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MASTER DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
NORTH SHORE AT CENTENNIAL CAMPUS

May 22, 2014

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NORTH CAROLINA.

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TABLE OF CONTENTS

	<u>Page</u>
TABLE OF CONTENTS.....	I
ARTICLE I DEFINITIONS	2
ARTICLE II THE PROPERTIES; ANNEXATION AND WITHDRAWAL	11
Section 1. Property Made Subject To Declaration.....	11
Section 2. Annexation of Additional Property by Declarant.	11
Section 3. Supplemental Declaration.....	12
Section 4. Sub-Declarations.....	12
Section 5. Order of Development and Annexation.....	13
Section 6. Withdrawal.....	13
Section 7. Effect of Annexation or Withdrawal.....	13
ARTICLE III RIGHTS IN AND TO THE COMMON PROPERTY	13
Section 1. Owners’ Rights and Easements of Enjoyment.....	13
Section 2. Title to the Common Property	14
Section 3. Extent of Owners’ Easement	14
Section 4. Leases Subject to this Declaration	16
Section 5. 16	
Ingress and Egress.....	16
ARTICLE IV FUNCTIONS AND SERVICES OF THE ASSOCIATION.....	17
Section 1. Minimum List of Functions and Services.....	17
Section 2. Other Functions and Services	19
Section 3. Private Alleys and Streets.	20
Section 4. Street Lights and Signs.	20
Section 5. Stormwater Management.....	20
Section 6. Exchange or Conveyance of Common Property.....	21
Section 7. Mortgage and Pledge	22
Section 8. Liability Limitations	22
Section 9. Merger or Consolidation.....	23
ARTICLE V ASSOCIATION MEMBERSHIP; DIRECTORS; VOTING RIGHTS.....	23
Section 1. Membership	23
Section 2. Classes of Members	23
Section 3. Voting	24
Section 4. Directors.....	25
Section 5. Quorum	26
Section 6. Proxies.....	26
Section 7. Ballots by Mail.....	26

ARTICLE VI ASSESSMENTS AND OTHER CHARGES 27

Section 1. Creation of the Lien and Personal Obligation for Assessments 27

Section 2. Liability for Assessments After Change in Membership Status..... 27

Section 3. Nature, Purpose and Use of Assessments 27

Section 4. Property Classifications and Timing of Becoming Subject or Not
Subject to Assessments..... 28

Section 5. Preparation of Operating Budget 31

Section 6. Establishing the Annual Assessment; Payment Frequency 31

Section 7. Collection of Assessments; Due Dates; Penalties for Late Payment..... 32

Section 8. Special Assessments for Improvements and Additions..... 32

Section 9. Fines; Association Administrative Proceedings, Including Hearings
Regarding Fines and Suspension of Services 33

Section 10. Certification of Assessments Paid 34

Section 11. Assessment Lien and Foreclosure..... 34

Section 12. Subordination of the Lien to Mortgages 34

Section 13. Reserve Funds..... 35

Section 14. Working Capital Assessment..... 35

Section 15. Additional Assessments for Limited Common Property 35

ARTICLE VII INSURANCE 36

Section 1. Authority and Responsibility to Purchase; Notice..... 36

Section 2. Physical Damage Insurance 37

Section 3. Liability Insurance 38

Section 4. Other Insurance..... 39

Section 5. Owners 39

Section 6. Attached Dwelling Units..... 39

Section 7. Sub-Association Failure to Provide Insurance..... 40

ARTICLE VIII REPAIR AND RESTORATION OF THE PROPERTIES..... 40

Section 1. When Required 40

Section 2. Procedure for Common Property 41

Section 3. Surplus and Deficiency of Funds for Common Property Repair 41

Section 4. Condemnation..... 41

ARTICLE IX USE OF THE PROPERTIES; PROTECTION OF COMMON
PROPERTY 42

Section 1. Use of the Property 42

Section 2. Damage to the Common Property..... 42

Section 3. Legal Requirements 42

Section 4. New Construction 42

Section 5. Rules and Regulations of the Association 43

Section 6. Temporary Structures Prohibited for Dwelling Use 44

Section 7. Wetlands and Riparian Areas..... 44

Section 8.	Animals	44
Section 9.	Antennas and Other Attachments	44
Section 10.	Boats, Trailers, etc	45
Section 11.	Fences, Walls and Hedges	45
Section 12.	Harmful Discharges	45
Section 13.	Hunting; Discharge of Firearms.....	46
Section 14.	Landscaping; Utility Lines.....	46
Section 15.	Lighting.....	46
Section 16.	Mailboxes and Newspaper Tubes	46
Section 17.	Driveways; Motorized Vehicles; On-Street Parking	47
Section 18.	Noise	47
Section 19.	Nuisance and Other Matters.....	47
Section 20.	Obstructions, etc	48
Section 21.	Prohibition on Use for Streets.....	48
Section 22.	Restricted Actions by Owners	48
Section 23.	Sewer Systems	49
Section 24.	Signs.....	49
Section 25.	Soil Erosion Control	49
Section 26.	Residential Garages	49
Section 27.	Tree Cutting	49
Section 28.	Utility Yards.....	50
Section 29.	Water Systems	50
Section 30.	Hot Tubs and Saunas	50
Section 31.	Pools & Tennis Courts.....	50
Section 32.	Ornaments and Statues.....	50
Section 33.	Patios and Decks.....	50
Section 34.	Exterior Wires, Cables & Pipes	51
Section 35.	Fountains.....	51
Section 36.	Exception for Declarant	51
ARTICLE X ARCHITECTURAL APPROVAL		51
Section 1.	Architectural Review Board – Jurisdiction and Purpose	51
Section 2.	Composition.....	51
Section 3.	Procedure	52
Section 4.	Appeal.....	54
Section 5.	Completion of Construction.....	54
Section 6.	Variances.....	54
Section 7.	Compensation	55
Section 8.	Limitation of Liability.....	55
ARTICLE XI EASEMENTS.....		55
Section 1.	Easements Reserved by Declarant.....	55
Section 2.	Easements Reserved for the Association	56
Section 3.	Easement Reserved for the University, County, City, and Public Utilities.....	57

Section 4. Easements Shown On Recorded Site Plans 57

Section 5. Easements for Owners 57

Section 6. Restrictions and Easements..... 59

ARTICLE XII OWNER AND SUB-ASSOCIATION MAINTENANCE
RESPONSIBILITIES 59

Section 1. Duty to Maintain 59

Section 2. Enforcement 60

Section 3. Unimproved Portions of the Property 60

ARTICLE XIII RECREATION FACILITY 60

Section 1. Recreation Facility. 60

Section 2. Use Not a Nuisance..... 60

Section 3. Management..... 60

Section 4. Risks Associated With Use..... 61

Section 5. Limitation of Liability..... 61

ARTICLE XIV RIGHTS OF MORTGAGEES..... 61

Section 1. Notice to Board 61

Section 2. Requirements of Mortgagee..... 61

Section 3. Obligation of Association to Mortgagees 61

ARTICLE XV AMENDMENT; EXTRAORDINARY ACTIONS 62

Section 1. Amendment by Declarant 62

Section 2. Amendment by the Association 62

Section 3. Prohibited Effects of Amendment 63

Section 4. Extraordinary Actions and Material Amendments 63

ARTICLE XVI DURATION OF DECLARATION; DISSOLUTION OF
ASSOCIATION 65

Section 1. Duration 65

Section 2. Dissolution of the Association..... 66

ARTICLE XVII GROUND LEASES 66

Section 1. Assignment of Leasehold Interest..... 66

Section 2. Preservation of Ground Lease Interest..... 67

Section 3. Common Expenses Payable to Ground Lessor. 67

Section 4. Enforcement by the University. 67

Section 5. Association's Covenant to Maintain Property..... 68

ARTICLE XVIII DISCLAIMERS BY DECLARANT AND UNIVERSITY..... 68

Section 1. PREMISES “AS-IS”..... 68

Section 2. Lake Raleigh. 68

ARTICLE XIX MISCELLANEOUS PROVISIONS..... 69

Section 1. Enforcement 69

Section 2. Severability of Provisions 69

Section 3. Notice 70

Section 4. Titles 70

Section 5. Number and Gender 70

Section 6. No Exemption 70

Section 7. Subdivision, Combination of Lots; Plat Re-recording..... 70

Section 8. Contracts Made by the Association 71

Section 9. Conflicts Between Declaration and Other Instruments 71

Section 10. Assignment 71

Section 11. Costs and Attorneys’ Fees 71

Section 12. Rule Against Perpetuities..... 71

Section 13. Rounding..... 71

Section 14. Legal Requirements 71

EXHIBIT A DESCRIPTION OF PROPERTY 1

EXHIBIT B DESCRIPTION OF EXISTING PROPERTY 2

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR NORTH SHORE AT CENTENNIAL CAMPUS ("Declaration") is made this 22nd day of May, 2014 ("Effective Date"), by **THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND OF NORTH CAROLINA STATE UNIVERSITY**, an entity created and existing pursuant to North Carolina General Statutes §116-36, and its successors and assigns ("Declarant" or sometimes "Endowment").

BACKGROUND

Declarant owns a tract of land in Raleigh, Wake County, North Carolina, more particularly described in Exhibit A (the "Property"), which is being developed by third party developers for Declarant as a residential community named "North Shore at Centennial Campus" ("North Shore"). Declarant reserves the right to change the name of the community from time to time. The Property is part of "Centennial Campus," which has been allocated to North Carolina State University (the "University") by the State of North Carolina (the "State"). Declarant intends to enter, or has entered, into ground leases with one or more third party developers (collectively, "Ground Leases") to provide for the continued development of North Shore and the construction of residential dwelling units within the community.

To facilitate the continued development of North Shore as a residential community with a mixture of residential housing types and other compatible uses in accordance with a common plan and to provide for Maintenance of certain shared facilities on the Property, Declarant wishes to subject all or portions of the Property to the effect of this Declaration as such property is developed.

Although Declarant contemplates separate easements, covenants, and restrictions (which may or may not be similar to those contained in this Declaration) may be imposed by Declarant with respect to various phases or sections of North Shore and that separate homeowners or property owners associations may (but shall not be required to) be established for one or more of the various phases or sections of North Shore, Declarant now desires to impose certain easements, covenants, and restrictions and to establish certain rights for, and impose certain obligations upon, Owners of or within North Shore.

DECLARATION

Declarant, as evidenced by its execution of this Declaration, subjects to this Declaration the Property described on Exhibit A and declares that all of the Property shall be owned, held, transferred, sold, conveyed, donated, dedicated, leased, encumbered, occupied, and used subject to the terms, covenants, restrictions, easements, affirmative obligations, assessments, charges, and liens established in this Declaration, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Property and preserving the values of and amenities (if any) on the Property. Notwithstanding the foregoing, this Declaration does not create any obligation, promise, or representation of Declarant or any other Person to develop the Property or to provide any Recreation Facility or amenity on the Property or for the Owners of the Property. The terms, covenants, restrictions, easements, affirmative obligations, assessments, charges, and liens established in this Declaration shall run with title to the Property and all parts of and interests in the Property and shall be binding on and inure to the benefit of each Owner of the Property or any part of the Property. This Declaration shall remain in effect only for so long as all Ground Leases on the Property remain in effect.

Although this Declaration is established in conformance with the North Carolina Planned Community Act, as codified in Chapter 47F of the North Carolina General Statutes, and the North Carolina Nonprofit Corporation Act, as codified in Chapter 55A of the North Carolina General Statutes, Declarant, as an instrumentality of the State, does not intend to subject itself, the University, or the State or the Property to the Planned Community Act or the Nonprofit Corporation Act; provided, the Planned

Community Act and/or the Nonprofit Corporation Act may be utilized with the consent of Declarant to resolve any ambiguities or discrepancies within this Declaration or the Governing Documents, so long as such interpretation does not infringe upon or otherwise limit the sovereign immunity or inherent governmental authority of Declarant, the University, or the State. Notwithstanding the foregoing, this Declaration and any Governing Documents recorded in connection with the Declaration shall be deemed encumbrances on the Property and shall run with title to the Property until terminated or extinguished in accordance with their terms.

Declarant intends to, and does, retain certain authority and rights for so long as this Declaration remains in effect, regardless of the expiration or termination of the Declarant Control Period (as such term is defined below). Unless this Declaration expressly provides that a reserved authority or right of Declarant expires upon the expiration or termination of the Declarant Control Period, it shall be presumed that such authority or right shall continue for so long as this Declaration remains in effect.

ARTICLE I
DEFINITIONS

The following words and terms, when used in this Declaration or any amendment or any Supplemental Declaration or Sub-Declaration, unless amended or unless the context clearly indicates otherwise, shall have the following meanings (terms and words used without definition shall have the meanings, if any, specified first in the "Definitions" section of the Planned Community Act and then in the Nonprofit Corporation Act). Declarant, during the Declarant Control Period, and thereafter, the Board, shall have the authority to resolve any and all conflicts, disputes, or questions regarding the following definitions:

- (a) "Architectural Review Board" is defined as the committee under the jurisdiction of the Board to review and approve architectural matters presented to the Association in accordance with this Declaration. The Architectural Review Board shall be appointed by Declarant, during the Declarant Control Period and thereafter by the Board.
- (b) "Articles" is defined as the Articles of Incorporation of the Association, including all duly adopted amendments.
- (c) "Association" is defined as the North Shore Master Homeowners Association, Inc., a North Carolina nonprofit corporation incorporated by Declarant to serve as the Association under this Declaration, and its successors and assigns.
- (d) "Board" is defined as the Board of Directors of the Association. The Board is responsible for the management and administration of the Association. Unless a vote of the Members of the Association is otherwise required, or unless otherwise specifically provided in applicable Legal Requirements, all rights, powers, easements, functions, services, obligations, and duties of the Association shall be performed, determined not to be performed, directed or authorized on behalf of the Association by the Board. Any provision in this Declaration indicating action or inaction by the "Association," unless otherwise required, shall be conducted or not conducted at the discretion of the Board.
- (e) "Builder" is defined as a Person, other than Declarant, who is regularly in the business of developing land and/or constructing Dwellings on real property for resale to other Persons and who leases or becomes the Owner of one or more Lots or Development Parcels within the Property for the purpose of developing and constructing, soon after closing or at some undetermined point in the future, one or more Dwellings for sublease to other Persons.

(f) "Bylaws" is defined as the Bylaws of the Association as they may now or hereafter exist, including all duly adopted amendments.

(g) "City" shall mean and refer to the City of Raleigh, North Carolina.

(h) "Common Area" or "Common Property" (the terms may be used interchangeably) is defined as all real property and/or Improvements owned by the Association for the use, enjoyment, or benefit of the Members of the Association and all rights in and to all easements in or on real property, together with all associated Improvements in or on such easements, granted to or reserved by or on behalf of the Association (or by or on behalf of Declarant for later transfer or assignment to the Association) for the use, enjoyment, or benefit of the Members of the Association. Common Property will be designated on a Site Plan for the Property or described in an instrument recorded in the Registry and identified on the Site Plan or in such instrument as "Common Area," "Common Property," "Private Alley," "Private Open Space," "Common Open Space," "Open Space," "Buffer," "Trail," or some other, similarly descriptive term. Common Property also includes all "Landscape Easements," "Sign Easements," and "Landscaped Rights of way" and all Limited Common Property, which is a sub-classification of Common Property. Common Area and Common Property shall not include any easements, rights of way, infrastructure, or other facilities or improvements owned, operated, or maintained by the University, City, State, or a public utility.

(i) "Common Expenses" is defined as: (i) expenses for Maintenance of the Common Property, including repair, restoration, and replacement thereof; (ii) expenses declared to be or described as Common Expenses by the provisions of this Declaration; (iii) ad valorem property taxes and public assessments, if any, levied against the Common Property or other assets of the Association; (iv) premiums for hazard, liability, or other insurance insuring the Association, the Common Property, or other Association assets; (v) all other expenses incurred by the Association in performing its functions and providing services under this Declaration, including Association operating, management, and administrative expenses and unexpected contingencies; (vi) attorney fees and costs not assessable against any particular Owner(s); (vii) expenses determined by the Board to be Common Expenses of the Association; (viii) common area maintenance charges or other fees charged against the Property by the University in connection with the general maintenance of Centennial Campus or the property, common area, or facilities of Centennial Campus (the "Centennial Campus Maintenance Payment") (provided, the Association shall have no right or obligation to maintain or regulate any Centennial Campus easements or property owned, operated, or maintained by the University); and (ix) dues or assessments charged by a Sub-Association or pursuant to a Sub-Declaration, but collected by the Association pursuant to an agreement between the Association and Sub-Association. The term "Common Expenses" does not include the costs of any initial Improvements constructed or placed on any Common Property by developers of the Property.

(j) "Condominium Association" is defined as North Shore-Lake Raleigh Owners Association, Inc., a nonprofit corporation organized under Chapter 55A of the North Carolina General Statutes and in connection with the Condominium Declaration for the Existing Condominiums. The Condominium Association shall be deemed a Sub-Association under this Declaration and all Governing Documents.

(k) "Condominium Declaration" is defined as that Declaration of Condominium for North Shore, Lake Raleigh - Centennial Campus recorded in Book 10555, Page 879 in the Wake County Public Registry, as amended by a First Amendment to Declaration of Condominium for North Shore, Lake Raleigh - Centennial Campus recorded in Book 10637, Page 2664, a Second

Amendment to Declaration of Condominium for North Shore, Lake Raleigh - Centennial Campus recorded in Book 10881, Page 2314, a Third Amendment to Declaration of Condominium for North Shore, Lake Raleigh - Centennial Campus recorded in Book 11062, Page 287, a Fourth Amendment to Declaration of Condominium for North Shore, Lake Raleigh - Centennial Campus recorded in Book 11457, Page 2706 and re-recorded in Book 11523, Page 1388, and a Fifth Amendment to Declaration of Condominium for North Shore, Lake Raleigh - Centennial Campus recorded in Book 15666, Page 1190, all recorded in the Wake County Public Registry. The Condominium Declaration shall be deemed a Sub-Declaration under this Declaration and all Governing Documents.

- (l) "Contiguous" is defined as including all of the following: adjoining; across a public or private street right of way from; or separated from by an easement, Common Property, or property owned by the University, the State, a governmental entity, or a public utility.
- (m) "County" or "County of Wake" is defined as the County of Wake, North Carolina.
- (n) "Declarant" is defined as The Board of Trustees of the Endowment Fund of North Carolina State University, an entity created and existing pursuant to North Carolina General Statutes §116-36, and its successors and assigns. If any provision of this Declaration requires the approval of Declarant or grants to the Declarant any other rights or privileges (including rights to receive any ownership or reversionary interest in the Property) and the Declarant has been dissolved without a successor or assign, all of such rights and privileges shall pass automatically to the University.
- (o) "Declarant Control Period" is defined as the period of time from the date of recordation of this Declaration in the Registry through and including the date of the first of the following to occur: (i) the date that is fifty (50) years following the date of recordation of this Declaration in the Registry; or (ii) the date Declarant extinguishes the Declarant Control Period by giving the Association written notice of termination. Notwithstanding the foregoing, for the sole purpose of appointing the Architectural Review Board for architectural approvals of initial Improvements on the Property, Declarant may extend the Declarant Control Period until all such initial Improvements have been completed. If Declarant wishes to extend the Declarant Control Period for such purpose, it shall notify the Association in writing of such extension prior to the time the Declarant Control Period otherwise would expire under the terms of this paragraph.
- (p) "Declaration" is defined as this Master Declaration of Covenants, Conditions, and Restrictions for North Shore and all duly adopted and recorded amendments and Supplemental Declarations.
- (a) "Duly Called Meeting of the Association" is a meeting of the Association that has been called, and with respect to which notice has been given, in accordance with the Governing Documents and all applicable Legal Requirements. "Present," in the context of meetings of the Association, means present in person, or represented by proxy meeting and all applicable requirements of the Governing Documents and the Legal Requirements, or present by mailed ballot (when allowed) meeting all applicable requirements of the Governing Documents and the Legal Requirements. "Notice," in connection with an annual meeting of the Association, shall include notice of the date, time, and place of the meeting and not less than a summary description of all proposed amendments to this Declaration and all extraordinary actions of the Association that require approval by the Members. "Notice," in connection with a special meeting of the Association, shall include notice of the date, time, and place of the meeting and not less than a summary description of all matters to be voted upon at the special meeting. No business shall be

conducted at a meeting of the Members of the Association, unless such meeting is a Duly Called Meeting of the Association. References in this Declaration to meetings of the Members of the Association are deemed to refer to Duly Called Meetings of the Association.

(b) “Dwelling Unit” or “Dwelling” is defined as a building (or portion thereof) physically arranged to create an independent housekeeping establishment with separate facilities for cooking, sleeping, and toilet and intended for residential use.

(i) An “Attached Dwelling Unit” is defined as a Dwelling Unit intended only for single-family housing, which is located in or is a part of a building or connected buildings that contain one or more other Attached Dwelling Units. Attached Dwelling Units may include townhomes, condominiums, and other forms of multi-family residences. Each Attached Dwelling Unit may be located on a Lot with respect to multi-family units. Typically, each Attached Dwelling Unit in a building is separately owned. Specific types or classes of Attached Dwelling Units may be specifically designated from time to time in this Declaration or a Supplemental Declaration, such as “townhome Attached Dwelling Units,” “Signature townhome Attached Dwelling Unit,” or “condominium Attached Dwelling Units.” An “Existing Condominium Attached Dwelling Unit” shall mean a condominium Attached Dwelling Unit in existence as of the Effective Date of this Declaration. A “new condominium Attached Dwelling Unit” shall mean a condominium Attached Dwelling Unit created after the Effective Date of this Declaration.

(ii) Declarant recognizes there may be types of housing that do not precisely fit into the foregoing definitions of Attached Dwelling Unit. Accordingly, Declarant shall have sole authority to resolve any and all conflicts, disputes, or questions as to whether a Dwelling Unit is an Attached Dwelling Unit for purposes of this Declaration by recording a Supplemental Declaration to memorialize such determination or clarification.

(c) “Endowment” is defined as the Endowment Fund of North Carolina State University and its successors and assigns. If any provision of this Declaration requires the approval of the Endowment or grants to the Endowment any other rights or privileges (including rights to receive any ownership or reversionary interest in the Property) and the Endowment has been dissolved without a successor or assign, all of such rights and privileges shall pass automatically to the University.

(d) “Existing Condominium” is defined as an existing condominium Attached Dwelling Unit located on the Existing Property that is in existence as of the Effective Date of this Declaration and subject to the Condominium Declaration.

(e) “Existing Property” is that real property described in the attached Exhibit B.

(f) “Governing Documents” is defined as this Declaration, all applicable Supplemental Declarations, Sub-Declarations, the Architectural Guidelines, the Articles, and the Bylaws.

(g) “Guidelines” or “Architectural Guidelines” shall mean and refer to the most recent version of the “North Shore Master Architectural Guidelines” or other similar document containing the guidelines for construction, landscaping, appearance, layout, setbacks, and other related architectural issues within the Property. There may be one or more sets of Guidelines for different parts of the development.

(h) "Improvement" or "Improvements" is defined as a Dwelling on a Lot and all other improvements on any portion of the Property, including any one or more of the following: improvements on Common Property; Dwelling Units and other buildings and structures (including exterior materials, colors, sizes, and architectural styles); decks; patios; motor vehicle parking areas; storage areas; recreational areas, equipment and facilities; mailboxes; exterior antennae, dishes or other apparatus to receive or transmit television or radio or microwave or other signals; fences; walls; hedges; mass plantings and other landscaping; poles; driveways; ponds; lakes; clearing, grading and other site preparation; swimming pools; signs; illumination; and all other exterior, improvements. The definition of Improvements includes both initial improvements and all subsequent changes and additions to existing improvements, and "initial Improvements" are all of the Improvements constructed on all portions of the Property through the time of issuance of a certificate of occupancy by the City for a Dwelling or building on the Property.

(i) "Include," "Includes," or "Including" is defined as being inclusive of the particular examples described the words and are to be interpreted as if they were followed by either the phrase "without limitation" or "but not limited to."

(j) "Intended Use" or "Intended For Use" is defined as the use proposed for a particular portion of the Property as shown on the Master Plan or on an applicable Site Plan. The Intended Use shown on a Site Plan controls over the Intended Use shown on the Master Plan. After Declarant leases a portion of the Property to a Builder, no modification by Declarant of the Master Plan's intended Use for the conveyed portion of Property shall be effective unless such modification is (i) consented to by the Owner of such portion of the Property or (ii) conforms the Master Plan to the then applicable Site Plan for such portion of the Property.

(k) "Landscape Easement" is defined as a type of Common Property consisting of an area within or Contiguous to the Property that is reserved or established as an easement of the Association for the use, enjoyment, or benefit of the Members of the Association and for Maintenance by the Association of any one or more of the following: plants, trees, flowers, bushes, other landscaping materials, fencing, signs, lighting equipment, irrigation equipment, and other associated equipment and apparatus. A Landscape Easement may be established or received by notation on a plat recorded in the Registry or by written document recorded in the Registry.

(l) "Landscaped Right of Way" is defined as a median or other area within a publicly dedicated street right of way or private street right of way in or Contiguous to the Property that the Association has agreed to Maintain or is required to Maintain under the terms of this Declaration.

(m) "Legal Requirement" is defined as any duly adopted and applicable law, ordinance, regulation, requirement, or policy of the United States of America, the State, the University, the County, the City, or any other governmental entity or quasi-governmental entity or agency having jurisdiction over any portion of the Property, including any branch, department, or division of any of the foregoing governmental and quasi-governmental entities.

(n) "Limited Common Area" or "Limited Common Property" (the terms may be used interchangeably) is defined as a type of Common Property established by Declarant or the Association for the benefit of a particular phase, section, Development Parcel, or Lot located within the Property that has been designated by Declarant or the Association, as applicable, as Limited Common Property. There may be Limited Common Property in or on one or more

phases, sections, Development Parcels, or Lots located within the Property. Limited Common Property is separate and distinct from Sub-Association Common Property.

(o) "Limited Common Expenses" is defined as all of those expenses of the types included within the term Common Expenses related solely and specifically to Limited Common Property. Limited Common Expenses shall be paid for solely by those Members of the Association who own portions of the Property located in the particular phase or section of the Property, Development Parcel, or Lot for or on which the associated Limited Common Property has been established.

(p) "Maintain," "Maintaining," "Maintained," "Maintenance," or any substantially similar term used in this Declaration is defined to include any one or more of the following, as the context requires: construction, reconstruction, installation, maintenance, upkeep, cleaning, renewal, alteration, repair, replacement, repainting, remodeling, restoration, removal, improvement, administration, operation, use, planting, mowing, cutting, trimming, pruning, fertilizing, watering, and preservation.

(q) "Master Plan" is defined as the most current version of the drawing approved by Declarant depicting the conceptual plan for development of North Shore. Declarant shall provide the Association with a copy of the Master Plan in effect on the date of recordation of this Declaration in the Registry and with a copy of each subsequently revised Master Plan.

(r) "Member" is defined as each Owner.

(s) "Mortgage" or "Deed of Trust" (the terms may be used interchangeably) is defined as any mortgage, deed of trust, or other instrument creating a security interest in real property and includes all acts required to create such security interests.

(t) "Mortgagee" means an institutional lender (one or more commercial or savings banks, savings and loan associations, trust companies, credit unions, industrial loan associations, insurance companies, pension funds, or business trusts (including real estate investment trusts), any other lender regularly engaged in financing the purchase, construction, or improvement of real property, or any assignee of loans made by such lender, or any combination of any of the foregoing entities) that holds a first lien deed of trust encumbering a Lot, Development Parcel, or Undeveloped Land, and including, with respect to Declarant, any Person who holds a security interest in the ownership interest of any member or partner of Declarant. Only for the purposes of the notice and inspection rights contained in applicable parts of this Declaration dealing specifically with Mortgagees, amendment of this Declaration, and termination of this Declaration, the term "Mortgagee" shall include the Federal Housing Administration (FHA), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal National Mortgage Association (FNMA), the Department of Veterans Affairs (VA), the Government National Mortgage Association (GNMA), and any other public or private secondary mortgage market agency participating in purchasing, guaranteeing or insuring mortgages which has notified the Board of such participation in writing (each of whom generically is referred to herein as a "Secondary Mortgage Market Agency"). When the approval of Mortgagees is required, such approval means: (i) written approval; (ii) any written waiver of approval rights; (iii) a letter stating no objection; or (iv) presumptive approval if a Mortgagee does not respond to a notice from the Association requesting approval by notifying the Association, in the manner required herein for giving notices, within thirty (30) days after the Association gives notice to the Mortgagee of the request for approval.

- (u) "Nonprofit Corporation Act" is defined as the North Carolina Nonprofit Corporation Act, as codified in Chapter 55A of the North Carolina General Statutes, including all amendments, supplements, and replacements as enacted from time to time.
- (v) "North Shore" is defined as the real property in Wake County, North Carolina, shown as part of North Shore at Centennial Campus on the Master Plan.
- (w) "Own" shall mean to have or to hold a fee simple, leasehold, or subleasehold interest in any portion of the Property.
- (x) "Owner" shall mean an owner of record as shown in the Registry, including Declarant, whether one or more Persons of fee simple, leasehold, or subleasehold interest in any portion of the Property, but excluding those having an interest in the foregoing as a result of a contract, option to purchase, or as security for an obligation.
- (y) "Pedestrian Access Easement" is defined as an access easement required by the University or City over any portion of the Property to provide pedestrian access for the general public from public streets and other portions of the Property.
- (z) "Person" is defined as any natural person, corporation, partnership, limited liability company, association, trust, or other legal entity.
- (aa) "Planned Community Act" or "PCA" is defined as the "North Carolina Planned Community Act" currently contained in Chapter 47F of the North Carolina General Statutes, and including all amendments, supplements, and replacements as enacted from time to time.
- (bb) "Plans" is defined as the plans and specifications for a proposed Improvement showing (when applicable) the size, shape, dimensions, exterior materials, exterior finishes and colors, location on the applicable portion of the Property, driveway, parking, provisions for stormwater drainage, decorative landscape planting and other decorative landscaping features, floor plans and elevations, and other items specified from time to time in any applicable Architectural Guidelines or this Declaration.
- (cc) "Property" is all of that real property described in the attached Exhibit A, together with all Additional Property later added to the effect of this Declaration, but excluding any portion of the Property later withdrawn from the effect of this Declaration. The Property includes the Existing Property.
- (dd) "Property Classifications." The various portions of the Property subjected to this Declaration shall be classified as one of the following (Note: The Property Classification of one or more portions of the Property may change from time to time as Site Plans are approved, recorded, or re-recorded in the Registry or as otherwise provided in this Declaration – for example, when Exempt Property ceases to be Exempt Property. Declarant, in its sole discretion, has sole authority to resolve any question or dispute regarding the Property Classification of any part or all of the Property):
 - (1) "Dedicated Public Street Right of Way" (or "publicly dedicated street right of way" or "public street," the terms being used interchangeably) is defined as any portion of the Property that has been dedicated to public use as a street by the Owner thereof (and not in violation of this Declaration), either by the recordation of a plat in the Registry or in such other manner or by such instrument as required or allowed by the University or

City. Following any street closing of any dedicated public street right of way, the portions of the Property formerly subject to such dedicated public street right of way shall be reclassified to the same classification as the adjoining portions of the Property of which it becomes a part.

(2) "Development Parcel" is defined as any portion of the Property that meets all of the following requirements: (i) is owned by a Person other than the Association or Declarant; and (ii) is not a Lot or Exempt Property. Within thirty (30) days after approval of a Site Plan for a Development Parcel, the Owner of the Development Parcel shall furnish to the Association a copy of the Site Plan for that Development Parcel (including plats related to the establishment of a condominium).

(3) "Exempt Property" is defined as all portions of the Property included within any one or more of the following:

- (a) All Common Property (which may include Recreation Facilities);
- (b) All Sub-Association Common Property and Sub-Association Limited Common Property (which may include Recreation Facilities);
- (c) All property and rights of way owned by the County;
- (d) All property and rights of way owned by the City;
- (e) All property and rights of way owned or maintained by the University or State;
- (f) All property within publicly dedicated property and rights of way;
- (g) All property and rights of way owned or maintained by public utilities;
- (h) All Recreation Facilities designated as Exempt Property by Declarant; and
- (i) All of the following designated as Exempt Property by Declarant: well sites used as part of a community or common potable water system for one or more portions of the Property; nonprofit or charitable community, civil or cultural clubs and institutions; and any other non-residential community facilities that Declarant may designate as Exempt Property.

Notwithstanding anything to the contrary in this Declaration, no Lot, Development Parcel, or Undeveloped Land shall be exempt from any of the terms and provisions of this Declaration, unless and until it becomes Exempt Property. The Association may change the designation of any portion of the Property that has been designated as Exempt Property by Declarant only with the written approval of Declarant and the Owners of such Exempt Property. Exempt Property shall not be subject to any assessments under this Declaration. Exempt

Property also shall not be subject to the Centennial Campus Maintenance Payment. Except for the University, State, County, or City, which shall not be Members of the Association, Owners of Exempt Property shall be non-voting Members of the Association.

Notwithstanding anything to the contrary in this Declaration, until such time as it loses its Exempt Property status, all of the following Exempt Property is exempt from all of the terms and provisions of this Declaration, except for any easements over such Exempt Property reserved in this Declaration by or for Declarant, the Association, the University, the State, the County, the City, or any other Person: (i) all Exempt Property owned by the County, (ii) all Exempt Property owned by the City; (iii) all Exempt Property owned by the University or State; and (iv) all Exempt Property within publicly dedicated street rights of way.

All Exempt Property that loses its status as Exempt Property – for example, a Recreation Facility that no longer is being used as a Recreation Facility – shall be reclassified as a Lot, Development Parcel, or Undeveloped Land, as appropriate, and shall be subject to all of the terms and provisions of this Declaration in the same manner and to the same extent as other Lots, Development Parcels, or Undeveloped Land.

(4) “Lot” is defined as any portion of the Property intended for the construction and use thereon of one Dwelling Unit and is shown as a separate numbered or lettered parcel, lot or unit on any Site Plan. With respect to Attached Dwelling Units, typically there may be multiple Lots constituting one building or attached buildings. A “Proposed Lot” is defined as any portion of the Property that is proposed to be developed as a Lot and is shown on the Master Plan or on the most current Site Plan of that portion of the Property as a separate numbered or lettered parcel or unit, but which is not shown as a Lot on any Site Plan. Specific types or classes of Lots may be specifically designated from time to time in this Declaration, such as “townhome Lots” or “Signature townhome Lots;”

(5) “Sub-Association Common Property” is defined as portions of the Property owned or Maintained by a Sub-Association for the use or benefit of its members. All private streets owned by or under the jurisdiction of a Sub-Association are the Sub-Association Common Property of that Sub-Association. “Sub-Association Limited Common Property” is defined as a type of Sub-Association Common Property that is established for the benefit of a particular phase, section, Development Parcel, or Lot located within a portion of the Property with which the Sub-Association is associated.

(6) “Undeveloped Land” is defined as all portions of the Property owned by Declarant that are not Exempt Property. Following the end of Declarant Control Period, all Undeveloped Land shall be treated in the same manner as Development Parcels for purposes of assessments and voting under this Declaration (subject to the provisions regarding Declarant’s lack of obligation to pay assessments).

(ee) “Recreation Facility” is defined as any portion of the Property devoted primarily to recreational uses or purposes, including all associated Improvements. Examples of a Recreation Facility include a recreation or workout room, walking trail, exercise trail, playground, tennis courts, or swimming pool. A Recreation Facility may, but shall not be required to be, Common Property or Sub-Association Common Property. The term “Recreation Facility” does not include

recreational equipment or facilities on a Lot for the use and benefit of the Owner of the Lot or such Owner's family members, guests, or lessees.

(ff) "Registry" is defined as the office of the Register of Deeds for Wake County, North Carolina, or any successor office in which deeds, plats, easements, mortgages and deeds of trust are recorded.

(gg) "Sign Easement" is defined as a type of Common Property consisting of an area within or Contiguous to the Property that is reserved or established as an easement of the Association for the Maintenance therein of any one or more of the following for the use, enjoyment, or benefit of the Members of the Association: entrance monuments, signs and associated landscaping materials, fencing, lighting equipment, irrigation equipment and other associated equipment and devices. A Sign Easement may be established or reserved by a notation on a Site Plan or by a written document recorded in the Registry, or implied through existing conditions or usage.

(hh) "Site Plan" is defined as the most current recorded plat (including plats recorded in connection with the filing of a declaration of condominium) or unrecorded site plan approved by the University and City, when applicable, for any portion of the Property. When two or more Site Plans are approved for the same portion of the Property (for example, a phase or section within a cluster unit development), the most recently approved Site Plan controls.

(ii) "Sub-Association" is defined as a North Carolina nonprofit corporation organized and existing under the Owner (or other legal entity allowed for such purposes by applicable Legal Requirements) for the purpose of owning, managing, and/or Maintaining that Sub-Association's Common Property (including, with respect to a condominium, its common elements). The term Sub-Association includes a property owners association for a townhome and a condominium unit owners association. Any and all assessments imposed upon the Members of the Association by the documents establishing or governing a Sub-Association or subjecting the applicable portion of the Property thereto shall be in addition to any and all assessments imposed upon such Members of the Association by this Declaration.

(jj) "Sub-Declaration" or "Sub-Declarations" shall mean and refer to the document or documents described in Article II Section 4.

(kk) "Supplemental Declaration" or "Supplemental Declarations" shall mean and refer to the document or documents described in Article II, Section 3.

(ll) "State" shall mean the State of North Carolina.

(mm) "University" shall mean North Carolina State University and its successors and assigns.

ARTICLE II
THE PROPERTIES; ANNEXATION AND WITHDRAWAL

Section 1. Property Made Subject To Declaration. The Property described on the attached Exhibit A is hereby subjected to this Declaration.

Section 2. Annexation of Additional Property by Declarant. At any time during the Declarant Control Period, Declarant may, but shall not be required to, annex (or subject, the words being used interchangeably in the context of adding to the Property) to this Declaration the following: (i) any real property that once was part of the Property and has been withdrawn from this Declaration; (ii) any

other real property Contiguous to any part of the Property; or (iii) any other property within Centennial Campus. Any property added or intended to be added to the effect of this Declaration shall be referred to as "Additional Property." Except as otherwise provided in this Declaration, annexation shall be effected only after approval by the University and recordation of a Supplemental Declaration.

Section 3. Supplemental Declaration. A Supplemental Declaration shall be effective to annex Additional Property to this Declaration only upon recordation in the Registry, and the effective date of such annexation shall be the later of the date specified therein, if any, or the date of recordation of the Supplemental Declaration. Each Supplemental Declaration shall describe the Additional Property annexed and shall reference this Declaration. A Supplemental Declaration need not be in any specific form and need not be titled Supplemental Declaration (for example, it may be contained in a deed from Declarant conveying the real property being annexed), but it shall clearly indicate the intention to subject such real property to this Declaration. Any Supplemental Declaration may specify such use restrictions and may contain such other terms, covenants, restrictions, easements, affirmative obligations, assessments, charges and liens, not inconsistent with this Declaration, as the Person annexing such real property to this Declaration may determine, which provisions may be more, but not less, restrictive than the provisions of this Declaration and which shall be approved by Declarant prior to recording. Except for such more restrictive provisions, this Declaration shall control over any provision of any Supplemental Declaration that conflicts or is inconsistent with this Declaration. In addition to the foregoing, the term "Supplemental Declaration" includes an instrument recorded in the Registry that annexes real property to an existing Sub-Declaration.

Section 4. Sub-Declarations.

(a) It is contemplated by Declarant that within the Property there may be separate and distinct residential phases or sections for Attached Dwellings that will be subjected to this Declaration. It is further contemplated by Declarant that, because of varying Lot and Dwelling Unit sizes, marketing considerations, and other factors, it may be necessary or desirable to impose additional and different covenants and restrictions on such phases or sections that are applicable solely to such phase or section (the foregoing being referred to herein as a "Sub-Declaration"). Accordingly, Declarant or any other Person who owns any such phase or section of the Property may subject such phase or section to such Sub-Declarations as Declarant or other Person, in its sole discretion, may from time to time determine; provided, no Person other than Declarant may subject any phase or section of the Property to any Sub-Declaration, unless Declarant consents in writing to the Sub-Declaration, which consent may be withheld in Declarant's sole discretion. More than one residential phase or section may be subjected to the same Sub-Declaration. Any Sub-Declaration may specify such use restrictions and may contain such other terms, covenants, restrictions, easements, affirmative obligations, assessments, charges and liens, not inconsistent with this Declaration, as the Person subjecting such real property to the Sub-Declaration may determine, which provisions may be more, but not less, restrictive than the provisions of this Declaration, unless Declarant otherwise consents to such less-restrictive provision in writing. Except for such more restrictive provisions, this Declaration shall control over any provision of any Sub-Declaration that conflicts or is inconsistent with this Declaration.

(b) The Existing Property is currently subject to condominium covenants, conditions, restrictions and easements in the Condominium Declaration and under the jurisdiction of the Condominium Association. From and after the recording of this Declaration, the Condominium Declaration shall be a Sub-Declaration under this Declaration, the Condominium Association shall be a Sub-Association, and all Existing Condominium owners shall be Owners and Members under this Declaration and shall be subject to and beneficiaries of all covenants, conditions, restrictions, easements, dues, assessments, rights, and privileges set forth in this Declaration.

Section 5. Order of Development and Annexation. It is Declarant's intent to have the portions of the Property it owns developed in accordance with the Master Plan, as modified from time to time. Subject to applicable Legal Requirements, the Master Plan shall not obligate Declarant to have any particular portion of the Properties developed now or in the future, Declarant shall not be required to follow any particular sequence or order of development of the Property, and Declarant may annex or consent to annex Additional Property to this Declaration before development of the portion of the Property previously subjected to this Declaration is completed.

Section 6. Withdrawal.

- (a) At any time and from time to time, Declarant, in its sole discretion, without the approval or joinder of the Association or any Owner or other Person (except for the Owner of the portion of the Property being withdrawn), may record in the Registry a "withdrawal declaration" to withdraw one or more portions of the Property from this Declaration for any reason in Declarant's sole discretion. All portions of the Property withdrawn from this Declaration shall be identified either by a revised Site Plan or plat recorded in the Registry or by a metes and bounds description. The withdrawal shall be effective on the date the withdrawal declaration is recorded in the Registry or on such later date specified therein.
- (b) Following approval of any such withdrawal as contemplated herein, Declarant and the Owner of the portion of the Property to be withdrawn from this Declaration, if any, shall record in the Registry a withdrawal declaration particularly describing the withdrawn portions of the Property by reference to a Site Plan or plat recorded in the Registry or by a metes and bounds description. The withdrawal shall be effective on the date the withdrawal declaration is recorded in the Registry, or on such later date specified therein.
- (c) Neither the Association nor any Owner shall have the right to withdraw any portion of the Property from this Declaration without Declarant's written consent and joinder.

Section 7. Effect of Annexation or Withdrawal. Other than as specifically limited by the Governing Documents or any applicable Legal Requirement, Declarant shall have full power to add to, take away from, or make changes in the Master Plan and annex real property to and withdraw real property from this Declaration, regardless of the fact that such actions may affect the relative voting strength of any class of membership in the Association or reduce the number of Owners subject to assessment under this Declaration. Additional Property annexed to this Declaration shall be subject to the Property Classification, Association membership, assessment and architectural approval provisions of this Declaration in the same manner as all other portions of the Property, whether or not other terms, covenants, restrictions, easements, affirmative obligations, assessments, charges and liens are specifically made applicable to such Additional Property. Any portion of the Property withdrawn from this Declaration may be developed in any manner allowed under applicable Legal Requirements and shall be released from the terms and provisions of this Declaration; provided, all easements specifically affecting such withdrawn portions of the Property, as shown on a Site Plan or plat recorded in the Registry or as described in documents recorded in the Registry, shall remain in force and effect. Upon the proper annexation of Additional Property in accordance with this Declaration, such Additional Property shall be deemed "Property" under this Declaration.

ARTICLE III
RIGHTS IN AND TO THE COMMON PROPERTY

Section 1. Owners' Rights and Easements of Enjoyment. Subject to the provisions of this Declaration and any applicable Supplemental Declaration or Sub-Declaration, every Owner shall have a

right and easement of use and enjoyment in and to the Common Property, which right and easement shall be appurtenant to and shall pass with the title to each portion of the Property owned by such Owner. All Persons lawfully on the Property, including students and employees and fire and police department personnel, shall have limited rights with respect to the use of the Common Property and such limited rights allow use of the Property's roads, sidewalks, public utilities, and other portions of the Common Property necessary and germane to such Persons' use of the Property; provided, such Persons (other than Owners) shall not have a right or easement of use and enjoyment with respect to any Recreational Facilities in North Shore. None of the foregoing rights or easements shall give any Owner the right to make alterations, additions, or improvements to any part of the Common Property, nor to encumber the Common Property as security for any indebtedness of the Owner. Subject to the terms of this Declaration and the Bylaws, any Owner may delegate or assign such Owner's right of use and enjoyment in and to the Common Property to the Owner's successors in interest, family members, lessees, and guests (who must reside on the portion of the Property owned by such Owner to properly receive such assignment).

Section 2. Title to the Common Property. Declarant (and any other Person who annexes Additional Property to this Declaration) shall convey to the Association by one or more conveyance instruments (without warranty at Declarant's option), a leasehold interest to all real property portions of the Common Property, free and clear of all encumbrances and liens, except for the Ground Leases, this Declaration, ad valorem property taxes subsequent to the date of conveyance, street rights of way, stormwater drainage easements, utility easements, and any other restrictive covenants or other instruments related to Centennial Campus. Leasehold title to such portions of the Common Property (including Common Property located within Additional Property annexed to this Declaration) shall be conveyed to the Association at such time as Declarant so elects, in its sole discretion, but, as to any Common Property within or adjacent to a phase or section of the Property that serves only that Phase or Section, no later than the issuance of the last certificate of occupancy for the last Dwelling Unit in such phase or section; provided, any failure of Declarant or other Person to convey Common Property in a timely manner shall not invalidate this Declaration, shall not constitute a breach of this Declaration giving rise to any legal remedy other than suit for specific performance to convey such Common Property, and shall not invalidate any subsequent conveyance to the Association of the same or any other portion of the Common Property). Declarant shall assign to the Association limited rights, in Declarant's sole discretion, in and to any and all easements that constitute Common Property, as and when Declarant determines, in its sole discretion, it is necessary or desirable to do so. The Association shall not refuse Declarant's classification as Common Property of any of the Property or easements to be Maintained by the Association, nor shall the Association refuse to accept from Declarant (or from any other Person who annexes Additional Property to this Declaration when such Common Property is required by the applicable Site Plan), the conveyance, transfer or assignment of any Common Property.

Section 3. Extent of Owners' Easement. The rights and easements of enjoyment of Owners in and to the Common Property are subject to all of the following:

- (a) The right of the Association to prescribe and enforce regulations governing the use and Maintenance of the Common Property;
- (b) Temporary unavailability of any part of the Common Property for Maintenance;
- (c) The right of the Association to borrow money for the purpose of Maintaining the Common Property or to enable the Association to perform its functions or to provide the services under this Declaration, and the right of the Association to mortgage or pledge the assets of the Association as provided in Article IV Section 7 of this Declaration;

(d) Subject to any approval required by the Members of the Association and Declarant under this Declaration, the right of Declarant or the Association to abandon, partition, encumber, convey, sell, or transfer or relocate the boundaries of the Common Property;

(e) The right of the Association to take such steps as are reasonably necessary to protect the Common Property against foreclosure, including increasing assessments;

(f) The right of the Association to suspend the rights (voting and other) and easements of enjoyment in and to the Common Property of any Owner or any Owner's family member, lessee, licensee, invitee, guest, or contract purchaser for any period during which any assessment owed by the Owner remains unpaid and for a period not to exceed sixty (60) days for any infraction of the Association's published rules and regulations, unless such violation persists after the time period of the suspension - in which case an additional suspension may be levied for a reasonable period of time as determined by the Board or until such time as the violation is cured. Notwithstanding the foregoing, no such suspension shall constitute a waiver or discharge of the Owner's obligation to pay any assessment or other charge under this Declaration. Further, the Association shall not suspend the right of any Owner to use any portion of the Common Property over which there is an easement that provides vehicular or pedestrian access for ingress and egress from a public street, a walkway, or a parking area to such Owner's Dwelling, or over which a sanitary sewer, water, stormwater drainage, or other public utility easement is located that provides such utility services or stormwater drainage facilities to or from such Owner's portion of the Property, but such Owner shall remain subject to the rules and regulations, if any, established by the Association for use of that portion of the Common Property. The Association shall retain any rights it has under applicable law and this Declaration to suspend the provision of such services for failure to pay assessments;

(g) The right of the Association to charge reasonable fees for use of the Common Property;

(h) The right of the Association (and the right of Declarant to require the Association) to re-convey portions of the Common Property to Declarant to correct erroneous, unintentional, or inadvertent conveyances of Common Property by Declarant to the Association that are inconsistent with the Master Plan or any applicable Site Plan;

(i) The right of Declarant or the Association to convey or re-convey portions of the Common Property for any one or more of the following purposes: (i) to eliminate unintentional encroachments of Improvements or easements; (ii) to correct any building or other setback violations; (iii) to adjust boundary lines of portions of the Property; and (iv) as otherwise determined by Declarant and the Board to facilitate the orderly phasing and development of the Property. Notwithstanding the foregoing, (i) any boundary line adjustment is approved by the Owners of all portions of the Property affected by the adjustment; (ii) each portion of the Property previously Contiguous to Common Property (excluding easements) remains Contiguous to Common Property, unless otherwise approved by the Owner thereof; (iii) the conveyance does not materially conflict with the Master Plan or any applicable Site Plan; and (iv) any conveyance of real property to the Association must be free and clear of all encumbrances, except for the Ground Lease, this Declaration, and any applicable Supplemental Declaration or Sub-Declaration, street rights of way or access easements and easements for utilities and stormwater drainage.

When Common Property is conveyed by the Association, upon such conveyance such Common Property shall be reclassified to a different Property Classification in accordance with this Declaration (unless such property is withdrawn in accordance with this Declaration);

(j) Easements for stormwater drainage, stormwater control or removal, utilities, walking trails, exercise trails, Sign Easements, Landscape Easements and other matters shown on an approved Site Plan or recorded plat of the Common Property or created or reserved prior to or simultaneously with conveyance of such Common Property, and/or granted by Declarant or the Association as permitted by this Declaration;

(k) All other provisions of this Declaration affecting such rights and easements, including all of Declarant's reserved rights under this Declaration;

(l) Owners and their family members, lessees, licensees, invitees, guests, and contract purchasers, without the prior written consent or approval of Declarant or the Board, shall not do any of the following within any portion of any Common Property, except as reasonably required to perform any Owner Maintenance Responsibilities specified in the Article addressing Owner Maintenance Responsibilities:

- (1) Grant any easements of any nature whatsoever;
- (2) Remove any trees or vegetation, except in an emergency situation or to prevent injury or damage to any Person or property;
- (3) Erect gates, fences, or other structures;
- (4) Remove or interfere with any structures Maintained in the Common Area by the Association;
- (5) Place or Maintain any garbage receptacles;
- (6) Fill or excavate; or
- (7) Plant vegetation in, or otherwise restrict or interfere with Maintenance of, the Common Property.

Section 4. Leases Subject to this Declaration. Every lease agreement between an Owner and a lessee for the lease of a portion of the Property shall provide that the terms of the lease shall be subject in all respects to the provisions of the Governing Documents and that any failure by the lessee to comply with the terms of such document shall be a default under the terms of the lease. All such leases shall be subject to the terms of this Declaration and the other Governing Documents, whether or not stated therein. The Board may, from time to time, formulate and enact rules, regulations, or other limitations applicable to the short-term or long-term lease of any portion of the Property by an Owner, including minimum and maximum terms for such leases. Each Owner shall have the obligation to obtain such policies from the Board before committing to or entering into any lease of the Property.

Ingress and Egress. Notwithstanding anything to the contrary in this Declaration, (i) if vehicular or pedestrian ingress and egress from a public street, walkway, or parking area to any portion of the Property is over any part of the Common Property as shown on any Site Plan or plat or described in any instrument recorded in the Registry, or (ii) stormwater drainage, sanitary sewer, water or other utility services are provided to or from such portion of the Property over or through an easement located on the Common Property as shown on any Site Plan or plat or described in any instrument recorded in the Registry, any conveyance or encumbrance of that portion of the Common Property shall be subject to those easements for ingress and egress stormwater drainage and/or utilities.

**ARTICLE IV
FUNCTIONS AND SERVICES OF THE ASSOCIATION**

Section 1. Minimum List of Functions and Services. The following are the "Minimum List of Functions and Services" the Association shall provide, perform, accept, or be responsible for, as the case may be, the expenses for such services being Common Expenses under this Declaration:

- (a) The Association shall carry out the Association's obligations and business under the terms of the Governing Documents, including legal, financial, accounting, and communications services, and shall provide or procure the administrative services necessary in connection therewith;
- (b) The Association shall own the Common Property and shall accept transfer of ownership of any and all Common Property from Declarant and from other Persons who annex Additional Property to this Declaration as provided in this Declaration;
- (c) The Association shall accept from Declarant any and all assignments of Declarant rights under this Declaration, Supplemental Declaration, or Sub-Declaration, and shall assume all obligations incident to such assignments as they relate to any Common Property, architectural approvals, or other functions or services performed or provided by the Association;
- (d) The Association shall accept from Declarant any and all appointments of the Association as the agent of Declarant for administration and enforcement of any of the provisions of this Declaration or any Supplemental Declaration or Sub-Declaration and shall assume all obligations incident to such appointments as they relate to any Common Property, architectural approvals, or other functions or services performed or provided by the Association;
- (e) The Association shall operate the Architectural Review Board(s) as and when provided in this Declaration;
- (f) The Association shall Maintain the Common Property, including portions thereof located in easements granted to or reserved by or for the Association. In determining the level of Maintenance to be performed by the Association, the Board may give due consideration to the extent to which the University, County, City, or any other Person is responsible for or performs such Maintenance. If an association or entity is formed for the Maintenance of specific portions of the Property, then such matters shall be documented in writing in an amendment recorded in the Registry;
- (g) The Association shall keep complete records of all its acts and corporate business;
- (h) The Association shall make available to each Member making written request therefor an annual financial statement as required by applicable North Carolina law pursuant to the Planned Community Act and, upon either the (i) the affirmative vote of a majority of the votes cast by the Members present at a Duly Called Meeting of the Association, or (ii) the written request of the Members possessing twenty-five percent (25%) or more of the total number of votes of any class of Members of the Association, shall have such report audited (at the expense of the Association) by an Independent certified public accountant, which audited report shall be made available to each Member making written request therefor;

- (i) The Association shall make available for inspection by the Owners, including their designated agents, upon reasonable request and during normal business hours, current copies of the Governing Documents and the rules and regulations of the Association;
- (j) The Association shall establish an annual operating budget as provided in this Declaration;
- (k) The Association shall establish the amount of and collect assessments as provided in this Declaration;
- (l) The Association shall establish reserve funds as provided in this Declaration;
- (m) The Association shall hold meetings and give proper notice thereof as required by the Governing Documents and applicable Legal Requirements;
- (n) The Association shall pay all applicable ad valorem property taxes and public assessments, if any, on the Common Property;
- (o) The Association shall obtain and maintain insurance as required in this Declaration;
- (p) The Association shall be responsible for stormwater management as provided in this Declaration to the extent required in this Declaration;
- (q) The Association shall Maintain up to and including the tops thereof those portions of all "berms" — defined as areas of mounded dirt used as a screening device and installed by or on behalf of Declarant or the Association on portions of the Property that adjoin public rights of way. Each Owner on whose portion of the Property any part of a berm is located shall Maintain the portion of such berm located on that Owner's portion of the Property that is not the Maintenance responsibility of the Association under this paragraph or is not in the Common Area;
- (r) The Association shall Maintain in a neat, clean, attractive, and safe condition all Landscaped Rights of Way required to be Maintained by the Association pursuant to Site Plan approvals given by the University or City and/or pursuant to written encroachment agreements with the University, County, or City (and the Association may enter into such encroachment agreements with the University, County, or City), including removal (or restoration, if appropriate) of trees, plants, and other landscaping materials that are either dead, damaged, or are in a condition that poses a safety hazard;
- (s) The Association shall Maintain all Pedestrian Access Easements required to be located on any portion of the Property pursuant to Site Plan approvals given by the University or City and/or pursuant to written Maintenance agreements with the University, County, or City, and the Association may enter into such Maintenance agreements with the University, County, or City, including removal (or restoration, if appropriate) of trees, plants, and other landscaping materials that are either dead, damaged or are in a condition that poses a safety hazard or interferes with pedestrian passage;
- (t) The Association and Board shall at all times conduct all of its business and manage its responsibilities and duties under this Declaration and the Governing Documents in conformance with the Ground Leases and Legal Requirements, including all rules, regulations, and policies of Centennial Campus and the University.

Section 2. Other Functions and Services. Subject to the Governing Documents, the Association is authorized and empowered, but not required (except as specified in the immediately preceding Section 1), to do, provide, perform, accept, or be responsible for any one or more of the following, the expenses for which being Common Expenses under this Declaration:

(a) The Association may take all actions its deems necessary to enforce and implement the provisions of the Governing Documents, including actions against the Property, Members, Owners, Sub-Associations, and third parties;

(b) The Association make take all actions it deems necessary to perform or to enable it to perform any of the functions, or to provide, or to enable it to provide, any of the services, it is required or authorized to perform or provide under the Governing Documents, including entering into contracts and borrowing money for such purposes;

(c) The Association may enter into an agreement with a Sub-Association to assist the Sub-Association in performing any functions or providing, or enabling them to provide, any of the services the Sub-Association is required or authorized to perform or provide under the Sub-Association's governing documents;

(d) The Association may Maintain Landscaped Rights of Way and may enter into agreements with a Sub-Association, the University, the County, or the City (as applicable) with respect to such Maintenance;

(e) To the extent such services are not provided by the University, County, or City (as applicable), the Association may provide for Maintenance of University, State, County, or City-owned or controlled property located in or Contiguous to the Property only with the permission of the University, State, County, or City (as applicable).

(f) Subject to applicable Legal Requirements, the Association may make reasonable rules and regulations for the use and operation of the Common Property and amend them from time to time; provided, any such rule or regulation adopted by the Board of the Association may be amended or repealed by the affirmative vote of a majority of the votes cast by the Members present at a Duly Called Meeting of the Association.

(g) The Association may enter into agreements or contracts with utility companies with respect to utility installation, consumption, and service matters relating to the Common Property;

(h) The Association may enter into contracts to establish and use one or more bank accounts;

(i) The Association may sue or defend in any court of law on behalf of the Association and may employ attorneys and other necessary professionals in connection therewith;

(j) The Association may adjust the amount of, collect, and use any insurance proceeds to repair damage to or replace Common Property, and if proceeds are insufficient to repair damage to or replace Common Property, levy special assessments (in the manner provided herein) to cover the deficiency;

(k) The Association may provide for insect and pest control, private security, and other services for the Property as the Board, in its reasonable discretion, determines from time to time;

- (l) The Association may employ a manager or firm to manage the business and property of the Association (herein also referred to as a "property manager") and may employ independent contractors or other employees as the Board may deem necessary;
- (m) The Association may retain the services of legal and accounting firms and such other professionals and/or tradesmen as it deems necessary and appropriate;
- (n) The Association may contract with Declarant, the University, or any other Person for performance of services the Association is required to perform pursuant to the terms hereof, such contracts to be at competitive rates and upon such terms and for such consideration as the Board may deem proper, advisable, and in the best interests of the Association;
- (o) The Association may establish from time to time the tax status of the Association for federal and State income tax purposes, as determined by the Board to be in the best interests of the Association;
- (p) The Association may contract with other nonprofit corporations or associations, including the Condominium Association and Sub-Associations, that exist for purposes substantially similar to those for which the Association exists with respect to the Maintenance of property, common area, or common elements owned by any such corporation or association; and
- (q) In addition to the insurance coverage required under the immediately preceding Section 1, the Association may obtain and maintain such other insurance coverage as the Board determines to be in the best interests of the Association.

Section 3. Private Alleys and Streets. All "Private Alleys" within the Property (except private driveways between the Private Alleys and Dwelling Units) shall be held, owned, maintained, and regulated by the Association as Common Property under this Declaration, including "Pond Crest Court," "Bright Pond Lane," "Dry River Court," and "Cutwater Court." All "Private Streets" and adjoining walkways, sidewalks (except porch stoops), curbs, and gutters within the Property are hereby dedicated and conveyed to the University, to be held, owned, maintained, and regulated by the University as part of Centennial Campus, including "Capability Drive," "Twin Branches Way," and "Campus Shore Drive." All traffic and parking on and along such private streets shall be regulated by the University pursuant to North Carolina General Statutes § 116.44.4(b), as amended from time to time. All future Private Streets within the Property shall be similarly dedicated and conveyed to the University, to be held, owned, maintained, and regulated by the University as part of Centennial Campus.

Section 4. Street Lights and Signs. All street lights within the Property and entrance signage (and related easements, landscaping, irrigation, and lighting) for North Shore shall be held, owned, maintained, and regulated by the Association as Common Property under this Declaration.

Section 5. Stormwater Management. Except for the Maintenance responsibilities placed on Owners by this Section or assumed or undertaken by the University or other Persons, the Association, as a Common Expense, shall: (i) Maintain all stormwater easements (also referred to herein as "stormwater drainage easements" or "drainage easements") on the Property shown on approved Site Plans and which benefit or serve more than one (1) Lot, Development Parcel, portion of Undeveloped Land, or combination thereof; and (ii) Maintain the stormwater management facilities, if any, on or serving the Property that are part of the stormwater management system for the Property as shown on approved Site Plans or other plans approved by the University or City. Such Maintenance obligations shall cease and terminate, or be reduced, at such time as the University, County, or City (as applicable) through a department of public works or some other agency or division, elects to Maintain, in whole or in part, the

stormwater drainage easements and stormwater management facilities. The Owner of any portion of the Property on or over which a stormwater drainage easement (or portion thereof) is located shall be responsible for Maintenance of that easement (or portion thereof), including any one or more of the following: (i) mowing of grass with reasonable frequency, when applicable; (ii) removal of debris and other matter to the best of the Owner's ability, when such debris or matter has impeded or threatens to impede the free flow of stormwater over or through the easement or any stormwater management facilities. Such Owner's responsibility shall include notification of the Association of any defects in, fencing, if any, surrounding or within a stormwater drainage easement or stormwater management facility, any debris or other matter the Owner believes is beyond the Owner's reasonable ability to remove, and any excessive erosion within a stormwater drainage easement. The Owner of any portion of the Property on which a stormwater drainage easement is located shall not obstruct that easement in any manner. The Owner of any portion of the Property served by a stormwater drainage easement shall keep such portion of the Property clear of all debris and other matter which, if carried by water flow into or onto the area of the stormwater drainage easement, might significantly impede the free flow of stormwater over or through the easement or any stormwater drainage facilities. Notwithstanding anything to the contrary herein, each Owner of a portion of the Property, and not the Association, shall be responsible for Maintenance of all stormwater drainage facilities and equipment used exclusively in connection with such Owner's portion of the Property or the Improvements thereon, including guttering, pipes, and drains for transportation of stormwater into a stormwater drainage easement or into a stormwater management facility that is part of the stormwater management system for the Property.

Declarant hereby establishes, creates and reserves for the benefit of, and as an appurtenance to, each Lot and for the benefit of Declarant and its assigns and the Owners of the Property from time to time and their family members, lessees, licensees, invitees, and guests, perpetual, non-exclusive rights, privileges and easements to discharge and/or detain storm drainage and/or runoff from its Lot over, on, under, and across the other Lots by sheet flow across the surface and/or by use of utility lines, provided that such storm drainage across other Lots shall be performed in accordance with all applicable laws, codes and ordinances.

Declarant, subject to any approval required by the University, County, or City (as applicable) may at any time and from time to time, without the approval of the Association or any Members or Owners, relocate, abandon, and/or release one or more stormwater drainage easements in the Property, provided such relocation, abandonment, or release does not materially adversely affect any portion of the Property, including the Common Property.

Section 6. Exchange or Conveyance of Common Property. The Association, without the consent of the Members, but subject to the approval of Declarant and all applicable Legal Requirements, may convey portions of the Common Property for any one or more of the following purposes: (i) to eliminate unintentional encroachments of Improvements or easements; (ii) to correct any building or other setback violations; (iii) to adjust boundary lines of portions of the Property; and (iv) as otherwise determined by the Board to facilitate the orderly phasing and development of the Property, subject to the following: (a) any boundary line adjustment is approved by the Owners of all portions of the Property affected by the adjustment; (b) each portion of the Property previously Contiguous to Common Property (excluding easements) remains Contiguous to Common Property, unless otherwise approved by the Owner thereof; (c) the transfer does not materially conflict with any applicable Master Plan or Site Plan; and (d) any conveyance of real property to the Association must be free and clear of all encumbrances, except for the Ground Lease, this Declaration, and any applicable Supplemental Declaration or Sub-Declaration, street rights of way or access easements and easements for utilities and stormwater drainage.

Any of the foregoing real property acquired by the Association shall be part of the Common Property and, without further act of the Association or its Members, shall be released from all provisions

of this Declaration (or any applicable Supplemental Declaration or Sub-Declaration), except those applicable to the Common Property. The portion of the Common Property acquired by another Person, without further act of the Association or its Members, shall cease to be Common Property and shall be subject to those provisions of this Declaration (and any applicable Supplemental Declaration or Sub-Declaration) that would have been applicable to such real property had it not been Common Property, so long as such property is part of the Property.

Section 7. Mortgage and Pledge. The Association shall have the power and authority to mortgage the Common Property and to pledge its other assets as security for loans made to the Association, which loans shall be used by the Association in performing its functions and providing services under this Declaration; provided, (i) any such mortgage of Common Property and any pledge of more than one-half (½) of the assets of the Association first shall be approved in the manner required in this Declaration for approval of an extraordinary action; (ii) all mortgages of Common Property shall be subordinate to the rights of the Owners to the use and enjoyment of the Common Property under this Declaration; (iii) any loan from Declarant to the Association must be commercially reasonable and the use to which such loan proceeds will be applied approved by Declarant. Notwithstanding anything in this Declaration to the contrary, at any time there is any unpaid amount owed to Declarant under any loan made by Declarant to the Association, without Declarant's written consent the annual assessments shall not be reduced below the amounts in effect at the time such loan first was made.

Section 8. Liability Limitations. Neither Declarant, nor any current or former Member of the Association, nor the Board, nor any director on the Board, nor any officer of the Association, nor any director, officer, member, manager, agent, or employee of Declarant, shall be personally liable for debts contracted or incurred by the Association or for a tort of another current or former Member, whether or not such other current or former Member was acting on behalf of the Association. Neither Declarant nor the Association, nor any of the directors, officers, members, managers, agents, or employees of either, acting in those official capacities, shall be liable for any incidental or consequential damages for failure to inspect any Owner's portion of the Property or Improvements thereon or for failure to Maintain the Property or Improvements (provided, Declarant shall be responsible for Maintenance of all Undeveloped Land as provided herein; and, except as otherwise specifically provided herein, Declarant, directors on the Board and officers of the Association shall have all of the other obligations and liabilities of an Owner under this Declaration with respect to portions of the Property owned by such Persons). The Association shall indemnify all Association directors and officers and members of the Architectural Review Board, as required by the Articles and Bylaws, and shall indemnify Declarant for any items set forth in this Section for which Declarant's liability is limited.

Neither the Board, the Association, any current or former Member of the Association, nor Declarant shall be considered as a bailee of any personal property stored or placed on the Common Property (including vehicles parked on the Common Property), whether or not exclusive possession of the particular area is given to the Person who owns such personal property, nor shall any of the foregoing Persons (other than the Person who owns the personal property) be responsible for the security of such personal property or for any loss or damage thereto. The Association shall not be liable for any failure of or interruption to any service to be obtained by the Association or paid for as a Common Expense, or for personal injury or property damage caused by the elements or by any Owner or any other Person, or which results from electricity, water, snow, or ice that may leak or flow from or over any portion of the Property or from any pipe, drain, conduit, appliance, or equipment, or any secondary or consequential damages of any type resulting from the foregoing. No diminution, offset, or abatement of any assessment or other charge shall be claimed or allowed for inconvenience or discomfort arising from Maintenance of the Common Property or from any action taken by the Association to comply with any applicable Legal Requirement. This Section is not intended, nor shall it be construed, to relieve any insurer of its contractual obligations under any policy benefiting the Association or any Owner.

Section 9. Merger or Consolidation. Upon a merger or consolidation of the Association with another association in accordance with all applicable Legal Requirements, the properties, rights, and obligations of the Association, by operation of law, may be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association, by operation of law, may be added to the properties, rights, and obligations of the Association as the surviving corporation pursuant to a merger. The surviving or consolidated association shall be considered the Association under this Declaration and may administer the terms and provisions of this Declaration and any applicable Supplemental Declaration or Sub-Declaration, together with the terms and provisions of any declarations, covenants, and restrictions applicable to other property under the jurisdiction of the surviving or consolidated Association, as a common plan. Other than as specifically stated in the plan of merger or consolidation approved pursuant to all applicable Legal Requirements, no merger or consolidation shall effect any revocation of the provisions of this Declaration with respect to the Property, including the limits on any assessment or any other matter substantially affecting the interests of the Members of the Association. No merger or consolidation of the Association with another association shall be valid without the written consent of Declarant. Notwithstanding anything to the contrary herein, Declarant specifically reserves the right to merge the Association with any of the Sub-Associations or with any association affiliated with Centennial Campus.

ARTICLE V
ASSOCIATION MEMBERSHIP; DIRECTORS; VOTING RIGHTS

Section 1. Membership.

(a) Each and every Owner, including Declarant, except the Owners set forth herein, if any, is a Member of the Association and, by execution of this Declaration or by acceptance of a deed conveying to such Owner title to any portion of the Property, each Owner consents to be a Member of the Association, subject to the terms of the Governing Documents and applicable Legal Requirements. Membership of an Owner in the Association shall be appurtenant to and may not be separated from the portion of the Property owned by the Owner, and the Board may adopt reasonable rules relating to the proof of ownership. Membership in the Association shall terminate automatically whenever a Person ceases to be an Owner (except that Declarant's Class B Membership shall terminate only as provided herein), but such termination shall not release or relieve any such Person from any liability or obligation incurred under this Declaration during the period of such Person's ownership, nor impair any rights or remedies the Association or any other Owner has with respect to such former Owner.

(b) Owners of Dwellings Units shall be Members of the Association and may be members of a Sub-Association.

Section 2. Classes of Members. The Association shall have voting and non-voting Members as follows:

- (a) Voting Members. The Association shall have two (2) classes of voting Members as follows:
- (1) Class A Members. Class A Members are all Owners of Lots and Dwellings, except for Declarant (which shall be a Class B Member) and Builders (which shall be Class C Members). Except as provided in Section 2(b)(2) below, Class A Members are entitled to the following votes:

- (A) A Class A Member will be entitled to one vote for each Dwelling Unit owned by such Class A Member. Only one vote is entitled to be cast for each Dwelling Unit, regardless of the number of Owners thereof.
- (B) Upon termination of the Class C Membership, Builders shall be non-voting Class A Members.

(2) Class B Members. The Class B Membership shall consist of Declarant and its successors and assigns. The Class B Membership shall terminate at the end of the Declarant Control Period. During the Class B Membership period, the Class B Member shall be deemed to have ninety percent 90% of all votes in the Association, regardless of the number of votes held by the Class A Membership. Upon termination of the Class B Membership period, Declarant shall become a Class A Member, shall have Class A voting rights with respect to the portions of the Property owned by Declarant, and all Undeveloped Land shall be treated in the same manner as Development Parcels for purposes of voting under this Declaration. Regardless of the foregoing and the voting power held by other Class A Members, Declarant shall retain all rights reserved and granted to Declarant under this Declaration during and after the expiration of the Declarant Control Period and Class B Membership period.

(b) Non-Voting Members.

- (1) Class C Members. The Class C Membership shall consist of Builders. Class C Members will not be entitled to any votes in the Association or to serve on the Board. However, Builders shall be subject to certain assessments under this Declaration. The Class C Membership shall expire upon the conveyance of the last Lot and Dwelling Unit in North Shore to a non-Builder Owner. Upon termination of the Class C Membership, Builders shall be non-voting Class A Members.
- (2) Owners of Exempt Property. Owners of Exempt Property, except for the University, State, County, and City (which shall not be Members of the Association), shall be non-voting Members of the Association with respect to the Exempt Property.

Section 3. Voting Matters.

- (a) When any portion of the Property entitling the Owner thereof to membership and voting as a Class A Member is owned of record in the name of two (2) or more Persons, their acts and presence with respect to voting, written consents, and quorum requirements shall be as follows:
 - (1) If only one (1) of the Owners votes in person or by proxy, then the vote of that Owner shall bind all of the Owners;
 - (2) If more than one (1) of the Owners votes in person or by proxy, the act of the majority of those so voting shall bind all, and no fractional voting shall be allowed;
 - (3) If more than one (1) of the Owners votes in person or by proxy, but the vote is evenly divided on any particular matter, the votes shall not be counted; and
 - (4) The presence at a meeting in person or by proxy of one or more of multiple Owners of a Lot, Development Parcel, or Attached Dwelling Unit shall be sufficient for

quorum purposes with respect to the vote or votes attributable to such Lot, Development Parcel, or Attached Dwelling Unit.

The principles of this paragraph shall apply, insofar as possible, to the execution of proxies, waivers, consents, and objections.

(b) Except when this Declaration, other Governing Documents, or applicable Legal Requirements specifically require a higher percentage or require the applicable percentage to be calculated based on the number of votes "entitled to be cast": (i) the vote of a "simple majority" (defined as more than 50%) of the total number of votes cast by the Members present at a Duly Called Meeting of the Members of the Association at which a quorum is present shall be the act of the Members with respect to the matter subject to the vote; and (ii) when matters are required to be voted upon by each Class of membership (or by a specific Class or portion of a specific Class of Members — for example, with respect to Limited Common Property), the vote of a simple majority of the total number of votes cast by the Members of that Class (or applicable portion of that Class) present at a Duly Called Meeting of that Class of Members of the Association at which a quorum is present shall be the act of that Class (or applicable portion of that Class) of Members with respect to the matter subject to the vote; provided, during the Declarant Control Period, the written consent of Declarant shall be required to make effective any matter that affects the rights or obligations of Declarant under this Declaration.

(c) Unless otherwise specifically prohibited in this Declaration, other Governing Documents, or any applicable Legal Requirements, any matter that may be adopted by the vote of Members may be adopted by the written consent of the Members or applicable Class of Members (or portion thereof), subject to the following: (i) the action taken by one or more written consents shall be signed by all of the Members who would be entitled to vote upon such matter at a meeting and filed in the minute book of the Association; (ii) the foregoing rules governing voting when there is more than one Owner of a particular portion of the Property applies to written consents; (iii) the date on which the last Member required for adoption signs the written consent shall not be more than one (1) month following the date that the first Member signs the written consent; (iv) a Member's written consent is binding unless revoked in writing prior to adoption of the matter by the required percentage of written consents; (v) a Member's written consent becomes invalid if the Member ceases to be an Owner prior to adoption of the matter by the required percentage of written consents; and (vi) applicable provisions of the Articles and Bylaws.

(d) The voting rights of an Owner may be assigned by that Owner to the Owner's lessee only by written instrument, only with respect to the portion of the Property actually leased and occupied by the lessee, and only with prior written notice to Declarant.

(e) Payment of special assessments or any other assessments or charges shall not entitle Class A Members to any votes in addition to those specified for Class A Members in this Article.

(f) There shall be no cumulative voting.

Section 4. Directors. The Association shall be governed by a Board consisting of not less than three (3) and not more than seven (7) Directors elected or appointed in accordance with the Governing Documents. Subject to the foregoing minimum and maximum number of Directors requirement, during the Declarant Control Period, Declarant has the sole right to elect (by appointment), remove, replace, and designate the term of all of the Directors as Declarant, in its sole discretion, as it from time to time determines; provided, that Declarant shall appoint at least one (1) Member as Director

once seventy five (75%) of the total number of planned Dwellings (effective as of the date of such appointment) have been sold and closed, and shall appoint at least two (2) Members as Directors (not in addition to the foregoing requirement) once ninety percent (90%) of the total number of planned Dwellings (effective as of the date of such appointment) have been sold and closed. Following the end of the Declarant Control Period, the Class A Members shall have the right to elect the Directors.

Section 5. Quorum. A quorum shall be required for all meetings of the Members of the Association. A quorum shall be deemed to be present throughout any meeting of the Association if Members entitled to cast five percent (5%) or more of the total number of votes entitled to be cast by all of the voting Members of the Association are present, in person or by proxy, at the beginning of the meeting, unless a higher percentage is required by applicable Legal Requirements. Non-voting Members shall not be considered in determining a quorum. Once a Member is present at a meeting, such Member is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting, unless a new record date is set for the adjourned meeting. When voting on any matter requires approval by a specified percentage of each class of Members, or by a specific class of Members, or, as in the case of Limited Common Property, of a limited portion of Members, a quorum of each class of Members or of the specific class Members or of the applicable portion of Members must be present in person or by proxy.

If at any meeting of the Association a quorum is not present, a majority of the Members who are present at such meeting, in person or by proxy, may recess or adjourn the meeting to such date, time and place (in Wake County, North Carolina) as such Members may agree, but not more than fifteen (15) days after the date and time the meeting being recessed or adjourned was called. At the meeting that is being recessed or adjourned, the Secretary shall announce the date, time, and place to which the meeting is recessed or adjourned, and shall make reasonable efforts to notify all Members of such date, time and place, but the formal notice requirements set forth in the Governing Documents need not be specifically met.

Section 6. Proxies. All Members of the Association may vote and transact business at any meeting of the Association by proxy that is authorized in writing and meets the applicable requirements of the Governing Documents and Legal Requirements. Regardless of the foregoing, no proxy more than three (3) months old shall be valid for any action of any Member or Owner.

Section 7. Ballots by Mail. When directed by the Board, in its sole discretion, a statement of certain motions to be introduced for vote of the Members at an annual or special meeting of the Association, and a ballot on which each Member may vote for or against each such motion, shall be sent with the notice of the annual or special meeting at which such vote is to be held. The form of the ballot and requirements for execution and presentation thereof, not inconsistent with this Declaration or applicable Legal Requirements, shall be as determined by the Board. NOTE: For a ballot to be valid and counted in the applicable vote, the Member's signature thereon shall be notarized or some other method of reliable confirmation of the authenticity of a Member's signature shall be effected by the Board. Each ballot properly executed and presented at the applicable meeting shall be counted in calculating the quorum requirements for the meeting, but such ballots shall not be counted in determining whether or not a quorum is present to vote on motions or other matters that do not appear on the ballot. With respect to any such ballot, the Board shall establish the rules for withdrawal or revocation of the ballot to ensure the validity of the ballots received and ultimately cast, which rules shall clearly be set forth on the notice of the meeting that accompanies any such ballot.

ARTICLE VI
ASSESSMENTS AND OTHER CHARGES

Section 1. Creation of the Lien and Personal Obligation for Assessments. Subject to the terms of this Declaration, each Owner of a portion of the Property — except for Owners of Exempt Property and Declarant — by execution of this Declaration or by acceptance of a deed or other conveyance, whether or not it shall be so expressed therein, is hereby deemed to consent and agree to pay to the Association (or to any Person designated by the Association to receive such monies on behalf of the Association) assessments and other charges as follows: (i) annual assessments; (ii) working capital assessment; (iii) special assessments for capital Improvements or other matters as set forth herein; (iv) special individual assessments levied against an Owner to reimburse the Association for Maintenance expenses resulting from the failure of such Owner to Maintain adequately that Owner's portion of the Property, or for such other purposes as stated herein; (v) architectural review fees and costs as specified herein; and (vi) fines, late payment penalties and interest on unpaid assessments and other charges imposed under authority contained in the Governing Documents; and, (vii) in addition to such assessments and other charges, to pay all costs, fees and expenses, including reasonable attorneys' fees and collection fees and related administrative expenses incurred by the Association in enforcing or collecting any of the foregoing assessments or other charges (all of the foregoing (i) through (vii) shall be considered "Assessments" or "assessments" or "assessment" unless the context requires otherwise). All of the assessments shall be established and collected as hereinafter provided. All of the assessments shall be a charge and continuing lien on the portion of the Property owned by the Owner against whom they were assessed or charged from the time of the filing of a lien in the Registry and shall be the personal and continuing obligation of the Person who was the Owner of such portion of the Property at the time when the assessment or other charge first became applicable. An Owner's personal obligation for payment of assessments and other charges incurred during the time such Owner owned a portion of the Property shall not become the personal obligation of a subsequent Owner, unless expressly assumed by the subsequent Owner. No Owner shall be exempt from liability for any assessment provided for herein by reason of non-use of the Common Property or the portion of the Property against which the assessment or other charge is made, or waiver of use, or abandonment of that Owner's portion of the Property, or temporary unavailability of the use or enjoyment of the Common Property.

Section 2. Liability for Assessments After Change in Membership Status.

- (a) No Owner shall be relieved of, or released from, the obligation to pay assessments and other charges under this Declaration because of any resignation or attempted resignation by such Owner of membership in the Association or because of any suspension of such Owner's membership in the Association.
- (b) Regardless of any other provision of this Declaration, Declarant shall have no liability or responsibility for the payment of assessments during the existence of or after the termination of the Class B Membership.

Section 3. Nature, Purpose and Use of Assessments. The assessments shall be used by the Association for any one or more of the following: (i) to pay the Common Expenses; (ii) to perform the functions or provide the services required or authorized of the Association pursuant to this Declaration or any Supplemental Declaration or required or authorized of a Sub-Association pursuant to a Sub-Declaration; and (iii) to implement, administer, and enforce the terms and provisions of this Declaration and of any Supplemental Declaration or Sub-Declaration, as the Board determines to be in the best interests of the Association or its Members.

All assessments and other charges collected by the Association, including penalties and interest thereon, shall be the separate property of the Association. As Owners pay assessments and other charges to the Association, such funds may be commingled with assessments and other charges paid to the Association by other Owners. No Member of the Association shall have the right to assign, hypothecate, pledge, or in any manner transfer such Member's interest in the assets of the Association, except as an appurtenance to the portion of the Property owned by such Member. When any Owner shall cease to be a Member of the Association, the Association shall not be required to account to such Owner for any share of the funds or assets of the Association or any portion thereof that may have been paid to the Association by such Owner or acquired with any funds paid to the Association by such Owner.

When the Board determines it is necessary or desirable to make an expenditure that affects, or provides a benefit for, or complies with a requirement in this Declaration with respect to the Limited Common Property, the funds for such expenditure shall come from the additional assessments collected from the Owners of those portions of the Property located in the particular phase or section in the Property to which such Limited Common Property is related.

Section 4. Property Classifications and Timing of Becoming Subject or Not Subject to Assessments.

THE FOLLOWING PRELIMINARY ANNUAL ASSESSMENT AMOUNTS MAY BE CHANGED BY AMENDMENT DURING THE DECLARANT CONTROL PERIOD AS DETERMINED IN THE BEST INTERESTS OF NORTH SHORE BY DECLARANT.

- (a) **Undeveloped Land.** Undeveloped Land is not subject to any assessments under this Declaration, no assessments will accrue at any time, and therefore there is no minimum or maximum annual assessment for Undeveloped Land.
- (b) **Development Parcels.** Development Parcels are not subject to any assessments under this Declaration, until the Development Parcels are divided into Lots by a Site Plan depicting the subdivision of a portion of the Property into Lots. If less than all of a Development Parcel is divided into Lots, the remaining undivided portion of the Development Parcel shall remain exempt from assessments. No assessments will accrue at any time for Development Parcels, and therefore there is no minimum or maximum annual assessment for Development Parcels.
- (c) **Lots and Attached Dwelling Units.**
 - (i) **Subject to Assessments.** Lots are subject to assessments under this Declaration. A Lot becomes subject to assessments upon the approval by the University and City, when applicable, of the Site Plan depicting the subdivision of the Lot from the remaining Property.
 - (ii) **Accrual of Assessments.**
 - (A) Assessments for a Lot subdivided from Undeveloped Land and owned by Declarant begin to accrue on the closing date on which such Lot is transferred by Declarant to a Builder or another Owner.
 - (B) Assessments for a Lot subdivided or drawn from Exempt Property shall begin to accrue on the date both of the following occur: (1) Exempt Property has been re-classified as Lots and (2) a Site Plan depicting such Lot has been approved by the University and City, when applicable.

(iii) Initial Amount of Annual Assessments. Through and including December 31, 2014, the initial amount for annual assessments for townhome Lots and Attached Dwelling Units shall be, at a minimum:

- (A) \$700.00 per Signature townhome Lot
- (B) \$650.00 per townhome Lot
- (C) \$575.00 per Existing Condominium Attached Dwelling Unit
- (D) \$525.00 per new condominium Attached Dwelling Unit

(iv) Initial Amount of Annual Centennial Campus Maintenance Payment. Through and including December 31, 2014, the initial amount for the annual Centennial Campus Maintenance Payment for each Lot and Attached Dwelling Unit subject to annual assessments under this Declaration shall be, at a minimum, \$205.00, payable in advance on a calendar year basis. The Centennial Campus Maintenance Payment shall be pro-rated on a calendar year basis from the day after an Owner closes on the purchase of a Lot or Attached Dwelling Unit (if closing does not occur on December 31), and such payment shall be due and payable on the day of closing. The Centennial Campus Maintenance Payment shall be collected by the Association and paid to the University when due and as directed by the University.

(d) **Exempt Property.** Exempt Property shall never be subject to assessments of any type, charges, or liens under this Declaration. Accordingly, assessments never begin to accrue on Exempt Property, and there is no applicable amount of assessments. As stated above, Exempt Property may be re-classified into an “assessable” Property Classification and then become subject to assessments thereunder.

(e) **Graduated System Throughout Development.** To provide for an equitable share of assessments among different Lot and Dwelling Unit types, the Board shall take into account Lot and Dwelling Unit types, classes, and average sizes to calculate assessments against Owners of Lots and Dwelling Units in North Shore. A Lot or Dwelling Unit “type” shall refer, for example, to whether the Lot or Unit is a townhome or condominium. A Lot or Dwelling “class” shall refer, for example, to whether a particular type of townhome or condominium is of a particular configuration or size, such as a Signature townhome (which is larger than a townhome). The “average size” of a Dwelling Unit shall refer to the average heated square footage of all Dwelling Units within a particular type and class; provided, the average size of any condominium unit shall include the unit’s pro-rata share of the heated square footage of any common elements of the condominium building(s) of which the condominium unit is a part. Upon the annexation of Additional Property to this Declaration, the Supplemental Declaration for such Additional Property shall specify the type and class of the Lots and Dwelling Units to be developed on such Additional Property and shall establish minimum annual assessments for such Lots and Dwelling Units consistent with Section 4(c)(iii) above. The Board shall consider the specific types, classes and average sizes of Dwelling Units to set annual assessment amounts for North Shore, it being the intent of this Declaration that Dwelling Units should contribute to Association costs based on their type, class, and average size (e.g., townhomes should contribute more to Association costs than condominiums, Signature townhomes should contribute more to such costs than townhomes, and larger Dwelling Units should contribute more to such costs than smaller Dwelling Units). The Board may not discriminate among Dwelling Units of the same type or class in establishing annual assessments. Upon the issuance of the final Certificate of Occupancy for the last Dwelling

Unit in North Shore, Declarant shall fix the percentage that each Dwelling Unit type and class will pay based on the above considerations by recording a Supplemental Declaration memorializing such percentages. Thereafter, the Board shall determine the total annual budget amount and multiply the amount by the following percentages, which will determine the amount each Lot and Attached Dwelling Unit type and class are to pay. For illustration purposes only:

- (1) 30% per townhome Lot/Attached Dwelling Unit
- (2) 4% per Signature townhome Lot/Attached Dwelling Unit
- (3) 35% per Existing Condominium Attached Dwelling Unit
- (4) 31% per new condominium Attached Dwelling Unit

To determine the specific dues owed by each Owner of such Lot or Dwelling Unit, the Association shall divide the total amount for each type and class of Lot or Dwelling Unit type (as determined by the formula above) by the number of Lots or Dwellings of that particular type and class. As an example only, the following equation is illustrative of the process necessary to determine the proper assessment due from each Dwelling Unit Owner:

Dues for each Dwelling Unit = (TOTAL BUDGET AMOUNT x % per Lot or Dwelling Unit type and class) / number of Lots or Dwelling Units of the same type and class

(f) **Subsequent Annual Assessments.** Beginning with the calendar year commencing on January 1, 2015 and subject to Subsection (g) below, unless otherwise determined by the Board as allowed herein, the Board may increase assessments each calendar year by an amount equal to an amount reasonable and sufficient to provide adequate funds for anticipated costs and to cover any deficit for the preceding year, all as determined in the sole discretion of the Board.

(g) **Supplemental Annual Assessments in Same Proportion as Annual Assessments.** Any supplemental annual assessment shall be apportioned among the Lot and Dwelling Unit types and classes subject to assessment.

(h) **Budget Funding and Shortfalls.** During the Declarant Control Period, Declarant shall fund all annual operating budget deficits, if any, caused by a shortfall between the assessments collected and the expenses of the Association. Declarant's deficit funding obligation may be satisfied with in-kind payments of services or materials. Declarant's deficit funding obligation does not include any expenses the Association is unable to meet because of nonpayment of any assessment by Owners, or because of unusual or extraordinary expenses not included in the annual operating budget. Declarant shall have the right to assign its obligations, in whole or in part, under this Subsection (h) to a sub-declarant under a Sub-Declaration or a Builder(s) or to obligate a sub-declarant or Builder(s) to fund annual operating budget deficits of the Association.

(i) **Builders.**

(1) Assessments. Notwithstanding anything to the contrary herein and regardless of the fact Builders are Class C Members, each Builder shall be responsible for the payment of all assessments for each Lot and Attached Dwelling Unit, as determined in accordance with this Declaration for the particular property type and class, as owed by other Class A Members.

(2) Centennial Campus Maintenance Payment. Each Builder shall be responsible for the payment of the annual Centennial Campus Maintenance Payment for each Lot and Attached Dwelling Unit owned by the Builder as owed by other Owners of Lots or Dwelling Units in North Shore.

(j) **Proration of Assessments.** When an annual assessment begins accruing or will begin accruing on any day other than the due date established by the Board, the amount of the annual assessment for that calendar year shall be determined by multiplying the amount of that year's annual assessment by a fraction, whose numerator is the number of days remaining in the applicable assessment period (whether annually, monthly, etc.) and whose denominator is the total number of days within that assessment period.

(k) **Declarant Not Subject to Assessments.** Declarant and Declarant-owned property shall never be subject to assessments of any type, charges, or liens under this Declaration under this Declaration, regardless of the existence or termination of the Class B Membership.

(l) **Declarant To Set Annual Assessments.** Notwithstanding anything to the contrary in this Declaration, Declarant shall have the sole and exclusive right, in its sole discretion, to set annual assessments under this Declaration during the Declarant Control Period to serve the best interests of North Shore.

Section 5. Preparation of Operating Budget. For the operating budget for the year 2013, the Board shall, at some reasonable time in 2013 as determined by the Board considering the progress of the development and the best interests of the Association and the Board, adopt an annual operating budget for the Association pursuant to this Section. For each succeeding calendar year after 2013 and on or before thirty (30) days before the beginning of such calendar year, the Board shall adopt an annual operating budget for the Association pursuant to this Section. Each operating budget shall contain an estimate of the total amount believed to be necessary to pay the Common Expenses for the ensuing calendar year and shall include such reasonable amounts as the Board deems necessary to provide working capital (available for day-to-day operating expenses and otherwise uncommitted for specific expenses), reserves for contingencies, and reserves for replacement of Common Property. The annual operating budget shall constitute the basis for establishing the annual assessment. The Board shall make the annual operating budget, or a summary thereof, available for inspection by the Members. Failure of the Board to adopt an annual operating budget, or failure of the Board to adopt an annual operating budget within the specified time limitations, shall not invalidate any subsequently adopted annual operating budget and shall not relieve or release any Owner from the obligation to pay assessments. Until such time as the Board has adopted the new annual operating budget, the annual operating budget for the immediately preceding calendar year shall remain in effect (but the newly adopted annual operating budget shall be retroactive to January 1 of the applicable calendar year).

Section 6. Establishing the Annual Assessment; Payment Frequency. At the time of preparation of the operating budget as set forth above, the Board shall establish the amount of the annual assessment for each calendar year as provided in this Declaration. The failure of the Board to establish the amount of any annual assessment as required herein shall not constitute a violation, waiver, or modification of the provisions of this Declaration, or a waiver of the Board's right to establish the annual assessment at any time during the calendar year to which it is applicable, or a release of any Owner from the obligation to pay the assessment or any installment thereof for that or any subsequent calendar year, and the annual assessment for the immediately preceding calendar year shall continue in effect until the Board has established the new annual assessment (but when established, the amount of the new annual assessment shall be retroactive to January 1 of the applicable calendar year).

Section 7. Collection of Assessments; Due Dates; Penalties for Late Payment.

(a) Annual and special assessments may be collected on a monthly, quarterly, annual, or other basis as determined from time to time by the Board. The billing schedule shall be the same for all portions of the Property in a particular assessment category; provided, the Board in its sole discretion may establish different schedules for billing of annual and special assessments due from Owners of different Lot and Dwelling Unit types. The Board shall have the power (but not the obligation) at any time and from time to time, in its sole discretion and upon such terms as the Board deems appropriate, to allow discounts to Owners who pay annual and/or special assessments earlier than the due date therefor; provided, all such discounts shall be made available and applied uniformly to all Owners.

(b) Subject to any limitations contained in this Declaration, other Governing Documents, or any applicable Legal Requirement, the Board has the authority at any time and from time to time to establish the due dates, interest rate on unpaid amounts, and penalties for late payment of annual and special assessments and other charges, including the authority to accelerate the unpaid balance of the annual assessment in instances when there is a default in payment of a portion of such annual assessment that is being billed monthly, quarterly, or on any other basis. In the event of default in the timely payment of any assessment or other charge, the defaulting Owner shall be obligated to pay interest on the unpaid balance thereof from and after the due date at the lesser of: (i) eighteen percent (18%) per annum; or (ii) the highest lawful rate under applicable Legal Requirements; or (iii) such other amount, if any, established by the Board, together with all costs and expenses of collection, including reasonable attorney's fees.

(c) The Board may at any time and from time to time enter into an agreement with any Sub-Association to provide for the billing and collection of annual dues and special assessments under this Declaration or a Sub-Declaration and the subsequent turnover of such amounts to the Sub-Association or Association, as applicable. Such agreement shall contain a schedule for the collection of assessments and may contain an exclusive or non-exclusive appointment of rights to enforce collection of assessments by the collecting entity. Unless otherwise provided in such an agreement, the Association shall be deemed to have the right, but not the obligation, to enforce and collect any dues or assessments of a Sub-Association against an Owner in the same capacity as the Sub-Association would have, and the Association shall have the right, in its sole discretion, to enforce such collection rights pursuant to this Declaration and/or pursuant to the applicable Sub-Declaration.

(d) The Board may at any time and from time to time enter into an agreement with the University to provide for the billing and collection of the Centennial Campus Maintenance Payment and the subsequent turnover of such amounts to the University. Such agreement shall contain a schedule for the collection of the Centennial Campus Maintenance Payment and may contain an exclusive or non-exclusive appointment of rights to enforce collection of the Centennial Campus Maintenance Payment by the Association against Owners.

(e) The Board may at any time and from time to time authorize a management company or other billing agent, on behalf of the Association, to bill and collect all assessments and other charges payable under this Declaration (including under Section (c) above) and to have such other powers an authority as delegated in the contract between the Association and such management company.

Section 8. Special Assessments for Improvements and Additions. In addition to the annual assessments authorized herein, and subject to the other requirements of this Declaration, at any

time and from time to time the Association may levy a special assessment for the purpose of defraying, in whole or in part, the costs or expenses of any one or more of the following:

- (1) Construction, reconstruction, alteration, repair, replacement, or removal of a capital improvement in or on the Common Property, including related fixtures and personal property;
- (2) Additions to the Common Property;
- (3) To provide for the necessary facilities and equipment to enable the Association to perform the functions and offer the services required or authorized herein;
- (4) To repay any loan made to the Association to enable it to perform the functions and provide the services required or authorized herein.

Notwithstanding the foregoing, each special assessment first shall be approved by the affirmative vote by each class of membership of a simple majority of the votes cast by the Members of that class present (and constituting at least a quorum) at a Duly Called Meeting of the Association for which notice of the meeting includes notice of the proposed special assessment. A special assessment approved hereunder shall be due and payable as established by the vote of the Members approving the special assessment, or, if not established by such vote of the Members, as established by the Board.

The proportion of each special assessment to be paid by the Owners of the various Lot and Dwelling Unit types shall be the same as their respective proportions of the annual assessments applicable for the calendar year during which the special assessment is levied.

Section 9. Fines; Association Administrative Proceedings, Including Hearings Regarding Fines and Suspension of Services. In addition to all other remedies, in the sole discretion of the Association, a reasonable fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees, Lessees, or employees to comply with any covenant, restriction, rule or regulation, provided notice and hearing procedures set forth in the North Carolina Planned Community Act (§47F-3-107.1) are followed. Once imposed, fines shall be treated as an assessment subject to the provisions for the collection of assessments. Prior to pursuing the imposition of a fine or the suspension of privileges or services as allowed by the Act and as provided herein and absent the likelihood of the occurrence of irreparable harm, the offending Owner will be notified and given five (5) days, or some other reasonable yet prompt time period, in which to cure his violation or nonpayment. If the violation or nonpayment is not cured within this five (5) day period, a hearing shall be held before an adjudicatory panel appointed by the Board to determine if the offending Owner should be fined or if privileges or services should be suspended as set forth in the North Carolina Planned Community Act. If the Board fails to appoint an adjudicatory panel to hear such matters, hearings shall be held before the Board. The offending Owner charged shall be given notice of the charge, an opportunity to be heard and to present evidence, and notice of the decision. If it is decided a fine should be imposed, a fine not to exceed one hundred dollars (\$100.00) may be imposed for the violation and without further hearing, for each day following the fifth day after the decision the violation occurs; provided, fines imposed shall be subject to the following minimums:

- (a) The fine for the first violation or the first day of any continuing or repetitive violation shall not be less than \$25.00.
- (b) The fine for the second violation or the second day of any continuing or repetitive violation shall not be less than \$50.00.

(c) The fine for the third violation or the third day and subsequent days of any continuing or repetitive violation shall not be less than \$100.00.

Fines imposed shall be assessments secured by liens. If it is decided a suspension of North Shore privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured. The Lot Owner may appeal the decision of an adjudicatory panel to the full Board by delivering written notice of appeal to the full Board within 15 days after the date of the decision. The full Board may affirm, vacate, or modify the prior decision of the adjudicatory body.

The Association may institute actions or proceedings permitted by law or the Act to collect any sums due and owing to it.

Section 10. Certification of Assessments Paid. The Association (or any Person employed by the Association to assist in the management of the Association and collection of assessments and authorized by the Association to issue such certificates), upon demand and payment of a reasonable charge or fee established by the Association, shall furnish to any Owner, or to any holder of a first lien deed of trust on the portion of the Property owned by such Owner, or to an attorney who represents the Owner or a prospective purchaser of such portion of the Property or to any other Person approved by the Board, a certificate signed by an officer of the Association (or the Person or an officer, partner, or agent of such Person having authority to issue such certificate) setting forth whether or not the assessments owed by such Owner have been paid. A properly executed certificate of the Association (or authorized Person) shall be conclusive evidence against all but the Owner of the payment of any assessment therein stated to have been paid.

Section 11. Assessment Lien and Foreclosure. The assessments and other charges provided for herein shall be the personal and individual debt of the Owner(s) of the portion of the Property against whom they are assessed or charged. Any assessment or other charge not paid on or before the due date shall be delinquent and, together with penalty and interest charges as provided in this Declaration, plus the costs of collection (including reasonable attorney's fees and/or administrative expenses), shall be a charge and continuing lien on the portion of the Property (and Improvements thereon) owned by the defaulting Owner. Except as otherwise provided in this Declaration, the lien shall be superior to all other liens and charges against such portion of the Property and Improvements thereon. The Board shall have the power, in its sole discretion, to subordinate the lien to any other lien. To evidence the lien, the Association may prepare and record in the Registry a written notice of lien setting forth the amount of the unpaid assessment or other charge along with costs of collection, administrative expenses and reasonable attorney's fees, the name of the Owner, a description of the portion of the Property owned by such Owner, and the name and address of the Association. Subsequent to the recordation of such notice, the lien may be enforced by the Association by power of sale foreclosure of the portion of the Property owned by the defaulting Owner (in like manner as a deed of trust with power of sale), or the Association may institute suit against the Owner personally obligated to pay the assessments, or the lien may be enforced by judicial foreclosure when required under Legal Requirements. In any foreclosure proceeding, whether judicial or non-judicial, the Owner shall be required to pay the costs, expenses, and reasonable attorney's fees incurred by the Association. The Association shall have the power to bid on and purchase the portion of the Property subject to the foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Property. The remedies against a defaulting Owner and such Owner's portion of the Property as set forth herein and/or available under applicable Legal Requirements are cumulative and not mutually exclusive, and the Association may seek none or any one or more of such remedies, separately or simultaneously, as deemed appropriate by the Board.

Section 12. Subordination of the Lien to Mortgages. The lien of the assessments and charges provided for herein shall be prior and superior to the lien of any first lien mortgage on the

applicable portion of the Property that secures an indebtedness owed to any Mortgagee of an Owner. Such lien of assessments and charges shall run with title to the Property and shall not be diminished or extinguished by any foreclosure or deed in lieu of foreclosure on any portion of the Property.

Section 13. Reserve Funds. From the annual assessments, the Board shall establish and maintain reasonable reserve funds for working capital, contingencies, replacements of Common Property, and for all other purposes authorized by this Declaration, which expenditures shall be Common Expenses. Reserves for Limited Common Property shall be established and accounted for only out of the additional annual assessments paid by the Owners of the portions of the Property associated with such Limited Common Property. With respect to each separate reserve funds account:

- (a) Extraordinary expenditures not originally included in the annual operating budget, including: (i) major rehabilitation or repair of the Common Property, (ii) emergency or other repairs required as a result of storm, fire, natural disaster, or other casualty loss, or (iii) the initial costs of any new service to be performed by the Association, first shall be charged against the appropriate reserves. Except for expenses of normal and routine Maintenance shown in the annual operating budget, all expenses for repair or replacement of the Common Property shall be charged first against appropriate reserves.
- (b) If the Board determines, in its sole discretion, reserve funds have become excessive, the Board may adjust the reserve funds by reallocation to other annual operating budget items or by applying excess amounts as credits against annual assessments, such credits to be applied in the same proportions as the proportions of annual assessments due and payable for the calendar year in which such credits are applied.

Section 14. Working Capital Assessment. In addition to all other assessments due and payable under this Declaration, with respect to each Lot and Dwelling, the first Owner who acquires title to a Lot from Declarant or a Builder (it being the intention of this Declaration that the working capital assessment not be paid by a Builder at the time the Builder acquires a Lot or Development Parcel from Declarant) shall pay to the Association at the time of the closing of that purchase a "working capital assessment" in an amount equal to Nine Hundred Fifty Dollars (\$950.00). The purpose of the working capital assessment is to provide necessary working capital and initial funding for general reserves for the Association. Amounts paid as working capital assessments shall be in addition to annual assessments, special assessments, and additional assessments for Limited Common Property, and the working capital assessment may be enforced and collected, and shall constitute an assessment lien, in the same manner as annual and special assessments against the first Owner and the Lot. It is the express intention of this Section that only one working capital assessment shall be assessed against each Lot. No working capital assessment shall be charged against any Existing Condominium Attached Dwelling Unit.

Section 15. Additional Assessments for Limited Common Property. Declarant reserves the right, by recordation of Supplemental Declarations or Sub-Declarations or other documents, to subject portions of the Property located in one or more phases or sections in the Property to provisions requiring the Owners thereof to pay additional annual assessments and special assessments to the Association for the Maintenance of, and addition to, Limited Common Property, including any one or more of the following: (i) private streets; and (ii) landscaping, signs, and decorative features.

All of the provisions of this Declaration relating to annual and special assessments shall apply to the additional annual and special assessments for Limited Common Property, with the following exceptions: (i) the additional assessments with respect to any particular Limited Common Property are assessed only against those Owners of portions of the Property associated with such Limited Common Property; (ii) the initial additional minimum annual assessment and additional annual assessment for each Limited

Common Property shall be established in the Supplemental Declaration or Sub-Declaration that creates or establishes that Limited Common Property; (iii) the actual additional annual and special assessments may vary from phase to phase or section to section; and (iv) the additional annual and special assessments for portions of the Property in any particular phase or section of the Property shall be used exclusively in connection with the Limited Common Property associated with that phase or section.

**ARTICLE VII
INSURANCE**

Section 1. Authority and Responsibility to Purchase; Notice.

(a) The Board shall: (i) purchase insurance policies relating to the activities of the Association, the Common Property, and the Limited Common Areas, except that a Sub-Association may obtain insurance for Limited Common Areas as provided in Article VII Section 6; (ii) adjust all claims arising under such policies; and (iii) sign and deliver releases upon payment of claims. The cost of all insurance policies purchased by the Association relating to the Common Property shall be a Common Expense or a Limited Common Expense, as appropriate. Except in instances in which applicable Legal Requirements require such coverage, neither the Board, a property manager, the University, nor Declarant, shall be liable for failure to obtain any coverage required by this Article or for any loss or damage resulting from such failure: (i) if such failure is due to the unavailability of such coverage from reputable insurance companies; (ii) if such coverage is available only at unreasonable cost as determined by the Board; or (iii) if the Association's insurance professionals advise that any of the coverage or endorsements required under this Article are unnecessary.

Exclusive authority to negotiate losses under policies purchased by or on behalf of the Association shall be vested in the Board or its authorized representative. The Board shall promptly notify the Owners and Mortgagees of material adverse modifications, lapses, or termination of insurance policies obtained on behalf of the Association, unless comparable replacement policies have been obtained and there has been no lapse in coverage.

(b) Each such policy shall provide:

(1) The insurer waives any right to claim by way of subrogation against the University, the State, the Endowment, Declarant, the Association, the Board, the property manager, any Owner, or any member of an Owner's household;

(2) The policy shall not be canceled, invalidated, or suspended due to the conduct of any Owner, or such Owner's tenant, or such Owner's (or tenant's) household members, guests, employees, agents, or of any director, officer, or employee of the Board, or the property manager, without a prior demand in writing that the Board or the property manager cure the defect and neither shall have so cured such defect within thirty (30) days after such demand; and

(3) The policy may not be canceled or substantially modified without at least thirty (30) days prior written notice to the Board, the property manager, and the Mortgagees, except cancellation for non-payment of premium shall require only ten (10) days prior notice; and

(4) The University, State, and Declarant and such other persons or firms as Declarant specifies from time to time shall be named as additional insured on each policy.

Verification of additional insured status shall be furnished to Landlord by mailing a copy of the endorsement or Certificate of Insurance. The certificate holders (and additional insured) should read as follows: (A) North Carolina State University; (B) State of North Carolina; and (C) Endowment Fund of North Carolina State University.

- (c) All policies or insurance shall be written by reputable companies licensed or qualified to do business in North Carolina.
- (d) The deductible or retained limit (if any) on any insurance policy purchased by the Association shall be a Common Expense (or a Limited Common Expense, as appropriate); provided, the Association may assess any deductible amount necessitated by the misuse or neglect of an Owner or such Owner's family members, guests, invitees, licensees, agents, contractors, lessees, or contract purchasers against the portion of the Property owned by such Owner and may enforce and collect such amount in the same manner as an annual assessment.
- (e) During the Declarant Control Period, Declarant shall be protected by all such policies, except directors and officers insurance as required below in Section 4(a), as an additional insured and certificate holder with respect to all portions of the Property owned by Declarant, but not with respect to any negligence of Declarant or its employees or contractors in their activities as the developer of the Property.

Section 2. Physical Damage Insurance.

- (a) The Board shall obtain and maintain a "Special Form" form policy of insurance, including fire damage, vandalism, malicious mischief (sprinkler leakage applicable), cost of demolition, debris removal, and water damage insuring any Improvements located on the real property portions of the Common Property owned by the Association (including any floor coverings, fixtures and appliances), together with all air conditioning and heating equipment and other service machinery contained therein, and covering the interests of the Association, in an amount equal to 100% of the then current full insurable replacement cost thereof (exclusive of the land, excavations, foundations, and other items normally excluded from such coverage), without deduction for depreciation (such amount to be predetermined periodically by the Board with the assistance of the Association's insurance professionals). The Board shall also obtain and maintain appropriate coverage on personal property owned by the Association.
- (b) Each such policy shall also provide:
 - (1) a waiver of any right of the insurer to repair, rebuild, or replace any damage or destruction, if a decision is made by the Board not to do so;
 - (2) the following endorsements (or equivalent): (i) "no control" (to the effect that coverage shall not be prejudiced by any act or neglect of any occupant or Owner, or the agents of either, when such act or neglect is not within the control of the insured or the Owners collectively, nor by any failure of the insured, or the Owners collectively, to comply with any warranty or condition with regard to any portion of the Property over which the insured, or the Owners collectively, have no control; (ii) "cost of demolition"; (iii) "contingent liability from operation of building laws or codes"; (iv) "increased cost of construction" or "inflation guard"; (v) "replacement cost" or a "guaranteed replacement cost"; and (vi) "agreed amount" or "elimination of co-insurance" clause;

- (3) any "no other insurance" clause shall expressly exclude individual Owner's policies from its operation, so the physical damage policy purchased by the Association shall be deemed primary coverage and any individual Owner's policies shall be deemed excess coverage, and in no event shall the insurance coverage obtained and maintained by the Association hereunder provide for or be brought into contribution with insurance purchased by Owners or Mortgagees, unless otherwise required by law;
- (4) such deductibles as to loss, but not coinsurance features, as the Board, in its sole discretion, deems prudent and economical;
- (5) to the extent a policy includes any Dwelling located on any Lot, such policy includes the standard mortgagee clause; and
- (6) The University, State, and Declarant and such other persons or firms as Declarant specifies from time to time shall be named as additional insured on such policy. Verification of additional insured status shall be furnished to Landlord by mailing a copy of the endorsement or Certificate of Insurance. The certificate holders (and additional insured) should read as follows: (A) North Carolina State University; (B) State of North Carolina; and (C) Endowment Fund of North Carolina State University.

(c) Certificates of physical damage insurance signed by an agent of the insurer, all renewals thereof, and any sub-policies or certificates and endorsements issued thereunder, together with proof of payment of premiums, shall be delivered by the insurer to any Mortgagee requesting the copies at least ten (10) days prior to any lapse, material modification or cancellation of the then current policy.

Section 3. Liability Insurance. The Board shall obtain and maintain commercial general liability (including libel, slander, false arrest, and invasion of privacy coverage) and property damage liability insurance in such limits as the Board may from time to time determine (subject to the minimum coverage required herein), insuring the Association, each director and officer, the property manager, the Owners, and the employees of the Association against any liability to the public or to any Owner or such Owner's tenant and such Owner's (or tenant's) household members, guests, employees, or agents, arising out of, or incident to the ownership or care, custody, control, and use of the Common Property or legal liability arising out of employment contracts of the Association. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) a cross-liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to an action against another named insured; (ii) hired and non-owned vehicle coverage; (iii) host liquor liability coverage with respect to events sponsored by the Association; (iv) deletion of the normal products exclusion with respect to events sponsored by the Association; and (v) a "severability of interest" endorsement, which shall preclude the insurer from denying liability coverage to an Owner because of negligent acts of the Association or of another Owner. The Board shall review such limits once each year, but in no event shall such insurance be less than two million dollars (\$2,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence. "Umbrella" liability insurance in excess of the primary limits may be obtained in reasonable amounts as determined by the Board. The University, State, and Declarant and such other persons or firms as Declarant specifies from time to time shall be named as additional insured on such policy. Verification of additional insured status shall be furnished to Landlord by mailing a copy of the endorsement or Certificate of Insurance. The certificate holders (and additional insured) should read as follows: (a) North Carolina State University; (b) State of North Carolina; and (c) Endowment Fund of North Carolina State University.

Section 4. Other Insurance. The Board shall obtain and maintain:

- (a) adequate fidelity coverage to protect against dishonest acts on the part of directors, officers, trustees, and employees of the Association and all others who handle or are responsible for handling funds of the Association, including any property manager and volunteers. If the Association has delegated some or all of the responsibility for handling funds to a property manager, such property manager shall be covered by its own fidelity insurance; however, the Board may determine to purchase additional fidelity coverage for the property manager as well. Such fidelity insurance (except for fidelity insurance obtained by the property manager for its own personnel) shall (i) name the Association as an obligee; (ii) be written in an amount not less than one-fourth the total annual assessment for Common Expenses or the amount required by the Mortgagees, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, whichever is greatest; and (iii) contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression;
- (b) if required by a majority of the Mortgagees or governmental regulations, flood insurance on the Common Property in accordance with the then applicable regulations for such coverage;
- (c) workers' compensation insurance if and to the extent necessary to meet the requirements of law (including a voluntary employees endorsement and an "all states" endorsement);
- (d) if applicable, pressure, mechanical, and electrical equipment, including air conditioning equipment coverage on a comprehensive form in an amount not less than fifty thousand dollars (\$50,000.00) per accident per location;
- (e) directors and officers liability insurance in an amount not less than one million dollars (\$1,000,000.00); and
- (f) such other insurance: (i) as the Board may determine; (ii) as may be required with respect to the Additional Property by any Supplemental Declaration or Sub-Declaration; or (iii) as may be requested from time to time by the affirmative vote cast by a majority of the Members present at a Duly Called Meeting of the Association.

The University, State, and Declarant and such other persons or firms as Declarant specifies from time to time shall be named as additional insured on the policies required above in (a), (b), (d), (e), and (f). Verification of additional insured status shall be furnished to Landlord by mailing a copy of the endorsement or Certificate of Insurance. The certificate holders (and additional insured) should read as follows: (i) North Carolina State University; (ii) State of North Carolina; and (iii) Endowment Fund of North Carolina State University.

Section 5. Owners. Each Owner shall have the right to obtain insurance for such Owner's benefit, at such Owner's expense, covering the Improvements located on such Owner's portion of the Property and such Owner's personal liability. No Owner shall acquire or maintain insurance coverage on the Common Property insured by the Association so as to: (i) decrease the amount the Association may realize under any insurance policy maintained by the Association; or (ii) cause any insurance coverage maintained by the Association to be brought into contribution with insurance coverage obtained by an Owner. No Owner shall obtain separate insurance policies on the Common Property.

Section 6. Attached Dwelling Units. The Sub-Associations established for those areas within North Shore containing Attached Dwelling Units shall obtain insurance types and coverage as

described herein and covering the Limited Common Areas within those sections and the exterior of such buildings within those sections as Declarant deems appropriate in the recording of a Sub-Declaration for those sections. It shall not be the responsibility or the obligation of the Association to obtain and maintain such coverage. All insurance policies of such Sub-Associations shall name the Association as an additional insured and certificate holder and shall name Declarant as an additional insured and certificate holder throughout the Declarant Control Period.

Section 7. Sub-Association Failure to Provide Insurance. Within two weeks after initially obtaining the coverage described in accordance with Section 6 above and/or in accordance with this Declaration, any Supplemental Declaration or any applicable Sub-Declaration, and within two weeks after the renewal date thereof in each passing year, a Sub-Association shall provide evidence of such coverage to the Board in a manner reasonably satisfactory to the Board. If a Sub-Association fails to obtain, maintain, or provide evidence of such coverage, the Association may, but shall not be obligated to, obtain the applicable coverage and charge the costs of such coverage to the board of directors of such Sub-Association or to the members of the Sub-Association as a special assessment or individual assessment, and the costs thereof, along with reasonable administrative costs, shall be due and payable by and from the applicable members of such Sub-Association within thirty days of notice given by the Association. If such costs are charged as assessments they shall be collectible in the same manner as assessments in accordance with this Declaration.

**ARTICLE VIII
REPAIR AND RESTORATION OF THE PROPERTIES**

Section 1. When Required.

(a) Common Property. Except as otherwise provided herein, if all or any part of any Improvement located in or on the Common Property is damaged or destroyed by fire or other casualty, the Board shall arrange for and supervise the prompt repair, restoration, and/or replacement thereof (including all furnishings and fixtures). Unless repair is required by any applicable Legal Requirement, Declarant, or the University, any decision not to repair, restore, or replace shall be made only by the vote of sixty-seven percent (67%) or more of the votes cast by the Members present at a Duly Called Meeting of the Association (which vote also must have the affirmative vote of Declarant and a majority of the Members other than Declarant). If the damage is not repaired, restored or replaced, then the Board shall remove all remnants of the damaged Improvements and restore the site to an acceptable condition compatible with the remainder of the Common Property, and the balance of any insurance proceeds received on account of such damage shall be placed in the appropriate reserve account.

(b) Other Portions of the Property. If a building or other Improvement located on any portion of the Property is damaged or destroyed, the Owner thereof shall restore the building and site either: (i) by repairing, restoring or replacing such building or other Improvement; or (ii) by clearing away the debris and restoring the site to an acceptable condition compatible with the remainder of the Property. Unless the Architectural Review Board permits a longer time period, such work must be commenced within six months after the casualty and substantially completed within twelve months after commencement. Any repair, replacement, or restoration that differs in any material respect from the approved Plans for the damaged Improvements must first be approved by the Architectural Review Board in the manner required herein.

Section 2. Procedure for Common Property.

- (a) Cost Estimates. Immediately after a fire or other casualty causing damage to any Improvements in or on the Common Property, the Board shall obtain at least two reliable and detailed estimates of the cost of repair, restoration, or replacement (including furnishings and fixtures) to a condition as good as that existing before the damage occurred. Such costs may also include professional fees and premiums for such bonds as the Board determines to be necessary.
- (b) Plans and Specifications. Any such repair, replacement, or restoration shall be substantially in accordance with the original construction or condition of the damaged Improvements, subject to any modifications required by changes in applicable Legal Requirements, and use of contemporary building materials and technology to the extent feasible; provided, other action may be taken if approved in the same manner as required for approval by the Declarant and Members of the Association under Section 1(a) of this Article.

Section 3. Surplus and Deficiency of Funds for Common Property Repair.

- (a) Surplus. The first monies disbursed in payment of the cost of repair, restoration, or replacement of the Improvements in or on Common Property shall be from insurance proceeds, if any. If any surplus funds remain after payment of the costs of all repair, restoration, or replacement, such funds shall be paid to the Association and shall be placed in the appropriate reserve account.
- (b) Deficiency. If the insurance proceeds, plus applicable reserve funds, are insufficient to repair, restore, or replace the damaged Improvements in or on Common Property, a special assessment to cover the insufficiency may be levied by the Association in the manner provided in this Declaration.

Section 4. Condemnation.

- (a) For the purposes of this Article, "Taking" means an acquisition of all or any part of the Common Property or of any interest therein or right accruing thereto as a result of, in lieu of, or in anticipation of, the exercise of the right of condemnation or eminent domain by the State, University, County, or City or any other Person having the power of eminent domain, or a change of street grade affecting access to or from the Common Property or any part thereof so severely as to amount to condemnation.
- (b) Taking of Common Property. If there is a Taking of all or any part of the Common Property, then the Association shall notify the Owners, but the Board shall act on behalf of the Association in connection therewith, and no Owner shall have any right to participate in the proceedings incident thereto. Any Owner may participate in the proceedings or bring a separate action for damages to or diminution in value of such Owner's portion of the Property resulting from the Taking of the Common Property; provided, such participation or separate action does not adversely affect the amount of any award payable to the Association for such Taking. The award made for such Taking shall be payable to the Association, to be disbursed as follows. If the Taking involves a portion of the Common Property on which Improvements have been constructed, then the Association shall restore or replace such Improvements so taken on another portion of the Common Property to the extent land is available therefor, in accordance with plans approved by the Board, unless within sixty (60) days after such Taking Declarant and the Owners by the affirmative vote of sixty-seven percent (67%) or more of the votes cast by the Members present at a Duly Called Meeting of the Association determine otherwise. To the extent the

Taking involves Limited Common Property, and it is determined that the Limited Common Property is not to be restored or replaced, then the proceeds for such Taking shall be credited pro-rata against annual assessments due and payable by the Owners of those portions of the Property associated with the Limited Common Property taken. Except as otherwise provided, the provisions of this Article regarding insurance proceeds, reserve funds, and special assessments following damage or destruction to Improvements in or on the Common Property shall apply.

ARTICLE IX
USE OF THE PROPERTIES; PROTECTION OF COMMON PROPERTY

Section 1. Use of the Property. Except as otherwise allowed by this Declaration, no portion of the Property shall be used for other than residential purposes, recreational purposes, or substantially related purposes in accordance with the design and intent of the development and are permissible under applicable University, County, or City zoning ordinances or regulatory codes (such substantially related purposes include those uses applicable to Exempt Property as stated in Article I of this Declaration in the definition of Exempt Property). Notwithstanding the foregoing, (i) Declarant, Declarant's agent, or, subject to Declarant's approval, any Person who constructs improvements on a portion of the Property, may Maintain sales offices, model homes, and temporary construction or sales trailers or offices on any portion of the Property leased by Declarant to such Person for the purpose of conducting business related to the development, improvement, or sale of any portion of the Property or the construction of Improvements thereon. All such sales offices, model homes, and temporary construction or sales trailers or offices must be specifically approved by Declarant and must comply with all applicable Legal Requirements; (ii) Persons may Maintain Improvements on the Property as required or allowed under this Declaration; and (iii) Declarant and any Person authorized by Declarant may conduct such business activities on any portion of the Property as may be necessary in connection with the development and/or sales or marketing of any part or all of the Property.

Section 2. Damage to the Common Property. Each Owner shall be liable to the Association for any damage to the Common Property caused by the negligence or willful acts or omissions of the Owner or such Owner's family members, agents, contractors, lessees, guests, or contract purchasers.

Section 3. Legal Requirements. Nothing herein contained shall be deemed to constitute a waiver of any Legal Requirement applicable to any portion of the Property, and all applicable Legal Requirements relative to the construction of improvements on and/or use and utilization of, any portion of the Property shall be complied with by the Owners and occupants of such portions of the Property. In any instance in which the provisions of this Declaration impose a more restrictive requirement than the applicable Legal Requirements, the provisions of this Declaration shall be complied with in addition to the applicable Legal Requirements.

Section 4. New Construction. Except as otherwise provided in this Declaration, only new construction shall be permitted on the Property, it being the intent of this Section to prohibit the placement of any existing building or structure on any portion of the Property. The foregoing shall not be construed as prohibiting remodeling of or construction of additions to existing Dwelling Units or any other buildings and/or other Improvements that previously have been constructed in compliance with this Declaration. Any construction shall be in accordance with the most recent Architectural Guidelines in place at the time of such construction.

(a) The following guidelines, in addition to any Architectural Guidelines, shall be applicable throughout North Shore:

- (i) Maximum Height.
 - (A) No townhome Dwelling Unit shall exceed four stories above ground level.
 - (B) No building containing condominium Attached Dwelling Units shall exceed six stories above ground level.
 - (C) No building containing Attached Dwelling Units other than condominium Attached Dwelling Units shall exceed four stories above ground level.
- (ii) Roof Slope. The minimum roof slope over any Attached Dwelling Unit building other than a condominium building shall be at least 5 over 12.
- (iii) Floor Area. The total heated floor area of the main Dwelling Unit on each Lot, exclusive of porches, terraces, patios, garages, basements, attics, and outbuildings, shall contain not less than the minimum square foot area as follows:

Signature townhome	1,400 SF
Townhome	1,000 SF
Condominium	500 SF

- (iv) Setbacks. The following widths and setbacks shall apply to the referenced Lots as organized by width:
 - **Lots, One, Two-Story, or Three-Story**

Minimum Lot Separation	15 Feet
Minimum Front Setback	5 Feet
Minimum Side Yard Setback	3 Feet
Minimum Rear Yard Setback	5 Feet

If an existing Dwelling Unit is demolished and rebuilt, the replacement Dwelling Unit shall be substantially similar to that of the surrounding Dwelling Units in terms of size and quality, regardless of whether or not the above minimum floor areas are less than those of the surrounding Dwelling Units. Notwithstanding anything to the contrary in this Declaration and without limiting Declarant’s rights to amend this Declaration elsewhere in this Declaration, during the Declarant Control Period, Declarant shall have the sole right to amend this Article IX, Section 4 without the consent of any Owner, except a Builder which owns a portion of the Property affected by such amendment.

Section 5. Rules and Regulations of the Association. All Owners (and such Owner’s family members, agents, contractors, lessees, guests, and contract purchasers) of all portions of the Property shall abide by all rules and regulations for the Common Property adopted by the Association. The Board shall have the power to enforce compliance with such rules and regulations by all appropriate legal and equitable remedies, and an Owner determined by judicial action to have violated any rules and regulations shall be liable to the Association and/or Declarant for all damages, including costs incurred in seeking and enforcing applicable legal remedies, including reasonable attorney fees.

Section 6. Temporary Structures Prohibited for Dwelling Use. No temporary structure, including a construction trailer, sales trailer, partially completed Dwelling, tent, or other temporary structure, shall be used on any portion of the Property at any time as a Dwelling.

Section 7. Wetlands and Riparian Areas. Portions of the Property may be determined to meet the requirements for designation as a regulatory wetland or riparian area. Notwithstanding anything to the contrary herein or in any restrictive covenants applicable to such portions of the Property, any subsequent fill or alteration of any portion of the Property that has been determined to be a regulatory wetland or riparian area under applicable laws of the United States or the State shall conform to the requirements of applicable wetland or riparian area rules adopted by the United States or the State and in force at the time of the proposed alteration. The intent of this paragraph is to prevent additional wetland or riparian area fill, so the Owner of such portion of the Property should not assume a future application for fill or alteration of a wetland or riparian area will be approved. The provisions of this paragraph are intended to ensure continued compliance with wetland and riparian area rules adopted by the United States or the State, and this covenant may be enforced by the United States or the State. The provisions of this paragraph shall run with title to the Property and be binding on all Owners of any part or all of the Property and all persons claiming under them.

Section 8. Animals. No animals of any kind (including livestock, reptiles, or poultry) shall be kept or Maintained on any portion of the Property or in any Dwelling, except dogs, cats, or other household pets may be kept or Maintained, provided, they are not kept or Maintained for breeding or other commercial purposes, they do not create a nuisance (in the judgment of the Board) by number of animals, noise, odor, damage, or destruction of property, animal waste, or any other reason, and they are kept and Maintained in compliance with all applicable Legal Requirements and such rules and regulations as the University or Board may adopt from time to time, which rules and regulations may include requirements that all such animals be kept on a leash whenever they are anywhere on the Property other than on the Owner's portions of the Property. All such animals shall at all times be kept off of the Recreation Facility. The Owner responsible for an animal being on the Property shall promptly clean up or remove from the Property all solid bodily wastes from that animal. Notwithstanding the foregoing, in no event shall more than one (1) dog or two (2) cats be regularly kept on any Lot or in any Dwelling Unit.

Each Owner who keeps or Maintains any animal upon any portion of the Property (a) shall keep each animal from becoming a nuisance to other Owners on the Property (including preventing aggressive behavior, minimizing noise caused by the animal, and not permitting the animal to roam about the Property unattended) and (b) shall be deemed to have indemnified and agreed to hold harmless the University, the Association, all other Owners, and Declarant from and against any loss, claim for damages to person or property, cause of action, or liability of any kind, including all costs of defending against such claims (including reasonable attorney fees) arising out of or resulting from keeping or Maintenance of the animal on the Property, including any actions of the animal. An easement over and upon the Property hereby is reserved for the University, County, or City, as applicable, to exercise and enforce all applicable Legal Requirements relating to animal control.

Section 9. Antennas and Other Attachments. No permanent attachments of any kind or character whatsoever (including television and radio antennas and satellite dishes or other device for reception of television or radio signals) shall be attached to the roof or exterior walls of any Dwelling or other building on any portion of the Property or located on any portion of the Property outside of any Dwelling or other building, unless such attachments first shall have been submitted to and approved by the Architectural Review Board. Generally, exterior antennas, satellite dishes greater than one meter (39 inches) in diameter or located in or on the front of a Dwelling or other building will not be allowed on the Property. The Association shall not prevent access to telecommunication services in violation of any applicable Legal Requirement. Further (i) an Owner may install an antenna permitted by any applicable

architectural guideline upon prior written notice to the Architectural Review Board; (ii) the Architectural Review Board may approve other antennas in appropriate circumstances; and (iii) the Architectural Review Board may establish additional Guidelines as technology changes or as the applicable Legal Requirement changes. The Board may install and Maintain antennas, satellite dishes, or similar equipment in or on the Common Property to serve the Property. No outdoor clotheslines shall be allowed on any portion of the Property. Failure to comply with this Section 9 may result in the removal of all non-compliant attachments and the cost of such removal assessed to the property Owner or against the Owner's property until paid, along with any other fines or assessments allowed for such violations.

Section 10. Boats, Trailers, Miscellaneous. No motorboat, houseboat, other similar water-borne vehicle, airplane, travel trailer, other trailer, recreational vehicle ("RV"), or "camper" vehicle shall be Maintained, stored, or kept on any portion of the Property, except in (i) enclosed garages where such property is kept from public view from the fronting road or street or (ii) storage areas whose size, location and screening materials are approved by the Architectural Review Board.

Section 11. Fences, Walls and Hedges. Except as specifically approved in writing by the Architectural Review Board, no fence, wall, or hedge shall be Maintained on any portion of the Property nearer to any street adjoining the front of such portion of the Property than the rear or back corner of the Dwelling Unit or other main building thereon and shall not exceed four (4) feet in height, unless otherwise specifically required by applicable Legal Requirements. The location of fences, walls, and hedges shall be reviewed and considered on a case-by-case basis by the Architectural Review Board. Walls (including retaining walls) and fencing should reflect the architecture of the residence. All fences and walls on the Property shall be Maintained at all times in a structurally sound and attractive manner and in a good state of repair; all hedges shall be routinely pruned keeping them compact and neat. All fences, walls, and hedges on the Property shall be of materials and/or plants approved by the Architectural Review Board, and no fence, wall, or hedge shall be Maintained on any portion of the Property until the Owner thereof has obtained written approval therefor from the Architectural Review Board. The foregoing shall not be construed to prohibit or require prior Architectural Review Board approval for any "silt" fencing or other soil erosion control fencing necessary under applicable Legal Requirements in connection with the construction of Improvements on the Property. Also Declarant or the Association may install and Maintain such decorative or other fencing, walls, and hedges as Declarant or the Association deems appropriate on any landscaped Right of way, Landscape Easement, Sign Easement, or Common Property without obtaining the prior approval of the Architectural Review Board and free of the foregoing restrictions. In no event shall any chain-link fencing be permitted on the Property, except as set forth in Section 31 below. No double fencing shall be allowed. Failure to comply with this Section may result in the removal of any such installed fencing that is or continues to be in violation of this Section. The cost of removing non-compliant fencing shall be assessed to the Owner or against the Owner's property until paid, along with any other fines or fees that may be levied for such violation.

Section 12. Harmful Discharges. There shall be no emissions of dust, sweepings, dirt, cinders, odors, gases, or other substances from any portion of the Property into the atmosphere (other than normal, residential chimney, or outdoor grill emissions), and there shall be no production, storage, or discharge of hazardous wastes from or on any portion of the Property, and there shall be no discharges of liquid or solid wastes or other harmful matter into the ground, sewer, or any body of water within the Property, if such emission, production, storage or discharge may adversely affect the use or Intended Use of any portion of the Property, or may adversely affect the health, safety or comfort of the occupants of the Property; provided, the foregoing prohibitions shall not prevent or interfere with the reasonable development or Maintenance of any portion of the Property by Declarant or any other Owner thereof in accordance with applicable Legal Requirements. Failure to comply with this Section may result in costs being assessed to the Owner or against the Owner's property by the Board to remedy the non-compliance, along with any other fines and assessments that may be levied due to such non-compliance.

Section 13. Hunting; Discharge of Firearms. Hunting and trapping of wild animals, fowl and game and the discharge of firearms and/or bows and arrows within the Property is prohibited, unless required for public safety as determined by Declarant or the Board.

Section 14. Landscaping; Utility Lines. Landscaping shall be conducted in accordance with the most recent version of the Architectural Guidelines in place at the time of commencing such work. No fence, wall, tree, hedge, or shrub planting that obstructs sight lines for vehicular traffic in public or private streets or driveways in the Property shall be placed or permitted to remain on any portion of the Property. Pavement, plantings, and other landscape and decorative materials shall not be placed or permitted to remain on any portion of the Property: (i) if such materials may damage or interfere with any easement for the installation or Maintenance of utilities; (ii) in violation of the requirements of such easements; (iii) unless in conformity with applicable standards of the public utility provider; or (iv) if such materials may unreasonably change, obstruct, or retard the direction or flow of any stormwater drainage channels. Otherwise, an Owner may install and Maintain the foregoing materials within utility easements located on such Owner's portion of the Property, but such Owner assumes the risk of loss from the lawful exercise of rights in and to the easement in which such materials are located. Except for hoses, temporary lines, and other equipment reasonably necessary in connection with construction or Maintenance activities or normal landscape or yard Maintenance, no water pipe, sewer pipe, gas pipe, stormwater drainage pipe, television or telephone cable, electric line, or other, similar transmission line shall be installed or Maintained above the surface of the ground on any portion of the Property. Failure to comply with this Section may result in the removal of all such non-compliant landscaping and the cost associated therewith assessed to the Owner or against the Owner's property until paid, along with any other fines and assessments for such violation.

Section 15. Lighting. No exterior lighting on any portion of the Property shall be directed outside the boundaries of such portions of the Property, except for required street and parking lot lighting and as otherwise approved by the Architectural Review Board. Floodlights directed toward a Dwelling or other building shall be permitted when used in a reasonable manner, and, in the case of a Dwelling, when such use does not disturb the reasonable use and enjoyment of such Dwelling Owner. Architectural Review Board approval is not required for exterior lighting if Lighting is installed in accordance with the following requirements: Exterior lights shall be conservative in design and as small in size as is reasonably practical. Exterior lighting shall be directed toward the Dwelling and be of low wattage (limited to 2,000 lumens) to minimize glare sources to neighbors and other homeowners. Lighting for walkways must be directed toward the ground. Lighting fixtures shall be dark colored so as to be less obtrusive. Low voltage (12 volts) lighting is preferable to conventional house-voltage systems because of its safety advantages. Any deviation from the aforementioned requirements or use of high-wattage, spotlights, floodlights, or ballasted fixtures (sodium, mercury, multi-vapor, fluorescent, metal halide, etc.) requires Architectural Review Board approval. The Architectural Review Board may take into consideration the visibility and style of the fixture and on the Dwelling. Light fixtures must complement the architectural style of homes of North Shore and the specific home and landscaping. Lighting of walls can be achieved by use of eave or ground recessed fixtures. Landscape lighting should be concealed when possible by ground recessing or placing in shrub beds. Colored lights are prohibited, except as temporary holiday decorations. Post-mounted light fixtures will be considered on an individual basis. Spillover of light on to neighboring property should be avoided and lights should be shielded when necessary. Failure to comply with this Section may result in the removal of all such non-compliant lighting and the cost thereof assessed to the Owner or against the Owner's property until paid, along with any other fines and assessments for such violation.

Section 16. Mailboxes and Newspaper Tubes. All mailboxes, unless affixed to a Dwelling Unit or other building (which may occur only if approved by the Architectural Review Board), or unless located in a central or shared location for use by residents of Attached Dwelling Units as approved by the

Architectural Review Board, shall be affixed to a substantial pole or stand permanently placed in the ground and shall not be located within a sidewalk. Newspaper tubes shall conform to the Architectural Guidelines, if any. Architectural Guidelines with respect to mailboxes and newspaper tubes may require, prohibit, restrict, or specify one or more of the following: method and type of support; style; material; color; size; height; and one or more of the foregoing with respect to the numbering and/or lettering to be placed on a mailbox or newspaper tube, or affixed thereto. There may be different mailbox and newspaper tube requirements for the various phases or sections within the Property.

Section 17. Driveways; Motorized Vehicles; On-Street Parking. Gravel driveways are prohibited throughout the development. In addition, asphalt driveways are prohibited for the residential areas of the development. All motorized vehicles operating within the Property, including automobiles, motorcycles, trucks, and golf carts, must have proper and adequate mufflers. Each Owner shall provide for adequate parking space on such Owner's portion of the Property (or adequate parking space shall be provided on Common Property, if applicable) for all motorized vehicles and bicycles regularly used in connection with such portion of the Property. No vehicles of any kind or any other apparatus designed for movement over and upon streets or highways (whether self-propelled or not) shall be parked in the Common Property (except in areas, if any, designated from time to time for parking by Declarant during the Declarant Control Period and thereafter, by the Board), nor shall any such vehicle or apparatus owned by or under the control of an Owner or such Owner's family members, agents, contractors, lessees, or contract purchasers be regularly parked or parked overnight on the publicly dedicated streets within or adjoining the Property. Commercial vehicles and flat-bed trailers owned by or under the control of any Owner or such Owner's family members, agents, contractors, lessees or contract purchasers shall not be parked overnight within the Property, with the following exception: unless prohibited by applicable Legal Requirements, with Declarant's permission (during the Declarant Control Period, and thereafter, with the permission of the Board) vehicles used in connection with the construction of Improvements within the Property or on Declarant's Additional Property may park overnight in such areas. The foregoing restriction on trucks and trailers is not applicable to private, non-commercial trucks, vans, mini-vans and sport utility vehicles. In addition to and supplemental to the foregoing, except as prohibited by applicable Legal Requirements, the Declarant or the University may promulgate and enforce rules and regulations relating to parking by Owners and Owners' family members, agents, contractors, lessees, or contract purchasers within the Property.

Section 18. Noise. No Person shall cause any unreasonably loud noise, except for security devices used in the manner intended therefor, anywhere on the Property, nor shall any Person permit or engage in any activity, practice, or behavior resulting in significant and unjustified annoyance, discomfort, or disturbance to any Person lawfully present on any portion of the Property. The prohibition against noises contained in this Section shall not preclude or limit activities on any Common Property or Recreation Facility when such activities are conducted in accordance with any applicable rules and regulations of the Association, including social events, swim meets, or tennis exhibitions or matches. The foregoing prohibitions shall not prevent or interfere with the reasonable development or Maintenance of any portion of the Property by Declarant or any other Owner thereof in accordance with applicable Legal Requirements.

Section 19. Nuisance and Other Matters. No noxious or offensive activity shall be conducted upon any portion of the Property, nor shall anything be done thereon that may be or may become an annoyance or nuisance to any portion or all of the Property. The usual, customary, or reasonable use and Maintenance of any Recreation Facility located within the Property shall not constitute a nuisance. The operation and use of any Common Property or any Recreation Facility in accordance with any applicable rules and regulations of the Association, including social events, shall not constitute a nuisance. The development of the Property by Declarant and others, and the usual, customary, or

reasonable construction and Maintenance of Dwellings and other Improvements on the Property shall not constitute a nuisance.

No trade materials or inventories (other than materials used for construction of Dwellings or other approved buildings or other Improvements) shall be stored upon any portion of the Property, and no tractors, inoperable and/or untagged motor vehicles, rubbish, trash, or unsightly materials of any kind shall be stored, regularly placed, or allowed to remain on any portion of the Property, unless adequately screened as approved by the Architectural Review Board, except that trash, leaves, tree limbs, materials for recycling pick-up, and similar items may be kept or placed temporarily and only for such time as is reasonably necessary to enable the University, County, City, or appropriate private entity to remove such materials; provided, as approved by Declarant during the Declarant Control Period (and thereafter, by the Board), trucks and/or other construction vehicles, materials, and equipment may be allowed to remain on the Property temporarily during construction of roads, utilities, the Recreation Facility and other Improvements on the Property, and such vehicles, materials and equipment also may be allowed to remain on the Property during construction or Maintenance on the Property of Dwellings and/or other Improvements that have been approved by the Architectural Review Board. Notwithstanding the foregoing, no vehicle of any type or size that transports inflammatory or explosive cargo or stores or transports materials or substances defined as hazardous or toxic by any applicable Legal Requirements shall be kept or stored or allowed to remain in or on the Property at any time, except as may be required to effectuate transportation or removal of such prohibited materials and substances through or from the Property, or, with respect to explosive materials, as may be reasonably required in connection with the construction or installation of streets and utilities in the Property, or as may be allowed by Declarant (during the Declarant Control Period, and thereafter, by the Board) when reasonably required for the construction of other Improvements within the Properties.

Section 20. Obstructions. There shall be no obstruction of the Common Property or Easements, nor shall anything be kept stored, altered, constructed, or planted in or on the Common Property or removed (except as necessary to prevent injury to person or property) therefrom, without the prior consent of Declarant during the Declarant Control Period and, thereafter, the Board, unless in the exercise of any valid easement over any portion of the Common Property. Subject to applicable Legal Requirements, the Association, Declarant, and Builders (with Declarant's consent during the Declarant Control Period and thereafter, with the consent of the Board) shall have the right to Maintain signs on the Common Property and to Maintain in the Common Property such materials, equipment, and other apparatus as may be reasonably necessary to enable the Association to perform its functions and provide the services under this Declaration or to enable Declarant or Builders to develop, market, and sell any part of the Property. The Association, Declarant, and each Builder who uses the Common Property for any of the foregoing purposes, after completing such use, shall promptly repair all damage to the Common Property resulting therefrom and restore the Common Property to substantially the same condition it was in prior to such use. The rights of use and enjoyment of the Common Property conferred upon Owners by this Declaration do not include the right to interfere with Declarant's or the Association's use or Maintenance of the Common Property.

Section 21. Prohibition on Use for Streets. Unless required by applicable Legal Requirements, without the express written consent of Declarant, no part of any Development Parcel, Lot, or Undeveloped Land may be used, established or dedicated as a public street right of way or a private street right of way or driveway if one of the purposes or results thereof is to provide pedestrian or vehicular access to any property that is not part of the Property.

Section 22. Restricted Actions by Owners. No Owner shall do or permit anything to be done or kept within the Property or on the Common Property that would result in the cancellation of or increase in the cost of any insurance carried by the Association or that would be in violation of any Legal

Requirement, this Declaration, or any applicable Supplemental Declaration or Sub-Declaration or any rule or regulation established by the Association. No waste shall be committed on the Common Property, except as may be necessary to enable Declarant, the Association, or other Person to exercise any rights reserved to them hereunder, or except as may be necessary to enable the Association to perform its functions and provide services under this Declaration or as may be reasonably necessary in connection with the exercise by the University, County, or City, as applicable, or any Person of an easement over, under or through the Common Property. Each Owner shall comply with all Legal Requirements applicable to any part or all of the Property, including applicable zoning ordinances and building codes.

Section 23. Sewer Systems. No private sewage system shall be used in connection with any portion of the Property.

Section 24. Signs. No sign of any kind shall be displayed to the public view on any portion of the Property, except for signs approved by Declarant (during the Declarant Control Period, and thereafter, by the Board or Architectural Review Board) and are for one or more of the following purposes: (i) advertising a portion of the Property for sale or rent; (ii) advertising the building contractor constructing Improvements on a portion of the Property during the initial construction and sales period; (iii) advertising the financing sources (banks or otherwise) that provided funding for the development of the Property; (iv) identifying the sales office and/or model home of the Owner of a Development Parcel, Lot, or Undeveloped Land; (v) identifying the name of the phase or section of the Property or the number or street address of any portion of the Property; (vi) identifying any portion of the Common Property; (vii) signs required by the University, County, or City, whether or not approved by Declarant; (viii) one political sign no larger than two feet by three feet (2' x 3') per Lot for an upcoming election, which may not be installed or displayed more than thirty (30) days prior to the date of election and which must be removed within five (5) days after the election; and (ix) any other purpose approved by Declarant (or by the Association, following the end of the Declarant Control Period); provided, the foregoing limitations shall not restrict or prohibit Declarant (or, at the appropriate time, the Association), the University, County, or City from Maintaining on any portion of the Property signs describing the identity, location, or "for sale" character of the Property or portions thereof or signs identifying various phases or sections of the Property or Declarant Additional Property, or regulatory, street, and directional signs. All signs Maintained on any portion of the Property must comply with all applicable Legal Requirements.

All signs, unless it is otherwise determined to be appropriate by Declarant, in its sole and absolute discretion, shall be fabricated and installed by Declarant's approved sign contractor. See the applicable sections of the Architectural Guidelines for signage design standards.

Section 25. Soil Erosion Control. During all periods of construction on any portion of the Property, the Builder-Owner thereof shall Maintain proper and adequate soil erosion control to protect the Property, including all lakes, ponds, and streams thereon, from accumulated silt, debris, and soil erosion, and such Builders shall be liable for damages caused by or resulting from any failure to Maintain such proper and adequate soil erosion control. Disturbances of any lake, pond, or stream buffer areas are expressly prohibited.

Section 26. Residential Garages. All Attached Dwelling Units, if providing a garage, must provide garages that are fully enclosed, with fully closeable garage door, attached to the Dwellings, unless otherwise approved by the Architectural Review Board. Garages shall be finished on the inside.

Section 27. Tree Cutting. No live trees with a diameter in excess of six (6) inches (a circumference of 18.75 inches), measured twelve (12) inches above the ground, nor "flowering trees" (such as dogwood or redbud) or broad leaf evergreens (such as holly, laurel or rhododendron) trees in excess of two (2) inches in diameter (a circumference of 6.25 inches), similarly measured, and no live

vegetation on slopes of greater than twenty percent (20%) gradient or marked “no cut” areas on architectural plans approved by the Architectural Review Board, may be cut without the prior written approval of the Architectural Review Board, unless necessary to construct Improvements based on Plans approved by the Architectural Review Board or as reasonably required to prevent injury to Persons or property. Further, no trees located within Common Area may be cut, trimmed, or removed without the prior approval of the Board (or Architectural Review Board, as delegated by the Board). The Board (or Architectural Review Board, as delegated by the Board) may adopt rules and regulations for cutting of trees to allow for selective clearing or cutting. In no event shall live trees be cut or removed in violation of any applicable Legal Requirements. Failure to comply with this Section may result in the Board replanting any trees that were cut in violation of this Section and assessing the cost of such replanting to the Owner or against the Owner’s property until paid.

Section 28. Utility Yards. Utility yards shall be established for Lots and Development Parcels as required by the Architectural Review Board in connection with its approval of the Plans for Improvements thereon. A “utility yard” is an area within which one or more of the following is located: pens, yards, and houses for pets; above-ground garbage and trash cans or receptacles, above-ground and exterior air-conditioning, heating, and other mechanical equipment, meters, transformers, and other utility equipment; and all other buildings, structures and objects determined by the Architectural Review Board to be of a similar nature to the foregoing items or determined by the Architectural Review Board to be of an unsightly nature or appearance. Each utility yard shall be walled or fenced or otherwise screened from view as required by the Architectural Review Board. This Section shall not prohibit location of trash cans, meters, transformers, or other equipment in such places outside of utility yards as required by the University or City or applicable public utility provider, as long as such items are screened from view as required by the Architectural Review Board. Also this Section shall not prohibit utility yards that serve more than one Dwelling Unit, it being specifically contemplated by this Declaration that, generally, Attached Dwelling Units will not have their own, separate utility yards, but will share utility yards with other Attached Dwelling Units, as the case may be.

Section 29. Water Systems. No private water system shall be used in connection with any portion of the Property.

Section 30. Hot Tubs and Saunas. Hot tubs, Jacuzzis, saunas, and spas are expressly prohibited on the exterior of any Unit.

Section 31. Pools & Tennis Courts. Below and above-ground pools and tennis courts of any and all types are prohibited on the Property, except at the Recreation Facilities.

Section 32. Ornaments and Statues. Lawn ornaments, statuary, outdoor sculpture must be submitted for Architectural Review Board approval in advance of installation and are prohibited in front and side yard areas, unless concealed within a privacy wall. Approved ornaments installed in rear yard areas or behind privacy wall must be placed so as to not be visible from adjacent lots.

Section 33. Patios and Decks. Patios, decks, deck railings, and deck supports shall be substantial in appearance and reflect the style and architectural detail of the Dwelling or building. Decks and patios shall be constructed of materials generally acceptable as complementary to the Dwelling or building. Decks and patios shall be designed and installed as an integral part of the Dwelling or patio area and immediately contiguous thereto. Any such decks or balconies must be located so as not to obstruct or diminish the view of or create an unreasonable level of noise for adjacent property owners. Construction shall not occur over easements, unless specifically approved by the utility company having jurisdiction and must comply with Legal Requirements. Any such improvements not meeting the above requirements shall require the review and approval by the Architectural Review Board.

Section 34. Exterior Wires, Cables & Pipes. No exposed exterior wires, cables, or pipes of any kind are permitted.

Section 35. Fountains. Architectural Review Board approval is required for all fountains. Fountains shall not be allowed in any front yard of any residential area of the Property.

Section 36. Exception for Declarant. Notwithstanding any other provision of this Declaration or any other Governing Documents, during the Declarant Control Period the restrictions contained in this Article and the rules or regulations of the Association with respect to matters addressed in this Article (i) shall not prohibit or restrict Declarant from developing any infrastructure (for example, water lines, sanitary sewer lines, streets, street lights, or sidewalks) in the Property or Declarant Additional Property; and (ii) shall not prohibit or restrict Declarant (or any Builder with Declarant's consent) from marketing or selling any part or all of the Property or Declarant Additional Property. Notwithstanding the foregoing exemptions, Declarant and all Builders shall at all times be subject to the provisions of Section 25 of this Article.

**ARTICLE X
ARCHITECTURAL APPROVAL**

Section 1. Architectural Review Board – Jurisdiction and Purpose. With respect to all portions of the Property, except for ordinary repairs and routine Maintenance, and excluding areas within a Dwelling or other building visible from the exterior only because of transparency of glass doors, walls, or windows, no site preparation, no change in grade or slope, no construction of any Lot, Dwelling, or other building or Improvement, and no exterior additions or alterations to any Dwelling or other building, or Improvement, shall be commenced, placed, altered or allowed to remain thereon until the Architectural Review Board has approved in writing the Plans therefor. The Architectural Review Board is established to assure the Property and Improvements thereon are constructed and Maintained in a manner that provides for harmony of external design and location in relation to any surrounding Improvements, natural features, and topography that avoids Improvements deleterious to the aesthetic or property values of the Property and promotes the general welfare and safety of the Owners. Notwithstanding anything to the contrary expressed or implied herein, all Improvements constructed or Maintained by Declarant or the Association or by builders that are designated as Approved Builders, along with all portions of the Property owned by Declarant and all Common Property, are specifically excluded from the requirements of this Article.

Section 2. Composition. During the Declarant Control Period, Declarant has the sole and continuing right to appoint, remove, and replace any or all of the members of the Architectural Review Board. Following the end of the Declarant Control Period, the Board has the sole and continuing right to appoint, remove, and replace any or all of the members of the Architectural Review Board; provided, Declarant shall always be entitled to be voting member of the Architectural Review Board. The Architectural Review Board shall consist of not less than three (3) or more than seven (7) individuals (inclusive of Declarant's seat after the expiration of the Declarant Control Period), each of whom generally is familiar with residential development design matters. In addition to the foregoing, at any time and from time to time, Declarant may assign to the Board its right to appoint, remove, or replace members of the Architectural Review Board, but the Board shall not assign its right to appoint, remove, or replace such members.

During the Declarant Control Period, Declarant (and thereafter, the Board), in its sole discretion, may at any time and from time to time appoint two separate Architectural Review Boards, one for the purpose of reviewing Plans for initial Improvements and the other to review Plans for subsequent new Improvements and alterations or additions to existing Improvements, the specific division of authority between such

Architectural Review Boards to be as specified by Declarant (during the Declarant Control Period and thereafter by the Board). Each such Architectural Review Board separately shall be subject to and shall comply with the provisions of this Declaration applicable to the Architectural Review Board, including the appointment, removal, and replacement of its members and the review of Plans by the Architectural Review Board.

Section 3. Procedure.

(a) Unless otherwise permitted by applicable Architectural Guidelines, not less than thirty (30) days prior to the commencement of any construction, alteration, addition, or placement of any Improvement requiring approval by the Architectural Review Board (which time period may be waived, in the sole discretion of the Architectural Review Board), Plans for the proposed Improvement shall be submitted to the Architectural Review Board in such format and in such numbers or sets (not to exceed three) as the Architectural Review Board may require. Complete Plans shall be submitted by or on behalf of the Owner of the portion of the Property subject to the request for approval. The Architectural Review Board shall have the right to refuse to approve any Plans for Improvements not in its sole discretion suitable or desirable for the Property, including purely aesthetic reasons. The failure of the Architectural Review Board to act to approve, conditionally approve, or disapprove any plans and specifications or other submittals that conforms (and relate to the Improvements that will conform) with the requirements of this Section or to reject them as being inadequate or unacceptable within 30 days after receipt thereof shall be conclusively deemed an approval of such plans and specifications and other submittals by the Architectural Review Board. Notwithstanding the foregoing, the Architecture Approval Committee has no right or power either by action or failure to act, to waive or grant any variances relating to any mandatory requirements specified herein, except when variances shall be expressly permitted herein. If plans and specifications or other submittals are not sufficiently complete or are otherwise inadequate, the Architectural Review Board may reject them as being inadequate or may approve or disapprove in part, conditionally, or unconditionally, and reject the balance. Decisions of the Architectural Review Board shall be by a simple majority vote of its members present at a meeting thereof (or by written consent of a simple majority of all the members of the Architectural Review Board); provided, Declarant shall have the right to veto any decision of the Architectural Review Board inconsistent with the rules, regulations, or policies of Centennial Campus or the University, which veto may not be overridden by the Committee or Board. The written response of the Architectural Review Board may be an approval, a denial of approval, a conditional approval, or a request for additional information. A request for additional information shall be deemed a determination the information submitted was incomplete or inadequate, and the thirty (30) day time period for further Architectural Review Board response shall commence only upon receipt of all of the requested additional information. If conditional approval is granted and construction, alteration, addition, or placement of the Improvement thereafter commences, the conditions shall be deemed accepted by the applicant Owner, and the conditions imposed shall become fully a part of the approved Plans. Any modification or change in the Plans submitted to and approved by the Architectural Review Board must first be submitted to the Architectural Review Board for its inspection and approval in accordance with the foregoing requirements or such other procedures as adopted by the Architectural Review Board. If the Plans are approved, or Conditional approval is given, the Architectural Review Board shall retain at least one set of Plans, and at least one set of Plans shall be returned to the applicant Owner. The Architectural Review Board shall keep such other records of its activities as it is instructed to keep by either Declarant or the Board, whichever is applicable. Notwithstanding anything to the contrary herein, all architectural approvals with respect to any portion of the Property given by Declarant prior to the recordation of this Declaration shall not be affected by this Declaration.

(b) During the Declarant Control Period Declarant (and, thereafter, the Board) may from time to time adopt procedures for conducting the architectural reviews (including meetings of the Architectural Review Board) and other duties of the Architectural Review Board, provided such procedures do not conflict with the specific requirements of this Declaration. Such procedures may include reasonable fees for processing requests for approval and the right of the Architectural Review Board, in its sole discretion, to procure the services of an architect or other consultant to assist the Architectural Review Board in its review of any Plans, the costs of which shall be the responsibility of the applicant Owner and shall be in addition to any fees due for processing the request for approval. Processing fees shall be payable to the Association at the time the Plans are submitted to the Architectural Review Board, and the charges of the architect or other consultant shall be due and payable immediately to the Association upon its receipt of an invoice therefor. Before incurring any architect or other consultant charges, the Architectural Review Board shall inform the applicant Owner and afford such Owner a reasonable opportunity either to agree to pay such charges or to withdraw the request for approval. The payment of such fees and costs, as well as other expenses of the Architectural Review Board required to be paid, shall be deemed to be an individual assessment, enforceable against the applicant Owner in the same manner provided herein for enforcement of annual assessments. The Architectural Review Board, at any time and from time to time, subject to approval by Declarant or the Board (whichever is applicable), may establish Architectural Guidelines for one or more types of Improvements to be constructed, altered, added, or placed on any portion of the Property, which Guidelines shall be fair and reasonable, and shall carry forward the spirit and intention of this Declaration. With respect to Improvements other than initial construction, the Architectural Guidelines may, but shall not be required to, allow Owners to construct, alter, add, or place Improvements on the Property without submitting Plans therefor to the Architectural Review Board and going through the formal approval process provided for herein. Although the Architectural Review Board shall not have unbridled discretion with respect to taste, design, and the standards specified herein or in such Guidelines, the Architectural Review Board shall have broad discretion in considering and approving technological advances or general changes in architectural designs and materials in future years and shall use its best efforts to balance the equities between matters of taste and design and the use of private property. Subject to the specific terms of this Declaration, different Architectural Guidelines may be promulgated and applied to different phases or sections within the Property. Such Guidelines shall supplement, but not supersede, the provisions of this Declaration and may be more (but not less) restrictive than the specific provisions of this Declaration. If there is a conflict between any such guideline and the specific provisions of this Declaration, any Supplemental Declaration, or any Sub-Declaration applicable to any phase or section in the Property, the provisions of this Declaration, such Supplemental Declaration or Sub-Declaration shall control.

(c) Approval by any Architectural Review Board of any Plans shall not relieve the applicant Owner from any obligation to obtain all required University, County, and City approvals and permits, and shall not relieve the applicant Owner of the obligation and responsibility to comply with all applicable Legal Requirements with respect to such Improvements.

(d) Approval of any particular Plans does not waive the right of the Architectural Review Board or Board to disapprove the Plans or substantially similar Plans subsequently submitted, nor does such approval relieve an Owner of the requirement to resubmit such Plans for approval in connection with a portion of the Property other than the portion for which the Plans specifically were approved.

(e) Once the Architectural Review Board gives approval, or approval is deemed to have been given by the Architectural Review Board as provided in this Declaration, such approval shall not

be revoked or withdrawn without the written consent of the Owner of the portion of the Property to which the approval applies.

(f) Regardless of the foregoing, during the Declarant Control Period Declarant shall have the authority, on behalf of the Architectural Review Board, to approve one or more sets of Plans for a Builder that will allow such Builder to place homes in conformance therewith ("model homes") on multiple Lots. Such Builder shall be responsible for requesting Architectural Review Board approval to place a certain model home on a particular Lot prior to commencing construction thereof.

Section 4. Appeal. With the exception of decisions rendered by an Architectural Review Board consisting solely of members appointed by Declarant or in which Declarant has vetoed a decision of the Committee, an applicant Owner who disagrees with the decision of the Architectural Review Board may appeal the decision to the Board by giving written notice of appeal within fifteen (15) days following receipt of notice of disapproval. The Board then shall review the Plans and any additional information requested by the Board and shall give the applicant Owner and the Architectural Review Board a reasonable opportunity, at one or more meetings of the Board, to present evidence and arguments as to why the decision should be affirmed or overruled. Following the last such meeting the Board, by majority vote, either shall affirm or overrule, in whole or in part, the decision of the Architectural Review Board and shall notify the Architectural Review Board and the applicant Owner of its decision within twenty (20) days following its decision.

Section 5. Completion of Construction. Initial construction of Attached Dwelling Units shall be completed no later than eighteen (18) months immediately after construction is commenced, or by such later date as specified in the approval from the Architectural Review Board. Initial construction of all other buildings not previously specified shall be completed no later than thirty (30) months immediately after construction is commenced, or by such later date as specified in the approval from the Architectural Review Board. For the purposes of this paragraph, construction is "commenced" when a building permit for the construction has been issued by the City, and construction is "completed" when the City has issued a certificate of occupancy for the Dwelling Unit or building. The Architectural Review Board, in its sole discretion, may grant waivers or extensions of the foregoing time periods for completion of construction, and, when requested and upon reasonable evidence of the existence thereof, shall grant reasonable waivers or extensions for events of Force Majeure that delay or prevent a Person from completing construction within the foregoing time periods. For such purposes, events of "Force Majeure" are any one or more of the following: acts of God, earthquakes, blizzards, tornadoes, hurricanes, fire, flood, malicious mischief, insurrection, riots, strikes, lockouts, boycotts, picketing, labor disturbances, public enemy, war (declared or undeclared), landslides, explosions, epidemics, compliance with any order, ruling, injunction or decree by any court, tribunal or judicial authority of competent jurisdiction, inability to obtain materials or supplies after the exercise of all reasonable efforts, substantial interference in construction activities resulting from construction activities conducted simultaneously on adjacent lands by or under the direction of unrelated parties, and any other similar circumstances beyond the reasonable control of the Person responsible for such performance.

Section 6. Variances. Notwithstanding anything to the contrary in this Declaration and subject to the provisions of this Section and any applicable Supplemental Declaration or Sub-Declaration, during the Declarant Control Period Declarant (and thereafter, the Board) and the Architectural Review Board, when such authority has been conferred upon the Architectural Review Board by Declarant or the Board (whichever is applicable), may in its sole discretion grant one or more variances to any applicable building setback distances established by any applicable Supplemental Declaration or Sub-Declaration; provided, Declarant shall have the right to veto any variance in its sole discretion, which veto may not be overridden by the Committee or Board. All such variances shall be evidenced by a written certification, in

form suitable for recording in the Registry. When such variances are granted by the Architectural Review Board, the certification may be executed either by a majority of the members of the Architectural Review Board or by any two officers of the Association. When a variance is granted, the Owner of the affected portion of the Property shall remain responsible for complying with all applicable Legal Requirements, including building setback distances.

Section 7. Compensation. No member of the Architectural Review Board shall be compensated for service on the Architectural Review Board; however, the Association may reimburse members of the Architectural Review Board for reasonable out-of-pocket expenses incurred in performing such services.

Section 8. Limitation of Liability. Neither the Architectural Review Board or its members or any representative thereof, Declarant, the Association, nor any members, managers, officers, directors, employees or agents of Declarant or the Association shall be liable in damages or otherwise to any Owner by reason of (i) mistake of judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval of Plans or the failure to approve or disapprove any Plans, except when the foregoing results from gross negligence or willful misconduct; or (ii) for any failure of approved Plans, or construction of any Improvements in accordance with approved Plans, to comply with any applicable Legal Requirements, including zoning and building codes.

**ARTICLE XI
EASEMENTS**

Section 1. Easements Reserved by Declarant. Declarant, for itself and its successors and assigns (which may include the Association, the University, the County, City, the owner of any Recreation Facility, and public utility providers), reserves the following easements (these easements specifically include the right of access to and from the easement area, the right to Maintain equipment, structures, facilities, and impoundments therein, and the right to remove any obstruction within the easement area that, in Declarant's sole discretion, constitutes interference with the reasonable use of the easement or with the Maintenance of any equipment or structures or facilities or impoundments located therein), which may, without obligation, be exercised by Declarant in its sole discretion:

- (a) Perpetual, non-exclusive, and alienable easements for Maintenance of utilities (including electric, natural gas, telephone, and cable television and related appurtenances and equipment, including wires, poles, pipes, transformer boxes, and conduits), stormwater drainage equipment and facilities, and soil and water impoundments over, under, and across all of the following: (i) portions of the Property shown as utility easements, drainage easements, Sign Easements, or Landscape Easements on plats recorded in the Registry; (ii) the Common Property; and (iii) all Exempt Property and Development Parcels, in a ten (10) foot wide (or a width as required by the University, County, or City or as reasonably determined to be necessary by the respective utility providers) area parallel and adjacent to the boundary lines thereof, unless waived or released by Declarant and all the providers of utility services who then are utilizing the easement, unless waived or released by Declarant and all the providers of utility services who then are utilizing the easement. Neither the foregoing reservation of easement rights nor any similar reservation of easement rights contained in this Declaration shall create or impose any obligation upon Declarant, or its successors and assigns, to provide or Maintain any such utility, equipment, facility, structure, or impoundment of the provider of any utility services;
- (b) Perpetual, non-exclusive, and alienable easements and rights of ingress, egress, and regress over and across all private streets within the Property for access to and from other portions of the Property;

(c) Perpetual, non-exclusive, and alienable easements on all portions of the Property whose boundaries are Contiguous to a Landscape Easement, Sign Easement, or Landscaped Right of Way for (i) the reasonable over-spray of water from any irrigation system serving that Landscape Easement or Sign Easement or any watering of grass, flowers, trees, shrubs, and other plant materials therein and (ii) the reasonable incursion of Maintenance equipment and personnel who are Maintaining the Landscape Easement, Sign Easement or Landscaped Right of Way;

(d) The right to subject the Property to a contract with the appropriate utility provider for the installation of above-ground or underground electric cables and lines and/or the installation of street lighting; and

(e) In addition to the foregoing, and to implement effective and adequate stormwater management and soil erosion control, a perpetual, non-exclusive easement to enter upon any portion of the Property to Maintain or cause to be Maintained effective and adequate stormwater management and/or soil erosion control.

Declarant or any other Person who exercises any of the foregoing easements shall maintain the easement area in a reasonably well-maintained condition and shall restore any portion of the Property located outside of the easement area that is damaged by the exercise of the easement to substantially the same condition it was in prior to sustaining such damage.

Section 2. Easements Reserved for the Association. Easements are reserved for the Association as follows (these easements specifically include the right of access to and from the easement area, the right to Maintain equipment, structures, facilities, and impoundments therein, and the right to remove any obstruction within the easement area that, in the Association's sole discretion, constitutes interference with the reasonable use of the easement or with the Maintenance of any equipment or structures or facilities or impoundments located therein), which may, without obligation, be exercised by the Association in its sole discretion:

(a) A perpetual, non-exclusive, and alienable easement over and upon all portions of the Property to enable the Association to perform its functions and provide the services under this Declaration; provided, any such entry by the Association upon any portion of the Property shall be made with as minimum inconvenience to and interference with the Owner thereof as reasonably practicable. This easement does not include a right to enter any Dwelling or other building without the consent of an Owner of the portion of the Property on which such Dwelling or other building is located;

(b) Perpetual, non-exclusive, and alienable easements on all portions of the Property whose boundaries are Contiguous to a Landscape Easement, Sign Easement or Landscaped Right of Way for (i) the reasonable over-spray of water from any irrigation system serving that Landscape Easement or Sign Easement or any watering of the grass, flowers, trees, shrubs, and other plant materials therein and (ii) the reasonable incursion of Maintenance equipment and personnel who are Maintaining the Landscape Easement, Sign Easement, or Landscaped Right of Way; and

(c) In addition to the foregoing, and to implement effective and adequate stormwater management and soil erosion control, a perpetual, non-exclusive easement to enter upon any portion of the Property to Maintain or cause to be Maintained effective and adequate stormwater management and/or soil erosion control; provided, no exercise of this easement shall unreasonably interfere with any Dwelling or other building constructed on any portion of the Property in compliance with the requirements of this Declaration and any applicable Supplemental Declaration or Sub-Declaration. If the need for measures to implement stormwater

management or soil erosion control (referred to in this paragraph as "corrective measures") arises out of or results from construction, excavation, grading, clearing, or other acts or omissions on any portion of the Property (referred to in this paragraph as the "activities"), excluding natural disasters and other matters beyond the reasonable control of the Owner of such portion of the Property, the cost of any corrective measures performed by the Association shall be assessed against the Owner of the portion of the Property on which the activities have been performed or have occurred, and such costs shall constitute a lien on the portion of the Property and shall constitute assessments and shall be enforceable in the same manner as annual assessments. If the Association determines corrective measures are necessary on any portion of the Property, prior to exercising this easement, except in an emergency, the Association shall give written notice of the proposed corrective measures to an Owner of the portion of the Property, if any, on which the activities have been performed or have occurred, and such Owner shall have a reasonable opportunity to take the corrective measures specified in such notice. If the Owner fails to complete the corrective measures by the date specified in the notice, the Association may then exercise this easement and charge the costs of the corrective measures to the Owner of such portion of the Property as provided herein. In addition to the foregoing notice, except in an emergency, the Association also shall give written notice of the proposed corrective measures to an Owner of each additional portion of the Property on which such corrective measures are proposed to be taken. Subject to the foregoing, in exercising any of the foregoing easements, the Association shall Maintain the easement in a reasonably well-maintained condition, and shall restore any portion of the Property damaged by the exercise of the easement to substantially the same condition it was in prior to sustaining such damage.

Section 3. Easement Reserved for the University, County, City, and Public Utilities.

Perpetual, non-exclusive, and alienable easements are hereby reserved and established over all portions of the Property for the University, County, City (as applicable), and for all public utility providers serving the Property and their agents, employees, and contractors for the purpose of setting, removing, and reading utility meters, Maintaining utility equipment and connections, and acting for other purposes consistent with the public safety and welfare, including garbage removal, mail delivery, police protection, and fire protection. Except in an emergency, these easements shall be exercised in a reasonable manner and at reasonable times.

Section 4. Easements Shown On Recorded Site Plans.

Declarant, for itself, its successors and assigns (which may include the Association, the University, County, City, and public utility providers), and in addition to all other easements reserved in this Declaration, hereby reserves perpetual, nonexclusive, and alienable easements in the locations and for the purposes shown and indicated on all Site Plans and plats of the Property recorded in the Registry. These easements specifically include the right of ingress, egress, and regress over and upon such easement areas and the right to maintain in the easement areas identified on such plats all Improvements deemed necessary, in the reasonable discretion of the Person who exercises the easement rights, for the full exercise of such easements. The Persons who have the foregoing easement rights shall have no obligation to exercise any part or all of the easement rights.

Section 5. Easements for Owners.

(a) The Owner of each portion of the Property on which a Dwelling or other building is constructed or is approved for construction closer than five (5) feet to the boundary line of that portion of the Property (such portion of the Property hereinafter referred to in this subsection as the "Dominant Property") shall have a perpetual, non-exclusive easement over and upon each portion of the Property that adjoins each boundary line of the Dominant Property (each adjoining portion of the Property hereinafter referred to in this Section as "Adjoining Property"), within a

ten (10) foot wide section of the Adjoining Property adjacent and parallel to the common boundary between the Adjoining Property and the Dominant Property, to be reasonably exercised from time to time for the following-purposes:

- (1) initial construction of the Dwelling or other building and associated utilities on the Dominant Property (including water lines, sewer lines, electric lines telephone lines, and cable television lines);
- (2) additions to the Dwelling or other building and utilities on the Dominant Property; and
- (3) maintenance, repair, or restoration of the Dwelling or other building and utilities on the Dominant Property.

If a Dwelling or other building is being constructed or exists on the Adjoining Property at any time the Owner of the Dominant Property desires to exercise the easement, the width of the easement shall be limited to the distance from such common boundary line to the nearest wall of the Dwelling or other building existing or being constructed on the Adjoining Property (i) except in an emergency, the easement shall be exercised at reasonable times and upon reasonable notice to the Owner of the Adjoining Property and at such times and in such manner as will result in the least amount of interference and damage to the Adjoining Property; (ii) as soon as reasonably practicable following each exercise of the easement, the Owner who exercises the easement shall restore the portion of the Adjoining Property on which the easement exists and all Improvements thereon to substantially the same condition they were in immediately preceding the exercise of the easement; and (iii) in connection with each exercise of the easement, the Owner who exercised the easement shall indemnify and hold harmless the Owner of the Adjoining Property from and against any and all claims and causes of action for damages to person or property, including all costs of defending against such claims and causes of action (including reasonable attorney fees) arising out of or resulting from each exercise of the easement.

(b) Perpetual, non-exclusive easements are reserved or established as follows for portions of the Property (hereinafter referred to in this Subsection as the "Dominant Property") over, upon, and on adjoining portions of the Property (hereinafter referred to in this Subsection as the "Adjoining Property"), within a ten (10) foot wide section of the Adjoining Property adjacent and parallel to the common boundary line between the Adjoining Property and the Dominant Property, as follows:

- (1) for encroachment by a Dwelling or other building, or portion thereof, constructed on the Dominant Property to the extent portions of the Dwelling actually encroach and the encroachment has not resulted from the willful or grossly negligent act or omission of the Person who constructed the Dwelling or other building. Examples of such encroachments include overhanging eaves, chimneys, gutters, down spouts, exterior storage rooms, bay windows, steps and walls; and
- (2) for any encroachment resulting from the settling or shifting of any such Dwelling or other building resulting from any construction, reconstruction, repair, or alteration that has been approved by the Architectural Review Board as required by this Declaration. The easements and encroachments established by this Subsection shall be appurtenant to the Dominant Property and shall continue for as long as the encroachments naturally exist.

Section 6. Restrictions and Easements. Notwithstanding anything to the contrary contained in this Declaration, no easement granted, reserved, or established in this Declaration or allowed to be established by this Declaration shall be construed to give Declarant, the Association, the University, the County, the City, or any other Person the right to enter any Dwelling or other building located on any portion of the Property, except in strict compliance with applicable Legal Requirements.

ARTICLE XII
OWNER AND SUB-ASSOCIATION MAINTENANCE RESPONSIBILITIES

Section I. Duty to Maintain. Subject to any other applicable terms of this Declaration, the Owner of each portion of the Property and each Sub-Association with respect to such Sub-Association's Common Property or other portions of the Property to be Maintained by such Sub-Association, at such Owner's or Sub-Association's sole cost and expense, shall Maintain such portion of the Property or Sub-Association Common Property, as the case may be, including all Improvements thereon, in a safe, clean, and attractive condition at all times, including all of the following:

- (a) Prompt removal of all litter, trash, refuse, discarded personal property, and waste;
- (b) Lawn Maintenance on a regular basis, including, subject to any applicable Legal Requirements, portions of a publicly dedicated street right of way or private street right of way adjacent to any boundary of such portion of the Property, but excluding Common Property, Landscape Easements, Sign Easements and Landscaped Rights of Way Maintained by the Association;
- (c) Tree and shrub pruning and removal of dead or diseased trees, shrubs, and other plant material;
- (d) Maintenance of flower and plant gardens;
- (e) Maintenance of exterior lighting and electrical facilities;
- (f) Maintenance of parking areas and driveways;
- (g) Complying with all applicable Legal Requirements;
- (h) Maintenance of all Improvements thereon;
- (i) Maintaining adequate soil erosion controls;
- (j) Maintenance of stormwater drainage easements, structures, and portions of the Property served by stormwater drainage easements, as required by this Declaration;
- (k) To the extent not adequately Maintained by the University, County, or City (as applicable), the Association, or a public utility provider, Maintenance of the sidewalk, driveway, driveway apron and utility laterals serving each Owner's (or Sub-Association's) portion of the Property, even if located in the Common Property. Each Owner (or Sub-Association) also shall provide snow and ice removal for any sidewalks located adjacent to such Owner's (or Sub-Association's) portion of the Property; and
- (l) Maintenance of portions of berms and other portions of the Properties along rights of way that are not the Maintenance responsibility of the Association.

Each Owner (or Sub-Association) shall perform the foregoing responsibilities in a manner that does not unreasonably disturb or interfere with the reasonable enjoyment by the other Owners (or Sub-Associations) of their portions of the Property.

Section 2. Enforcement. If any Owner fails to perform any of the foregoing Maintenance Responsibilities, then the Association may give such Owner written notice of the failure and such Owner must, within ten (10) days after such notice is given by the Association, perform the required Maintenance. If any such Owner fails to perform the required Maintenance within the allotted time period, then the Association, acting through its authorized agent or agents, shall have the right and power, but not the obligation, to enter such Owner's portion of the Property and perform such Maintenance without any liability to any Person for damages for wrongful entry or trespass. Such Owner shall be liable to the Association for the expenses incurred by the Association in giving such notice (including if produced by an attorney) and performing the required Maintenance, such expenses shall be deemed assessments, and such Owner shall reimburse the Association for such expenses within thirty (30) days after the Association mails or delivers to such Owner an invoice therefore. If the Owner fails to reimburse the Association as required, the Association shall have the same rights and remedies against such Owner and such Owner's portion of the Property as the Association has with respect to the enforcement and collection of annual assessments. In lieu of performing such Maintenance, the Association shall have the power to establish and assess reasonable individual assessments for such Owner's failure to perform the obligations hereunder, and the Association may exercise all remedies available for the collection of assessment with respect to such amounts.

Section 3. Unimproved Portions of the Property. Notwithstanding the foregoing provisions of this Article, but subject to the other applicable provisions of this Declaration, Owners shall be required to Maintain unimproved portions of the Property only in accordance with such Maintenance standards, if any, by Declarant during the Declarant Control Period, and thereafter in accordance with reasonable Maintenance standards established by the Board.

ARTICLE XIII RECREATION FACILITY

Section 1. Recreation Facility. Declarant anticipates that one or more Recreation Facilities may be constructed, operated, and Maintained in or Contiguous to portions of the Property. This Declaration shall not be construed as imposing on Declarant or the Association any obligation or commitment to construct, operate, or maintain any Recreation Facility or to have any Recreation Facility constructed, operated, or maintained. As of the date of recordation of this Declaration, it is the intent of Declarant that the Recreation Facility will be conveyed to the Association by the Builder that will construct the Recreation Facility. With respect to any and all such Recreation Facilities, the following shall apply to the Property.

Section 2. Use Not a Nuisance. Use of any part of a Recreation Facility by any Person in accordance with the reasonable rules and regulations established by Declarant or the Board, including use of a Recreation Facility for social events, shall not constitute a nuisance.

Section 3. Management. With respect to any Recreation Facility owned or leased by Declarant, a Builder, or the Association, either Declarant or the Association, shall have the right and authority, at any time and from time to time, to establish rules and regulations for the use of the Recreation Facility and to employ a management company or other Person to manage and operate the Recreation Facility for the Association.

Section 4. Risks Associated With Use. Declarant hereby informs all Owners and their family members, and guests that there exist certain hazards or risks associated with use of a Recreation Facility, particularly with use of a swimming pool, whether or not a lifeguard is on duty during times when the swimming pool is open for use. With respect to any Recreation Facility owned by the Association that includes a swimming pool, the Association may, but shall not be required to, employ or provide for the services of one or more lifeguards during certain times the swimming pool is open for use, it being within the sole discretion of the Board whether or not to employ or provide for the services of lifeguards. Each Owner, by acceptance of a deed to such Owner's portion of the Property, (i) specifically acknowledges the existence and acceptance of the foregoing risks, easements, and interference with the use and enjoyment of such Owner's portion of the Property and the Common Property by the Owner and that Owner's family members, agents, contractors, guests, lessees, and contract purchasers, which risks and interference arise out of and are associated with the usual and normal operation, use, and Maintenance of a Recreation Facility, and (ii) agrees to comply with the rules and regulations established by the Association for use of a Recreation Facility owned or leased by the Association.

Section 5. Limitation of Liability. Neither Declarant nor any of their members, managers, employees, agents, contractors, affiliates, subsidiaries, predecessors, or successors shall be responsible or liable in any way to any Owner or to any other Person for any claims, causes of action, damages, judgments, liens, losses, injuries, demands, interference, liabilities, or obligations whatsoever that may result from property damage or personal injury in connection with such Owner or other Person's use of any Recreation Facility, unless arising out of or resulting from the gross negligence or intentional act or omission of such named Person, or unless arising out of or resulting from the act or omission of any such named Person while actually using the Recreation Facility. With the exception of any Recreation Facility owned by the Association, neither the Association, nor any of its directors, officers, employees, agents, or contractors shall be responsible or liable in any way to any Owner or to any other Person for any claims, causes of action, damages, judgments, liens, losses, injuries, demands, interference, liabilities, or obligations whatsoever that may result from property damage or personal injury in connection with such Owner or other Person's use of any Recreation Facility, unless arising out of or resulting from the gross negligence or intentional act or omission of such named Person, or unless arising out of or resulting from the act or omission of any such named Person while actually using the Recreation Facility.

**ARTICLE XIV
RIGHTS OF MORTGAGEES**

Section 1. Notice to Board. Upon request from the Board, any Owner who mortgages such Owner's Lot or Development Parcel shall notify the Association of the name and address of the Mortgagee. No Mortgagee shall be entitled to any Mortgagee rights under this Declaration, unless such Mortgagee has notified the Association as required in this Article and has requested Mortgagee rights under this Declaration.

Section 2. Requirements of Mortgagee. Whenever any Mortgagee desires to avail itself of the rights accorded Mortgagees under this Declaration and receive notices from the Association, it shall furnish written notice thereof to the Association by certified or registered mail, identifying the portion of the Property upon which such Mortgagee holds a first lien mortgage or deed of trust, specifying which rights it wishes to exercise and notices or other information it wishes to receive, and designating the name of the person and mailing address to which notices, reports, or information are to be sent by the Association. The Mortgagee shall be responsible for updating the information required by this Section.

Section 3. Obligation of Association to Mortgagees. Any Mortgagee who has notified the Association as required in the immediately preceding Section of this Article shall have each of the following rights specifically requested in the notice to the Association:

- (a) To be notified of any meeting of the membership to be held for a vote on any material amendment to the Governing Documents, including the following: material amendment to this Declaration; material amendment to the Articles or Bylaws; any proposed termination of this Declaration or dissolution of the Association; any proposed merger of the Association with another association;
- (b) To be notified of any condemnation or casualty loss affecting the Common Property or any portion thereof; and
- (c) To be notified of any delinquency in the payment of any assessment or charge that remains uncured for a period of sixty (60) days and to be notified of any other default of the provisions of this Declaration by the Owner of a Lot or Development Parcel upon which the Mortgagee has a mortgage. Any failure of the Association in notifying the Mortgagee of the delinquency or default shall not affect the validity of any Association lien, or any other Association rights and remedies, against the defaulting Owner or such Owner's portion of the Property.

ARTICLE XV AMENDMENT; EXTRAORDINARY ACTIONS

Section 1. Amendment by Declarant. During the Declarant Control Period and regardless of Section 2 below, Declarant may amend this Declaration at any time for any purpose it deems in the best interests of the development of the Property. After the end of the Declarant Control Period, Declarant may unilaterally, without the approval or joinder of the Association, any Member of the Association, or any Mortgagee, amend any provision of this Declaration or any Supplemental Declaration or Sub-Declaration from time to time to: (i) make non-material, clarifying, or corrective changes not materially, adversely affecting any Owner's rights or obligations hereunder; (ii) satisfy the requirements of FHA (Federal Housing Administration), VA (Veterans Administration), Fannie Mae (Federal National Mortgage Administration); Office of Interstate Land Sales Registration of the Department of Housing and Urban Development (OILSR) or other governmental agency, Secondary Mortgage Market Agency or Mortgagee; (iii) establish or maintain the tax exempt status of the Association under the laws of the United States or the State; or (iv) comply with any rule, regulation, or policy of Centennial Campus, the University, or the State. Any such amendment shall be effective upon the later of the date of its recordation in the Registry or the effective date specified therein.

Section 2. Amendment by the Association.

- (a) Unless a higher percentage or different voting requirement is specified herein, this Declaration may be amended only with the approval of Declarant and by the affirmative vote of sixty-seven percent (67%) or more of the votes cast by the Members present at a Duly Called Meeting of the Association.
- (b) Written notice of an annual or special meeting of the Association at which any proposed amendment to this Declaration is to be voted on, together with at least a summary description of the proposed amendment, shall be given to all Members not less than ten (10) days, nor more than sixty (60) days, in advance of the date of such meeting. The notice of the meeting shall contain a copy of the proxy that may be cast in lieu of attendance at the meeting, a recitation of the section(s) proposed for amendment, and the proposed amendment language, if any.
- (c) If any amendment to this Declaration is approved by Members of the Association (including material amendments and extraordinary actions of the Association as described

herein), the President and Secretary of the Association shall execute a document setting forth the amendment, the effective date of the amendment (if no effective date is stated, the amendment shall be effective upon the recording of the amendment in the Registry), the date of the meeting of the Association at which such amendment was adopted, the date notice of such meeting was given, and a statement certifying the necessary voting requirements under the Governing Documents were met. The document shall be recorded in the Registry within thirty (30) days following the date of the meeting at which the amendment was adopted. Notwithstanding the foregoing or anything to the contrary appearing herein, no amendment to this Declaration duly adopted by the Members of the Association shall be void or invalid solely because the document describing the amendment is not recorded in the Registry within such thirty (30) day period, and any such duly adopted amendment to this Declaration recorded following the end of the thirty (30) day period shall become effective on the later of the effective date specified therein, if any, or on the date it is recorded in the Registry.

(d) Amendment of Supplemental Declarations and Sub-Declarations shall be governed by the provisions for amendment contained therein, if any; otherwise, the provisions regarding amendment of this Declaration shall apply.

Section 3. Prohibited Effects of Amendment. No amendment to this Declaration shall do or result in any of the following:

- (a) increase the financial obligations of Declarant or a specific Owner in a discriminatory manner;
- (b) further restrict development on any portion of the Property in a discriminatory manner;
- (c) diminish or impair the rights of Declarant under this Declaration, without the prior written consent of Declarant;
- (d) impose additional obligations upon Declarant without the prior written consent of Declarant;
- (e) except for amendments permitted under Section 1 of this Article, terminate or revise any easement established by this Declaration, without the written consent of the Person benefited by the easement or by the Person who owns the portion of the Property benefited by the easement;

Section 4. Extraordinary Actions and Material Amendments. The provisions of this Section shall not be construed to reduce the vote that must be obtained from Owners when a greater vote is required by other provisions of the Governing Documents, nor shall it be construed to lessen the unilateral rights given to Declarant to amend this Declaration or Supplemental Declaration or Sub-Declaration without the approval or joinder of the Association or any Member of the Association, or any Mortgagee.

- (a) "material amendments" include any amendment adding, deleting, or amending any provisions of this Declaration regarding any one or more of the following:
 - (1) basis for assessments, or assessment liens;
 - (2) any method of imposing or determining any charges to be levied against Owners;
 - (3) reserves for Maintenance, repair, or replacement of the Common Property;

- (4) Maintenance obligations of the Association or any Owner;
 - (5) allocation of rights to use the Common Property;
 - (6) any scheme of regulation or enforcement of standards for Maintenance, architectural design or exterior appearance of Improvements;
 - (7) reduction of insurance requirements;
 - (8) restoration or repair of the Common Property;
 - (9) the addition, annexation or withdrawal of real property to or from the Property;
 - (10) voting rights (except to reduce Declarant's voting rights with the consent of Declarant); or
 - (11) restrictions affecting lease or sale of any portion of the Property, including amendment or addition of, any provisions regarding rights of first refusal or similar restrictions on the right of an Owner to sell, convey, or transfer any interest in, the portion of the Property owned by such Owner;
- (b) "extraordinary actions" of the Association include any one or more of the following:
- (1) conveyance of all of the Common Property (other than pursuant to dissolution, merger, or consolidation of the Association);
 - (2) abandoning, partitioning, encumbering, mortgaging, conveying, selling, or otherwise transferring or relocating the boundaries of the Common Property, except for any one or more of the following:
 - (A) granting easements for utilities or other purposes that are not inconsistent with and do not interfere with use of the Common Property;
 - (B) dedicating or conveying any Common Property to the University, the State, County, City, or a public utility provider;
 - (C) limited boundary line adjustments made in accordance with the provisions of this Declaration; and
 - (D) transferring any Common Property pursuant to a merger or consolidation with a nonprofit entity formed for purposes substantially similar to the Association.
 - (3) using insurance proceeds for purposes other than repair, restoration, or replacement of Improvements on the Property insured by the Association.
 - (4) making capital expenditures (other than for Maintenance of existing Improvements that are the responsibility of the Association) during any period of twelve (12) consecutive months costing in the aggregate in excess of twenty percent (20%) of the larger of the annual operating budgets applicable to any portion of such twelve (12) month period.

(c) Approval.

(1) Any material amendment must be approved by Declarant and in writing by the Members entitled to cast sixty-seven percent (67%) or more of the total number of votes of all of the Members of the Association, including written consents by the Members entitled to cast a majority of all the votes of the Association other than the votes entitled to be cast by Declarant.

(2) Any extraordinary action must be approved by Declarant and in writing by sixty-seven percent (67%) or more of the votes cast by the Members present at a Duly Called Meeting of the Association, including a majority of the votes cast by the Members, other than Declarant, present at a Duly Called Meeting of the Association.

(d) Notice. With respect to any meeting of the Association at which a material amendment or extraordinary action is to be voted upon: (i) written notice of the meeting shall be given to the Members not less than ten (10) days nor more than sixty (60) days in advance thereof; (ii) the notice of the meeting shall state the purpose of the meeting and contain a copy or summary of any material amendments or extraordinary actions proposed; and (iii) the notice of the meeting shall contain a copy of the proxy that can be cast in lieu of attendance at the meeting.

(e) Class Approval. Except for amendments pursuant to Section 1 of this Article, any material amendment that changes the rights of any specific class of Members must also be approved either (i) in writing by the Members of the class entitled to cast a majority of the total number of votes of such class of Members, or (ii) by majority vote of the Members of the class present at a Duly Called Meeting of the Association.

ARTICLE XVI
DURATION OF DECLARATION; DISSOLUTION OF ASSOCIATION

Section 1. Duration. This Declaration shall run with title to the Property and bind the Property and shall inure to the benefit of Declarant, the Association, each Owner, and their respective heirs, successors, and assigns, for a term beginning on the date this Declaration is recorded and continuing through and including December 31, 2037. At such time, this Declaration automatically shall be extended for successive periods of twenty (20) years each, unless, at a Duly Called Meeting of the Association, held prior to the expiration of the applicable time period, termination of this Declaration is approved in the manner required in this Declaration for approval of an extraordinary action of the Association. A vote by the membership on termination of this Declaration shall be required upon presentation to the Association of a petition for termination signed by Declarant and Members possessing eighty-five percent (85%) or more of the total eligible vote of the membership of the Association (excluding the eligible votes of Declarant during Declarant Control Period). The Association shall give written notice of any annual or special meeting at which termination of this Declaration is to be voted upon to all Owners at least twenty (20) days, but not more than sixty (60) days in advance of the date of such meeting, which notice shall set forth that termination of this Declaration will be voted upon at such meeting. If the membership votes to terminate this Declaration, such termination shall be effective upon the effective date established at such meeting for its expiration, expiration of the then applicable time period for which the Declaration is in existence, or shall be effective on such date thereafter, if any, as specified in the vote of the membership approving the termination. Notwithstanding the foregoing, the Declaration shall terminate automatically upon the expiration or termination of all Ground Leases affecting the Property.

If the Members vote to terminate this Declaration in accordance with the foregoing requirements, then Declarant shall execute in recordable form a certificate that shall set forth at least the following information: that the Declaration has been terminated by vote of the Members of the Association; the date of the meeting of the Association at which the termination was approved; the date notice of such meeting was given; the total number of votes required to constitute a quorum at such meeting; the total number of votes present at such meeting; the total number of votes necessary to adopt the resolution terminating the Declaration; the total number of votes in favor of such resolution; and the total number of votes against the resolution. Such certificate shall be recorded in the Registry no later than thirty (30) days following the date such resolution of termination is passed by the membership, and such certificate may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

Notwithstanding anything to the contrary herein, under no circumstances may this Declaration be terminated without the prior written consent of Declarant.

Notwithstanding anything to the contrary herein, a termination of this Declaration shall not:

- (a) impose additional obligations upon Declarant without the prior written consent of Declarant; or
- (b) terminate or revise any easement established by this Declaration without the written consent of the Person benefited by the easement or by the Person who owns the portion of the Property benefited by the easement.

Section 2. Dissolution of the Association. The Association shall be dissolved upon the termination of this Declaration, or upon approval by the Members in the same manner required in this Declaration for approval of an extraordinary action of the Association. The Association shall not be dissolved without the written consent of Declarant. Upon dissolution of the Association or upon loss of ownership of all of the Common Property by the Association for any reason whatsoever (except for exchange or dedication or conveyance of any part or all of the Common Property as allowed by this Declaration or by reason of merger and/or consolidation with any other association as allowed by this Declaration), ownership of any portion of the Common Property not under the jurisdiction of and being Maintained by another association substantially similar to the Association, together with all other assets, rights, and privileges of the Association, shall revert first to the Endowment.

**ARTICLE XVII
GROUND LEASES**

Section 1. Assignment of Leasehold Interest. Pursuant to the Ground Leases, Declarant intends to lease, or has leased, portions of the Property to Builders. Each Ground Lease will be evidenced by a Memorandum of Ground Lease recorded in the Registry, which includes a description of the portion of the Property subject to the Ground Lease. Every Lot and Dwelling Unit thereon acquired by an Owner shall be conveyed by an Assignment of Leasehold Interest from Declarant, a Builder, or a predecessor Owner, which shall operate as a *pro tanto* assignment of a leasehold interest in the Lot to the assignee Owner and shall vest the Owner with an exclusive leasehold interest in the Lot until the expiration of the Ground Lease pursuant to which the Builder acquired the applicable portion of the Property from Declarant. The Association shall keep a copy of each Ground Lease available for inspection at the principal office of the Association as stated in the Bylaws. Upon the sale of any Lot, the Lot Owner shall assign to the subsequent Lot Owner its leasehold interest in the Lot (and its corresponding percentage of undivided leasehold interest as stated in any applicable condominium declaration) by an Assignment of Leasehold Interest. Declarant shall not recognize or otherwise be bound by or be deemed to have consented to or approved any Lot sale unless and until the assignor Lot Owner and the assignee Lot

Owner execute the Assignment of Leasehold Interest in Condominium Lot in such required form, whereupon such assignee Owner and any first mortgagee thereof shall be entitled to all rights of an Owner and bound by all obligations and liabilities of Lot Owner under the Lot Owner Ground Lease Addendum. The assignor Owner shall remain liable after closing of the sale of any Lot for performance of such Owner's obligations under the Lot Owner Ground Lease Addendum through the date of closing, notwithstanding the assignor Owner's assignment of its leasehold interest in a Lot to a new Lot Owner, except as expressly stated herein.

Section 2. Preservation of Ground Lease Interest. Every Owner is advised: (i) the Owners have no right to redeem the reversion of any Lot or the Property from Declarant at the end of the term of the Ground Lease; (ii) the Owners have no right to remove any Improvements from the Property at the end of the term of the Ground Lease, including any Dwelling Lot, Limited Common Element, Common Elements, or any portion thereof (excluding the personal property of the Owner or occupants); and (iii) the Owners have no right to renew the Ground Lease. Upon expiration of a Ground Lease, all ownership rights of the Owners and any leasehold rights of the Owners and Occupants in the Lots and Dwelling Lots shall cease, and the fee ownership of all Lots and Dwelling Lots shall pass to Declarant. The acquisition of any Lot by Declarant (including acquisition by reason of an Owner's failure to cure a default under this Declaration, the Bylaws, or the Owner Ground Lease Addendum) shall not merge Declarant's fee simple interest with the leasehold interest under the Ground Lease, even if all Lots are acquired by Declarant.

Section 3. Common Expenses Payable to Ground Lessor. As used in this Article, "Common Expenses" shall include those items identified as "Additional Rent" in the Lot Owner Ground Lease Addendum. In addition to other Common Expenses of the Association, such Common Expenses for purposes of this Article include the following items as defined in the Ground Lease Addendum: (a) the Centennial Campus Maintenance Payment; (b) Landlord Expenditures; (c) Utilities; (d) Impositions; (e) Reserves; and (f) any amounts paid or advanced by Declarant to cure any default of an Owner under the Ground Lease Addendum or any default of the Association under the Declaration. Declarant shall have the right to recover these Common Expenses pursuant to the terms of this Declaration and the Ground Lease Addendum, subject to Article VI of this Declaration.

Section 4. Enforcement by the University. Though damages would be difficult to measure, the failure of an Owner and/or the Association to abide by the terms, covenants, and restrictions contained in this Declaration and the rules and regulations applicable to the Property would result in irreparable damage to the University and its reputation. Accordingly, in addition to the other enforcement rights contained in this Declaration, the University, during the term of this Declaration, shall have the right, but not the obligation, to enforce all rules, regulations, restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration by proceeding at law or in equity against any person or persons violating or attempting to violate any such rules, regulations, restrictions, conditions, covenants, reservation, liens or charges, either to restrain violation thereof or to recover damages therefor. The University shall have all appropriate remedies at law or in equity to enforce the provisions of this Declaration, the Bylaws, and any duly authorized and promulgated rules, regulations, restrictions, conditions, or covenants governing the Property, specifically including the rules and regulations promulgated by the University relating to the Property and Centennial Campus. All rights, remedies and privileges granted or reserved to Declarant pursuant to any term, provision, covenant, or condition of this Declaration shall be cumulative, and the exercising of any one or more shall not constitute an election of remedies, nor shall it preclude Declarant or the University from exercising such other and additional rights, remedies, or privileges as may be available at law or in equity. In addition, the Association or any Owner may enforce the terms of this Declaration against the Association or any Owner, if such Owner or the Association fails to comply with the provisions of this Declaration.

Section 5. Association's Covenant to Maintain Property. The Association hereby covenants and agrees that it shall exercise its power of enforcement under this Declaration to maintain a first-class community consistent in appearance and quality with other residential communities in the Raleigh area, and it shall, upon the request of Declarant or the University, enforce any restriction, condition, covenant, reservation, lien or charge contained in this Declaration deemed by Declarant or the University, in their reasonable discretion, to have been violated, using all remedies available to the Association at law or in equity. Declarant reserves the right and easement, but not the obligation, to go upon any portion of the Common Area at any time to repair and maintain such Common Area when needed, in Declarant's reasonable discretion, to bring such Common Area within the standards required by this Declaration or other applicable restrictions or covenants. If Declarant enters the Common Area to perform such maintenance or repair, the Association shall reimburse Declarant in full for the reasonable cost of such work, which shall be collected by the Association as Common Expenses. The failure of Declarant, the Association, or by any Owner to enforce any restrictions, conditions, covenants, reservations, liens, or charges in this Declaration shall in no event be deemed a waiver of the right to do so thereafter.

**ARTICLE XVIII
DISCLAIMERS BY DECLARANT AND UNIVERSITY**

Section 1. PREMISES "AS-IS". Neither Declarant nor the University has participated in the design, development, construction, or marketing of North Shore. DECLARANT AND THE UNIVERSITY MAKE NO WARRANTY, EXPRESS OR IMPLIED AND EXPRESSLY DISCLAIM ANY OR ALL ORAL, WRITTEN, OR IMPLIED REPRESENTATIONS OR COMMITMENTS AS TO THE SUITABILITY OR FITNESS OF THE PROPERTY OR ANY IMPROVEMENTS CONSTRUCTED OR TO BE CONSTRUCTED THEREON FOR ANY PURPOSE, AS TO THE EXISTENCE OR NON-EXISTENCE OF RADON OR ANY OTHER SUBSTANCE ON OR ABOUT THE PROPERTY, OR AS TO THE MERCHANTABILITY, VALUE, QUALITY, CONDITION OR SALABILITY OF THE PROPERTY OR ANY IMPROVEMENTS CONSTRUCTED THEREON.

As of the date of the recording of this Declaration, it is possible future phases of development of the Property may never be completed or may be delayed indefinitely. DECLARANT AND THE UNIVERSITY MAKE NO WARRANTY, EXPRESS OR IMPLIED AND EXPRESSLY DISCLAIM ANY OR ALL ORAL, WRITTEN OR IMPLIED REPRESENTATIONS OR COMMITMENTS AS TO ANY FUTURE CONSTRUCTION AT THE PROPERTY. FURTHERMORE, DECLARANT AND THE UNIVERSITY MAKE NO WARRANTY, EXPRESS OR IMPLIED AND EXPRESSLY DISCLAIM ANY OR ALL ORAL, WRITTEN OR IMPLIED REPRESENTATIONS OR COMMITMENTS AS TO THE EFFECTS OR IMPACTS, IF ANY, WHICH ANY SUCH FUTURE CONSTRUCTION MIGHT HAVE ON INGRESS OR EGRESS TO THE PROPERTY AND WHETHER SUCH CONSTRUCTION MAY CAUSE CERTAIN INCONVENIENCES TO OWNERS, OCCUPANTS, OR THE ASSOCIATION.

Section 2. Lake Raleigh. The Property is located adjacent to or in proximity to Lake Raleigh, which is owned by the State and managed by the University. Declarant has no ownership interest in or rights to manage Lake Raleigh. NEITHER ACCESS TO, NOR USE OR ENJOYMENT OF, LAKE RALEIGH IS GRANTED TO ANY OWNER BY OWNERSHIP OF ANY LOT OR ANY PORTION THEREOF, NOR TO ANY OCCUPANT, NOR TO THE ASSOCIATION, EXCEPT AS EXPRESSLY STATED IN THE LAKE RALEIGH LICENSE AGREEMENT, AND DECLARANT MAKES NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE AVAILABILITY, TERMS, OR CONDITIONS OF ANY SUCH AGREEMENT.

LAKE RALEIGH IS NOT COMMON PROPERTY OF NORTH SHORE, IS NOT LOCATED ON THE PROPERTY, AND IS SUBJECT TO THE EXCLUSIVE CONTROL OF THE UNIVERSITY AND STATE. DECLARANT MAKES NO REPRESENTATIONS OR WARRANTIES, AND SHALL HAVE NO LIABILITY, WITH RESPECT TO (A) THE CONTINUED EXISTENCE OF LAKE RALEIGH; (B) THE PURITY OR ANY OTHER CHARACTERISTIC OF THE WATER IN LAKE RALEIGH; (C) THE MAINTENANCE OF ANY PARTICULAR WATER LEVEL AT ANY TIME OR SEASON IN LAKE RALEIGH; AND (D) ANY RIGHT TO USE FOR ANY PURPOSE OR ANY RIGHT TO ACCESS LAKE RALEIGH. PERSONAL, SPORTING, RECREATIONAL, OR OTHER USES OF LAKE RALEIGH BY THEIR VERY NATURE INCLUDE THE POTENTIAL FOR SERIOUS BODILY INJURY, INCLUDING DEATH. DECLARANT MAKES NO AND EXPRESSLY DISCLAIMS ANY AND ALL ORAL, WRITTEN, OR IMPLIED REPRESENTATIONS OR COMMITMENTS THAT LAKE RALEIGH IS AVAILABLE, FIT, USABLE, OR APPROPRIATE FOR ANY TYPE OR MANNER OF PERSONAL, SPORTING, RECREATIONAL, OR OTHER USE. THE OWNERS AND ASSOCIATION HEREBY EXPRESSLY ASSUMES ALL RISKS ATTENDANT TO THE OWNERSHIP, USE, AND ENJOYMENT OF PROPERTY ADJACENT TO OR IN CLOSE PROXIMITY TO LAKE RALEIGH, INCLUDING THE USE OR MISUSE OF LAKE RALEIGH BY OWNERS, OCCUPANTS, OR THE ASSOCIATION.

ARTICLE XIX MISCELLANEOUS PROVISIONS

Section 1. Enforcement. Without limiting any other rights set forth in this Declaration, Declarant, the Association, and each Owner (including Declarant) shall have the right, but not the obligation, to enforce this Declaration by any proceeding at law or in equity (or otherwise, as provided in this Declaration) against any Person violating or attempting to violate any part of this Declaration, either to restrain the violation, recover damages, or seek other available legal or equitable remedies. The Association shall have the right, but not the obligation, to enforce any lien created by this Declaration. Any failure by Declarant, the Association, an Owner (including Declarant), or any other Person to enforce this Declaration or seek any applicable remedy with respect to any specific violation or lien shall not constitute a waiver of the right to do so thereafter, nor shall it constitute a waiver of the right to enforce this Declaration at any other time with respect to the same or substantially similar matter. All rights, remedies, and privileges granted to Declarant, the Association, any Owner (including Declarant), or any other Person herein are cumulative, and the exercise of any one or more of such rights, remedies or privileges shall not constitute an election of remedies or preclude subsequent, exercise of other rights, remedies and privileges. All costs of such enforcement, including collection costs, administrative fees, attorney fees, court costs, and all other related and reasonable expenses shall be assessed as an individual assessment against the particular Owner(s) against whom enforcement is sought, and institution of legal proceedings shall not be a prerequisite or requirement to the imposition and collection of such costs, fees, and expenses.

Section 2. Severability of Provisions. If any paragraph, section, sentence, clause, or phrase of this Declaration shall be or become illegal, null, or void for any reason or shall be held by any court of competent jurisdiction to be illegal, null, or void, the remaining paragraphs, sections, sentences, clauses, and phrases of this Declaration shall continue in full force and effect and shall not be affected thereby. To the extent any provision of the Governing Documents is determined to be overly broad or unenforceable and a narrower or partially enforceable construction may be given to such provision without destroying its intent, then the narrower or partially enforceable provision shall be applied and to the extent lawful, shall be enforced. It is declared that such remaining paragraphs, sections, sentences, clauses, and phrases would have been and are imposed irrespective of the fact that any one or more other paragraphs, sections, sentences, clauses, or phrases shall become or be illegal, null, or void.

Section 3. Notice. Except as otherwise provided herein, whenever notice to an Owner is required, such notice shall be in writing and may be hand delivered personally to such Owner, or such notice may be given by first class United States mail, postage prepaid, in such other manner specifically allowed or required by applicable Legal Requirements, or in such other manner determined by the Board to be proper and that does not violate any applicable Legal Requirements. The notice shall be addressed to the address of the Owner appearing on the records of the Association or addressed to the address of such Owner as shown on the records in the office of the Wake County, North Carolina Tax Office. A properly addressed notice shall be deemed to have been given as follows: (i) on the second day following the date the notice was deposited in the United States mail, first class postage prepaid (or, if notice of a meeting of the Association is contained in a newsletter mailed to every Owner of the Association (or, with respect to portions of the Properties owned by multiple Owners, to at least one Owner), postage is prepaid); or (ii) on the delivery date indicated on a return certified or registered mail receipt whether such receipt indicates acceptance or rejection of the notice, or (iii) on the date indicated by the records of a national or regional courier service. Whether or not properly addressed, notice shall be deemed to have been given to an Owner on the date of personal delivery to the Owner or to an adult Person residing with the Owner, as evidenced by a receipt signed by the Owner or such adult Person. Notice given in the foregoing manner to any one (1) of multiple Owners of a portion of the Property shall be deemed notice to all such Owners. Notice to the Association may be given and shall be deemed to have been given when given in a manner permitted for notice to an Owner, when the notice is addressed to the principal business office of the Association or to the principal business address of the property manager employed by the Association; provided, personal delivery of notice to the Association, whether or not properly addressed, is not valid unless made to an officer of the Association. It shall be the duty of each Owner to keep the Association informed of such Owner's current mailing address and telephone number.

Section 4. Titles. The titles, headings, and captions used throughout this Declaration are for convenience only and are not to be used in construing this Declaration or any part thereof, except as necessary with respect to cross-referencing any provisions of this Declaration.

Section 5. Number and Gender. Whenever the context of this Declaration requires, the singular shall include the plural and one gender shall include both genders.

Section 6. No Exemption. An Owner may not become exempt from any obligations imposed hereby by non-use or abandonment of the Common Property or any portion of the Property owned by such Owner.

Section 7. Subdivision, Combination of Lots; Plat Re-recording. After completion of development of a phase or section on the Property, a Lot in such phase or section may be subdivided into two or more Lots only with the written consent of Declarant and the Board, or as allowed by the Board, the Architectural Review Board. Two or more Lots may be combined into a lesser number of Lots only with the approval of Declarant and the Board. Nothing contained in this Declaration shall prohibit or restrict the right of Declarant which right hereby is expressly reserved for Declarant, to subdivide combine, re-subdivide, recombine, or re-record maps relating to, any portion of the Property owned by Declarant, upon compliance with all applicable Legal Requirements.

Declarant may, at any time and from time to time, in its sole discretion and without the consent or approval of any other Person (except for such approvals as may be required by the University or the City) re-record any previously recorded plat of the Property (i) in connection with any of the purposes or (i) to eliminate any inconsistency between such plat and this Declaration, any Supplemental Declaration or any Sub-Declaration (including, for example, building setback distances); or (iii) to adjust boundaries between any portion of the Property and any portion of a Recreation Facility; provided the Owner of any affected portion of the Property not then owned by Declarant consents to such plat re-recording.

Section 8. Contracts Made by the Association. All Association contracts with third parties other than Sub-Associations or the University must: (i) be for a term limited to two years or less; (ii) be terminable by the Association upon not more than forty-five (45) days written notice; and (iii) be commercially reasonable. Contracts between the Association and a "property manager" (as defined in the Bylaws) shall comply with the provisions of the Bylaws applicable to such contracts and not inconsistent with this Declaration.

Section 9. Conflicts Between Declaration and Other Instruments. Whenever there is a conflict between the provisions of this Declaration and the Articles or Bylaws or any Supplemental Declaration or Sub-Declaration, the provisions of this Declaration shall control, and whenever there is a conflict between the provisions of the Articles and Bylaws, the provisions of the Articles shall control.

Section 10. Assignment. Declarant specifically reserves the right, in its sole discretion, at any time and from time to time, to temporarily or permanently assign some or all of its rights, privileges and powers under this Declaration or under any Supplemental Declaration or Sub-Declaration ("Declarant Rights") to a Builder selected by Declarant in connection with the development of the Property. Any such assignment shall specifically identify which Declarant Rights are being assigned, and no Declarant Rights assigned may be broader than the rights created in this Declaration. The Assignment shall be recorded in the Wake County Register of Deeds and shall be terminable at will by Declarant. Each assignee shall expressly assume the assigned Declarant Rights in the recorded instrument.

Section 11. Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by an Owner or in any proceeding brought by an Owner against the Association or any director or officer of the Association, the prevailing party shall be entitled to recover from the losing party the costs of such proceeding and such party's reasonable attorneys' fees, even if such proceeding is settled prior to any trial, judgment or appeal.

Section 12. Rule Against Perpetuities. If any provision of this Declaration violates any applicable Rule Against Perpetuities, including the North Carolina Statutory Rule Against Perpetuities, such provisions shall be deemed reformed to continue in effect for the maximum period of time that such provision could exist without violating such applicable Rule Against Perpetuities. The least restrictive applicable Rule Against Perpetuities shall be applicable with relation to this Declaration.

Section 13. Rounding. Whenever any calculation required to be made under this Declaration (for example, in determining the number of Lots or Dwelling Units per acre, or the number of votes) results in a number other than a whole number, the number shall be rounded up or down in accordance with the following rules: (i) if the fractional portion of the number is 0.5 or more, it shall be rounded up to the nearest whole number; and (ii) if the fractional portion of the number is less than 0.5, it shall be rounded down to the nearest whole number, except that where the entire number is less than one (1), it shall be rounded up to one (1).

Section 14. Legal Requirements. Except as set forth in the section labeled "DECLARATION" in the beginning of this Declaration, this Declaration shall be subject to and construed in accordance with all applicable Legal Requirements. It shall be the responsibility of each Owner of any portion of the Property to comply with all Legal Requirements applicable to such portion of the Property, whether or not any approval, disapproval, waiver, or variance of the terms of this Declaration has been given by Declarant, the Association, or the Architectural Review Board with respect to such portion of the Property.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT A
DESCRIPTION OF PROPERTY

BEING all of that tract of land containing 15.40 acres, more or less, lying in the City of Raleigh, Wake County, North Carolina, being shown and designated as "LOT #1, 1025 CAPABILITY DR, 670,990 SF/15.40 AC" on that plat titled, "Recombination and Easement Plat of North Shore at Centennial Campus, Owners: Board of Trustees of the Endowment Fund of NC State University," prepared by Withers & Ravenel, dated November 1, 2003, and recorded November 18, 2003 in Book of Maps 2003, Page 2022, Wake County Registry.

EXHIBIT B
DESCRIPTION OF EXISTING PROPERTY

BEING all those condominium units and related land lying in the City of Raleigh, Wake County, North Carolina, more particularly described as follows:

Units 23-28 on that condominium plat titled, "North Shore Units 23-28 Leaseholder: North Shore Raleigh, LLC," prepared by Withers & Ravenel, dated August 1, 2002, and recorded in Condominium Book 2003, Pages 335A1 through A3, Wake County Registry.

Units 34-38 on that condominium plat titled, "North Shore Units 34-38 Leaseholder: North Shore Raleigh, LLC," prepared by Withers & Ravenel, dated December 1, 2003, and recorded in Condominium Book 2003, Pages 335B4 through B6, Wake County Registry.

Units 29-33 on that condominium plat titled, "North Shore Units 29-33 Leaseholder: North Shore Raleigh, LLC," prepared by Withers & Ravenel, dated May 28, 2004, and recorded in Condominium Book 2003, Pages 335C8 through D1, Wake County Registry.

Units 81-86, 163 on that condominium plat titled, "North Shore Units 81-86, 163 Leaseholder: North Shore Raleigh, LLC," prepared by Withers & Ravenel, dated May 28, 2004, and recorded in Condominium Book 2003, Pages 335E4 through E6, Wake County Registry.

Units 39-43 on that condominium plat titled, "North Shore Units 39-43 Leaseholder: North Shore Raleigh, LLC," prepared by Withers & Ravenel, dated June 24, 2005, and recorded in Condominium Book 2003, Pages 335F7 through F9, Wake County Registry.

Units 44-48 on that condominium plat titled, "North Shore Units 44-48 Leaseholder: North Shore Raleigh, LLC," prepared by Withers & Ravenel, dated June 24, 2005, and recorded in Condominium Book 2003, Pages 335H2 through H4, Wake County Registry.

TOGETHER WITH all "Private Alleys" shown on the above-referenced condominium plats, including "Pond Crest Court," "Bright Pond Lane," "Dry River Court," and "Cutwater Court."

IN WITNESS WHEREOF, each Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

DECLARANT:

THE BOARD OF TRUSTEES OF THE ENDOWMENT
FUND OF NORTH CAROLINA STATE UNIVERSITY,
an entity created and existing pursuant to N.C.G.S. §116-36

By: 

Name: Charles D. Leffler

Title: TREASURER

STATE OF NC

COUNTY OF Wake

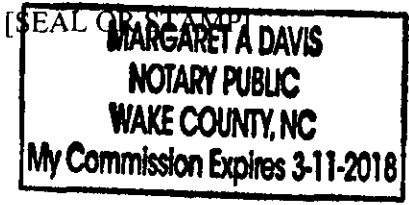
I certify that Charles D. Leffler personally appeared before me this day and acknowledged that he/she is Treasurer of THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND OF NORTH CAROLINA STATE UNIVERSITY, an entity created and existing pursuant to N.C.G.S. 116-36, and that he/she, as Treasurer, being authorized to do so voluntarily signed the foregoing on behalf of THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND OF NORTH CAROLINA STATE UNIVERSITY for the purposes stated therein.

Date: 3-19-14

By: Margaret A. Davis

Print Name: Margaret A. Davis
Notary Public

My Commission Expires: 3-11-2018



IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

2440 CAMPUS Shore Dr.
North Shore Condominium Unit 100:

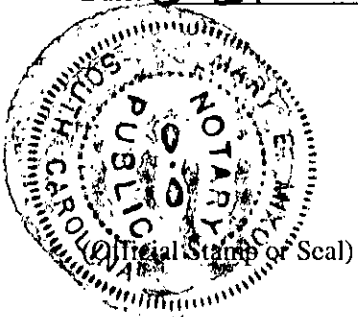
By: Robert W. Attaway (SEAL)

Print Name: Robert W. Attaway

STATE OF South Carolina
COUNTY OF Horry

I, a Notary Public of the County and State aforesaid, certify that Robert Attaway personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5-21-13



Mary E. Nixon
Official Signature of Notary

Mary E. Nixon, Notary Public
Notary Public's printed or typed name

My Commission Expires August 30, 2022
My Commission expires: August 30, 2022

North Shore Condominium Unit 100:

By: Amy Attaway (SEAL)

Print Name: Amy Attaway

STATE OF South Carolina
COUNTY OF Horry

I, a Notary Public of the County and State aforesaid, certify that Amy Attaway personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5-21-13



Mary E. Nixon
Official Signature of Notary

Mary E. Nixon, Notary Public
Notary Public's printed or typed name

My Commission Expires August 30, 2022
My Commission expires: August 30, 2022

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

2440 campus Shore Dr.
North Shore Condominium Unit 101:

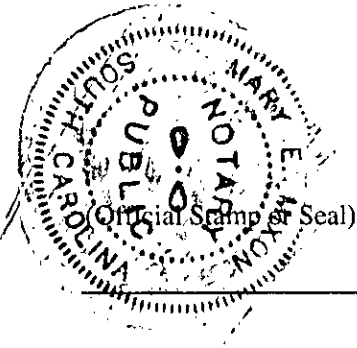
By: [Signature] (SEAL)

Print Name: Robert L N Attaway

STATE OF South Carolina
COUNTY OF Horry

I, a Notary Public of the County and State aforesaid, certify that Robert Attaway personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5-21-13



[Signature]
Official Signature of Notary

Mary E Nixon, Notary Public
Notary Public's printed or typed name

My Commission expires: My Commission Expires August 30, 2022

North Shore Condominium Unit 101:

By: Amy Attaway (SEAL)

Print Name: Amy Attaway

STATE OF South Carolina
COUNTY OF Horry

I, a Notary Public of the County and State aforesaid, certify that Amy Attaway personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5-21-13



[Signature]
Official Signature of Notary

Mary E Nixon, Notary Public
Notary Public's printed or typed name

My Commission expires: My Commission Expires August 30, 2022

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

2440 Campus Shore Dr
North Shore Condominium Unit 102:

By: [Signature] (SEAL)

Print Name: Trampas C. Whitaker

STATE OF NC
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Trampas C. Whitaker personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: Sept. 19, 2013

[Signature]
Official Signature of Notary

ELIZABETH M. DEAKLE
Notary Public, North Carolina
Wake County
My Commission Expires
December 07, 2016
(Official Stamp or Seal)

Elizabeth M. Deakle, Notary Public
Notary Public's printed or typed name

My Commission expires: 12/7/16

North Shore Condominium Unit ____:

By: _____ (SEAL)

Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

Official Signature of Notary

_____, Notary Public
Notary Public's printed or typed name

My Commission expires: _____

(Official Stamp or Seal)

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

42440 Campus Shore Dr.
North Shore Condominium Unit 103:
By: Langhorne A. Ellis Trustee (SEAL)
Print Name: M. Barry Ellis

STATE OF North Carolina
COUNTY OF Watauga

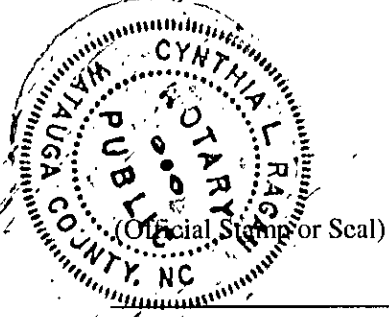
I, a Notary Public of the County and State aforesaid, certify that Langhorne Ellis & M. Barry Ellis personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 6-5-13

Cynthia L. Ragan
Official Signature of Notary

Cynthia L. Ragan, Notary Public
Notary Public's printed or typed name

My Commission expires: 10-8-16



North Shore Condominium Unit
By: Langhorne A. Ellis Trustee (SEAL)
Print Name: M. Barry Ellis

STATE OF North Carolina
COUNTY OF Watauga

I, a Notary Public of the County and State aforesaid, certify that Langhorne Ellis & M. Barry Ellis personally appeared before me this day and acknowledged the signing of the foregoing instrument.

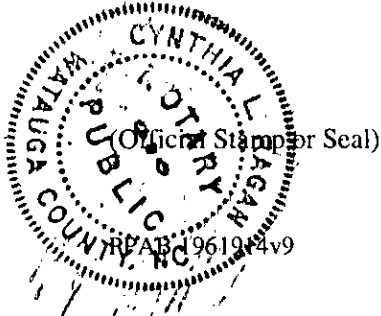
Date: 6-5-13

Cynthia L. Ragan
Official Signature of Notary

Cynthia L. Ragan, Notary Public
Notary Public's printed or typed name

My Commission expires: 10-8-16

DUPLICATE



IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

2440 Campus Shore Dr. # 104

North Shore Condominium Unit ____:

By: _____ (SEAL)

Print Name: HAMID KRIM

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Hamid Krim personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 21, 2013



(Official Stamp or Seal)

Alice A. Oara
Official Signature of Notary

Alice A. Oara, Notary Public
Notary Public's printed or typed name

My Commission expires: 1-30-18

North Shore Condominium Unit ____:

By: _____ (SEAL)

Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

Official Signature of Notary

_____, Notary Public
Notary Public's printed or typed name

My Commission expires: _____

(Official Stamp or Seal)

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

2440 CAMPUS SHORE DR
North Shore Condominium Unit 105:

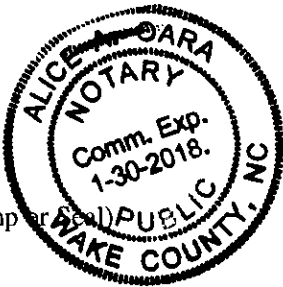
By: Carol A. Batker (SEAL)

Print Name: CAROL A BATKER

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Carol A. Batker personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 21, 2013



(Official Stamp or Seal)

Alice A. Oara
Official Signature of Notary

Alice A. Oara, Notary Public
Notary Public's printed or typed name

My Commission expires: 1-30-18

2440 CAMPUS SHORE DR.
North Shore Condominium Unit 105:

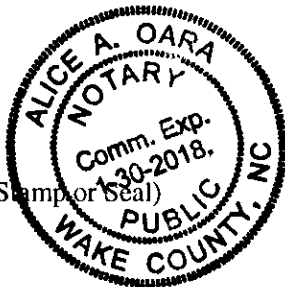
By: Lenette Sherwood (SEAL)

Print Name: LENETTE SHERWOOD

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Lenette Sherwood personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 21, 2013



(Official Stamp or Seal)

Alice A. Oara
Official Signature of Notary

Alice A. Oara, Notary Public
Notary Public's printed or typed name

My Commission expires: 1-30-18

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1221 Capability Dr
North Shore Condominium Unit 100

By: [Signature] (SEAL)

Print Name: Tracy E. Patow
Now known as Tracy Evans Averett

STATE OF NC
COUNTY OF Wake

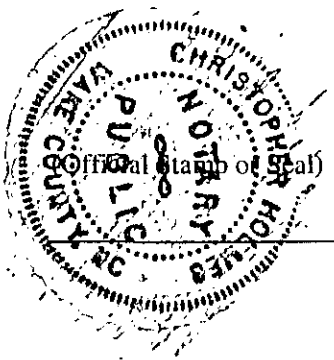
I, a Notary Public of the County and State aforesaid, certify that Tracy E Patow personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5/24/13

[Signature]
Official Signature of Notary

Christopher Holmes, Notary Public
Notary Public's printed or typed name

My Commission expires: June 9, 2013



North Shore Condominium Unit ____:

By: _____ (SEAL)

Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

Official Signature of Notary

_____, Notary Public
Notary Public's printed or typed name

My Commission expires: _____

(Official Stamp or Seal)

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

North Shore Condominium Unit 101:

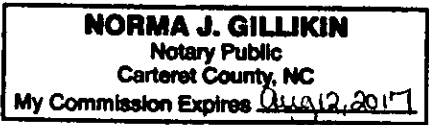
By: David Lenker (SEAL)

Print Name: David Lenker

STATE OF N.C.
COUNTY OF Carteret

I, a Notary Public of the County and State aforesaid, certify that David Lenker personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 23, 2013



(Official Stamp or Seal)

Norma J. Gillikin
Official Signature of Notary

Norma J. Gillikin, Notary Public
Notary Public's printed or typed name

My Commission expires: Aug 12, 2017

North Shore Condominium Unit 101:

By: Deborah A. Lenker (SEAL)

Print Name: Deborah A Lenker

STATE OF N.C.
COUNTY OF Carteret

I, a Notary Public of the County and State aforesaid, certify that Deborah A. Lenker personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 23, 2013



(Official Stamp or Seal)

Norma J. Gillikin
Official Signature of Notary

Norma J. Gillikin, Notary Public
Notary Public's printed or typed name

My Commission expires: Aug 12, 2017

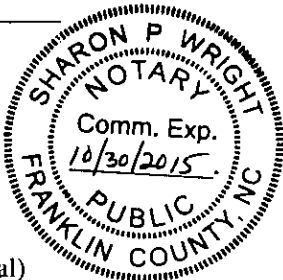
IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1221 Capability
North Shore Condominium Unit 102:
By: [Signature] (SEAL)
Print Name: Henry V. Liles Jr.

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Henry V. Liles, Jr. personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5/20/13



(Official Stamp or Seal)

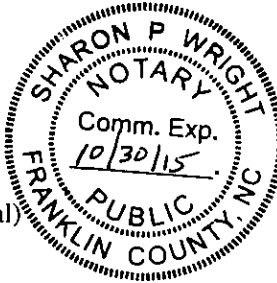
Sharon P. Wright
Official Signature of Notary
Sharon P. Wright, Notary Public
Notary Public's printed or typed name
My Commission expires: 10/30/15

1221 Capability
North Shore Condominium Unit 102:
By: Myra L. Liles (SEAL)
Print Name: Myra L. Liles

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Myra L. Liles personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5/20/13



(Official Stamp or Seal)

Sharon P. Wright
Official Signature of Notary
Sharon P. Wright, Notary Public
Notary Public's printed or typed name
My Commission expires: 10/30/15

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1221 Capability Drive, Raleigh, NC
North Shore Condominium Unit 103

DECLARANT:
The Kathryn L. Lythgoe Living Trust, dated July 7, 2011

By: K Lythgoe (SEAL)
Kathryn Lythgoe, Trustee

By: G Lythgoe (SEAL)
Graham Lythgoe, Trustee

STATE OF NC
COUNTY OF Wake

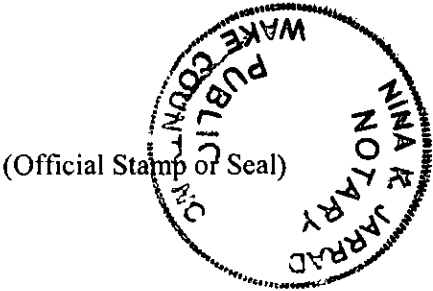
I, a Notary Public of the County and State aforesaid, certify that Kathryn Lythgoe and Graham Lythgoe, as Trustees under the Kathryn L. Lythgoe Living Trust, dated July 7, 2011, personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 1-17-2014

Nina K Jarrod
Official Signature of Notary

Nina K Jarrod, Notary Public
Notary Public's printed or typed name

My Commission expires: Sept 15th 2018



IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1221 Capabilities Dr.
North Shore Condominium Unit 109:

By: [Signature] (SEAL)

Print Name: Michael Samuels

STATE OF ILLINOIS
COUNTY OF COOK

I, a Notary Public of the County and State aforesaid, certify that Michael Andrew Samuels personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 8/26/2013



(Official Stamp or Seal)

Marian Mitchell
Official Signature of Notary

Marian Mitchell, Notary Public
Notary Public's printed or typed name

My Commission expires: June 5, 2014

North Shore Condominium Unit ____:

By: _____ (SEAL)

Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

(Official Stamp or Seal)

Official Signature of Notary

_____, Notary Public
Notary Public's printed or typed name

My Commission expires: _____

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1220 CAPABILITY DR #104

North Shore Condominium Unit ____:

By: Stuart L Samuel (SEAL)

Print Name: STUART L SAMUELS

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Stuart L. Samuel personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: MAY 21, 2013



Alice A. Oara
Official Signature of Notary

Alice A. Oara, Notary Public
Notary Public's printed or typed name

My Commission expires: 1-30-18

North Shore Condominium Unit ____:

By: _____ (SEAL)

Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

(Official Stamp or Seal)

Official Signature of Notary

_____, Notary Public
Notary Public's printed or typed name

My Commission expires: _____

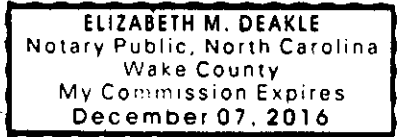
IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230 Capability
North Shore Condominium Unit 100:
By: [Signature] (SEAL)
Print Name: Andrew A. Cooper

STATE OF NC
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Andrew A. Cooper personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5/21/14



(Official Stamp or Seal)

[Signature]
Official Signature of Notary
Elizabeth M. Deakle, Notary Public
Notary Public's printed or typed name
My Commission expires: 12/7/16

North Shore Condominium Unit ____:
By: _____ (SEAL)
Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

Official Signature of Notary
_____, Notary Public
Notary Public's printed or typed name
My Commission expires: _____

(Official Stamp or Seal)

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230 Capability Dr.
North Shore Condominium Unit 100:

By: Radmila Sazdanovic (SEAL)

Print Name: RADMILA SAZDANOVIC

STATE OF Minnesota
COUNTY OF Ramsey

I, a Notary Public of the County and State aforesaid, certify that Radmila Sazdanovic personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5/13/2014



(Official Stamp or Seal)

Mary L. Swords
Official Signature of Notary

Mary L. Swords, Notary Public
Notary Public's printed or typed name

My Commission expires: 1.31.2017

North Shore Condominium Unit ____:

By: _____ (SEAL)

Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

Official Signature of Notary

_____, Notary Public
Notary Public's printed or typed name

My Commission expires: _____

(Official Stamp or Seal)

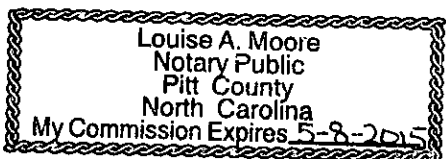
IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230 Capability Dr.
North Shore Condominium Unit 101:
By: Mary L. Melvin (SEAL)
Print Name: Mary L Melvin

STATE OF North Carolina
COUNTY OF Pitt

I, a Notary Public of the County and State aforesaid, certify that Mary L. Melvin personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 15, 2013



(Official Stamp or Seal)

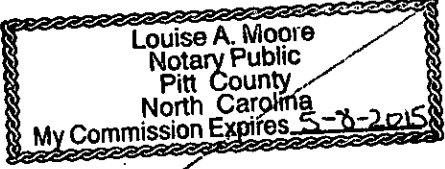
Louise A. Moore
Official Signature of Notary
Louise A. Moore Notary Public
Notary Public's printed or typed name
My Commission expires: 5-8-2015

North Shore Condominium Unit 101:
By: Mary L. Melvin (SEAL)
Print Name: Mary L. Melvin

STATE OF North Carolina
COUNTY OF Pitt

I, a Notary Public of the County and State aforesaid, certify that Mary L. Melvin personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 15, 2013



(Official Stamp or Seal)

Louise A. Moore
Official Signature of Notary
Louise A. Moore Notary Public
Notary Public's printed or typed name
My Commission expires: 5-8-2015

DUPLICATE

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230 Capability Dr.
North Shore Condominium Unit 102:

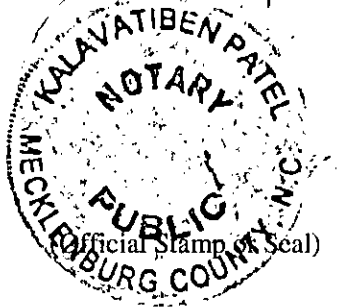
By: [Signature] (SEAL)

Print Name: James C Dashner

STATE OF North Carolina
COUNTY OF Mecklenburg

I, a Notary Public of the County and State aforesaid, certify that James C Dashner personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: June 10, 2013



[Signature]
Official Signature of Notary

Kalavati Ben Patel, Notary Public
Notary Public's printed or typed name

My Commission expires: April 11, 2016

North Shore Condominium Unit 102:

By: Aline Dashner (SEAL)

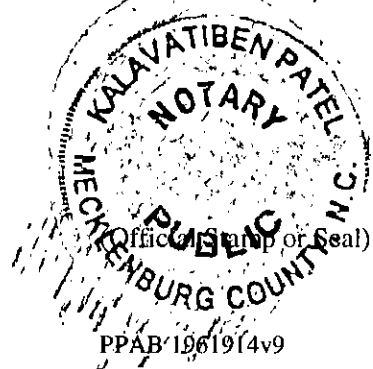
Print Name: Aline Dashner

[Signature]
JOHN O. DASHNER

STATE OF North Carolina
COUNTY OF Mecklenburg

I, a Notary Public of the County and State aforesaid, certify that Aline and John Dashner personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: June 10, 2013



[Signature]
Official Signature of Notary

Kalavati Ben Patel, Notary Public
Notary Public's printed or typed name

My Commission expires: April 11, 2016

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230 Capability Dr. #103
North Shore Condominium Unit _____:

By: [Signature] (SEAL)

Print Name: Robert A. Monath

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Robert A. Monath personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 21, 2013



(Official Stamp or Seal)

Alice A. Oara
Official Signature of Notary

Alice A. Oara, Notary Public
Notary Public's printed or typed name

My Commission expires: 1-30-18

North Shore Condominium Unit _____:

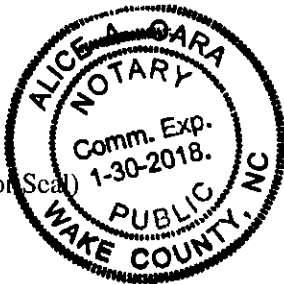
By: [Signature] (SEAL)

Print Name: Amanda L. Monath

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Amanda L. Monath personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 21, 2013



(Official Stamp or Seal)

Alice A. Oara
Official Signature of Notary

Alice A. Oara, Notary Public
Notary Public's printed or typed name

My Commission expires: 1-30-18

1230 Capability Dr. #104

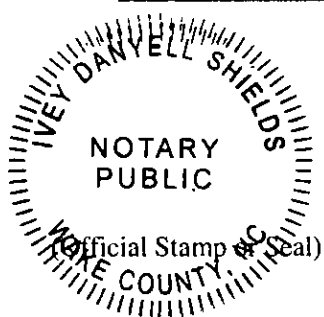
IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

North Shore Condominium Unit ____:
By: [Signature] (SEAL)
Print Name: MARTIN L. & ANN L. ALLEN

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Martin L. Allen & Ann L. Allen personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5-21-13



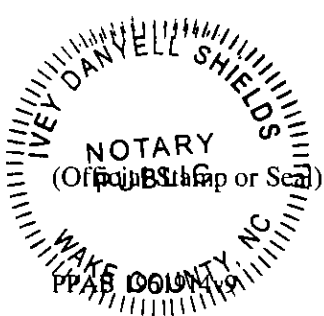
[Signature]
Official Signature of Notary
Ivey Danyell Shields, Notary Public
Notary Public's printed or typed name
My Commission expires: Nov. 21, 2016

North Shore Condominium Unit ____:
By: [Signature] (SEAL)
Print Name: MARTIN L. & ANN L. ALLEN

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Martin L. Allen & Ann L. Allen personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5-21-13



[Signature]
Official Signature of Notary
Ivey Danyell Shields, Notary Public
Notary Public's printed or typed name
My Commission expires: Nov. 21, 2016

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230 Capaw's Lkty Pr
North Shore Condominium Unit 105:

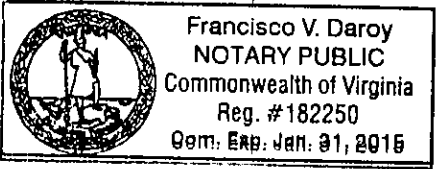
By: [Signature] (SEAL)

Print Name: DAVID D. ANDERSON

STATE OF VIRGINIA
COUNTY OF VIRGINIA BEACH

I, a Notary Public of the County and State aforesaid, certify that DAVID D. ANDERSON personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 06/25/2013



(Official Stamp or Seal)

[Signature]
Official Signature of Notary

FRANCISCO V. DAROY, Notary Public
Notary Public's printed or typed name

My Commission expires: 01/31/2015

North Shore Condominium Unit 105:

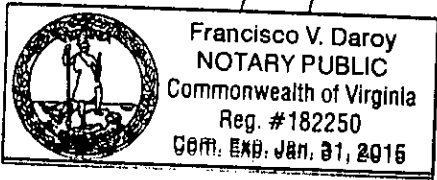
By: [Signature] (SEAL)

Print Name: Kay M. Anderson

STATE OF VIRGINIA
COUNTY OF VIRGINIA BEACH

I, a Notary Public of the County and State aforesaid, certify that KAY M. ANDERSON personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 06/25/2013



(Official Stamp or Seal)

[Signature]
Official Signature of Notary

FRANCISCO V. DAROY, Notary Public
Notary Public's printed or typed name

My Commission expires: 01/31/2015

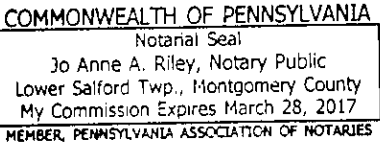
IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

North Shore Condominium Unit 1230 CAPABILITY Dr #106
By: [Signature] (SEAL)
Print Name: MICHAEL PIRRELLO

STATE OF Pennsylvania
COUNTY OF MONTGOMERY

I, a Notary Public of the County and State aforesaid, certify that Michael PIRRELLO personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 7/29/2013



[Signature]
Official Signature of Notary
Jo Anne A. Riley, Notary Public
Notary Public's printed or typed name
My Commission expires: 3/28/2017

(Official Stamp or Seal)

North Shore Condominium Unit ____:
By: _____ (SEAL)
Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

Official Signature of Notary
_____, Notary Public
Notary Public's printed or typed name
My Commission expires: _____

(Official Stamp or Seal)

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1231 capability dr
North Shore Condominium Unit 100:

By: Brandon Garner (SEAL)

Print Name: Brandon Garner

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Brandon Garner personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 21, 2013



(Official Stamp)

Alice A. Oara
Official Signature of Notary

Alice A. Oara, Notary Public
Notary Public's printed or typed name

My Commission expires: 1-30-18

North Shore Condominium Unit ____:

By: _____ (SEAL)

Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

Official Signature of Notary

_____, Notary Public
Notary Public's printed or typed name

My Commission expires: _____

(Official Stamp or Seal)

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1231 capability Dr
North Shore Condominium Unit 101:

By: [Signature] (SEAL)

Print Name: FREDERICK H. ADAMS, Jr

STATE OF NC
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Frederick H. Adams, Jr. personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5/9/14

Elizabeth M. Deakle
Official Signature of Notary

ELIZABETH M. DEAKLE
Notary Public, North Carolina
Wake County
My Commission Expires
December 07, 2016

Elizabeth M. Deakle, Notary Public
Notary Public's printed or typed name

My Commission expires: 12/7/16

(Official Stamp or Seal)

North Shore Condominium Unit 101:

By: [Signature] (SEAL)

Print Name: Laurie Adams

STATE OF NC
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Laurie H. Adams personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 5/9/14

Elizabeth M. Deakle
Official Signature of Notary

ELIZABETH M. DEAKLE
Notary Public, North Carolina
Wake County
My Commission Expires
December 07, 2016

Elizabeth M. Deakle, Notary Public
Notary Public's printed or typed name

My Commission expires: 12/7/16

(Official Stamp or Seal)

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1231 Capability Dr. # 102
North Shore Condominium Unit
Pinnacle Pursuits, LLC.
By: Cynthia Gallinger (SEAL) Roy P. Gallinger
Print Name: Cynthia Gallinger, Manager
Roy P. Gallinger, Manager

STATE OF North Carolina
COUNTY OF Jackson

I, a Notary Public of the County and State aforesaid, certify that Roy P. Gallinger & Cynthia Gallinger personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: June 3, 2013

Debra L. Farmer
Official Signature of Notary

DEBRA L. FARMER
NOTARY PUBLIC
Jackson County, North Carolina
My Commission Expires May 18, 2015
(Official Stamp or Seal)

Debra L. Farmer, Notary Public
Notary Public's printed or typed name
My Commission expires: May 18, 2015

~~1231 Capability Dr. # 102
North Shore Condominium Unit
By: Cynthia Gallinger (SEAL) Roy P. Gallinger
Print Name: Cynthia Gallinger
Roy P. Gallinger~~

STATE OF North Carolina
COUNTY OF Jackson

I, a Notary Public of the County and State aforesaid, certify that Roy P. Gallinger & Cynthia Gallinger personally appeared before me this day and acknowledged the signing of the foregoing instrument.

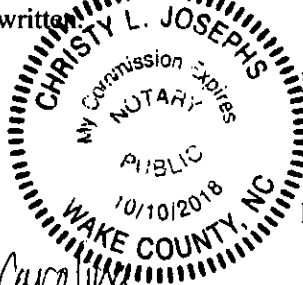
Date: June 3, 2013

Debra L. Farmer
Official Signature of Notary

DEBRA L. FARMER
NOTARY PUBLIC
Jackson County, North Carolina
My Commission Expires May 18, 2015
(Official Stamp or Seal)

Debra L. Farmer, Notary Public
Notary Public's printed or typed name
My Commission expires: May 18, 2015

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.



North Shore Condominium Unit 103:
By: C. Sam Sze (SEAL)
Print Name: SRIVIDYA CHANDRAMOHAN

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Srividya Chandramohan personally appeared before me this day and acknowledged the signing of the foregoing instrument.

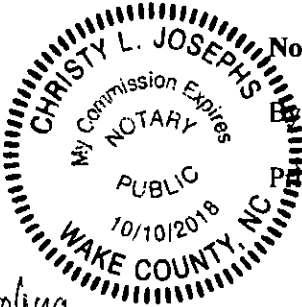
Date: 1/4/2014

Christy L. Josephs
Official Signature of Notary

Christy L. Josephs, Notary Public
Notary Public's printed or typed name

My Commission expires: 10/10/2018

(Official Stamp or Seal)



North Shore Condominium Unit 103:
By: Balaji Gopalakrishnan (SEAL)
Print Name: BALAJI GOPALAKRISHNAN

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Balaji Gopalakrishnan personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 1/4/2014

Christy L. Josephs
Official Signature of Notary

Christy L. Josephs, Notary Public
Notary Public's printed or typed name

My Commission expires: 10/10/2018

(Official Stamp or Seal)

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

capani liny pr.
North Shore Condominium Unit 1231-104
By: [Signature] (SEAL)
Print Name: David Rush Batts

STATE OF NC
COUNTY OF Wake

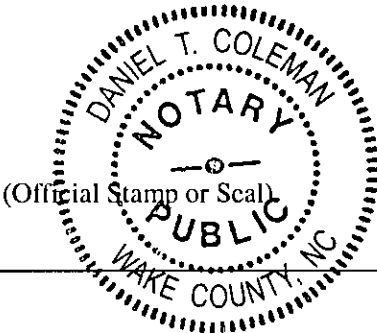
I, a Notary Public of the County and State aforesaid, certify that David Rush Batts personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 7-21-13

[Signature]
Official Signature of Notary

Daniel T Coleman, Notary Public
Notary Public's printed or typed name

My Commission expires: 7-21-14



North Shore Condominium Unit 1231-104
By: [Signature] (SEAL)
Print Name: Whitney Harrington Wilson-Batts

STATE OF NC
COUNTY OF Wake

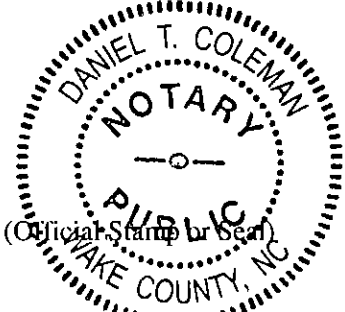
I, a Notary Public of the County and State aforesaid, certify that Whitney Wilson-Batts personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 7-21-13

[Signature]
Official Signature of Notary

Daniel T Coleman, Notary Public
Notary Public's printed or typed name

My Commission expires: 7-21-14



IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1220 Twin Branches way
North Shore Condominium Unit 100:

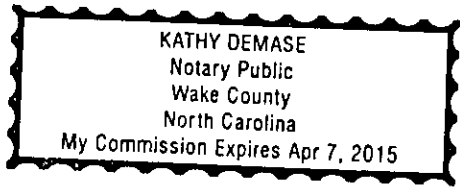
By: Sherwin C Lake (SEAL)

Print Name: Sherwin C Lake

STATE OF NC
COUNTY OF WAKE

I, a Notary Public of the County and State aforesaid, certify that SHERWIN C. LAKE personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: JUNE 20, 2013



(Official Stamp or Seal)

Kathy Demase
Official Signature of Notary

KATHY DEMASE, Notary Public
Notary Public's printed or typed name

My Commission expires: 4/7/2015

North Shore Condominium Unit _____:

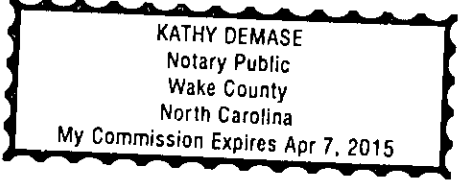
By: Joyce D Lake (SEAL)

Print Name: Joyce D Lake

STATE OF NC
COUNTY OF WAKE

I, a Notary Public of the County and State aforesaid, certify that JOYCE D. LAKE personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: JUNE 20, 2013



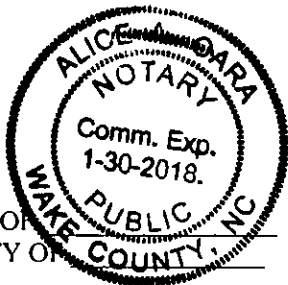
(Official Stamp or Seal)

Kathy Demase
Official Signature of Notary

KATHY DEMASE, Notary Public
Notary Public's printed or typed name

My Commission expires: 4/7/2015

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.



1780 Twin Branches way
North Shore Condominium Unit 101:

By: [Signature] (SEAL)

Print Name: Thomas Hughes

STATE OF _____
COUNTY OF _____

North Carolina
Wake

I, a Notary Public of the County and State aforesaid, certify that Thomas Hughes personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: Sept. 30, 2013

Alice A. Oara
Official Signature of Notary

Alice A. Oara, Notary Public
Notary Public's printed or typed name

My Commission expires: 1-30-2018

(Official Stamp or Seal)

North Shore Condominium Unit _____:

By: _____ (SEAL)

Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

Official Signature of Notary

_____, Notary Public
Notary Public's printed or typed name

My Commission expires: _____

(Official Stamp or Seal)

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1220-
North Shore Condominium Unit 102 FWIN BRANCHES WAY
By: [Signature] (SEAL)
Print Name: Damon Cornell Butler

STATE OF NC
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Damon C. Butler personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 6/12/13

[Signature]
Official Signature of Notary
Elizabeth M. Deakle Notary Public
Notary Public's printed or typed name
My Commission expires: 12/17/16

ELIZABETH M. DEAKLE
Notary Public, North Carolina
Wake County
My Commission Expires
December 07, 2016
(Official Stamp or Seal)

North Shore Condominium Unit ____:
By: _____ (SEAL)
Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

Official Signature of Notary
_____, Notary Public
Notary Public's printed or typed name
My Commission expires: _____

(Official Stamp or Seal)

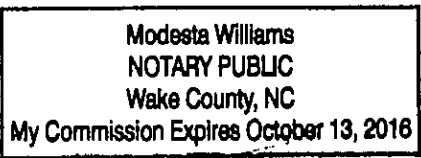
IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1220 Twin Branches way
103
North Shore Condominium Unit 103:
By: [Signature] (SEAL)
Print Name: Nathaniel Finucane

STATE OF NC
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Nathaniel Finucane personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 10-1-2013



(Official Stamp or Seal)

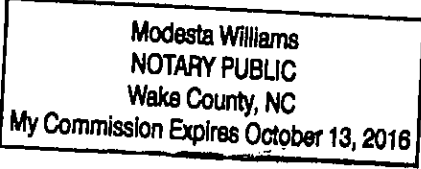
[Signature]
Official Signature of Notary
Modesta Williams Notary Public
Notary Public's printed or typed name
My Commission expires: 10-13-2016

1220
North Shore Condominium Unit 103:
By: [Signature] (SEAL)
Print Name: ANDREA FINUCANE
F/K/A Andrea Gancello

STATE OF NC
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Andrea Finucane personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 10-1-2013



(Official Stamp or Seal)

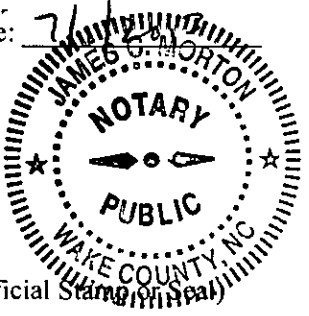
[Signature]
Official Signature of Notary
Modesta Williams Notary Public
Notary Public's printed or typed name
My Commission expires: 10-13-2016

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

North Shore Condominium Unit 104: Bld 1220
By: [Signature] (SEAL)
Print Name: MAGDY SAAD

STATE OF NC
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Magdy Saad personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 7/1/2018

(Official Stamp or Seal)

[Signature]
Official Signature of Notary
James C Morton, Notary Public
Notary Public's printed or typed name
My Commission expires: 4/1/2018

North Shore Condominium Unit ____:
By: _____ (SEAL)
Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

Official Signature of Notary
_____, Notary Public
Notary Public's printed or typed name
My Commission expires: _____

(Official Stamp or Seal)

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

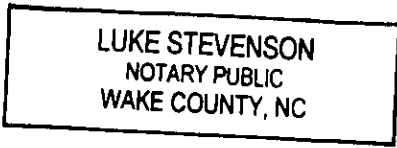
Twin Branches way
1220-104
North Shore Condominium Unit ____:
By: [Signature] (SEAL)
Print Name: MARK SAAD

STATE OF NC
COUNTY OF WAKE

I, a Notary Public of the County and State aforesaid, certify that MARK SAAD personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 6-10-2013

[Signature]
Official Signature of Notary



Luke Stevenson, Notary Public
Notary Public's printed or typed name

My Commission expires: 2-10-2016

(Official Stamp or Seal)

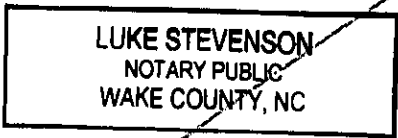
North Shore Condominium Unit 1220-104
By: [Signature] (SEAL)
Print Name: MARK SAAD

STATE OF NC
COUNTY OF WAKE

I, a Notary Public of the County and State aforesaid, certify that MARK SAAD personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 6-10-2013

[Signature]
Official Signature of Notary



Luke Stevenson, Notary Public
Notary Public's printed or typed name

My Commission expires: 2-10-2016

(Official Stamp or Seal)

DUPLICATE

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230 Twin Branches way.
North Shore Condominium Unit 100

By: _____ (SEAL)

Print Name: James J. Gibson

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that James J. Gibson personally appeared before me this day and acknowledged the signing of the foregoing instrument.

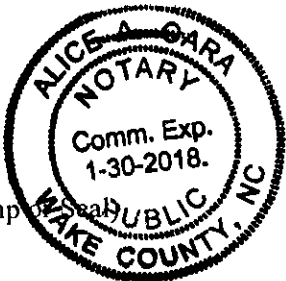
Date: May 21 2013

Alice A. Oara
Official Signature of Notary

Alice A. Oara, Notary Public
Notary Public's printed or typed name

My Commission expires: 1-30-18

(Official Stamp or Seal)



North Shore Condominium Unit 100

By: Penny L. Gibson (SEAL)

Print Name: Penny L. Gibson

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Penny L. Gibson personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 21 2013

Alice A. Oara
Official Signature of Notary

Alice A. Oara, Notary Public
Notary Public's printed or typed name

My Commission expires: 1-30-18

(Official Stamp or Seal)



IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230 TWIN BRANDS WAY, 101
North Shore Condominium Unit 37:

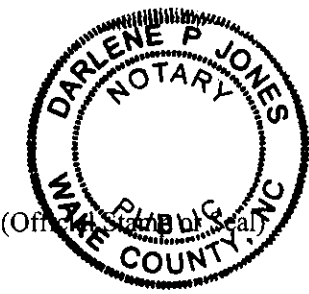
By: Jacob Plotkin (SEAL)

Print Name: Jacob Plotkin

STATE OF NC
COUNTY OF WAKE

I, a Notary Public of the County and State aforesaid, certify that JACOB PLOTKIN personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 06/27/13



Darlene P. Jones
Official Signature of Notary

DARLENE P. JONES Notary Public
Notary Public's printed or typed name

My Commission expires: Sept. 5, 2017

North Shore Condominium Unit 37:

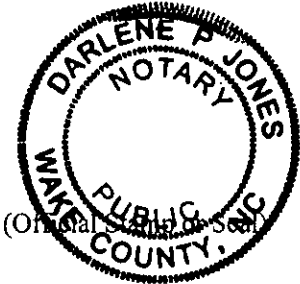
By: Britney Plotkin (SEAL)

Print Name: Britney Plotkin
FKA Britney Grant

STATE OF NC
COUNTY OF WAKE

I, a Notary Public of the County and State aforesaid, certify that BRITNEY PLOTKIN personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 06/27/13



Darlene P. Jones
Official Signature of Notary

DARLENE P. JONES Notary Public
Notary Public's printed or typed name

My Commission expires: Sept. 5, 2017

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230 Twin Branches way, 101
North Shore Condominium Unit 31:

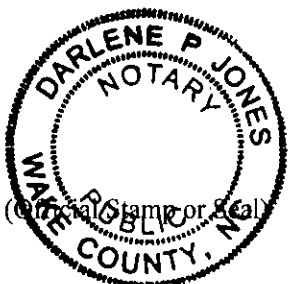
By: [Signature] (SEAL)

Print Name: Elizabeth Plotkin

STATE OF NC
COUNTY OF WAKE

I, a Notary Public of the County and State aforesaid, certify that ELIZABETH PLOTKIN personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 06/27/13



[Signature]
Official Signature of Notary

DARLENE P. JONES Notary Public
Notary Public's printed or typed name

My Commission expires: Sept. 5, 2017

North Shore Condominium Unit 37:

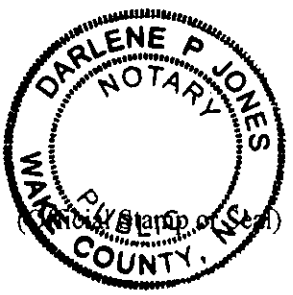
By: [Signature] (SEAL)

Print Name: Justin Plotkin

STATE OF NC
COUNTY OF WAKE

I, a Notary Public of the County and State aforesaid, certify that JUSTIN PLOTKIN personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 06/27/13



[Signature]
Official Signature of Notary

DARLENE P. JONES Notary Public
Notary Public's printed or typed name

My Commission expires: Sept. 5, 2013 ^{ORS} 2017

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230 Twin Branches way, 101

North Shore Condominium Unit 37 :

By: June Plotkin (SEAL)

Print Name: June Plotkin

STATE OF NC
COUNTY OF WAKE

I, a Notary Public of the County and State aforesaid, certify that JUNE PLOTKIN personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 06/27/13



Darlene P. Jones
Official Signature of Notary

DARLENE P. JONES, Notary Public
Notary Public's printed or typed name

My Commission expires: Sept. 5, 2017

North Shore Condominium Unit ____ :

By: _____ (SEAL)

Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

Official Signature of Notary

_____, Notary Public
Notary Public's printed or typed name

My Commission expires: _____

(Official Stamp or Seal)

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230-102 Twin Branches Way

North Shore Condominium Unit ____:

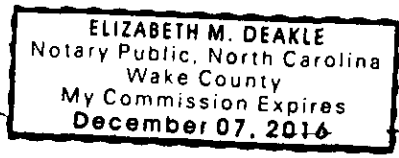
By: [Signature] (SEAL)

Print Name: Rebecca Mayhew

STATE OF NC
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Rebecca Mayhew personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 6/21/13



(Official Stamp or Seal)

[Signature]
Official Signature of Notary

Elizabeth M. Deakle, Notary Public
Notary Public's printed or typed name

My Commission expires: 12/7/16

1230-102 Twin Branches Way

North Shore Condominium Unit ____:

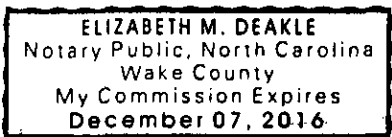
By: [Signature] (SEAL)

Print Name: Nicholas Mayhew

STATE OF NC
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Nicholas Mayhew personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: 6/21/13



(Official Stamp or Seal)

[Signature]
Official Signature of Notary

Elizabeth M. Deakle, Notary Public
Notary Public's printed or typed name

My Commission expires: 12/7/16

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230 Twin Branches Way
North Shore Condominium Unit 103:

By: Alan D Briggs (SEAL)

Print Name: Alan D Briggs

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Alan D Briggs personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 21 2013



(Official Stamp)

Alice A. Odra
Official Signature of Notary

Alice A. Odra, Notary Public
Notary Public's printed or typed name

My Commission expires: 1-30-18

North Shore Condominium Unit ____:

By: _____ (SEAL)

Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

Official Signature of Notary

_____, Notary Public
Notary Public's printed or typed name

My Commission expires: _____

(Official Stamp or Seal)

IN WITNESS WHEREOF, each Owner of an Existing Condominium Attached Dwelling Unit Declarant has caused this Declaration to be executed in its name by its duly authorized representative as of the date first above written.

1230 Twin Branches Way 404

North Shore Condominium Unit _____:

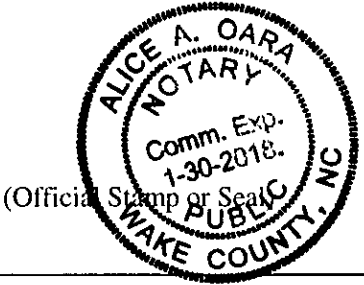
By: [Signature] (SEAL)

Print Name: Leonel M. Van Zyl

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Leonel M. Van Zyl personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: May 21, 2013



Alice A. Oara
Official Signature of Notary

Alice A. Oara, Notary Public
Notary Public's printed or typed name

My Commission expires: 1-30-18

North Shore Condominium Unit _____:

By: _____ (SEAL)

Print Name: _____

STATE OF _____
COUNTY OF _____

I, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged the signing of the foregoing instrument.

Date: _____

(Official Stamp or Seal)

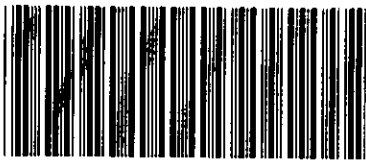
Official Signature of Notary

_____, Notary Public
Notary Public's printed or typed name

My Commission expires: _____

Signature Page Addendum

1. **2440 Campus Shore Dr. Unit 103:** M. Barry Ellis and Langhorne Ellis sign as trustees of the M. Barry Ellis Living Trust, dated July 8, 1996.
2. **1221 Capability Dr. Unit 100:** Former owner Eric Jan Patow is deceased. See estate file 13E601, Wake County, NC. Tracy Evans Patow signs as surviving spouse.
3. **1231 Capability Dr. Unit 100:** Harold T. Garner, formerly co-owner, is deceased. See the estate file in Book 1775 Page 151, Probate Court of Gwinnet County, Ga.
4. **1231 Capability Dr. Unit 102:** Cynthia Gallinger and Roy Gallinger sign as Managers of Pinnacle Pursuits, LLC.
5. **1230 Twin Branches Way Unit 101:** Charles Plotkin, formerly co-owner, is deceased. See estate file 10E834, Pitt County, NC.



BOOK:015666 PAGE:01242 - 01361



Please retain yellow trailer page

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

Laura M. Riddick
Register of Deeds
Wake County Justice Center
300 South Salisbury Street, Suite 1700
Raleigh, NC 27601

☐ New Time Stamp

☐ \$25 Non-Standard Fee

☐ Additional Document Fee

☐ Additional Reference Fee

This Customer Group

____ # of Time Stamps Needed

This Document

120 # of Pages LG