

NEIGHBORHOOD DECLARATION OF
COVENANTS, RESTRICTIONS AND EASEMENTS
FOR THE LANDING AT ARNOLD PARK

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NEIGHBORHOOD DECLARATION OF
COVENANTS, RESTRICTIONS AND EASEMENTS FOR THE LANDING AT ARNOLD
PARK

THIS NEIGHBORHOOD DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR THE LANDING AT ARNOLD PARK ("Neighborhood Declaration") is made as of October 31, 2019, by TOR Arnold, LLC, a North Carolina limited liability company ("Declarant").

RECITALS

A. The Declarant is the owner of that certain property located in the City of Fuquay-Varina (the "City"), Wake County, North Carolina, described in Exhibit A hereto (the "Townhome Property"). The Property is a portion of that planned community known as "Arnold Park" (the "Master Community").

B. Declarant previously caused to be recorded that Declaration of Covenants, Restrictions and Easements for Arnold Park as recorded in Book 17633 Page 1455, Wake County Register of Deeds (the "Master Declaration"). The terms and provisions of the Master Declaration apply to the Property.

C. Section 13.4 of the Master Declaration provides that the Declarant, acting in its sole and absolute discretion, shall have the right during the Declarant Control Period to establish separately developed residential Neighborhoods within the Master Community, designate Common Area for the exclusive use of these Neighborhoods, and subject every Lot situated within a designated Neighborhood to additional covenants, conditions, restrictions and assessments in a Supplemental Declaration.

D. Declarant intends to subdivide the Townhome Property into residential Townhome Lots, Townhome Common Areas exclusively serving the Townhome Lots, and public rights-of-way, and to establish the Townhome Property as a separately developed residential Neighborhood and planned community within the Master Community to be known as Arnold Park (the "Townhome Community"), designate the Townhome Common Areas within the Townhome Property as Limited Common Areas for the exclusive use of the Townhome Lots, and impose on the Townhome Property additional covenants, conditions and restrictions to protect and to promote the beneficial ownership, use and enjoyment of all Townhome Lots located within the Townhome Community, the terms of which shall supplement the covenants, conditions and restrictions of the Master Declaration.

THEREFORE, pursuant to Chapter 47F of the North Carolina General Statutes (the "Planned Community Act"), Declarant hereby executes this Neighborhood Declaration to create the Landing at Arnold Park, a North Carolina planned Community, and declares that henceforth all of the Townhome Property shall be designated as a separately developed residential Neighborhood within the Master Community, all of the Townhome Common Areas located within the Townhome Property shall be designated as Limited Common Areas for the exclusive use of the Townhome Lots, and all of the Townhome Property shall be held and owned subject to the following terms, provisions, covenants, conditions and restrictions, which shall run with the

Townhome Property and which shall be binding upon all owners of any portion of the Townhome Property and their lessees, guests, mortgagees, heirs, executors, administrators, successors and assigns. This Neighborhood Declaration shall constitute a Neighborhood Declaration to the Master Declaration pursuant to Section 11.9 of the Master Declaration. Except as expressly provided herein all provisions of the Master Declaration continue to apply to the Townhome Property.

1. DEFINITIONS. The following words and terms have the following definitions, unless the context in which they are used clearly indicates otherwise. Capitalized terms not defined herein shall have the meaning ascribed to them in the Master Declaration.

1.1. "Association" means Arnold Park Community Association, Inc., a North Carolina non-profit corporation, its successors and assigns.

1.2. "Governing Documents" means collectively this Neighborhood Declaration (including any Supplemental Declaration), the Master Declaration, Articles, Bylaws, architectural guidelines and the rules and regulations of the Association and all exhibits to any of the foregoing, all as they may be amended, restated or supplemented from time to time.

1.3. "Master Declaration" means that Declaration of Covenants, Restrictions and Easements for Arnold Park, as recorded in Book 17633 Page 1455, Wake County Registry.

1.4. "Owner" means the record Owner, whether one or more Persons, of fee simple title to any Townhome Lot. "Owner" shall not include Declarant (during the Declarant Control Period), or any Person who holds an interest in a Townhome Lot merely as security for the performance of an obligation or as a Tenant or as a purchaser under an executory contract of sale.

1.5. "Recorded Document" shall mean any document, including any map or plat of survey, recorded at the Office of the Register of Deeds of Wake County, North Carolina.

1.6. "Rules & Regulations" shall mean the initial rules and regulations for use and occupancy of the Townhome Lots and the Townhome Common Area set forth pursuant to the Master Declaration.

1.7. "Townhome Assessment" means the amounts charged to each Townhome Lot subject to assessment by the Association representing its proportionate share of the Townhome Expenses as determined in accordance with this Neighborhood Declaration and the Master Declaration. All Townhome Assessments shall be deemed to be "Assessments" under the Master Declaration, except they apply only to Townhome Lots.

1.8. "Townhome Building" shall mean any building comprising residences located upon Townhome Lots.

1.9. "Townhome Common Area" shall mean all property, and any improvements thereon, wherever located, owned or leased by the Association or subjected to an easement or license in favor of the Association for the common use and enjoyment of Owners of Townhome

license in favor of the Association for the common use and enjoyment of Owners of Townhome Lots. Townhome Common Area shall include all water and sewer lines serving more than one Townhome Lot and located outside any public rights-of-way or utility easements. Townhome Common Area shall include any drainage easements, stormwater pipes, detention and retention facilities serving more than one Townhome Lot and not accepted by any governmental authority for maintenance. For the purpose of the Association's insurance and other obligations, Townhome Common Area shall be deemed to be "Common Area" under the Master Declaration.

1.10. "Townhome Expenses" means all actual and estimated expenses which the Association incurs or expects to incur to provide Townhome Services for the benefit of Townhome Owners and to perform any Restoration pursuant to Section 5.2, all as may be determined from time to time by the Board of Directors of the Association in accordance with this Neighborhood Declaration and the Master Declaration.

1.11. "Townhome Owner" means the Owner of a Townhome.

1.12. "Townhome Lot" shall mean any separate parcel of land within the Townhome Community designated for construction and maintenance of a townhome residence and designated for separate ownership or occupancy and residential use.

1.13. "Townhome Limited Common Area" shall mean a portion of the Townhome Common Area reserved for the exclusive use of one or more, but less than all, of the Townhome Lots.

1.14. "Townhome Services" means those goods, services, items or benefits provided by the Association for the benefit of the Townhomes pursuant to this Neighborhood Declaration, which include, at a minimum, the following:

1.14.1. the services described in Section 3.1;

1.14.2. Obtaining and maintaining termite and wood-infestation treatment and bonds for each Townhome Building; and

1.14.3. Obtaining annual inspections of the vapor barrier and mitigation systems for each Townhome Building and performing the repairs recommended by the inspector.

The Association has the right in its sole and absolute discretion to add or expand (but not reduce or eliminate) Townhome Services upon not less than ninety (90) days prior written notice to the Townhome Owners.

2. ARCHITECTURAL AND LANDSCAPING. No structure or thing, including but not limited to fences, shall be placed, erected, or installed upon or adjacent to any Townhome Lot and no improvements or other work (including staking, clearing, excavation, grading, and other site work, exterior alterations of existing improvements, or planting or removal of landscaping) shall take place on such Townhome Lot except pursuant to approval and in compliance with the Master Declaration. Any Builder Exemption provided pursuant to section 12.6 of the Master

Declaration may apply to Townhome Lots.

3. MAINTENANCE AND REPAIR.

3.1. Association Responsibility. The Association shall be responsible for the repair, replacement and maintenance of the following: (a) all landscaped rights-of-way and all entry features; (b) all roads, streets, entranceways and cul-de-sacs in the Townhome Community, unless such roads, streets, entranceways and cul-de-sacs are maintained by some governing authority; (c) all Townhome Common Areas, and all landscaping, paving, streets, structures and improvements of any nature located thereon; (d) all ponds, streams and culverts located on the Townhome Property which serve as part of any Stormwater Control Facilities; (e) all private utility systems and foundation drainage systems located on Townhome Property outside the exterior walls of a Townhome Building, Townhome Lot, and/or within the Townhome Common Areas; (f) any common irrigation system installed by Declarant serving the Townhome Common Areas and the Townhome Lots; (g) all retaining walls constructed on Townhome Lots, and (h) all exteriors of each Townhome Lot and Townhome Building, which is subject to assessment hereunder, including, but not limited to, exterior building surfaces, roofs, gutters, downspouts, trees, shrubs, grass, walks and other exterior improvements and betterments. Such exterior maintenance shall not, however, include screens and screen doors, exterior doors, exterior glass surfaces, windows, window, door, and light fixtures and other related hardware, and any Limited Common Elements (including, but not limited to, patios, decks and porches) serving a single Townhome Unit. In addition, the Association shall obtain and maintain termite and wood-infestation treatment and bonds and cause annual inspections of the vapor barrier and mitigation systems for each Townhome Building and perform the repairs recommended by the inspector.

In order to enable the Association to accomplish the foregoing, a perpetual easement in gross over all the Townhome Lots, Townhome Buildings and Common Areas is hereby granted to the Association for the purpose of unobstructed access over and upon each Townhome Lot, Townhome Building and Common Areas at all reasonable times to perform maintenance as provided in this Article. The Owner of any Townhome Lot may, at his or her election, plant harmonious trees, shrubs, flowers and grass in his or her rear yard and maintain portions or all of his or her rear yard, provided that such maintenance by the Owner does not hinder the Association in performing its maintenance of the exterior of the Townhome Lots and Townhome Buildings and its other repair, replacement and maintenance obligations hereunder. No such maintenance by an Owner shall reduce any assessments payable by him or her to the Association. If, in the opinion of the Association, any such Owner fails to maintain his or her rear yard in a neat and orderly manner, the Association may revoke the Owner's maintenance rights for a period of not more than one year. In the event that the need for maintenance or repair by the Association pursuant to this subsection is caused through the willful or negligent act of any Owner, his or her family, guests, invitees or delegates, the cost of such maintenance and repair shall be assessed against the Townhome Lot(s) of such Owner(s) as a Specific Assessment, and may be collected by the Association as provided in Article IX of the Master Declaration.

3.2. Owner's Responsibility. Except as provided in subsection 6.1 above, each Owner shall maintain for the routine cleanliness and general upkeep of his or her Townhome Lot,

including without limitation, the repair, replacement and maintenance of the following: (a) all landscaped areas within the boundaries of the Townhome Lot installed by someone other than the Declarant or the Builder, including, without limitation any harmonious trees, shrubs, flowers and grass planted by an Owner in his or her yard (b) any Limited Common Elements (including, but not limited to, patios, decks and porches) serving a single Townhome Lot; (c) screens and screen doors, exterior doors, exterior glass surfaces, windows, window fixtures and other related hardware. All fixtures and equipment installed with a Townhome Lot commencing at a point where the utility lines, pipes, wires, conduits or systems are within the Townhome Lot's exterior walls, including within any courtyards, shall be maintained and kept in repair by its Owner. An Owner shall not do anything that will impair the structural soundness or integrity of another Lot or Townhome Lot, nor impair any easement or hereditament, nor do any act or allow any condition to exist which will adversely affect the other Lots, Townhome Lots, or their Owners. Nothing shall be done in any Townhome Lot or in, on or to the Common Areas that will impair the structural integrity of the Property or will structurally change any Townhome Building of which a Townhome Lot is a part, except as is otherwise provided in this Neighborhood Declaration. In no event shall interior walls or partitions contributing to the support of any Townhome Lot, Townhome Building or Common Areas be altered or removed.

3.3. Association's Right to Perform Owner's Responsibility. If any Owner or occupant of a Townhome Lot fails to perform any of the duties or responsibilities set forth in this Article, then the Association or Declarant may give such person written notice of such failure and such person must within ten (10) days after receiving such notice (which notice shall be deemed to have been received upon deposit in any official depository of the United States mail, addresses to the party to whom it is intended to be delivered at that party's current address as shown by the records of the Association, and sent by certified mail, return receipt requested), perform the care and maintenance required or otherwise perform the duties and responsibilities of such Owner. Should any such person fail to fulfill this duty and responsibility within such period, then Declarant or the Association, acting through its authorized agent or agents, shall have the right and power to enter onto the Townhome Lot in question and perform such care and maintenance without any liability for damages for wrongful entry, trespass or otherwise at any person. All Owner(s) of a Townhome Lot on which such work is performed shall be liable for the cost of such work together with interest on the amounts expended by the Association or Declarant in performing such work computed at the rate of twelve percent (12.00%) per annum from the date(s) such amounts are expended until repaid to the Association or Declarant, as the case may be, and for all costs and expenses incurred in seeking the compliance of such Owner with his or her duties and responsibilities hereunder, and shall reimburse the Association or Declarant, as the case may be, on demand for such costs and expense (including interest as above provided). If such Owner shall fail to reimburse the Association or Declarant, as the case may be, within thirty (30) days after mailing to such Owner of a statement for such costs and expenses incurred by the Association or Declarant, the Association may charge a Specific Assessment for such amounts against the Townhome Lot of such Owner(s), and proceed to collect such Specific Assessment as provided in Article IX below.

3.4. Party Walls. Each wall which is built as a part of the original construction of a Townhome Building upon the Townhome Property and placed on a boundary line between Townhome Lots, and all reconstruction or extension of such walls, shall constitute party walls.

Except as provided in this Article, the general rules of law regarding party walls, lateral support in below-grade construction and liability for property damage due to negligence or willful acts or omissions shall apply to party walls on the Townhome Property. The following rules and principles shall also apply to the party walls:

3.4.1. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall or benefit therefrom in proportion to such use and benefit.

3.4.2. Construction and Reconstruction of Party Wall. The Owner of any Townhome Lot may construct, reconstruct, or extend a party wall in any direction (subject to and within the limitation of architectural control and other limitation of the Master Declaration or this Neighborhood Declaration) with the right to go upon the adjoining Townhome Lot to the extent necessary to perform such construction. Such construction shall be done expeditiously. Upon completion of such construction, such Owner shall restore the adjoining Townhome Lot to as near the same condition as prevailed before the commencement of such construction as is reasonably practicable.

3.4.3. Weatherproofing. Notwithstanding any other provision of this Section, an Owner who, by his or her negligence or willful act, causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

3.4.4. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

3.4.5. Certification by Adjoining Townhome Lot Owner that No Contribution is Due. If any Owner desires to sell his or her Townhome Lot, he may, in order to assure a prospective purchaser that no adjoining Owner has a right of contribution as provided in this Article, request of the adjoining Owner a certification that no right of contribution exists, whereupon it shall be the duty of each adjoining Owner to make such certification immediately upon request and without charges; provided, however, that where the adjoining Owner claims a right of contribution, the certification shall contain a recital of the amount claimed.

3.4.6. Dispute Resolution. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each Bound Party covenants and agrees to use good faith efforts to resolve their Claims using the procedures set forth in Section 12.4 of this Neighborhood Declaration.

3.4.7. Cost of Maintenance. All costs of the Association in maintaining Townhome Common Area and Townhome Buildings and in meeting its responsibilities pursuant to this Article shall be Townhome Common Expenses.

4. TOWNHOME PROPERTY EASEMENTS

4.1. Support and Other Easements for Townhomes. Each Townhome shall have the

following easements: (1) for lateral and subjacent support of, in and to all exterior walls, Party Walls, structural members, roof, footings and foundations of the Unit or other Improvements which abut or support the Townhome; (2) for Maintenance of common construction improvements, such as footings, supports and foundations, which abut or support the Townhome; (3) for attachment of the Townhome to the Party Wall(s) it shares with the adjacent Townhome(s); and (4) of necessity in favor of, all other Units within Townhome Building in which it is located and any other structure or improvement which abuts or supports a Townhome.

5. RESTORATION OF TOWNHOMES AFTER CASUALTY.

5.1. Plans and Procedures for Restoration. The plans and specifications for any Restoration shall be prepared by an architect licensed in the State of North Carolina. All plans and specifications required in connection with any Restoration shall be subject to Article 12 of the Master Declaration. Unless the Association and a majority of the voting interests of the Owners of the damaged Townhomes shall otherwise agree, plans and specifications for any Restoration shall be consistent with the then existing building plans.

5.2. Restoration by Association. If an Owner fails to cause the removal of debris and Restoration of Improvements, the Association shall provide written notice of such deficiency to such Owner. If the problem has not been remedied within a reasonable time (as determined by the Board), the Association shall have authority to cause such Restoration to be performed, and any expenses incurred by the Association in connection therewith shall be charged to such Owner and shall be an Individual Assessment against such Owner's Lot.

6. COVENANT FOR ASSESSMENTS FOR TOWNHOME EXPENSES

6.1. Obligation for Assessments. Each Townhome Owner, by acceptance of a deed or other instrument conveying title to a Townhome Lot, whether or not it shall be so expressed therein, is deemed to consent and agree to pay to the Association (or to any Person who may be designated by the Association to collect such monies) Townhome Assessments.

6.2. Purpose of Assessments. The Townhome Assessment is for the purpose of funding the Townhome Expenses of the Association for the Townhomes, including monies allocated for reserve funds, for the Fiscal Year to which the Townhome Assessment applies and in accordance with the budget for that Fiscal Year adopted by the Association, although such Assessments may be used for payment of any Townhome Expenses as determined by the Board.

6.3. Budgets. All budgets of the Association shall be prepared and proposed in good faith and with the intent to cover all reasonably necessary Townhome Expenses for the applicable Fiscal Year of the Association, including reasonable reserves for replacement and deferred maintenance. Prior to the beginning of each Fiscal Year, the Board shall adopt budgets for such Fiscal Year which shall estimate all of the Townhome Expenses of the Association during the Fiscal Year, including reserves.

In determining the budget for Townhome Expenses, the budget shall be based on estimated Townhome Expenses for the Townhomes which have been declared to be part of the

Townhome Property and any additional Townhomes reasonably anticipated to be added to the Townhome Property during the Fiscal Year to which the budget relates.

The budgets shall also reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years, any income expected from sources other than the amount to be generated through Townhome Assessments.

The Board shall then establish the Townhome Assessment for each Townhome subject to such assessment and shall notify each Owner in writing of the amount, frequency, and due dates of such Assessments. The Board may round any Assessments charged by the Association to the nearest dollar.

The Board of Directors of the Association shall fix the date of commencement and the amount of the Townhome Assessments against each Townhome Lot for each Assessment period, to the extent practicable, at least thirty (30) days in advance of such date or period, except as to emergency Assessments. The Association shall at that time prepare a roster of the Townhome Lots, the Owners thereof and the Assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by any Owner or First Mortgagee.

From time to time during the Fiscal Year, the Board may modify the budget. Pursuant to the revised budgets or otherwise, the Board may, upon written notice to the Townhome Owners, change the amount, frequency or due dates of the Assessments. In no event shall any such Assessment be due less than ten (10) days from the date of the notification of such Assessment.

6.4. Townhome Assessments. The Board of Directors shall assess the Townhomes for Townhome Assessments in accordance with the budget. Each Townhome shall become obligated to pay the full amount of the Townhome Assessment commencing on the day the Townhome Lot is conveyed to an Owner other than the Declarant or a Builder. Notwithstanding anything in this Neighborhood Declaration to the contrary, neither Declarant nor any Builder shall have the obligation to pay Townhome Assessments.

6.5. Special Assessments for Townhome Expenses. In addition to the Townhome Assessments, the Board of Directors may assess, from time to time, Special Assessments on the Townhomes to defray, in whole or in part, (1) unbudgeted expenses or expenses in excess of the amounts budgeted for Townhome Expenses; or (2) expenses incurred by the Association for installation or construction of any Improvements in the nature of a capital improvement to the Townhomes in connection with Townhome Services. No action authorized in the preceding sentence shall be taken without the prior written consent of the Declarant during the Declarant Control Period. In the event of a casualty or loss and the insurance proceeds are insufficient to pay the Restoration Costs or in the event the damage or loss resulted from an uninsured loss, then the Association may assess a Special Assessment against the Owners of the damaged Townhomes in the same proportion which the Restoration Costs attributable to their Townhomes bears to all Restoration Costs of the damaged Townhomes. Notwithstanding anything in this Neighborhood Declaration to the contrary, neither Declarant nor any Builder shall have the obligation to pay Special Assessments for Townhome Expenses.

6.6. Disapproval of Budgets. The Board of Directors shall adopt a proposed budget for Townhome Expenses at least annually. Within thirty (30) days after the adoption of the proposed budgets for the Townhome Assessments, the Board shall provide to each Townhome Owner a copy of those budgets for the Townhome Assessment(s) applicable to the Townhome Owner's Lot together with a notice of an Townhome Owners' meeting to consider ratification of the budgets including a statement that the budgets may be ratified without a quorum. The Board shall set the date for such meeting not less than 10 days or more than 60 days after the mailing of the budgets and notice. Such meeting may, but need not be, combined with the annual meeting of the Owners. There shall be no requirement that a quorum of the Townhome Owners be present at the meeting in person or by proxy to vote on ratification of the budget (although a quorum must be present to vote on other matters). The budget for Townhome Expenses shall be deemed ratified unless at that meeting Townhome Owners having eighty (60%) percent or more of the total voting interests of all of the Townhome Owners vote to reject such budget. Only the Townhome Owners will be eligible to vote on the budget for Townhome Expenses. Notwithstanding the foregoing, in the event the proposed budgets are disapproved or in the event the Board of Directors fails for any reason to determine the annual budgets and to set the Assessments, then and until such time as the budgets and Assessment have been determined as provided herein, the budgets and Assessments will be 110% of the prior year's Townhome Assessment.

6.7. Determination of Default Budget and Default Assessments. Upon the failure of the Board of Directors to adopt a budget, the default budgets and default Townhome Assessments will be increased to one hundred ten (110%) percent of the then-current budgets and Townhome Assessments.

6.8. Declarant's Exemption from Assessments; Operating Deficits. Notwithstanding any other provision of this Neighborhood Declaration, Declarant shall not be responsible for paying any Townhome Assessment assessed against any portion of the Community. In lieu of any obligation to pay Assessments, during the Declarant Control Period, the Declarant shall pay funds to the Association in the amount of any Operating Deficit not later than thirty (30) days following the end of the calendar year in which the Operating Deficit occurred.

7. GENERAL PROVISIONS.

7.1. Exculpation. No personal liability is assumed by nor shall at any time be asserted or enforceable against the Declarant or its affiliates on account of any representation, covenant, undertaking or agreement of the Declarant or its affiliates contained in this Declaration either expressed or implied. All such personal liability, if any, is expressly waived and released by the Association, the Owners and by all Persons claiming by, through or under the Owners.

7.2. Notice. Any notice required to be sent to any Member or Owner under the provisions of this Neighborhood Declaration shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of the Person who appears as Member or Owner on the records of the Association at the time of such mailing. It shall be the duty of each Owner to keep the Association advised of his name and addresses and any changes therein.

7.3. Severability. Invalidation of any part, clause or word of the Governing Documents, or the application thereof in specific circumstances, by judgment or court order shall not affect any other provisions or applications in other circumstances, all of which shall remain in full force and effect.

7.4. Performance of Association's Duties by Declarant. Declarant shall have the right from time to time at its sole discretion, to perform at Declarant's expense the duties and obligations required hereunder to be performed by the Association. In connection therewith Declarant shall have the right to reduce the budget of the Association and the Assessments payable by the Owners; provided, however, that any such performance on the part of Declarant may be discontinued by Declarant at any time, and any such performance shall not be deemed to constitute a continuing obligation on the part of Declarant.

7.5. Conflict. The provisions of this Article control over any inconsistent provisions of any other portion of this Neighborhood Declaration, any Supplemental Declaration or any other Governing Documents. In the event of a conflict between any of the Governing Documents, the following order of precedence shall apply: First, this Neighborhood Declaration; Second, the Master Declaration (except as to matters of compliance with the North Carolina Nonprofit Corporation Act, in which event the Articles shall control); Third, the Articles of Incorporation of the Association; Fourth, Bylaws of the Association; Fifth, rules and regulations of the Association.

7.6. Effective Date. This Neighborhood Declaration shall become effective upon its recordation in the Registry.

7.7. Standards for Consent. Approval, Completion, Other Action and Interpretation. Whenever the Governing Documents shall require the consent, approval or other action by the Declarant or its affiliates, Association or Architectural Review Board, such consent, approval or action may be withheld in the sole and reasonable discretion of the party requested to give such consent or approval or take such action. All matters required to be completed or substantially completed by the Declarant or its affiliates, Association or ARB shall be deemed so completed or substantially completed when such matters have been completed or substantially completed in the reasonable opinion of the Declarant, Association or ARB, as appropriate. As to matters relating to the Common Areas or the Association, the Governing Documents shall be interpreted by the Board of Directors and an opinion of counsel of the Association rendered in good faith that a particular interpretation is not unreasonable shall establish the validity of such interpretation.

7.8. Easements. If any easement provided for in this Neighborhood Declaration fails because at the time of creation there may be no grantee having the capacity to take and hold such easement, then any such grant of easement shall nevertheless be considered as having been granted directly to the Association as agent for such intended grantees for the purpose of allowing the original parties to whom the easements were originally to have the benefit of such easement. The Owners hereby designate the Declarant and the Association (or either of them) as their lawful attorney-in-fact to execute any instrument on such Owners' behalf as may hereafter

be required or deemed necessary for the purpose of later creating such easement as it was intended to have been created herein.

7.9. CPI. Whenever a specific dollar amount is recited in Governing Documents, unless limited by law or by the specific text hereof or unless held to be unconscionable, such amounts shall be increased from time to time by application of a nationally recognized consumer price index using the date of recordation of this Neighborhood Declaration as the base year. The index used shall be that published by the United States Department of Labor, Bureau of Labor Statistics, designated as "Consumer Price Index, all urban consumers, United States, 1982-84 = 100, all items". If the Bureau of Labor Statistics shall change the method for determining the consumer price index or in the event the Bureau of Labor Statistics shall cease to publish said statistical information and it is not available from any other source, public or private, then the Board shall choose a reasonable alternative to compute such increases.

7.10. Attorneys' Fees; Enforcement Costs. Unless limited by the Act, in the event that any legal action or other proceeding is brought for the enforcement of the Governing Documents, including because of any Assessments, fines, or any alleged dispute, breach, default or misrepresentation in connection with any provisions of the Governing Documents, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees, court costs and all expenses even if not taxable as court costs (including all such fees, costs and expenses incident to appeals), incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.

7.11. Principles of Interpretation and Definitions. In this Neighborhood Declaration, unless the context requires otherwise: (1) the singular includes the plural, and the plural includes the singular; (2) the pronouns "it", "its", "he", "his", "she", "her", "they" and "their" include the masculine and feminine; (3) references to contracts and agreements shall be deemed to include all amendments thereto; (4) references to an "Article", "Section", "section", or "paragraph" shall mean an article or section of this Neighborhood Declaration; (5) headings and titles of sections, paragraphs, and articles are for convenience only and shall not be construed to affect the meaning of this Neighborhood Declaration; (6) the word "shall" is mandatory; and (7) all exhibits, attachments, or documents attached or referred to in this Neighborhood Declaration are incorporated by reference as if fully set forth herein.

[signature page follows]

IN WITNESS WHEREOF, Declarant has executed this Neighborhood Declaration as of the date first above written.

DECLARANT:

TOR ARNOLD, LLC,
a North Carolina limited liability company

By: [Signature]
Name: Fred Sheekells
Title: Authorized Person

STATE OF Maryland
COUNTY OF Howard

I, Caitlyn A. Michno a Notary Public of Howard County, State of Maryland certify that Fred Sheekells, (the "Signatory"), appeared before me this day and that Signatory, being authorized to do so, acknowledged the execution of the foregoing instrument.

I certify that the Signatory personally appeared before me this day, and (check one of the following):

☐ (I have personal knowledge of the identity of the Signatory); or
☒ (I have seen satisfactory evidence of the Signatory's identity, by a current state or federal identification with the Signatory's photograph in the form of: (check one of the following):
☒ a driver's license or
in the form of _____); or
(a credible witness has sworn to the identity of the Signatory).

Sworn to and subscribed before me this the 23rd day of October, 2019.

Caitlyn A. Michno
Notary Public
Print Name: Caitlyn A. Michno
My Commission Expires: March 22, 2022

☞ [NOTARY SEAL] (MUST BE FULLY LEGIBLE)

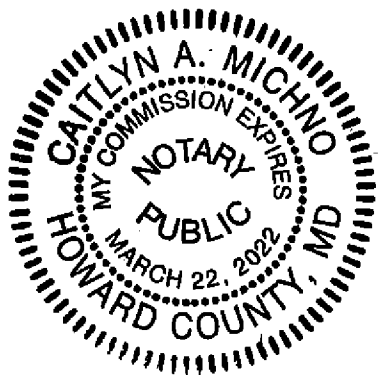


Exhibit A

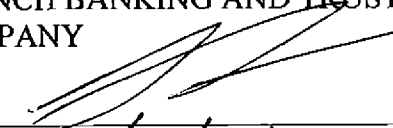
BEING all of Lot 1 through Lot 80, inclusive, The Landing at Arnold Park subdivision, Phases 1 & 2, as depicted in Book of Maps 2019 Pages 1714 through 1716, inclusive, Wake County Register of Deeds.

Consent of Lien Holder

Branch Banking and Trust Company ("Lien Holder"), is the current holder of a Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement from TOR Arnold, LLC, a North Carolina limited liability company ("Borrower") in favor of Lien Holder dated January 16, 2019 and recorded January 17, 2019 with the Wake County, North Carolina Register of Deeds at Book 17340, Page 1286 (the "Deed of Trust"). Lien Holder hereby consents to the grant and recordation of that certain Declaration of Covenants, Restrictions and Easements for Arnold Park (the "Declaration") by Borrower encumbering the Property described in the Deed of Trust, and joins in the execution hereof solely as Lien Holder and hereby does agree that in the event of the foreclosure of the Deed of Trust, or a deed in lieu of foreclosure of the Property described in the Deed of Trust under judicial proceedings, the Declaration shall survive any foreclosure and sale of the Property, the Property shall be sold subject to said Declaration, and all rights and interests granted thereby shall be unaffected.

SIGNED AND EXECUTED this 29 day of October, 2019.

BRANCH BANKING AND TRUST
COMPANY

By: 

Name: Steve Lavin

Title: VP Real Estate

STATE OF Maryland
COUNTY OF Carroll

I, Marilyn Tacka, a Notary Public of Carroll County, State of Maryland certify that Steve Lavin, (the "Signatory"), appeared before me this day and that Signatory, being authorized to do so, acknowledged the execution of the foregoing instrument.

I certify that the Signatory personally appeared before me this day, and (check one of the following):

☒ (I have personal knowledge of the identity of the Signatory); or

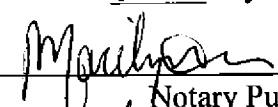
☐ (I have seen satisfactory evidence of the Signatory's identity, by a current state or federal identification with the Signatory's photograph in the form of: (check one of the following):

☐ a driver's license or

☐ in the form of _____); or

☐ (a credible witness has sworn to the identity of the Signatory).

Sworn to and subscribed before me this the 29th day of October, 2019.


Notary Public

Print Name: Marilyn Tacka

My Commission Expires: 11/20/2022

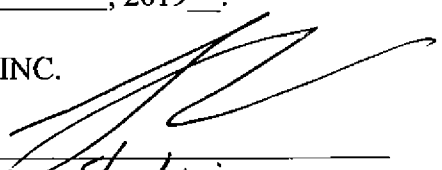
[NOTARY SEAL] (MUST BE FULLY LEGIBLE)

Consent of Lien Holder

NVR, Inc., a Virginia corporation ("Lien Holder"), is the current holder of a Deed of Trust from TOR Arnold, LLC, a North Carolina limited liability company ("Borrower") in favor of Lien Holder dated January 16, 2019 and recorded January 17, 2019 with the Wake County, North Carolina Register of Deeds at Book 17340, Page 1315 (the "Deed of Trust"). Lien Holder hereby consents to the grant and recordation of that certain Declaration of Covenants, Restrictions and Easements for Arnold Park (the "Declaration") by Borrower encumbering the Property described in the Deed of Trust, and joins in the execution hereof solely as Lien Holder and hereby does agree that in the event of the foreclosure of the Deed of Trust, or a deed in lieu of foreclosure of the Property described in the Deed of Trust under judicial proceedings, the Declaration shall survive any foreclosure and sale of the Property, the Property shall be sold subject to said Declaration, and all rights and interests granted thereby shall be unaffected.

SIGNED AND EXECUTED this 24th day of October, 2019.

NVR, INC.

By: 

Name: Steve Lavin

Title: VP Real Estate

STATE OF Maryland
COUNTY OF Carroll

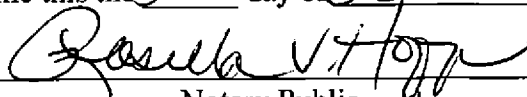
I, Rosella V. Hoff, a Notary Public of Carroll County, State of Maryland certify that Steve Lavin, (the "Signatory"), appeared before me this day and that Signatory, being authorized to do so, acknowledged the execution of the foregoing instrument.

I certify that the Signatory personally appeared before me this day, and (check one of the following):

☒ (I have personal knowledge of the identity of the Signatory); or
☐ (I have seen satisfactory evidence of the Signatory's identity, by a current state or federal identification with the Signatory's photograph in the form of: (check one of the following):

☐ a driver's license or
☐ in the form of _____); or
☐ (a credible witness has sworn to the identity of the Signatory).

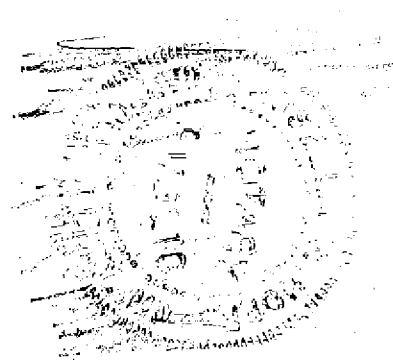
Sworn to and subscribed before me this the 24th day of October, 2019.



Notary Public

Print Name: Rosella V. Hoff

My Commission Expires: 9/15/2021

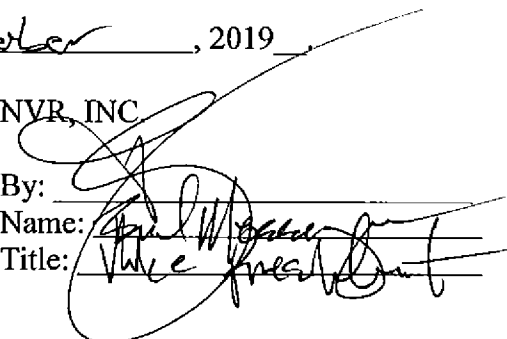
 [NOTARY SEAL] (MUST BE FULLY LEGIBLE)

Consent of Lien Holder

NVR, Inc., a Virginia corporation ("Lien Holder"), is the current holder of a Deed of Trust from TOR Arnold, LLC, a North Carolina limited liability company ("Borrower") in favor of Lien Holder dated January 16, 2019 and recorded January 17, 2019 with the Wake County, North Carolina Register of Deeds at Book 17340, Page 1325 (the "Deed of Trust"). Lien Holder hereby consents to the grant and recordation of that certain Declaration of Covenants, Restrictions and Easements for Arnold Park (the "Declaration") by Borrower encumbering the Property described in the Deed of Trust, and joins in the execution hereof solely as Lien Holder and hereby does agree that in the event of the foreclosure of the Deed of Trust, or a deed in lieu of foreclosure of the Property described in the Deed of Trust under judicial proceedings, the Declaration shall survive any foreclosure and sale of the Property, the Property shall be sold subject to said Declaration, and all rights and interests granted thereby shall be unaffected.

SIGNED AND EXECUTED this 23rd day of October, 2019.

NVR, INC

By: 

Name: Brad Messenger

Title: Vice President

STATE OF NC
COUNTY OF Johnston

I, Nadine S Lewis a Notary Public of Johnston County, State of North Carolina certify that Brad Messenger, (the "Signatory"), appeared before me this day and that Signatory, being authorized to do so, acknowledged the execution of the foregoing instrument.

I certify that the Signatory personally appeared before me this day, and (check one of the following):

☒ (I have personal knowledge of the identity of the Signatory); or

☐ (I have seen satisfactory evidence of the Signatory's identity, by a current state or federal identification with the Signatory's photograph in the form of: (check one of the following):

☐ a driver's license or

☐ in the form of _____); or

☐ (a credible witness has sworn to the identity of the Signatory).

Sworn to and subscribed before me this the 23rd day of October, 2019.

Nadine S Lewis

Notary Public

Print Name: Nadine S Lewis

My Commission Expires: 10/7/23

[NOTARY SEAL] (MUST BE FULLY LEGIBLE)

NADINE S. LEWIS
NOTARY PUBLIC
JOHNSTON COUNTY
NORTH CAROLINA
MY COMMISSION EXPIRES 10/7/2023

Consent of Lien Holder

Wilbon Properties, LLC, a North Carolina limited liability company ("Lien Holder"), is the current holder of a Deed of Trust from TOR Arnold, LLC, a North Carolina limited liability company ("Borrower") in favor of Lien Holder dated January 16, 2019 and recorded January 17, 2019 with the Wake County, North Carolina Register of Deeds at Book 17340, Page 1335 (the "Deed of Trust"). Lien Holder hereby consents to the grant and recordation of that certain Declaration of Covenants, Restrictions and Easements for Arnold Park (the "Declaration") by Borrower encumbering the Property described in the Deed of Trust, and joins in the execution hereof solely as Lien Holder and hereby does agree that in the event of the foreclosure of the Deed of Trust, or a deed in lieu of foreclosure of the Property described in the Deed of Trust under judicial proceedings, the Declaration shall survive any foreclosure and sale of the Property, the Property shall be sold subject to said Declaration, and all rights and interests granted thereby shall be unaffected.

SIGNED AND EXECUTED this 22 day of OCTOBER, 2019.

WILBON PROPERTIES, LLC

By: [Signature]

Name: BRIAN G. DUNCAN

Title: MANAGING MEMBER

STATE OF North Carolina)
COUNTY OF Wake)

I, Anne Oakley, a Notary Public of Wake County, State of North Carolina certify that Brian G. Duncan, (the "Signatory"), appeared before me this day and that Signatory, being authorized to do so, acknowledged the execution of the foregoing instrument.

I certify that the Signatory personally appeared before me this day, and (check one of the following):

 (I have personal knowledge of the identity of the Signatory); or

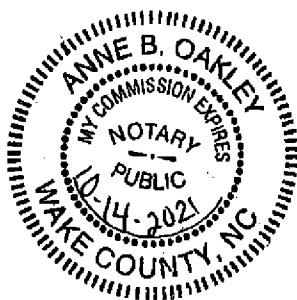
✓ (I have seen satisfactory evidence of the Signatory's identity, by a current state or federal identification with the Signatory's photograph in the form of: (check one of the following):

✓ a driver's license or

 in the form of); or

 (a credible witness has sworn to the identity of the Signatory).

Sworn to and subscribed before me this the 22 day of October, 2019.



Anne B. Oakley
Notary Public

Print Name: Anne B. Oakley

My Commission Expires: 10-14-2021

[NOTARY SEAL] (MUST BE FULLY LEGIBLE)