along the center line of Computer Drive North 64 degrees 40 minutes 15 feet to a stake; thence leaving said Computer Drive, runs thence South 88 degrees 20 minutes East 902 feet to a stake; runs thence South 1 degree 40 minutes West 175 feet to a stake; runs thence South 88 degrees 20 minutes East 154 feet to a stake; thence South 1 degree 40 minutes West 205.81 feet to a stake in the northern line of Browning Place; runs thence along the northern line of Browning Place 88 degrees 20 minutes West 796.74 feet to a stake; runs thence leaving the northern line of Browning Place North 88 degrees 20 minutes West 197 feet to the point of Beginning, and being Lot 1 entitled Levin Property as shown on map by Boney and Newcomb dated January 4, 1966, and recorded in Book of Maps 1965, Page 273, Wake County Registry.

TRACT II:

BEGINNING at a point where the Northern line of Browning Place intersects the southern line of the Levin Property as shown on a map entitled, "Property of Eugene M. Levin and wife, Betty N. Levin", recorded in Book of Maps 1965, Page 273, Wake County Registry; runs thence along the southern line of the Levin Property North 88 degrees 20 minutes West 147.9 feet to a stake; runs thence South 25 degrees 20 minutes East 35.8 feet to a stake in the Northern line of Browning Place; runs thence along the Northern line of Browning Place as it curves in an eastern direction to the point of Beginning, the Chord course and distance of the last cal being North 78 degrees 03 minutes East 135.5 feet, and being designated as Lot No. 2 on the aforesaid map recorded in Book of Maps 1965, Page 273, Wake County Registry.

EXHIBIT "A"

GEORGETOWN NORTH CONDOMINIUMS

SCHEDULE OF UNIT INTEREST IN COMMON

AREAS AND FACILITIES

ADDRESS	TYPE	UNIT INTERESTS
3719 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3721 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3723 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3725 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3727 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3729 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3731 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3733 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3801 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3803 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3805 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3807 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3809 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3811 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3813 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3815 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3821 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3823 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3825 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3827 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3829 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3831 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3833 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3835 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3901 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3903 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3905 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3907 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3909 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3911 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3913 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3915 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3921 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3923 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3925 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3927 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3929 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3931 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3933 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3935 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3711 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3712 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3713 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3714 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3715 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3716 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3717 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3718 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3719 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3720 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3721 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3722 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3723 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3724 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3725 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3726 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3731 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375

3732 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3733 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3734 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3735 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3736 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3737 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3738 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3739 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3740 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3741 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3742 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3743 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3744 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3745 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3746 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3747 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3748 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3749 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3750 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3751 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3753 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3755 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3757 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3759 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3761 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3714 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3716 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3718 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3720 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3722 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3724 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3730 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3731 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3732 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3733 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3734 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3735 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3736 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3737 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3738 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3739 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3740 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3741 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3743 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3745 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3747 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3749 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3751 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3753 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3755 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3757 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375

rn to: A. H. Peterson, P.O. Box 10096, Raleigh, N.C. 27605

BOOK 2855 PAGE 98

PRESENTED FOR REGISTRATION
AUG 26 4 15 PM '80
REGISTER OF DEEDS
WAKE COUNTY, N.C.

NORTH CAROLINA

WAKE COUNTY

SUPPLEMENTAL DECLARATION OF THE GEORGETOWN NORTH CONDOMINIUMS

This Supplemental Declaration of the Georgetown North Condominiums, made this 25th day of August, 1980, by Georgetown Venture, a Tennessee joint venture (the equivalent of a general partnership and hereinafter called the "Developer");

W I T N E S S E T H: That

WHEREAS, the Developer heretofore executed and caused to be recorded that certain Declaration of the Georgetown Condominiums (hereinafter called the "Declaration") dated February, 1980, and recorded in Book 2808, Page 894 of the Wake County, North Carolina Registry; and

WHEREAS, the Developer is still the owner of all of the Dwelling Units and Common Areas comprising Georgetown North Condominiums and desires to supplement and amend the Declaration as hereinafter provided.

NOW, THEREFORE, the Developer hereby declares as follows:

1. The following sentence is hereby added to paragraph 1 of the Declaration: "The fifteen buildings referred to above are not named or numbered but their location and size are shown on the survey and plans referred to in paragraph 2 hereof as 'Unit Ownership File'".

2. The following sentence is hereby added to paragraph 2 of the Declaration: "The numerical designation of each Condominium Unit is the street address of such unit as shown on the Unit Ownershp File."

3. The certificate of Roderic S. Leland, Jr., Architect, attached hereto as Exhibit A, shall supplement the

certificate of said architect affixed to the plans comprising Unit Ownership File, and said certificate shall be deemed affixed to and is hereby made a part of said plans.

4. The date "May 1, 1980" appearing in subparagraph B of paragraph 23 of the Declaration is hereby changed to "September 1, 1980."

GST

5. As hereby modified and supplemented, the Declaration and Unit Ownership File are hereby readopted and ratified.

IN WITNESS WHEREOF, Developer has caused these presents to be executed in its name, under seal, by its partner thereunto duly authorized, as of the day and year first above written.

GEORGETOWN VENTURE (a Tennessee joint venture or partnership) (SEAL)

By: BUCHANAN-TALLENT PROPERTIES, a Tennessee partnership and a partner of Georgetown Venture) (SEAL)

By: Guy S. Tallent (SEAL)
Guy S. Tallent, a partner of Buchanan-Tallent Properties

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I, Winnie K. Haigh, a Notary Public of said county and state, do hereby certify that Guy S. Tallent personally came before me this day and acknowledged that he executed the foregoing instrument in his capacity as a partner of Buchanan-Tallent Properties, a partnership which in turn is a partner of Georgetown Venture, a joint venture or partnership, and that said instrument is the act and deed of said Georgetown Venture.

Witness my hand and notarial seal this 26th day of August, 1980.

Winnie K. Haigh
Notary Public

WINNIE K. HAIGH NOTARY PUBLIC WAKE COUNTY, N.C.

My commission expires:
JUN 21 1985

NORTH CAROLINA — WAKE COUNTY
The foregoing certificate _____ of Winnie K. Haigh
_____ Notar(y)(ies) Public is (are) certified to be correct. This instrument and this certificate are duly registered at the date and time and in the book and page shown on the first page hereof.
R. B. McKENZIE, JR., Register of Deeds

By Gladys C. Smith
Deputy Register of Deeds

EXHIBIT A

NORTH CAROLINA

WAKE COUNTY

The undersigned, Roderic S. Leland, Jr., being first duly sworn, hereby certifies as follows:

1. That he is a licensed, registered architect of the State of North Carolina.

2. That he prepared or supervised the preparation of the eight sheets of plans or drawings appearing in Condominium Plan File Number 11 in the Office of the Register of Deeds of Wake County, North Carolina comprising the plans of Georgetown North Condominiums.

3. That said plans or drawings are an accurate copy of the plans and drawings as filed with and approved by the City of Raleigh.

4. That said plans and drawings fully and accurately depict the layout, location, ceiling and floor elevations, unit numbers and dimensions of the 108 units of Georgetown North Condominiums, as built.

5. That this certificate shall be deemed affixed to and made a part of said plans or drawings appearing in Condominium Plan File Number 11 in the Office of the Register of Deeds of Wake County, North Carolina.

This 25TH day of AUGUST, 1980.

EDNA H. McCABE NOTARY PUBLIC WAKE COUNTY, N.C.

Roderic S. Leland, Jr.
Roderic S. Leland, Jr., Architect
North Carolina Registration No. 2837

Sworn to and Subscribed before me this 25th day of August, 1980.

Edna H. McCabe
Notary Public

My commission expires: 13 July 1985

STATE OF NORTH CAROLINA

COUNTY OF WAKE

Before me, the undersigned, a Notary Public within and for the County and State aforesaid, personally appeared this day Angeline Maletto and Barbara R Weaver, who, being by me first duly sworn, say that they are the President and Secretary, respectively, of GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD.; that the seal affixed to the foregoing instrument in writing is the corporate seal of the Corporation, and that said writing was signed and sealed by them in behalf of said Corporation by its authority duly given. And the said President and Secretary acknowledged the said writing to be the act and deed of said Corporation.

WITNESS my hand and notarial seal, this 6th day of December, 1982.

Anne H. Stiner
Notary Public

(Notary Seal)

My Commission Expires:

2-23-86

NORTH CAROLINA

WAKE COUNTY

DECLARATION OF
THE GEORGETOWN NORTH CONDOMINIUMS

GEORGETOWN VENTURE, a Tennessee joint Venture (herein "Developer") does hereby make, declare and establish this Declaration of Condominium as and for the plan of dwelling ownership of THE GEORGETOWN NORTH CONDOMINIUMS being the property and improvements hereinafter described.

1. ESTABLISHMENT OF CONDOMINIUM. Developer is the owner of the fee simple title to that certain real property situate in the City of Raleigh, Wake County, State of North Carolina, and which property is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, and on which property there have been constructed fifteen (15) buildings containing a total of 108 condominium living units and their supporting facilities and other appurtenant improvements. The buildings are constructed of wood frame and brick veneer materials. The property contains sufficient parking space to accommodate at least one automobile for each Condominium Unit. Each Unit Owner has the right to the use, for at least one automobile, of such space. Developer does hereby submit the above described property and improvements to condominium ownership under the provisions of Chapter 47A of the General Statutes of North Carolina (Unit Ownership Act), and hereby declares the same to be a condominium to be known and identified as GEORGETOWN NORTH CONDOMINIUMS (herein "Condominium").

2. SURVEY AND DESCRIPTION OF IMPROVEMENTS. Filed simultaneously herewith and expressly made a part hereof as Unit Ownership File No. 11 (herein "Unit Ownership File"), consisting of 8 pages, is a Survey of the land and graphic descriptions and plans of the improvements constituting the Condominium, identifying the Condominium Units and Common Areas and Facilities, as said terms are hereinafter defined, and their respective locations and approximate dimensions. Each Condominium Unit is identified by specific numerical designation on said Unit Onwership File, and no Condominium Unit bears the same designation as any other Condominium Unit.

3. DEFINITIONS. The Condominium consists of Condominium Units and Common Areas and Facilities, as said terms are hereinafter defined.

A. Condominium Units as defined herein shall comprise the 108 separate numerically identified Dwelling Units which are designated in said Unit Ownership File, excluding all spaces and improvements lying:

(1) Beneath the subflooring material of all floors;

(2) Beneath the interior surfacing material of all perimeter walls, interior bearing walls and/or bearing partitions;

(3) Above the interior surfacing material of the ceilings;

and further excluding all pipes, ducts, wires, conduits and other facilities for the furnishing of utilities and other services to Condominium Units and Common Areas and Facilities up to and including the point of entry of such pipes, ducts, wires, and conduits through the interior surfacing material for walls and ceilings and subflooring surfacing material for floors. All pipes, ducts, wires, conduits and other such facilities within the interior surfacing materials shall be a part of the respective Condominium Unit. The decoration and painting of the exterior surface of doors and window frames shall be the responsibility of the Association, as hereinafter defined.

B. Common Areas and Facilities (herein "Common Property") shall comprise all of the real property, improvements and facilities of the Condominium other than the Condominium Units and all personal property held and maintained for the use and enjoyment of all the Owners of the Condominium Units.

C. Certain portions of the Common Areas and Facilities are reserved for the use of a particular Condominium Unit to the exclusion of other Units and are designated as "Limited Common Areas and Facilities." Limited Common Areas and Facilities and the Condominium Units to which they are reserved are as follows:

Patio adjoining each unit as shown on plans and surveys of the dwelling units;

The terms "Association of Unit Owners", "Building", "Common Areas and Facilities", "Common Expenses", "Common Profit", "Condominium", "Declaration", "Majority" or "Majority of Unit Onwers", "Person", "Property", "Recordation"; "Unit" or "Condominium Unit", "Unit Designation", and "Unit Owner", unless it is plainly evident from the context of this Declaration that a different meaning is intended, shall, have the meaning set out in Section 3 of Chapter 47A of the General Statutes of North Carolina.

4. OWNERSHIP OF CONDOMINIUM UNITS AND APPURTENANT INTEREST IN COMMON PROPERTY. Each Condominium Unit shall be conveyed and treated as an individual property capable of independent use and fee simple ownership, and the Owner of each Unit shall also own, as an appurtenance to the ownership of each said Condominium Unit, an undivided interest in the Common Property. The undivided interest appurtenant to each Condominium Unit shall be as set out in Exhibit "B" attached hereto and made a part hereof. The proportional interest in the Common Property that is appurtenant to each Condominium Unit has been determined by a ratio formulated upon the approximate relation that the fair market value of each Unit at the date of the Declaration bears to the then aggregate fair market value of all of the Units having an interest in the Common Property. The fair market value of each Unit and the aggregate fair market value of all the Units have been determined by the Developer, and are binding upon all Unit Owners. The percentage of undivided interest in the Common Property assigned to each Condominium Unit shall not be changed except with the unanimous consent of all the Owners of the Condominium Units and with the consent of all of the Lenders holding first mortgages or deeds of trust on the Condominium Units.

5. RESTRICTIONS AGAINST FURTHER SUBDIVISION OF CONDOMINIUM UNITS: SEPARATE CONVEYANCE OF APPURTENANT COMMON PROPERTY PROHIBITED. No Condominium Unit may be divided or subdivided into a smaller Unit or Units than as shown in the Unit Ownership File nor shall any Condominium Unit or portion thereof be added to or incorporated into any other Condominium Unit. The undivided interst in the Common Property declared to be an appurtenance to each Condominium Unit shall not be conveyed, devised, encumbered or otherwise dealt with separately from said Condominium Unit, and the undivided interest in Common Property appurtenant to each Condominium Unit shall be deemed conveyed, devised, encumbered or otherwise included with the Condominium Unit even though such undivided interest is not expressly mentioned or described in the instrument conveying, devising, encumbering or otherwise dealing with such Condominium Unit. Any conveyance, mortgage or other instrument which purports to grant any right, interest or lien in, to or upon a Condominium Unit, shall be null and void insofar as it purports to affect any interest in a Condominiun Unit and its appurtenant undivided interest in Common Property, unless it purports to convey, devise, or encumber the entire Condominium Unit. Any instrument conveying, devising, or encumbering any Condominium Unit, which describes said Condominium Unit by the numerical designation assigned thereto in the Unit Ownership File shall be construed to affect the entire Condominium Unit and its appurtenant undivided interst in the Common Property. No limitation is placed on the ownership of any Condominium Unit by any person as tenants in common, joint tenants, or as tenants by the entirety.

6. THE CONDOMINIUM SUBJECT TO RESTRICTIONS. The Condominium Units, Common Property and Limited Common Areas are hereby declared to be subject to the restrictions, easements, conditions and covenants prescribed and established herein governing the use of said Condominium Units, Common Property and Limited Common Areas and setting forth the obligations and responsibilities incident to ownership of each Condominium Unit and its appurtenant undivided interest in the Common Property, and said Condominium Units, Common Property and Limited Common Areas are further declared to be subject to the restrictions, easements, conditions, and limitations now of record affecting the land and improvements of the Condominium.

7. PERPETUAL NON-EXCLUSIVE EASEMENT IN COMMON PROPERTY. The Common

Property is hereby declared to be subject to a perpetual non-exclusive easement in favor of all of the Owners of Condominium Units for their use and the use of their immediate families, guests and invitees, for all property purposes, and for the furnishing of services and facilities for which they are intended, and for the enjoyment of the Owners. Norwithstanding the foregoing, the Association, hereinafter defined, shall have the exclusive right to establish the rules and regulations pursuant to which the Owner of any Condominium Unit, his family, guests and invitees, may be entitled to use the Common Property, including the right to assign parking spaces, and to establish regulations concerning their use.

8. EASEMENT FOR UNINTENTIONAL AND NON-NEGLIGENT ENCROACHMENTS. In the event that any Condominium Unit shall encroach upon any Common Property, or any other Condominium Unit for any reason not caused by the purposeful or negligent act of the Condominium Unit Owner, or agents of such Owners, then an easement appurtenant to such Condominium Unit shall exist for the continuance of such encroachment upon the Common Property or upon a Condominium Unit for as long as such encroachment shall naturally exist; and, in the event that any portion of the Common Property shall encroach upon any Condominium Unit, then an easement shall exist for the continuance of such encroachment of the Common Property upon any Condominium Unit for so long as such encroachment shall naturally exist. If any Condominium Unit or Common Property shall be partially or totally destroyed as a result of fire or other casualty, or as a result of condemnation or eminent domain proceedings, and if upon reconstruction of such Unit and/or Common Property in accordance with Article 21 hereof, there exist encroachments of portions of the Common Property upon any Condominium Unit, or of any Condominium Unit upon any other Condominium Unit or upon any portion of the Common Property, then such encroachments shall be permitted and a valid easement for the maintenane thereof shall exist so long as such encroachments shall naturally remain.

9. RESTRAINT UPON SEPARATION AND PARTITION OF COMMON PROPERTY. Recognizing that the proper use of a Condominium Unit by an Owner or Owners is dependent upon the use and enjoyment of the Common Property in common with the Owners of all other Condominium Units, and that it is in the interest of all Owners that the ownership of the Common Property be retained in common by the Owners, it is hereby declared that the proportional undivided interest in the Common Property appurtenant to each Condominium Unit shall remain undivided and no Unit Owner shall bring or have any right to bring any action for partition or division.

10. ADMINISTRATION OF THE CONDOMINIUM BY GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD. To efficiently and effectively provide for the administration of the Condominium by the Owners of the Condominium Units, a non-profit North Carolina corporation known and designated as GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION (herein "Association") has been organized, and said corporation shall administer the operation and management of the Condominium and undertake and perform all acts and duties incident thereto in acordance with the terms of its Articles of Incorporation and By-laws. A true copy of said By-Laws and Articles of Incorporation are annexed hereto and expressly made a part hereof as Exhibits "C" and "D", respectively. The Owner or Owners of each Condominium Unit shall automatically become members of the Association upon acquiring an ownership interest in title to any Condominium Unit and its appurtenant undivided interest in Common Property; such membership shall terminate automatically upon the Owner or Owners being divested of such ownership interest in the title to such Condominium Unit, regardless of how such ownership may be divested. No person, firm or corporation holding any lien, mortgage or other encumbrance upon any Condominium Unit shall be entitled, by virtue of such lien, mortgage or other encumbrance, to membership in the Association or to any of the rights or privileges of such membership. In the administration of the operation and management of the Condominium, the Association is hereby granted the authority and power to enforce the provisions of this Declaration, to levy and to collect assessments in the manner hereinafter provided, and to adopt, promulgate and enforce such rules and regulations governing the use of the Condominium Units and Common Property as its Board of Directors may deem to be in its best interest.

11. RESIDENTIAL USE RESTRICTIONS APPLICABLE TO CONDOMINIUM UNITS.

Each Condominium Unit is hereby restricted to residential use by its Owner, his immediate family, guests, invitees and lessees. With the exception of a Lender in possession of a Condominium Unit following a default in a first deed of trust, a foreclosure proceeding or any deed in lieu of foreclosure, no Unit Owner shall lease his Unit for transient, hotel or commercial purposes. No Unit Owner may lease less than the entire Unit. Any lease agreement must provide that it shall be subject to the provisions of this Declaration, and that any failure by the lessee to comply with the terms hereof shall be a default under the lease, and shall be in writing. There is no other restriction on the right of any Unit Owner to lease his Unit.

12. USE OF COMMON PROPERTY SUBJECT TO RULES OF ASSOCIATION. The use of all Common Property by the Owner or Owners of all Condominium Units, and all other parties authorized to use the same, shall be subject to such rules and regulations as may be prescribed and established by the Association.

13. THE CONDOMINIUM TO BE USED FOR LAWFUL PURPOSES: RESTRICTION AGAINST NUISANCES. No immoral, improper, offensive or unlawful use shall be made of any Condominium Unit or of the Common Property, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction of the Condominium shall be observed. No Owner of any Condominium Unit shall permit anything to be done or kept in his Condominium Unit, or on the Common Property, which will increase the rate of insurance on the Condominium, or which will interfere with the rights of other occupants of the Condominium or annoy them by unreasonable noises, nor shall any Owner undertake any use which shall constitute a nuisance to any other Owner of a Condominium Unit, or which interferes with the peaceful possession and proper use of any other Condominium Unit or the Common Property.

14. RIGHT OF ENTRY INTO CONDOMINIUM UNITS IN EMERGENCIES AND FOR MAINTENANCE OF COMMON PROPERTY. In case of any emergency originating in or threatening any Condominium Unit, regardless of whether the Owner is present at the time of such emergency, the Board of Directors of the Association, or any other person authorized by it, shall have the right to enter such Condominium Unit for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate.

Whenever it may be necessary to enter any Condominium Unit in order to perform any maintenance, alteration or repair to any portion of the Common Property, the owner of each Condominium Unit shall permit other Owners or their representatives, or an agent of the Association, to enter such Condominium Unit for such purpose, provided that the entry shall be made only at reasonable times and with reasonable advance notice.

15. LIMITATION UPON RIGHT OF OWNERS TO ALTER AND MODIFY CONDOMINIUM UNITS: NO RIGHT TO ALTER COMMON PROPERTY. No Owner of a Condominium Unit shall permit any structural modification or alteration to be made to such Condominium Unit without first obtaining the written consent of the Association, which consent may be withheld in the event that a majority of the Board of Directors of the Association shall determine that such structural modifications or alterations would adversely affect or in any manner endanger the Condominium in part or in its entirety. No Owner shall cause any improvements or changes to be made on the exterior of the Condominium (including painting or other decoration, or the installation of electrical wiring, television or radio antennae or any other objects or machines which may protrude through the walls or roof of the Condominium) or in any manner alter the appearance of the exterior portion of any building without the written consent of the Association being first obtained. No Unit Owner shall cause any object to be fixed to the Common Property or to any Limited Common Area (including the location or construction of fences and the planting or growing of flowers, trees, shrubs or any other vegetation) or in any manner change the appearance of the Common Property or Limited Common Area without the written consent of the Association being first obtained.

16. RIGHT OF ASSOCIATION TO ALTER AND IMPROVE COMMON PROPERTY AND ASSESSMENT THEREFOR. The Association shall have the right to make such alterations or improvements to the Common Property which do not prejudice the rights of the Owner of any Condominium Unit in the use and enjoyment of his

Condominium Unit, provided the making of such alterations and improvements are approved by the Board of Directors of the Association, and their costs shall be common expenses to be assessed and collected from all of the Owners of Condominium Units. However, where any alterations and improvements are exclusively or substantially for the benefit of the Owner or Owners of certain Condominium Unit or Units requesting them, then the cost of such alterations or improvements shall be charged against and collected solely from the Owner or Owners of the Condominium Unit or Units exclusively or substantially benefited, the charge to be levied in such proportion as may be determined by the Board of Directors of the Association.

17. MAINTENANCE AND REPAIR BY OWNERS OF CONDOMINIUM UNITS. Every Owner shall perform promptly all maintenance and repair work within his Condominium Unit which, if omitted, would affect the Condominium, either in its entirety or in a part belonging to other Owners, every Owner being expressly responsibile for the damages and liability which his failure to do so may engender. The Owner of each Condominium Unit shall be liable and responsible for the maintenance, repair and replacement of all heating and air conditioning equipment, stoves, refrigerators, fans, or other appliances or equipment, including any fixtures and/or their connections required to provide water, light, power, telephone, sewage and sanitary service to his Condominium Unit. Such Owner shall further be responsible and liable for the maintenance, repair and replacement of the interior surfaces of all walls, ceilings and floors within his Unit including painting, decorating and furnishings, and all other accessories which such Owner may desire to place or maintain in his Condominium Unit. Whenever the maintenance, repair and replacement of any item for which the Owner is obligated to maintain, replace or repair at his own expense is occasioned by any loss or damage which may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by the Association shall be used for the purpose of making such maintenance, repair or replacement except that the Owner of such Condominium Unit shall be, in said instance, required to pay such portion of the costs of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement. The Owner of a Condominium Unit who has exclusive use of any Limited Common Area shall maintain such at his own expense. All doors, window frames, panes and screens are a part of the respective Condominium Units and shall be maintained by the respective Unit Owners, except as set forth in provision 3.A. hereinabove.

18. MAINTENANCE AND REPAIR OF COMMON PROPERTY BY THE ASSOCIATION. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of all of the Common Property, including those portions thereof which contribute to the support of the buildings, and all conduits, ducts, plumbing, wiring and other facilities located in the Common Property for the furnishing of utility and other services to the Condominium Units and said Common Property, and should any incidental damage be caused to any Condominium Unit by virtue of any work which may be done or caused to be done by the Association in the maintenance, repair or replacement of any Common Property, the Association shall, at its expense, repair such incidental damage. Whenever the maintenance, repair and replacement of any item for which the Association is obligated to maintain, replace or repair at its expense is occasioned by any act of a Condominium Unit Owner, his immediate family, guests, or invitees, and such loss or damage may be covered by any insurance maintained in force by the Association, the proceeds of the insurance received by Association shall be used for the purpose of making such maintenance, repair or replacement, except that the Unit Owner who is responsible for the act causing the damage (whether done by himself or by his family, guests or invitees) shall be required to pay such portion of th cost of such maintenance, repair and replacement as shall, by reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement.

19. INSURANCE AND AUTHORITY TO PURCHASE INSURANCE. Insurance policies upon the Property (other than title insurance) shall be purchased by the Association in the name of the Board of Directors of the Association, as Trustees for the Condominium Unit Owners and their respective mortgagees as

their interests may appear, and shall provide for the issuance of certificates or mortgage endorsements to the holders of first mortgages on the Condominium Units or any of them, and if the companies writing such policies will agree, the policies shall provide that the insurer waives its rights of subrogation as to any claims against Condominium Unit Owners, the Association and their respective servants, agents and guests. Each Condominium Unit Owner shall obtain insurance, at his own expense, affording coverage upon his Condominium Unit, his personal property and for his personal liability and as may be permitted or required by law, but all such insurance shall contain the same wavier of subrogation referred to above if available.

20. INSURANCE COVERAGE TO BE MAINTAINED: USE AND DISTRIBUTION OF INSURANCE PROCEEDS.

A. The following insurance coverage shall be maintained in full force and effect by the Association covering the operation and management of the Condominium Units and Common Property:

(1) Casualty insurance covering the buildings and all improvements upon the land and all personal property described in Exhibit "A", except such personal property as may be owned by the Condominium Unit Owners, shall be procured in an amount equal to the maximum insurable replacement value thereof (exclusive of excavation, foundations, streets and parking facilities) as determined annually by the insurance company on a co-insurance basis of not less than eighty percent (80%). Such coverage shall afford protection against: (a) loss or damage by fire and other hazards covered by the standard extended coverage endorsement; (b) such other risks as from time to time customarily shall be covered with respect to the buildings similar in construction, locaton and use, including, vandalism and malicious mischief.

(2) Public liability and property damage insurance in such amounts and in such forms as shall be required by the Association, including legal liability, hired automobile, non-owned automobile and off-premises employee coverages.

(3) All liability insurance shall contain cross-liability endorsements to cover liabilities of the Condominium Unit Owners as a group to a Condominium Unit Owner.

B. Premiums upon insurance policies purchased by the Association shall be paid by the Association as comon expenses to be assessed and collected from all of the Owners of Condominium Units.

C. All insurance policies purchased by the Association shall be for the benefit of the Association and the Condominium Unit Owners and their mortgagees, as their respective interests may appear, and shall provide that all proceeds payable as a result of casualty losses shall be paid to the Association. The Association shall hold such proceeds in trust for the benefit of the Association, the Condominium Unit Owners and their respective mortgagees in the following shares:

(1) Proceeds on account of damage to Common Property: in undivided shares for each Condominium Unit Owner and his mortgagee, if any, which shares are shown on Exhibit "B."

(2) Proceeds on account of damages to Condominium Units shall be held in the following undivided shares:

(a) Partial destruction when the Condominium is to be restored: for the Owners of damaged Condominium Units in proportion to the costs of repairing the damage suffered by each damaged Condominium Unit;

(b) Total destruction of the Condominium or where the Condominium is not to be restored: for all Condominium Unit Owners and their mortgagees, the share of each being set forth in Exhibit "B."

D. In the event a mortgagee endorsement has been issued as to a Condominium Unit, the share of the Condominium Unit Owner shall be held for the mortgagee and the Condominium Unit Owner as their interests may appear, but no mortgagee shall have the right to participate in the determination of reconstruction or repair.

E. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the beneficial Condominium Unit Owners in the following manner:

(1) If the damage for which the proceeds were paid is to be repaired or reconstructed, the proceeds shall be paid to defray the costs. Any proceeds remaining after defraying such costs shall be distributed to the beneficial Condominium Unit Owners, all remittances to Condominium Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Condominium Unit and may be enforced by him.

(2) If it is determined that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the beneficial Condominium Unit Owners, remittances to Condominium Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Condominium unit and may be enforced by him.

F. Each Unit Owner, at his expense, shall keep in force comprehensive personal liability insurance covering liability for damages to person or property of others located within such Owner's Unit, or another Unit, or upon the Common Area and facilities in such amounts as the Board of Directors shall, from time to time, determine, but in no case less than $100,000 for each occurrence.

21. RECONSTRUCTION OR REPAIR OF CASUALTY DAMAGE; DAMAGE TO COMMON PROPERTY; DAMAGE TO CONDOMINIUM UNITS.

A. If any part of the Common Property shall be damaged by casualty, the determination of whether or not to reconstruct or repair it shall be made as follows:

(1) Partial destruction shall be destruction of 2/3 or less of the Bulding. In the event of partial destruction, the Common Property shall be reconstructed or repaired unless this Declaraton is terminated by the unanimous vote of all of the Condominium Unit Owners as a meeting of the members of the Association called and held prior to commencement of such reconstruction or repair.

(2) Total destruction shall be destruction of more than 2/3 of the Building. In the event of total destruction, the Common Property shall not be reconstructed or repaired if, at a meeting which shall be called within thirty (30) days after the occurrence of the casualty, or if by such date the insurance loss has not been finally adjusted, then within thirty (30) days after such adjustment, Condominium Unit Owners who own three-fourths (3/4) or more of the Building vote against reconstruction or repair.

(3) Any such reconstruction or repair shall be substantially in accordance with the plans and specifications contained herein.

B. If the damage is only to those parts of one or more Condominium Units for which the responsibilty for maintenance and repair is that of the Unit Owner, then the Condominium Unit Owner shall be responsible for reconstruction and repair after casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association as follows:

(1) Immediately after the casualty causing damage to property for which the Association has the responsibility for maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before the casualty. Such costs may include professinoal fees and premiums for such bonds as the

Board of Directors deems appropriate.

(2) When the damage is to both Common Property and Condominium Units, the insurance proceeds shall be applied first to the costs of repairing the Common Property and the balance to the Condominium Units.

C. Each Condominium Unit Owner delegates to the Board of Directors of the Association his right to adjust with insurance companies all losses under policies purchased by the Association, except in any case where the damage is restricted to one Condominium Unit.

22. ASSOCIATION TO MAINTAIN REGISTER OF OWNERS AND MORTGAGEES. The Association shall maintain a Register setting forth the names of the Owners of all of the Condominium Units. In the event of the transfer of any Condominium Unit to a third party, the transferee shall notify the Association in writing of his interest in such Condominium Unit, together with the recording information necessary to identify the instrument by which the transferee has acquired his interest. The Owner of each Condomnium Unit shall also notify the Association of the parties holding any mortgage on any Condominium Unit, the amount of such mortgage and the recording information necessary to identify the mortgage. The holder of any mortgage upon any Condominium Unit may notify the Associaton of the existence of any mortgage and the Association shall register in its records all pertinent information relating thereto.

23. ASSESSMENTS: LIABILITY, LIEN AND ENFORCMENT. The Association is given the authority to administer the operation and management of the Condominium as being in the best interest of the Owners of all Condominium Units. To properly administer the operation and management of the Condominium, the Association will incur for the mutual benefit of all of the Owners of Condominium Units, costs and expenses (herein "Common expense"). To provide the funds necessary for such proper operation, management and capital improvement, the Association has been granted the right to make, levy and collect assessments against the Unit Owners and their Condominium Units. In furtherance thereof, the following provisions shall be operative and binding upon the Owners of all Condominium Units:

A. All assessments levied against the Unit Owners and their Condominium Units shall be uniform and, unless specifically otherwise provided for herein, all assessments made by the Association shall be in such amount that any assessment levied against a Unit Owner and his Condominium Unit shall bear the same ratio to the total assessment made against all Unit Owners and their Condominium Units as the undivided interest in Common Property appurtenant to each Condominium Unit bears to the total undivided interest in Common Property appurtenant to all Condominium Units. Should the Association be the Owner of a Condominium Unit or Units, the assessment which would otherwise be due and payable to the Association by the Owner of such Unit or Units, reduced by the amount of income which may be derived from the leasing of such Unit or Units by the Association, shall be apportioned and assessment therefor levied ratably among the Owners of all Units which are not owned by the Association, based upon their proportionate interest in Common Property exclusive of the interest therein appurtenant to any Unit or Units owned by the Association. Developer shall not be required to expend from his own funds any sums of money for maintenance, improvements, or any other expenses of the administration of the Common Areas and Facilities, provided, however, Developer may at his option advance such sums necessary for such expenses, maintenance, and improvements or may pay directly the costs thereof. In either event Developer shall be allowed a credit for such sums so advanced or expended, such credit to be fully aplied against any liability Developer has hereunder for payment of his pro rata share of the common expenses as an Owner.

B. Assessments provided for herein shall be payable in monthly installments, or in such other manner as the Board of Dirctors of the Association shall determine. Such assessments shall commence for each Unit on May 1, 1980, unless the Board of Directors of the Association decides to assess monthly dues before this date.

C. The Board of Directors of the Association shall establish an Annual Budget in advance for each fiscal year (which shall correspond to the

calendar year, except that in the initial year of operation of the Condominium, the fiscal year shall commence with the closing of the sale of the first Condominium Unit). Such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves, such budget to take into account anticipated income which is to be applied in reduction of the amounts required to be collected as an assessment each year. The Board of Directors shall keep separate, in accordance with paragraph "D" hereof, items relating to operation and maintenace from items relating to capital improvements. Upon adoption of such Annual Budget by the Board of Directors of the Association, copies shall be delivered to each Owner of a Condominium Unit and the assessment for said year shall be established based upon such budget, although the non-delivery of a copy of it to each Owner shall not affect the liability of any Owner for such assessment. A majority of the Owners must approve an increase in the assessment by an amount greater than the percentage increase in the Consumer Price Index compiled by the Bureau of Labor Statistics of the United States Department of Labor from January 1 of the prior year to January 1 of the current year.

D. The Board of Directors of the Association, in establishing the Annual Budget for operation, management and mainenance of the Condominium, shall designate a sum to be collected and maintained as a reserve fund for replacement of and capital improvements to the Common Property (herein "Capital Improvement Fund") shall be for the purpose of enabling the Association to replace structural elements and mechanical equipment constituting a part of the Common Property, and the replacement of personal property constituting a portion of the Common Property held for the joint use and benefit of the Owners of Condominium Units. The amount to be allocated to the Capital Improvement Fund may be established by the Board of Directors to Collect and maintain a sum reasonbly necessary to anticipate the need for replacement of Common Property. The amount collected for the Capital Improvement Fund shall be maintained in a separate account by the Association and shall be used only to make capital improvements to Common Property. Any interest earned on the Capital Improvement Fund may be expended for current operation and maintenance.

E. All funds collected by the Association shall be treated as the separate property of the Association, and such funds may be applied by the Association to the payment of any expense of operating and managing the Condominium, or to the proper undertaking of all acts and duties imposed upon it by this Declaration, the Articles of Incorporation and the By-Laws of the Association. Although all funds and common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom or from the leasing or use of Common Property, shall be held for the benfit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Condominium Unit. When the Owner of a Codnominium Unit shall cease to be a member of the Association, the Association shall not be required to account to such Owner for any share of the fund or assets of the Association, or which may have been paid to the Association by such Owner, as all funds which any Owner has paid to the Association shall constitute an asset of the Association which may be used in the operation and management of the Condominium.

F. The payment of any assessment of installment thereof shall be in default if such assessment or installment is not paid to the Association within thirty (30) days of its due date. When in default, the delinquent assessment or delinquent installment thereof due to Association shall bear interest at the highest rate allowed by law until paid in full to the Association.

G. The Owner or Owners of each Condominium Unit shall be personally liable, jointly and severally, to the Association for the payment of all assessments, regular or special, which may be levied by the Association against such Condominium Unit while such party or parties are Owner or Owners of a Condominium Unit. In the event that any Unit Owner or Owners are in default in payment of any assessment or installment owed to the Association, such Unit Owner or Owners shall be personally liable, jointly and severally, for interest on such delinquent assessment or installment thereof

as above provided, and for all costs of collecting such assessment or installment and interest thereon, including reasonable attorneys' fees, whether suit be brought or not.

H. No Owner of a Condominium Unit may exempt himself from liability for any assessment levied against him or his Condominium Unit by waiver of the use of enjoyment of any of the Common Property, or by abandonment of the Condominium Unit or in any other way.

I. Recognizing that proper operation and management of the Condominium requires the continuing payment of costs and expenses therefor, and that such proper operation and maintenance results in benefit to all of the Owners of Condominium Units, and that the payment of such common expenses represented by the assessments levied and collected by Association is necessary in order to preserve and protect the investment of each Unit Owner, the Association is hereby granted a lien upon each Condominium Unit and its appurtenant undivided interest in Common Property, which lien shall secure the funds due for all assessements now or hereafter levied against the Owner of each such Condominium Unit, which lien shall also secure all costs and expenses, including a reasonable attorney's fee, which may be incurred by the Association in enforcing this lien upon said Condominium Unit. The lien granted to the Association may be forclosed in the same manner that real estate deeds of trust and mortgages may be foreclosed in the State of North Carolina, and in any suit for the foreclosure of said lien, the Association shall be entitled to reasonable rental from the Owner of any Condominium Unit from the date on which the payment of any assessment or installment thereof became delinquent, and shall be entitled to the appointment of a Receiver for said Condominium Unit. The lien granted to the Association shall further secure such advances for taxes, and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, including interest at twelve (12%) percent on any such advances so made. All persons, who shall acquire any interest in the ownership of any Condominium Unit, or who may be given or acquire a mortgage, lien or other encumbrance thereon, are hereby placed on notice of the lien rights granted to the Association, and shall acquire such interest in any Condominium Unit expressly subject to such lien rights.

J. The lien herein granted to the Association shall be enforceable from the time of recording a claim of lien in the Public Records of Wake County, North Carolina (hereafter the Public Registry), which claim shall state the description of the Condominium Unit encumbered thereby, the name of the record owner, the amount due and the date when due. The claim of lien shall be recordable any time after default and the lien shall continue in effect until all sums secured by said lien shall have been fully paid. Such claims of lien shall include only assessments which are due and payble when the claim of lien is recorded, plus interest, costs, attorney's fees, advances to pay taxes and prior encumbrances and interst thereon. It shall be signed and verified by an officer of agent of the Association. Upon full payment of all sums secured by such claim of lien, it shall be satisfied of record.

The lien provided for herein shall be subordinated to the lien of any mortgage or deed of trust. Any person, firm or corporation acquiring title to any Condominium Unit and its appurtenant undivided interest in Common Property by any foreclosure, deed in lieu of foreclosure, or judicial sale, shall be liable and obligated only for assessments as shall accrue and become due and payble for said Condominium Unit and its appurtenant undivided interest in Common Property subsequent to the date of acquisition of such title, and it shall not be liable for the payment of any assessments which were in default and delinquent at the time it acquired such title. In the event of the acquisition of title to a Condominium Unit by foreclosure, deed in lieu of foreclosure, or judicial sale, any assessment which the party so acquiring title shall not be liable shall be absorbed and paid by all Owners of all Condominium Units as a part of the Common expense, although nothing herein contained shall release the party liable for such delinquent assessment from the payment thereof or th enforcement of collection of such payment by means other than foreclosure.

K. Whenever any Condominium Unit may be leased, sold or mortgaged by

The Owner thereof, the Association, upon written request of the Unit Owners, shall furnish to the proposed lessee, purchaser or mortgagee, a statement verifying the status of payment of any assessment which shall be due and payable to the Association by such Unit. Such statement shall be executed by any officer of the Association, and any lessee, purchaser or mortgagee may rely upon such statement in concluding the proposed lease, purchase or mortgage transaction, and the Association shall be bound by such statement.

In the event that a Condominium Unit is to be leased, sold or mortgaged at the time when payment of any assessment against the Owner of said Condominium Unit and such Condominium Unit due to the Association shall be in default (whether or not a claim of lien has been recorded by the Association), then the rent, proceeds of such purchase or mortgage proceeds, shall be applied by the lessee, purchaser or mortgagee first to the payment of any then delinquent assessment or installments thereof due to the Association before the payment of any rent, proceeds of purchase or mortgage proceeds to the Owner of any Condominium Unit who is responsible for payment of such delinquent assessment.

In any voluntary conveyance of a Condominium Unit, the purchaser thereof shall be jointly and severally liable with seller for all unpaid assessments against seller made prior to the time of such voluntary conveyance, without prejudice to the rights of the purchaser to recover from seller the amounts paid by purchaser therefor.

Institution of a lawsuit to attempt to collect the payment of any delinquent assessment shall not be an election by the Association which shall prevent it from thereafter seeking, by foreclosure action, enforcement of the collection of any sums remaining owing to it, nor shall proceeding by foreclosure to attempt such collection be deemed to be an election precluding the institution of a suit at law to collect any sum then remaining owing to Association.

24. COMMON SURPLUS. "Common Surplus", meaning all funds and other assets of the Association (including excess of receipts of the Association, including but not limited to assessments, rents, profits and revenues from whatever source over amount of the common expense), shall be owned by the Owners of all Condominium Units in the same proportion that the undivided interest in Common Property appurtenant to each Owner's Condominium Unit bears to the total of all undivided interest in Common Property appurtenant to all Condominium Units; provided, however, that said common surplus shall be held by the Association in the manner, and subject to the terms, provisions and conditions of this Declaration, imposing certain limitations and restrictions upon the use and distribution thereof. Except for distribution of any insurnace indemnity herein provided, or upon termiantion of the Condominium Units in accordance with their percentage interest in common surplus as declared herein.

25. TERMINATION. The Condominium shall be terminated, if at all, in the following manner:

A. The termination of the Condominium may be effected only by the unanimous agreement of all Condominium Unit Owners expressed in an instrument duly recorded; and, provided that the holders of all liens affecting any of the Condominium Units consent thereunto, or agree, by instrument duly recorded, that their liens be transferred to the percentage of the undivided interest of the Condominium Unit Owner in the Property as provided in subparagraph "C" below. The termination shall become effective when such agreement has been recorded in the Public Registry.

B. If it is determined in the manner elsewhere provided that the Condominium shall not be reconstructed after casualty, the Condominium plan of ownership shall be terminated and the Declaration of Condominium revoked. The determination not to reconstruct after casualty shall be evidenced by a Certificate of the Association certifying as to the facts effecting the termination, which Certificate shall become effective upon being recorded in the Public Registry.

C. After termination of the Condominium, the Condominium Unit Owners shall own the Property as tenants in common in undivided shares and the

holders of mortgages and liens against the Condominium Unit or Units formerly owned by such Condominium Unit Owners shall have mortgages and liens upon the respective undivided shares of the Condominium Unit Owners. The undivided share or interest owned as tenants in common shall be that percentage of the undivided interest in the Common Area and Facilities previously owned by each Unit Owner. All funds held by the Association and insurance proceeds, if any, shall be held for the Unit Owners in the same proportion. The costs incurred by the Association in connection with the termination shall be a Common Expense.

D. Following termination, the property may be partitioned and sold upon the application of any Condominium Unit Owner. Following a termination, if the Board of Directors determined by not less than a three-fourths (3/4) vote to accept an offer for the sale of property, each Condominium Unit Owner shall be bound to execute such deeds and other documents reasonably required to effect such sale at such times and in such form as the Board of Directors directs. In such event, any action for partition or other division of the property shall be held in abeyance pending such sale, and upon the consummation thereof shall be discontinued by all parties thereto.

E. The members of the Board of Directors acting collectively as agent for all Condominium Unit Owners, shall continue to have such powers as granted herein, even though the Association may be dissolved upon a termination.

26. AMENDMENT OF DECLARATION OF CONDOMINIUM. This Declaration of Condominium may be amended in the following manner:

A. An Amendment to this Declaraton of Condominium may be proposed by the Board of Directors of the Association acting upon a vote of a majority of the Directors, or by the members of the Association owning a majority of the Condominium Units, whether meeting as members or by instrument in writing signed by them. Upon any Amendment to this Declaration being proposed by the Board of Directors or members, such proposed Amendment shall be transmitted to the President of the Association, or other officer of the Association in the absence of the President, who shall thereupon call a Special Meeting of the members of the Association for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt by him of the proposed Amendment. It shall be the duty of the Secretary to give to each member written notice of such Special Meeting, stating the time and place, and reciting the proposed Amendment in reasonably detailed form, which notice shall be mailed not less than ten (10) days nor more than thirty (30) days before the date set for such Special Meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States Mail addressed to the member at his Post Office address as it appears on the records of the Association, the postage thereon prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of notice to such member. At the meeting, the Amendment proposed must be approved by an affirmative vote of seventy-five (75%) percent of the members owning Units in the Condominium in order for such Amendment to become effective. Thereupon such Amendment of this Declaration shall be transcribed and certified by the President and Secretary of the Association as having been duly adopted. The original or an executed copy of such Amendment so certified and executed with the same formalities as a deed, shall be recorded in the Public Registry within ten (10) days from the date on which the same became effective. At any meeting held to consider such Amendment, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association prior to such meeting or at such meeting.

B. No alteration in the percentage of ownership in Common Property appurtenant to each Condominium Unit, or alteration of the basis for sharing common expenses and other apportionment of assessments which may be levied by the Association in accordance with the provisions hereof, or alteration of basis of ownership of Common Surplus, or alteration of voting rights in the Association, shall be made without the prior written consent of all of

the Owners of all Condominium Units and all of the Lenders holding first mortgages or first deeds of trust on the Condominium Units.

C. No alteration, amendment or modification of the rights and privileges granted and reserved hereunder in favor of Lender shall be made without prior written consent of all Lenders holding mortgages on Condominium Units in the Condominium being first had and obtained.

D. No alteration, amendment or modification of the rights and privileges granted and reserved heeunder in favor of Developer shall be made without the written consent of said party being first had and obtained.

27. REMEDIES IN EVENT OF DEFAULT. The Owner or Owners of each Condominium Unit shall be governed by and shall comply with the provision of this Declaration and the Articles of Incorporation and By-Laws of the Association, as they may be amended from time to time. A default by the Owner of any Condominium Unit shall entitle the Association or the Owner of other Condominium Units to the following relief:

A. Failure to comply with any of the terms of this Declaration or other restrictions and regulations contained in the Articles of Incorporation or By-Laws of the Association, or which may be adopted pursuant thereto, shall be grounds for relief including without limitation an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof. Such relief may be sought by the Association or, if appropriate, by an aggrieved Unit Owner.

B. Each Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandoment of a Condominium Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

C. In any proceeding arising because of an alleged default by a Unit Owner, the Association shall be entitled to recover the costs of the proceeding reasonable attorney's fees.

D. The failure of the Association or any Unit Owner to enforce any rights, provision, covenant or condition which may be granted by this Declaration or the other above-mentioned documents shall not consitute a waiver of the right of the Association or of the Unit Owner to enforce such right, provision, covenant or condition in the future.

E. All rights, remedies and privileges granted to the Association or the Owner or Owners of a Condominium Unit pursuant to any terms, provisions, covenants or conditions of this Declaration or other above-mentioned documents, shall be cumulative, and the exercise of any one or more shall not constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and addtional rights, remedies or privileges as may be available to such party at law or in equity.

F. The failure of Developer to enforce any right, privilege, covenant or condition which may be granted to it by this Declaration or other above-mentioned documents shall not constitute a waiver of the right of Developer to thereafter enforce such right, provision, covenant or condition in the future.

G. The failure of a Lender to enforce any right, provision, privilege, covenant or condition which may be granted to it or them by this Declaration or other above-mentioned documents, shall not constitute a waiver of the right of said party or parties to thereafter enforce such rights, privilege, covenant or condition in the future.

28. RIGHTS RESERVED UNTO LENDERS. As long as any Lender shall hold any mortgage upon any Condominium Unit or Units, or shall be the Owner of

any Condominium Unit or Units, such Lender shall have the following rights:

A. To approve the company or companies with whom casualty insurance is placed.

B. To examine, upon request and at reasonable times and upon reasonable notice, the books and records of the Association; and to be furnished at least one copy of the Annual Audited Financial Statement and Report of the Association prepared by a Certified Public Accountant designated by the Association, such Financial Statement and Report to be furnished by April 1 of each calendar year.

C. To be given written notice by the Association of the call of any meeting of the membership, which notice shall state the purpose of such meeting; and to designate a representative to attend.

D. To be given written notice of default by any Owner owning a Condominium Unit encumbered by a mortgage held by the Lender, such notice to be sent to the place which it may designate in writing.

E. To be given written notice of any loss to or taking of, the common elements of the Condominium if such loss or taking exceeds $10,000 or damage in excess of $1,000 to a Condominium Unit on which such Lender shall hold a mortgage.

F. To receive written notice of any condemnation or eminent domain proceeding or proposed acquisition by a condemning authority.

Whenever any Lender desires the provisions of this Article to be applicable to it, it shall serve written notice of such fact upon the Association by Registered Mail or Certified Mail addressed to the Association and sent to its address stated herein, identifying the Condominium Unit or Units upon which any such Lender holds any mortgage, or identifying any Condominium Units owned by it, together with sufficient facts to identify such mortgage and which notice shall designate the place to which notices are to be given by the Association to such Lender.

29. RIGHT OF DEVELOPER TO REPRESENTATION ON BOARD OF DIRECTORS OF THE ASSOCIATION; OTHER RIGHTS OF THE DEVELOPER. So long as Developer owns thirty (30) or more Condominium Units in the Condominium, but in any event, no longer than December 31, 1980, Developer shall have the right to designate and select a majority of the persons who shall serve as members of each Board of Directors of the Association.

In the event of dissolution of Developer or assignment by Developer at the time when it is the Owner of a Condominium Unit, then the rights of the Developer shall pass to and may be exercised by its successors receiving ownership of any such Condominium Unit in dissolution.

Whenever Developer shall be entitled to designate and select any person to serve on the Board of Directors of the Association, the manner in which such person shall be designated shall be as provided in the Articles of Incorporation and/or By-Laws of the Association, and Developer shall have the right to remove any person selected by it to act and serve on said Board of Directors and to replace such person with another person to act and serve in the place of any Director so removed for the remainder of the unexpired term of any Director so removed. Any Director designated and selected by Developer need not be a resident in the Condominium. However, Developer shall be responsible for the payment of any assessments which may be levied by the Association against any Condominium Unit or Units owned by the said Developer, and for complying with the remaining terms and provisions hereof in the same manner as any other Owner of a Condominium Unit or Units.

During the period of sale by the Developer of any unit, the Developer, and said Developer's agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to an egress from said units and across the Property as may be required for purposes of said sale of units. While the Developer owns any of the units and until each unit sold by it is occupied by the purchasers, the Developer and its employees may use and show one or more of such unsold or unoccupied

units as a model unit or units and may use one or more of such unsold or unoccupied units as a sales office, and may maintain customary signs in connection therewith.

30. FEDERAL HOME LOAN MORTGAGE CORPORATION REGULATIONS. Notwithstanding anything to the contrary contained in this Declaration, or in the Articles of Incorporation or the By-Laws which are attached hereto, all terms, conditions and regulations which are now existing, or which may be amended from time to time, by the Federal Home Loan Mortgage Corporation pertaining to condominiums are hereby incorporated as terms and conditions of the Delcarations and By-Laws and such shall be governing upon the Property, the Developer, and the Association of Unit Owners, so long as such terms or conditions are not inconsistent with the laws of the State of North Carolina, including, but not limited to, the North Carolina Unit Ownership Act.

31. MISCELLANEOUS.

A. In the event that any of the terms, provisions or covenants of this Delcaration are held to be partially or wholly invalid or unenforceable, such holding shall not affect, alter, modify or impair in any manner any of the other terms, provisions or covenants hereof or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

B. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan of Condominium ownership. Throughout this Declaration wherever appropriate the singular shall include the plural and the masculine gender the feminine or neuter. The Article headings are for convenience of reference only and shall not be considered terms of this Declaration.

C. The restrictions and burdens imposed by the covenants of this Declaration shall constitute covenants running with the land, and shall constitute an equitable servitude upon each Condominium Unit and its appurtenant undivided interest in Common Property. This Declaration shall be binding upon Developer, its successors and assigns, and upon all parites who may subsequently become Owners of Condominium Units in the Condominium, and their respective heirs, legal representatives, successors and assigns.

D. The following named individual is designated as the person to receive service of process for the Association:

Frank R. Liggett, III, Attorney
6th Floor, Branch Bank Building
Raleigh, North Carolina 27602

E. Developer and its agents shall have the right to continue its sales efforts on the premise and post "For Sale" signs thereon for so long as it shall own any unit.

F. Pursuant to Section 20-4.4(B) and (C) of the Subdivision Standards Ordinance of the City of Raleigh, North Carolina, it is agreed that the City of Raleigh shall in no case be responsible for failing to provide any emergency or regular fire, police or other public service to developments or their occupants when such failure is due to lack of access to such areas, due to inadequate design or construction, blocking of access routes, or any other factor within the control of the Developer, Homeowners' Association, or occupants. This statement is placed herein pursuant to the requirements of Section 20-4.4(C) of the Subdivision Standards Ordinance of the City of Raleigh, North Carolina.

G. Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall not be stored or kept in the corridors, hallways, lobby or other Common Areas. Storage of boats, trailers, campers, and motor homes on the Property shall be subject to the rules and regulations of the Board applicable thereto.

H. It is herewith agreed that this Declaration may not be amended unless either the City of Raleigh, City Attorney's Office, has agreed to any proposed amendments, or, the City of Raleigh, City Attorney's Office, has received the proposed amendment by certified mail, return receipt requested, and has for a period of thirty (30) days after receipt, failed to respond negatively to the proposed amendment.

IN WITNESS WHEREOF, GEORGETOWN VENTURE, a Tennessee Joint Venture, has caused these presents to be executed in its name, by its Partners, this day of February, 1980, at Raleigh, North Carolina.

GEORGETOWN, A Tennessee Joint Venture

by its Partner,

BUCHANAN/TALLENT PROPERTIES, a Partnership

BY: _____
Sam A. Buchanan, III

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Peggie Anne Bridgers, a Notary Public of said County and State, do hereby certify that SAM A. BUCHANAN, III, acting as a Partner of Buchanan/Tallent Properties, personally came before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and notarial seal this 14th day of February, 1980

Peggie Anne Bridgers
NOTARY PUBLIC

My Commission Expires 6-25-83

NORTH CAROLINA—WAKE COUNTY

The foregoing certificate ____ of Peggie Anne Bridgers

Notary(ies) Public is (are) certified to be correct. This instrument was presented for registration and recorded in this office in Book 2808, Page 894

This 14 day of February, 1980, at 2:57 o'clock P M

R. B. McKENZIE Jr. Register of Deeds

By Joyce B. Johnson
Deputy Register of Deeds

H. It is herewith agreed that this Declaration may not be amended unless either the City of Raleigh, City Attorney's Office, has agreed to any proposed amendments, or, the City of Raleigh, City Attorney's Office, has received the proposed amendment by certified mail, return receipt requested, and has for a period of thirty (30) days after receipt, failed to respond negatively to the proposed amendment.

IN WITNESS WHEREOF, GEORGETOWN VENTURE, a Tennessee Joint Venture, has caused these presents to be executed in its name, by its Partners, this day of February, 1980, at Raleigh, North Carolina.

GEORGETOWN, A Tennessee Joint Venture

by its Partner,

BUCHANAN/TALLENT PROPERTIES, a Partnership

BY: _____
Sam A. Buchanan, III

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Peggie Anne Bridgers, a Notary Public of said County and State, do hereby certify that SAM A. BUCHANAN, III, acting as a Partner of Buchanan/Tallent Properties, personally came before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and notarial seal this 14th day of February, 1980

Peggie Anne Bridgers
NOTARY PUBLIC

My Commission Expires 6-25-83

NORTH CAROLINA—WAKE COUNTY

The foregoing certificate ..... of Peggie Anne Bridgers

..... Notary(ies) Public is (are) certified to be correct. This instrument was presented for registration and recorded in this office in Book 2808, Page 894.

This 14 day of February, 1980, at 2:57 o'clock P M.

R. B. McKENZIE, JR., Register of Deeds

By Joyce B. Johnson
Deputy Register of Deeds

TRACT I:

BEGINNING at a stake in the northern line of the property conveyed by Hathaway Cross and wife to J. T. Hobby and Son, Inc., by Deed recorded in Book 1661, at Page 472, Wake County Registry, said stake being distant as measured along said northern line South 88 degrees 20 minutes East 148.80 feet from the eastern line of the right-of-way of Six Forks Road, said stake also marking the southeastern corner of the property entitled Roanoke Island Company Property as shown on map to which reference is hereinafter made; runs thence along the eastern line of said Roanoke Island Company Property North 9 degrees 46 minutes West 381.54 to a stake in the Center line of Computer Drive; runs thence along the center line of Computer Drive North 64 degrees 40 minutes 15 feet to a stake; thence leaving said Computer Drive, runs thence South 88 degrees 20 minutes East 902 feet to a stake; runs thence South 1 degree 40 minutes West 175 feet to a stake; runs thence South 88 degrees 20 minutes East 154 feet to a stake; thence South 1 degree 40 minutes West 205.81 feet to a stake in the northern line of Browning Place; runs thence along the northern line of Browning Place 88 degrees 20 minutes West 796.74 feet to a stake; runs thence leaving the northern line of Browning Place North 88 degrees 20 minutes West 197 feet to the point of Beginning, and being Lot 1 entitled Levin Property as shown on map by Boney and Newcomb dated January 4, 1966, and recorded in Book of Maps 1965, Page 273, Wake County Registry.

TRACT II:

BEGINNING at a point where the Northern line of Browning Place intersects the southern line of the Levin Property as shown on a map entitled, "Property of Eugene M. Levin and wife, Betty N. Levin", recorded in Book of Maps 1965, Page 273, Wake County Registry; runs thence along the southern line of the Levin Property North 88 degrees 20 minutes West 147.9 feet to a stake; runs thence South 25 degrees 20 minutes East 35.8 feet to a stake in the Northern line of Browning Place; runs thence along the Northern line of Browning Place as it curves in an eastern direction to the point of Beginning, the Chord course and distance of the last cal being North 78 degrees 03 minutes East 135.5 feet, and being designated as Lot No. 2 on the aforesaid map recorded in Book of Maps 1965, Page 273, Wake County Registry.

EXHIBIT "A"

GEORGETOWN NORTH CONDOMINIUMS

SCHEDULE OF UNIT INTEREST IN COMMON

AREAS AND FACILITIES

ADDRESS	TYPE	UNIT INTERESTS
3719 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3721 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3723 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3725 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3727 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3729 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3731 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3733 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3801 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3803 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3805 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3807 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3809 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3811 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3813 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3815 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3821 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3823 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3825 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3827 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3829 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3831 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3833 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3835 Browning Place	2 Bedroom - 1 1/2 Bath	.9375
3901 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3903 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3905 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3907 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3909 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3911 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3913 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3915 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3921 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3923 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3925 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3927 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3929 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3931 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3933 Browning Place	1 Bedroom - 1 1/2 Bath	.7914
3935 Browning Place	3 Bedroom - 1 1/2 Bath	1.0419
3711 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3712 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3713 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3714 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3715 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3716 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3717 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3718 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3719 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3720 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3721 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3722 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3723 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3724 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3725 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3726 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3731 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375

3732 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3733 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3734 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3735 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3736 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3737 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3738 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3739 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3740 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3741 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3742 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3743 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3744 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3745 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3746 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3747 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3748 Jamestown Circle	1 Bedroom - 1 1/2 Bath	.7914
3749 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3750 Jamestown Circle	3 Bedroom - 1 1/2 Bath	1.0419
3751 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3753 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3755 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3757 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3759 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3761 Jamestown Circle	2 Bedroom - 1 1/2 Bath	.9375
3714 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3716 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3718 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3720 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3722 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3724 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3730 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3731 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3732 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3733 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3734 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3735 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3736 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3737 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3738 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3739 Yorktown Place	3 Bedroom - 1 1/2 Bath	1.0419
3740 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3741 Yorktown Place	1 Bedroom - 1 1/2 Bath	.7914
3743 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3745 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3747 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3749 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3751 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3753 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3755 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375
3757 Yorktown Place	2 Bedroom - 1 1/2 Bath	.9375

rn to: A. H. Peterson, P.O. Box 10096, Raleigh, N.C. 27605

BOOK 2855 PAGE 98

PRESENTED FOR REGISTRATION
AUG 26 4 15 PM '80
REGISTER OF DEEDS
WAKE COUNTY, N.C.

NORTH CAROLINA

WAKE COUNTY

SUPPLEMENTAL DECLARATION OF THE GEORGETOWN NORTH CONDOMINIUMS

This Supplemental Declaration of the Georgetown North Condominiums, made this 25th day of August, 1980, by Georgetown Venture, a Tennessee joint venture (the equivalent of a general partnership and hereinafter called the "Developer");

W I T N E S S E T H: That

WHEREAS, the Developer heretofore executed and caused to be recorded that certain Declaration of the Georgetown Condominiums (hereinafter called the "Declaration") dated February, 1980, and recorded in Book 2808, Page 894 of the Wake County, North Carolina Registry; and

WHEREAS, the Developer is still the owner of all of the Dwelling Units and Common Areas comprising Georgetown North Condominiums and desires to supplement and amend the Declaration as hereinafter provided.

NOW, THEREFORE, the Developer hereby declares as follows:

1. The following sentence is hereby added to paragraph 1 of the Declaration: "The fifteen buildings referred to above are not named or numbered but their location and size are shown on the survey and plans referred to in paragraph 2 hereof as 'Unit Ownership File'".

2. The following sentence is hereby added to paragraph 2 of the Declaration: "The numerical designation of each Condominium Unit is the street address of such unit as shown on the Unit Ownershp File."

3. The certificate of Roderic S. Leland, Jr., Architect, attached hereto as Exhibit A, shall supplement the

certificate of said architect affixed to the plans comprising Unit Ownership File, and said certificate shall be deemed affixed to and is hereby made a part of said plans.

4. The date "May 1, 1980" appearing in subparagraph B of paragraph 23 of the Declaration is hereby changed to "September 1, 1980."

GST

5. As hereby modified and supplemented, the Declaration and Unit Ownership File are hereby readopted and ratified.

IN WITNESS WHEREOF, Developer has caused these presents to be executed in its name, under seal, by its partner thereunto duly authorized, as of the day and year first above written.

GEORGETOWN VENTURE (a Tennessee joint venture or partnership) (SEAL)

By: BUCHANAN-TALLENT PROPERTIES, a Tennessee partnership and a partner of Georgetown Venture) (SEAL)

By: Guy S. Tallent (SEAL)
Guy S. Tallent, a partner of Buchanan-Tallent Properties

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I, Winnie K. Haigh, a Notary Public of said county and state, do hereby certify that Guy S. Tallent personally came before me this day and acknowledged that he executed the foregoing instrument in his capacity as a partner of Buchanan-Tallent Properties, a partnership which in turn is a partner of Georgetown Venture, a joint venture or partnership, and that said instrument is the act and deed of said Georgetown Venture.

Witness my hand and notarial seal this 26th day of August, 1980.

Winnie K. Haigh
Notary Public

WINNIE K. HAIGH NOTARY PUBLIC WAKE COUNTY, N.C.

My commission expires:
JUN 21 1985

NORTH CAROLINA — WAKE COUNTY
The foregoing certificate _____ of Winnie K. Haigh
_____ Notar(y)(ies) Public is (are) certified to be correct. This instrument and this certificate are duly registered at the date and time and in the book and page shown on the first page hereof.
R. B. McKENZIE, JR., Register of Deeds

By Gladys C. Smith
Deputy Register of Deeds

EXHIBIT A

NORTH CAROLINA

WAKE COUNTY

The undersigned, Roderic S. Leland, Jr., being first duly sworn, hereby certifies as follows:

1. That he is a licensed, registered architect of the State of North Carolina.

2. That he prepared or supervised the preparation of the eight sheets of plans or drawings appearing in Condominium Plan File Number 11 in the Office of the Register of Deeds of Wake County, North Carolina comprising the plans of Georgetown North Condominiums.

3. That said plans or drawings are an accurate copy of the plans and drawings as filed with and approved by the City of Raleigh.

4. That said plans and drawings fully and accurately depict the layout, location, ceiling and floor elevations, unit numbers and dimensions of the 108 units of Georgetown North Condominiums, as built.

5. That this certificate shall be deemed affixed to and made a part of said plans or drawings appearing in Condominium Plan File Number 11 in the Office of the Register of Deeds of Wake County, North Carolina.

This 25TH day of AUGUST, 1980.

EDNA H. McCABE NOTARY PUBLIC WAKE COUNTY, N.C.

Roderic S. Leland, Jr.
Roderic S. Leland, Jr., Architect
North Carolina Registration No. 2837

Sworn to and Subscribed before me this 25th day of August, 1980.

Edna H. McCabe
Notary Public

My commission expires: 13 July 1985

STATE OF NORTH CAROLINA

COUNTY OF WAKE

Before me, the undersigned, a Notary Public within and for the County and State aforesaid, personally appeared this day Angeline Maletto and Barbara R Weaver, who, being by me first duly sworn, say that they are the President and Secretary, respectively, of GEORGETOWN NORTH HOMEOWNERS' ASSOCIATION, LTD.; that the seal affixed to the foregoing instrument in writing is the corporate seal of the Corporation, and that said writing was signed and sealed by them in behalf of said Corporation by its authority duly given. And the said President and Secretary acknowledged the said writing to be the act and deed of said Corporation.

WITNESS my hand and notarial seal, this 6th day of December, 1982.

Anne H. Stiner
Notary Public

(Notary Seal)

My Commission Expires:

2-23-86