

Return to: Harold E. Russell, Jr.
(3)

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DECLARATION OF INTENTION TO SUBMIT PROPERTY
TO THE PROVISIONS OF CHAPTER 47A OF THE
NORTH CAROLINA GENERAL STATUTES

THIS DECLARATION, made this 24th day of October, 1983, by
BWIT FIFTY-FIFTH STREET, INC., d/b/a THE LEXINGTON GROUP, INC.
(hereinafter called the "Declarant") pursuant to the provisions
of Chapter 47A of the North Carolina General Statutes, and
the "Unit Ownership Act";

WITNESSETH:

THAT WHEREAS, the Declarant is the owner in fee simple of
certain real property located in Wake County, North Carolina, and
more particularly described on the attached Exhibit A; and,

WHEREAS, the Declarant is the owner of certain townhouse and
garden apartment type multi-unit buildings and certain other
improvements heretofore constructed upon the aforesaid property,
and it is the desire and intention of the Declarant to divide the
buildings on said real estate into "condominium unit" or "units"
as those terms are defined under the provisions of the North
Carolina Unit Ownership Act and to sell and convey the same as
individual units to various purchasers subject to the covenants,
conditions, and restrictions herein reserved to be kept and
observed; and,

WHEREAS, Declarant desires and intends, by the filing of
this Declaration, to submit the property described on Exhibit A
and all improvements thereon, together with all appurtenances
thereto, to the provisions of the North Carolina Unit Ownership
Act (Chapter 47A, North Carolina General Statutes); and,

WHEREAS, Declarant hereby establishes by this Declaration of
Unit Ownership a plan for the individual ownership of real
property estates consisting of the area or space contained in
each of the Dwelling Units and the co-ownership by the individual
and separate owners thereof, as tenants in common of all of the
remaining real property which is the Common Areas and Facilities
of the Project (hereinafter known as "Common Elements");

NOW, THEREFORE, the Declarant does hereby publish and
declare that all of the property shown in Book of Maps 1983, Page

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1079, Wake County Registry, and further described on the attached Exhibit A is held and shall be held, conveyed, hypothecated, encumbered, used, occupied, and improved subject to the following covenants, conditions, restrictions, uses, limitations, and obligations, all of which are declared and agreed to be in furtherance of a plan for the improvement of said property and the division thereof into two hundred sixteen (216) condominium units and shall be deemed to run with the land and shall be a burden and a benefit to Declarant, his heirs, successors, and assigns, and any person acquiring or owning any interest in the real property and improvements, their grantees, successors, heirs, executors, administrators, devisees, and assigns. Said Declaration is subject to the following terms and conditions:

1. The name of the Condominium is "CEDAR HILL CONDOMINIUMS", consisting of the land described on the attached Exhibit A, all improvements thereon, and appurtenances thereto, which property is submitted to the provisions of the North Carolina Unit Ownership Act, as the same may be amended or supplemented from time to time.

2. Description of Building. Real property and other improvements of Declarant on the premises consists of eighteen (18) buildings, consisting of two stories and buildings of garden type units on two and three levels and all basically of wood frame construction with a portion of the siding at the lower level units being stucco over concrete masonry units. Said buildings are subdivided into a total of two hundred sixteen (216) units. For purposes of identification, each of the eighteen (18) buildings is numerically designated, and each unit within each building is identified by separate number so that identification of a unit will be by numerical designation. For purposes of conveyances, the units will be identified by their unit numerical designation. The percentage of interest of each unit in the general and limited common areas and a description of each unit is more particularly described on Exhibit B attached

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hereto and made a part hereof by reference.

Specifies such as style, construction, material, grades, and finishes are best described in the plans of same, a copy of which is filed in the Condominium Plan File No. 58 and made a part hereof, showing all particulars of the building, including their locations, layout, ceiling and floor elevations, unit numbers, and dimensions of the units and location of the common areas and facilities affording access to each unit. Such plans bear the verified statement of Smith/Sinnett Architects, P.A., Registered Architect Corporation, certifying that said plans and specifications are an accurate copy of the plans of said buildings as built.

3. Unit Designations. The designation of each unit, its location, its dimensions, approximate area, number of rooms and common areas and facilities to which it has immediate access and other data concerning its proper identification are further shown in the plans filed in Condominium File No. 58.

Each unit shall constitute a single freehold estate and means an enclosed space consisting of one or more rooms occupying all or part of one or more floors, provided always that any such unit has direct exit to a thoroughfare or to a common element leading to a thoroughfare. The lower vertical boundary of any such condominium unit is a horizontal plane (or planes), the elevation of which coincides with the surface of the unfinished subfloors thereof and the upper vertical boundary is a horizontal plane (or planes), the elevation of which coincides with the elevation of the exterior surface of the interior ceilings thereof, to include the drywall. The lateral or perimetrical boundaries of any such unit are the exterior surfaces of the interior perimeter or main walls, to include the drywall, windows and doors thereof, and vertical planes coincidental with the exterior surfaces of the interior perimeter or main walls thereof to intersect the upper and lower vertical boundary thereof and to intersect the other lateral or perimetrical boundaries of the condominium unit. Mechanical equipment, stairways, and appurtenances located within any unit and designed to serve only

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that unit, such as appliances, heating and air conditioning units, cabinets, fixtures, and the like, shall be a part of the condominium unit. Where the heating and air conditioning equipment is in the attic above a unit and is serving the unit below, said equipment shall be a part of the condominium so served.

4. General Common Areas and Facilities. The general common areas and facilities consist of all parts of the multi-unit buildings situated on the land described on Exhibit A, and other than the units and limited common areas and facilities described in Paragraph 3 above and Paragraph 5 below, including without limitation, the following:

- (a) The land on which the buildings are erected and all land, described on Exhibit A attached hereto.
- (b) All foundation, columns, girders, beams, supports and other structural members.
- (c) The roofs and all exterior walls and interior walls, ceilings, floors, and stairways, except those partitioned walls and all ceilings, floors, and stairways wholly within a unit.
- (d) All central and appurtenant installments for services, such as power, light, telephone, cablevision, hot and cold water (including all pipes, wires, cables, and conduits in connection therewith, whether located in common areas or in units), and all other central mechanical equipment spaces.
- (e) All water lines outside the city rights-of-way which serve the project and all sewer lines outside of either city rights-of-way or city sewer easements which serve the project.
- (f) All other parts of the property and all apparatus and installations existing in the buildings or upon the property for common use or necessary or convenient to the existence or safety of the property.

5. Limited Common Areas and Facilities. Certain parts of the common areas and facilities herein called and designated as

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"limited common areas and facilities" are hereby set aside and reserved for the exclusive use of certain units, and such units shall have appurtenant thereto an exclusive easement for the use of such limited common areas and facilities, except as otherwise herein expressly provided. The limited common areas for each of the units for which their use is exclusively reserved are the attic area immediately above any unit, the patio to the rear of each unit, storage closet or shed serving a particular unit, entry stoops outside each unit, and the parking spaces assigned to each unit if such assignment has been made.

All of the condominium units have patios, which are designated herein as limited common areas; however, the use of and any physical changes therein or thereto are subject to control by the Board of Directors or their designated committee as set forth in the By-Laws of the Association.

6. Form of Administration. The property of the Condominium and its business shall be managed, controlled, directed, and administered by the Association of Unit Owners of Cedar Hill Condominiums (hereinafter the "Association") as provided in the By-Laws of the Association, which By-Laws are attached hereto as Exhibit C and made a part hereof.

7. Use. The buildings and each of the units shall be used for residential purposes only. Use of the buildings and units is further restricted under the By-Laws of the Association.

8. Person to Receive Service of Process. Harold E. Russell, Jr. is hereby designated to receive service of process in any action which may be brought against or in relation to the Condominium. The address of such person's office is 212 West Millbrook Road, Raleigh, North Carolina, which is located in Wake County, North Carolina, the county in which the buildings are located.

9. (a) Easements. Each unit owner shall have an easement in common with the other owners of all other units to use all pipes, wires, cables, conduits, public utility lines, and other common facilities located in any of the other units and serving his unit. Each unit shall be subject to an easement in favor of

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the owners of all other units to use the pipes, cables, wires, conduits, public utility lines, and other common facilities serving such other units and located in such unit. The Board of Directors shall have the right of access to each unit to inspect the same, to remove violations therefrom, and to maintain, repair, or replace the common facilities contained therein or elsewhere in the building. Each unit owner shall specifically have an easement to maintain all components of the heating and air conditioning systems serving his unit in their present or future locations.

The Board of Directors may hereafter grant easements for utility purposes for the benefit of the property, including the right to install, lay, maintain, repair, and replace water and electrical conduits, and wires over, under, along, and on any portion of the common areas and further to establish drainage easements, and each unit owner hereby grants the Board of Directors an irrevocable power of attorney to execute, acknowledge, and record for and in the name of each unit owner such instruments as may be necessary to effectuate the foregoing.

An easement is hereby established over all common area for the benefit of applicable governmental agencies for the setting, removing, and reading of water meters, maintaining and replacing water, drainage and drainage facilities, fire fighting, law enforcement, garbage collection, and the delivering of mail.

9. (b) Water and Sewer Charges. Water may be supplied to all the units and the common elements through a master water meter for all phases of the Entire Project, and the units owners shall pay to the Association, as common expense, all charges for water consumed on the property, including water consumed by the individual unit owners with the cost of said water to be a common expense of the Association. Sewer charges, if any, shall also be considered a common expense and paid for by the Association.

9. (c) Lake. Each unit owner shall have an easement in common with the other owners, as designated or granted by the Board of Directors to the use of the Lake to be constructed on

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this property and the adjoining property and to the other common areas. The Lake as finally flooded and established shall be designated as a common area for the benefit and enjoyment of all unit owners. The maintenance and preservation of the Lake and dam shall be a common expenses of the Association and not the adjoining land owners or their successors, heirs, or assigns and the adjoining land owners have been granted a cross easement for the use and enjoyment of the Lake as finally established on the property of the Declarant. The easements and agreements between the Declarant and adjoining property owners are recorded in Book 3167, Pages 32, 34, and 36, and are hereby incorporated by reference.

The Declarant shall have the sole responsibility at its sole expense for constructing the dam in accordance with the appropriate standards set forth under North Carolina law and to restore the Lake to its original approximate size and depth.

9. (d) Assessments. All sums assessed by the Association but unpaid for the share of the common expenses chargeable to any unit shall constitute a lien on such unit prior to all other liens if said assessment is unpaid after due for a period of thirty (30) days and is properly recorded in the Office of the Clerk of Superior Court in the manner provided by Article 8 of Chapter 44 of the North Carolina General Statutes, except only:

- (i) tax liens and special assessments on the Unit made by a lawful governmental authority;
- (ii) all sums unpaid on the first mortgage of record prior to the filing of the assessment lien on such unit;
- and,
- (iii) other liens granted priority by statutory authority.

Such lien may be foreclosed by suit by the Board of Directors acting on behalf of the owners of the Units, in like manner as a mortgage of real property. In any such foreclosure, the Unit Owner shall be required to pay a reasonable rental for the Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same.

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The Board of Directors, acting on behalf of the owners of the Units, shall have the power to bid in the Unit at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same. As used herein, the term "mortgage" shall include "deed of trust".

9. (e) Purchaser at Foreclosure Sale. Where the mortgagee of a first mortgage of record or other purchaser of a Unit obtains title to the Unit as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of common expenses or assessments by the Unit Owners Association chargeable to such Unit which became due prior to the acquisition of title to such Unit as a result of foreclosure by such acquirer. Such unpaid shares of common expenses or assessments shall be deemed to be common expenses collectible from all of the Units, including such acquirer, his successors and assigns.

The grantee of a unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his proportionate share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the manager or Board of Directors, as the case may be, setting forth the amount of the unpaid assessments against the grantor, and such grantee shall not be liable for, nor shall the unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth.

9. (f) Declarant's Use of Property. The Declarant shall have the right to and use of the sales and lease offices and certain storage facilities until such time as all units in all phases are sold and closed.

10. Partitioning. The common areas and facilities shall not be divided nor shall any right exist to partition any part thereof exist. Nothing herein contained, however shall be deemed

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to prevent ownership of a condominium unit by the entireties, jointly, or in common, or in any other form by law permitted.

11. Liens. While the property remains subject to this Declaration and the provisions of the North Carolina Unit Ownership Act, no liens of any nature shall arise or be created against the common areas and facilities, except with the unanimous consent in writing of all of the condominium unit owners and the holders of first liens thereon, except such liens as may arise or be created against the several units and their respective common interests pursuant to the provisions of the North Carolina Unit Ownership Act.

The undivided interest in the common areas and facilities shall not be separated from the unit to which it appertains and shall be deemed conveyed or encumbered with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

12. Nature of Interest in Units. Every unit, together with its undivided common interest in the common areas and facilities, shall for all purposes be, and it is hereby, declared to be and to constitute a separate parcel of real property, and the unit owner thereof shall be entitled to the exclusive ownership and possession of his unit, subject only to the covenants, restrictions, and easements contained herein and the By-Laws, Rules, Regulations, Resolutions, and decisions adopted pursuant thereto.

13. Insurance. Insurance coverage on the property shall be governed by the following provisions:

(a) Ownership of Policies. All insurance policies upon the condominium property shall be purchased by the Board of Directors for the benefit of the Board and the unit owners and their mortgagees, as their interests may appear, and provisions shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of unit owners. Unit owners may, at their option, obtain insurance coverage at their own expense upon their own personal property and for their personal

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liability and living expense and such other coverage as they may desire.

(b) Coverage. All buildings and improvements upon the land and all personal property included in the common areas and facilities shall be insured in an amount equal to the maximum insurable replacement value as determined actually by the Board of Directors with the assistance of the insurance company providing such coverage. Such coverage shall provide protection against:

- (i) loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and,
- (ii) such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location, and use as the buildings on the land.

Public liability insurance shall be secured by the Board of Directors in such amount and with such coverage as shall be deemed necessary by the Board of Directors, including, but not limited to, an endorsement to cover liability of the unit owners as a group to a single unit owner. There shall also be obtained such other insurance coverage as the Board of Directors shall determine from time to time to be desirable and necessary.

(c) Premiums. Premiums upon insurance policies purchased by the Board of Directors shall be paid by the Board of Directors on behalf of the unit owners as a common expense.

(d) Proceeds. All insurance policies purchased by the Board of Directors shall be for the benefit of the Board of Directors and the unit owners and their mortgagees, as their interests may appear, and shall provide that all proceeds thereof shall be payable to the Board as insurance trustee under this Declaration. The sole duty of the Board of Directors as insurance trustee shall be

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to receive such proceeds as are paid and to hold the same in trust for the purposes elsewhere stated herein or stated in the By-Laws for the benefit of the unit owners and their mortgagees in the following shares:

(i) Proceeds on account of damage to common areas and facilities - an undivided share for each unit owner, such share being the same as each unit owner's undivided interest in the common areas and facilities.

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

(A) When the building is to be restored - for the owners of damaged units in proportion to the cost of repairing the damage suffered by each unit owner, which cost shall be determined by the Directors.

(B) When the building is not to be restored - an undivided share for each owner of damaged units, such share being as amongst such owners in the same ratio as each such unit owner's undivided interest in the common areas and facilities bears to all unit owners entitled to share in said proceeds.

(iii) In the event a mortgagee endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner, as their interests may appear.

14. Distribution of Insurance Proceeds. Proceeds of insurance policies received by the Board of Directors as insurance trustee shall be distributed to or for the benefit of the beneficial owners in the following manner:

(a) Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as provided by Paragraph 15 hereof. Any proceeds remaining after defraying such

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cost shall be distributed to the beneficial owners.

(b) Failure to Reconstruct or Repair. If it is determined, as provided in Paragraph 15 hereof, that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners thereof, with the respective mortgagees having a prior claim to such proceeds.

15. Damage and Destruction. Except as hereinafter provided, damage to or destruction of the buildings shall be promptly repaired and restored by the Board of Directors using the proceeds of insurance on the buildings for that purpose, and the affected unit owners shall be liable for assessment of any deficiency; provided, however, if the buildings be more than two-thirds destroyed by fire or other casualty and the owners of three-fourths of all of the units resolve not to proceed with reconstruction or restoration, then in that event, the property shall be deemed to be owned as tenants in common with the unit owners and subject to the provisions of North Carolina General Statutes 47A-25, as the same exists at the date hereof or as amended hereafter.

Any reconstruction or repair shall be in accordance with plans and specifications approved by the Board of Directors with adherence, if feasible and reasonable considering conditions then existing to the plans and specifications of the original buildings.

16. Units Subject to Declaration, By-Laws, Rules, and Regulations. All present and future owners, tenants, and occupants of units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws, and any rules and regulations as may be adopted in accordance with the By-Laws, as said Declaration, By-Laws, Rules and Regulations may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any unit shall constitute an agreement that the provisions of this Declaration, By-Laws, and any rules and regulations which may be

adopted are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such land and unit and shall inure to the benefit of such person in like manner as though the provisions were made a part of each and every deed or conveyance or lease. Failure to comply with any of the same shall be grounds for an action to recover for sums due, for damages on injunctive relief, or both, maintainable by the manager or Board of Directors on behalf of the Association of unit owners or, in a proper case, by an aggrieved unit owner.

17. Private Roads or Streets. Within the facility, there are certain roads or streets that are not public which are further identified in File No. 58, Wake County Registry. In no case shall the City of Raleigh be responsible for failing to provide any emergency or regular fire, police, or other public service to such developments or their occupants when such failure is due to the lack of access to such areas due to inadequate design or construction, block of access routes, or any other factor within the control of the developer, homeowners' association, or occupants.

18. Construction. In interpreting any and all provisions of this instrument, the Exhibits attached hereto and subsequent deeds and deeds of trust covering individual units, the actual location of the unit shall be deemed conclusively to be the property intended to be conveyed, reserved, or encumbered notwithstanding any minor deviations, either horizontally or vertically, from the locations indicated in Condominium Plan File No. 58 or in minor variations in the description of the unit contained herein. To the extent that such minor deviations in location do or shall exist, a valid easement therefor and for the maintenance thereof does and shall exist.

19. Amendment of Declaration. This Declaration may be amended by the vote of at least 75% in number and in common interest of all unit owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-

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Laws. No such amendment shall be effective until recorded in the office of the Register of Deeds for Wake County wherein the property, the subject of this Declaration, is located. No amendment shall have any effect upon the Declarant, the rights of the Declarant, under this Declaration and upon the rights of bona fide mortgagees until the written consent of Declarant and such mortgagees to such amendment has been secured. Such consents shall be retained by the Secretary of the Condominium or Declarant, as the case may be, and his or its certification in the instrument of amendment as to the consent or non-consent of Declarant and the names of the consenting or non-consenting mortgagees of the various units may be relied upon by all persons for all purposes.

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

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

22. Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way to define, limit, or describe the scope of this Declaration nor the intent of any provision hereof.

23. Law Controlling. This Declaration and the By-Laws attached hereto shall be construed and controlled by and under the laws of the State of North Carolina.

24. Definition of Terms. Any terms used herein which are defined in the North Carolina Unit Owners Act shall have the meaning specified in said Act unless a contrary intent clearly appears.

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IN WITNESS WHEREOF, the Declarant has, through its duly authorized officers and the placing of its corporate seal, executed this agreement the day and year first above written.

BWIT FIFTY-FIFTH STREET, INC.,
d/b/a THE LEXINGTON GROUP, INC.

By: [Signature]
President

[Signature]
Secretary
NORTH CAROLINA
Rockledge COUNTY

I, the undersigned Notary Public, do hereby certify that Tom G. Thorburn personally appeared before me this day and acknowledged that he is Asst. Secretary of BWIT Fifty-Fifth Street, Inc., d/b/a The Lexington Group, Inc., a corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by Tom G. Thorburn as its Asst. Secretary.

Witness my hand and notarial seal, this 24th day of October, 1983.

DiAnne W. Adcock
Notary Public

My Commission Expires: 2/9/88



NORTH CAROLINA - WAKE COUNTY
The foregoing certificate of DiAnne W. Adcock

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

KENNETH C. WILKINS, Register of Deeds

By Charles A. Puller
Asst./Deputy Register of Deeds

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EXHIBIT A

Being all of that certain property as shown in Book of Maps 1983, Page 1079, including the .5585 acres conveyed to Declarant by Deed recorded in Book 3167, Page 30, Wake County Registry, and consisting of Two Hundred Sixteen (216) dwelling units on land containing a total of 27.9 acres plus the .5585 acres.

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PHASE I, PHASE II, AND PHASE III
TALL PINES COURT
FLINT RIDGE PLACE
PINE RIDGE PLACE

EXHIBIT B

<u>Unit # - Address</u>	<u>Type</u>	<u>Square Footage</u>	<u>Undivided Percentage Interest</u>
<u>PHASE I, BUILDING I</u>			
531 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
533 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
535 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
537 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
539 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
541 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
543 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
545 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
547 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
549 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
<u>PHASE I, BUILDING II</u>			
551 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
553 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
555 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
557 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
559 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
561 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
563 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
565 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
<u>PHASE I, BUILDING III</u>			
605 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
607 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
609 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
611 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
613 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
615 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
617 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
619 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%

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621 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
623 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
625 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
627 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
629 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
631 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
633 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
635 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
637 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
639 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
641 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
643 Pine Ridge Place	1 Bedroom 1 Bath	1,050	.4348%
645 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
647 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
649 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
651 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
653 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
655 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%

PHASE I, BUILDING IIII

661 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
663 Pine Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
665 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
667 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
669 Pine Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
671 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
673 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
675 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
677 Pine Ridge Place	1 Bedroom 1 Bath	1,050	.4348%
679 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
681 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
683 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
685 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
687 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
689 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%

PHASE I, BUILDING V

606 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
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608 Pine Ridge Place	1 Bedroom 1 Bath	676	.2799%
610 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
612 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
614 Pine Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
616 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
618 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810
620 Pine Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
622 Pine Ridge Place	1 Bedroom 1 Bath	676	.2799%
624 Pine Ridge Place	1 Bedroom 1 Bath	720	.2982%
626 Pine Ridge Place	1 Bedroom 1 Bath	1,050	.4348%
628 Pine Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
630 Pine Ridge Place	1 Bedroom 1 Bath	720	.2982%
632 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
634 Pine Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
636 Pine Ridge Place	1 Bedroom 1 Bath	720	.2982%
638 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
640 Pine Ridge Place	1 Bedroom 1 Bath	676	.2799%
642 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
644 Pine Ridge Place	1 Bedroom 1 Bath	1,050	.4348%
646 Pine Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
648 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
650 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
652 Pine Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
654 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
656 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
658 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
660 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
<u>PHASE I, BUILDING VI</u>			
528 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
530 Pine Ridge Place	1 Bedroom 1 Bath	676	.2799%
532 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
534 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
536 Pine Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
538 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
540 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
542 Pine Ridge Place	2 Bedroom 2 Bath	1,050	.4348%

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544 Pine Ridge Place	1 Bedroom 1 Bath	1,050	.4348%
546 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
548 Pine Ridge Place	1 Bedroom 1 Bath	1,050	.4348%
550 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
552 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
554 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
556 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
558 Pine Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
560 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
<u>PHASE I, BUILDING VII</u>			
510 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
512 Pine Ridge Place	1 Bedroom 1 Bath	676	.2799%
514 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
516 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
518 Pine Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
520 Pine Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
522 Pine Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
524 Pine Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
<u>PHASE II, BUILDING I</u>			
707 Millbrook Road	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
709 Millbrook Road	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
711 Millbrook Road	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
713 Millbrook Road	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
<u>PHASE II, BUILDING II</u>			
717 Millbrook Road	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
719 Millbrook Road	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
721 Millbrook Road	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
723 Millbrook Road	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
725 Millbrook Road	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
<u>PHASE II, BUILDING III</u>			
5007 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
5009 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5011 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5013 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
<u>PHASE II, BUILDING IV</u>			
5017 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%

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5019 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5021 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
<u>PHASE II, BUILDING V</u>			
5025 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
5027 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5029 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5031 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5033 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
<u>PHASE II, BUILDING VI</u>			
5061 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
5063 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5065 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5067 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5069 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5071 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5073 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
<u>PHASE II, BUILDING VII</u>			
5051 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
5053 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5055 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse	1,523	.6307%
5057 Tall Pines Court	3 Bedroom 2 1/2 Bath Townhouse W/FP	1,523	.6307%
<u>PHASE II, BUILDING VIII</u>			
5041 Tall Pines Court	3 Bedroom 2 Full Baths and 2 Half Baths W/FP	2,025	.8386%
5043 Tall Pines Court	3 Bedroom 2 Full Baths and 2 Half Baths	2,025	.8386%
5045 Tall Pines Court	3 Bedroom 2 Full Baths and 2 Half Baths	2,025	.8386%
5047 Tall Pines Court	3 Bedroom 2 Full Baths and 2 Half Baths	2,025	.8386%
5049 Tall Pines Court	3 Bedroom 2 Full Baths and 2 Half Baths W/FP	2,025	.8386%
<u>PHASE III, BUILDING I</u>			
5100 Flint Ridge Place	1 Bedroom 1 Bath	900	.3727%
5102 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
5104 Flint Ridge Place	1 Bedroom 1 Bath	900	.3727%
5106 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5108 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
5110 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5112 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5114 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%

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5116 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5118 Flint Ridge Place	1 Bedroom 1 Bath	676	.2799%
5120 Flint Ridge Place	1 Bedroom 1 Bath	900	.3727%
5122 Flint Ridge Place	1 Bedroom 1 Bath	720	.2982%
5124 Flint Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
5126 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5128 Flint Ridge Place	1 Bedroom 1 Bath	720	.2982%
5130 Flint Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
5132 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5134 Flint Ridge Place	1 Bedroom 1 Bath	720	.2982%
5136 Flint Ridge Place	1 Bedroom 1 Bath	676	.2799%
5138 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
5140 Flint Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
5142 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5144 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
5146 Flint Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
5148 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5150 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
<u>PHASE III, BUILDING II</u>			
5050 Flint Ridge Place	1 Bedroom 1 Bath	900	.3727%
5052 Flint Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
5054 Flint Ridge Place	1 Bedroom 1 Bath	676	.2799%
5056 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5058 Flint Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
5060 Flint Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
5062 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5064 Flint Ridge Place	2 Bedroom 1 Bath/Convertible	920	.3810%
5066 Flint Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
5068 Flint Ridge Place	1 Bedroom 1 Bath	900	.3727%
5070 Flint Ridge Place	1 Bedroom 1 Bath	720	.2982%
5072 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
5074 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5076 Flint Ridge Place	1 Bedroom 1 Bath	720	.2982%
5078 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5080 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
5082 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%

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5084 Flint Ridge Place	1 Bedroom 1 Bath	720	.2982%
5086 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5088 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%

PHASE III, BUILDING III

5000 Flint Ridge Place	1 Bedroom 1 Bath	900	.3727%
5002 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
5004 Flint Ridge Place	1 Bedroom 1 Bath	676	.2799%
5006 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5008 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
5010 Flint Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
5012 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5014 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
5016 Flint Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
5018 Flint Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
5020 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5022 Flint Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
5024 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5026 Flint Ridge Place	1 Bedroom 1 Bath	900	.3727%
5028 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
5030 Flint Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
5032 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5034 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%
5036 Flint Ridge Place	2 Bedroom 2 Bath	1,050	.4348%
5038 Flint Ridge Place	2 Bedroom 1 1/2 Bath	1,050	.4348%
5040 Flint Ridge Place	3 Bedroom 2 Bath	1,220	.5052%

*W/FP - With fireplace

**Bath/Convertible - These units may be used either as a two bedroom condominium or as a one bedroom with a den condominium.

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EXHIBIT C

BY-LAWS
OF
CEDAR HILL HOMEOWNERS ASSOCIATION

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

1. IDENTITY. These are the By-Laws of CEDAR HILL HOMEOWNERS ASSOCIATION (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 CEDAR HILL 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, and 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 and proposed to be constructed 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 and the provisions of Chapter 47A of the North Carolina General Statutes.

C. The office of the Association shall be at such place in Wake County, North Carolina, as the Board of Directors

shall designate from time to time.

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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 and except that the Board of Directors is expressly authorized to change to a different fiscal year in accordance with the provisions and regulations from time to time prescribed by the Internal Revenue Code of the United States of America at such time as the Board of Directors deems it advisable.

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 meeting of the members 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. Each Unit Owner shall be a member of the Corporation. The membership of the Corporation shall consist of all of the Unit Owners. Each Unit Owner shall be entitled to one vote equal to his undivided interest for each Unit owned by him, but there shall be only one vote allowed per Unit. There shall be one person with respect to each Unit ownership who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known as the "voting member". The voting member shall be selected by agreement of the Owners of the Unit voting, or by the Association if no agreement is reached among the Owners of the individual Unit.

D. Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon

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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. Except where otherwise required under the provisions of the Articles of Incorporation of the Association, these By-Laws, or 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. The first annual meeting shall be on the first Tuesday in March, 1984.

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-President, or Secretary of the Association or other Officer of the Association in the 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 than thirty (30) 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

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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 office 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 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.

4. BOARD OF DIRECTORS.

A. Directors. The number of Directors shall be three (3) until such time as the total number of units equals or exceeds 75% of the total units, at which time the number of Directors shall increase to five (5).

B. Selection. The Directors named in the charter of this Corporation shall serve until the first annual meeting of the Corporation, at which time the members shall elect the Board of Directors by ballot. Cumulative voting shall be allowed. Directors shall hold office for two (2) years (except for initial directors) and may be re-elected. Nominations shall be opened from the floor and may supplement any list of candidates prepared by any nominating committee. Three of the Directors elected at the first annual meeting shall serve for one year and two for two years in order for staggered terms to be created.

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C. Removal and Vacancies. After the first annual meeting, an officer or director may be removed from office upon the affirmative vote of a majority of the units for any reason deemed by the unit owners to be in the best interest of the Condominium. In the event of any removal, resignation, or vacancy in any of the offices, the remaining members of the Board of Directors shall elect a person to serve as a successor to the removed, resigned, or vacant office, who shall hold office for the balance of the unexpired term and shall succeed to a membership in the Board of Directors for the same term. The election held for the purpose of filling said vacancy may be held at any regular or special meeting of the Board of Directors.

D. Annual Meetings. The annual meeting of the Board of Directors shall be held at such place in Wake County, North Carolina, as may be agreed upon by the Board of Directors and shall be immediately following the adjournment of the annual meeting of the owners. The Board of Directors may establish a schedule of regular meetings to be held at such place as the Board of Directors may designate, in which event, no notice shall be required to be sent to the said Board of Directors of said regular meetings once said schedule has been adopted.

E. Special Meetings. Special meetings of the Board of Directors may be called by the President and, in his absence, by the Vice-President, or by a majority of the members of the Board of Directors by giving seven (7) days notice, in writing or by telephone call, to all of the members of the Board of Directors of the time and place of said meeting, said notice to be served on each member of the Board of Directors by the Secretary of the Corporation. By unanimous consent of the Board of Directors, a special meeting of the Board of Directors may be held without notice at any time or place. All notices of special meeting shall state the purpose of the meeting.

F. Quorum. A quorum for the transaction of business at any regular or special meeting of the Board of Directors shall consist of a majority of the members of the Board, but a majority of those present at any annual, regular, or special meeting shall

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have the power to adjourn the meeting to a future time, provided that written notice of the new time, date, and place shall be mailed to or personally served on each member of the Board of Directors by the Secretary of the Corporation at least ten (10) days prior to the time fixed for said meeting.

G. Compensation. The officers and Directors of this Corporation shall serve without compensation solely for holding such office; however, the Owners may elect to compensate the Directors.

H. Powers and Duties. 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 and to use the proceeds of said assessments in the exercise of the powers and duties granted unto the Association;

2. To maintain, 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 purpose;

3. To reconstruct any part of the Common Property after casualty in accordance with Paragraph 13 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

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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 requires 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 the 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 and Facilities of 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

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their respective Condominium Units subject to such liens;

10. To purchase insurance for the protection of the members, Directors, 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 required 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 and Facilities.

13. To promulgate and enforce rules and regulations concerning use of and changes in any patios of individual units for purposes of creating and maintaining harmonious and aesthetic decor. The use and physical appearance of each patio is deemed material to the preservation of property value.

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

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the scope of the powers and duties which may be exercised by the Board 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 affirmative vote of the members owning a majority of the aggregate undivided interest in the Common Areas and Facilities of the Condominium, at any Special Meeting called for such purpose, or at the Annual Meeting.

5. OFFICERS.

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 or Secretary, the Secretary shall not also be an Assistant Secretary or President. 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

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Directors, and such other notices required by law. He shall be responsible for including resolutions in the Association minute book. 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, securities, 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 the identifying the maintenance and repair expenses of the Common Areas and Facilities and any other expense incurred.

F. The compensation, if any, of all officers and employees of the Association shall be fixed by the members. 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

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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 functions 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 expenses, utility services, casualty insurance, liability insurance, administration and reserves (operating and Capital Improvement Replacement), management fees, and costs of maintaining leasehold 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 Units Owners, ad valorem taxes and assessments levied against the common areas and facilities; 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 for 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

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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 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.

D. The books, vouchers, records, and all supporting documentation required by N.C.G.S. Section 47A-20 shall be available for examination by all Unit Owners, their Lenders, or their agents and attorneys during normal business hours.

E. An audit of the accounts of the Association shall be made annually by an independent 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.

F. 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, but in no event less than an amount equal to the current annual budget. The premiums on such bonds shall be paid by the Association.

G. Association dues shall not be increased by any amount greater than the percentage increment by which the consumer price index increased in the year preceding unless approved by fifty percent (50%) of the ownership.

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. ASSESSMENTS; LIABILITY, LIEN, AND ENFORCEMENT. The Association is given the authority to administer the operation and management of the Condominium as being in the best interest

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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 taxes, 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 an 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 (Exhibit B). 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 the assessment therefor levied ratably among the Owners of all Units which are not owned by the Association, based upon their proportionate interest in the Common Property, exclusive of the interest therein appurtenant to any Unit or Units owned by the Association.

B. Assessments provided for herein shall be payable in monthly installments, or in such other manner as the Board of Directors of the Association shall determine. Such assessments shall commence for each Unit on January 1, 1984, unless the Board of Directors of the Association decides to assess monthly dues before this date. No Unit Owner may exempt himself from contributing toward such expenses by waiver of the use and

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enjoyment of the common areas or facilities or by abandonment of the unit belonging to him.

C. All sums assessed by the Association but unpaid for the share of the common expenses chargeable to any unit shall constitute a lien on such unit prior to all other liens if said assessment is unpaid after due for a period of thirty (30) days and is properly recorded in the Office of the Clerk of Superior Court in the manner provided by Article 8 of Chapter 44 of the North Carolina General Statutes, except only:

- (i) tax liens and special assessments on the Unit made by a lawful governmental authority;
- (ii) all sums unpaid on the first mortgage of record prior to the filing of the assessment lien on such unit;
- and,
- (iii) other liens granted priority by statutory authority.

Such lien may be foreclosed by suit by the Board of Directors acting on behalf of the owners of the Units, in like manner as a mortgage of real property. In any such foreclosure, the Unit Owner shall be required to pay a reasonable rental for the Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Directors, acting on behalf of the owners of the Units, shall have the power to bid in the Unit at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same. As used herein, the term "mortgage" shall include "deed of trust".

9. 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 aggregate undivided interest in the Common Areas and Facilities of the Condominium, whether meeting

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as members or by instrument in writing.

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 less than ten (10) days nor more than thirty (30) 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 members owning at least seventy-five percent (75%) of the aggregate undivided interest in the Common Areas and Facilities of the Condominium. (If a larger vote is required to take or refrain from taking a specific action, no amendment shall be valid until the members owning such larger percentage execute the amending instrument.) 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 the amendment has been approved by the Directors and members. No amendment shall be valid unless set forth in an amendment to the Declaration of Condominium and duly recorded in the Wake County Public Registry.

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 9, 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 IX of the Articles of Incorporation, may be adopted or become effective without the prior written consent of the Developer.

10. RULES OF CONDUCT.

A. No resident of the Condominium shall post or have posted any advertisements or posters of any kind in or on the Common Property or that can be seen from the Common Property, except as authorized by the Association. In addition, the Association shall have the right to control the lining of all drapes of Unit Owners which can be seen from a Common Area.

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 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 permission of the Board of Directors or a duly appointed Architectural Control Committee. Storm windows and

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doors, balcony and patio awnings and enclosures shall be allowed on a unit by unit basis, provided, however, that the style and materials of such improvements shall be subject to the prior written approval of the Board of Directors. The Board of Directors or Architectural Control Committee shall take into consideration the protection of access, air, and light and whether exterior changes are congruous with existing structures in terms of style, material, fenestration, texture, and style.

The necessary work of maintenance, repair, and replacement of the common areas and facilities and the making of any additions or improvements thereto shall be carried out only as provided herein. The Association of Unit Owners shall have the irrevocable right, to be exercised by the manager or Board of Directors, or other managing body as provided in the By-Laws, to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair, or replacement of any of the common areas and facilities therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the common areas and facilities or to another unit or units.

11. 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 that 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 adopted as the By-Laws of CEDAR HILL HOMEOWNERS ASSOCIATION at the first meeting of the Board of Directors on October 17, 1983.

Mary V. Gombler
Secretary

APPROVED:

Don Ward
President