BK008507PG02243

WHITE OAK PROPERTIES
71 GLENWOOD AVE
#263
Raleigh NC 27603

Wake County,NC 250
Laura M Riddick, Register Of Deeds
Presented & Recorded 01/11/2000 09:38:14
Book : 008500 Page : 01212 - 01243

NORTH CAROLINA

WAKE COUNTY

DECLARATION OF CONDOMINIUM

THIS DECLARATION OF CONDOMINIUM is made and entered into the 1st day of January, 2000, by Rene Langford, Inc., a North Carolina Corporation, ("Declarant"), pursuant to the provisions of Chapter 47C of the North Carolina General Statutes.

1. ESTABLISHMENT.

Declarant is the lessee of a ground lease for real property in Wake County, North Carolina, more particularly described in Paragraph 2 below; and

Declarant intends to construct one multi-story building on said real property containing a maximum of forty six (46) units for sale as individual units and to sell and convey the same to various purchasers subject to the covenants, conditions and restrictions hereinafter set forth; and

Declarant intends to assign all of its rights in the ground lease of the real property to the Association concurrently with the filing of this Declaration in the Wake County Registry; and

Declarant intends and desires by the filing of this Declaration of Condominium to submit the property described in Paragraph 2 below and improvements to be constructed thereon together with all of the appurtenances thereto to the provisions of Chapter 47C of the North Carolina General Statutes, (NORTH CAROLINA CONDOMINIUM ACT), and hereby declares the same to be know and identified as "Park Devereux, a condominium."

2. PROPERTY DESCRIPTION.

All that certain property situated, lying and being in Wake County, North Carolina, and being more particularly described on the schedule marked Exhibit "A" attached hereto and incorporated herein by reference (the "Property"), together with the improvements to be constructed thereon as referenced in Exhibit "B", including complete descriptions and plans of the units with their respective locations and dimensions.

Wake County,NC 834
Laura M Riddick, Register Of Deeds
Presented & Recorded 01/24/2000 15:53:23
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3. FORM OF ADMINISTRATION.

The property of the condominium and its business shall be managed, controlled, directed and administered by the Park Devereux Condominium Homeowners Association, Inc. (herein the "Association") as provided in the Articles of Incorporation and By-Laws of the Association, which Articles of Incorporation and By-Laws are attached hereto as Exhibits "C" and "D" and made a part hereof. Each Unit Owner shall be member of the Association.

All powers granted in this Declaration or the By-Laws to the Association shall be exercisable by the Board of Directors, except as expressly provided in the Declaration, the By-Laws, or GS 47C.

Declarant shall transfer control of the Association to the Unit Owners on or before July 31, 2000.

4. UNIT DESIGNATION.

Declarant does hereby establish within the Property forty six (46) units, and does hereby designate all such units for separate ownership. Each unit is identified by a specific numerical designation with a separate street address as shown on Exhibit "B". Each unit is bounded both as to horizontal and vertical boundaries by the interior surface of its perimeter walls, ceilings, and floors, which are shown on the aforesaid plans filed in the Wake County Registry. Mechanical equipment, stairways, and appurtenances located within any unit and designed to serve only that unit shall be a part of the unit.

This Declaration is being re-recorded to add Exhibit "E", which was inadvertently omitted.

Drafting Attorney

Each Unit Owner has an unrestricted right of ingress and egress to his or her unit. This right shall be perpetual and it shall pass with the unit estate as transfers of unit ownership might occur. Any conveyance, encumbrance, judicial sale or other transfer (voluntary or involuntary) of an individual interest in the common elements will be void unless the unit to which that interest is allocated is also transferred.

The land area of Park Devereux will not be owned in fee simple by the Association. Instead, it will be controlled by a ground lease. The lease will be initially executed in favor of the Declarant. Concurrently with the filing of the declaration in the Wake County Registry, the lease will be lawfully assigned to the Association. The lease will have an initial term of 99 years from its execution date. Prior to the filing of this Declaration in the Wake County Registry, the Declarant will prepay all rent due under the initial lease term. Under the terms of the lease, the association and its unit owners will be required to pay all ordinary home ownership expenses including insurance, utilities, maintenance and real estate taxes. The lease will have a renewal option for an additional term beyond its base term of 99 years. Any renewal of the lease past its 99 year term may require regular monthly rental payments to be paid by the lessee (the Association), such rates to be determined at the time of renewal. A more specific description of the Property can be found in Condominium File No. 130, Wake County Registry which is incorporated herein by reference. Such plans bear a verified statement that they are an accurate copy of the building plans.

5. PARTY WALLS.

The walls, flooring and ceilings connecting adjacent units are "party walls" and are situated on or about the boundary line separating units. In the case of any walls, flooring and ceilings that are herein described as party walls, all furring, wallboard, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished flooring, and any other materials constituting any part of the finished surfaces thereof are a part of the unit and all other portions of such walls, floors or ceilings are a part of the common elements, pursuant to GS 47C-2-102(1).

Each wall which is built as a part of the original construction of a unit and placed on the dividing line between the units shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Declaration, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

The cost of reasonable repair and maintenance of a party wall shall be shared by the owners who make use of the wall in proportion to such use. Notwithstanding any other provisions of this Declaration, a Unit Owner who by his negligent or willful act causes a party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

6. COMMON AREAS AND FACILITIES.

The common areas and facilities consist of all parts of the multi-unit building situated on the land described above other than individual units therein as described in Paragraph 2 above and other than the common areas and facilities described in Paragraphs (a) through (g) below, including without limitation the following:

(a) The land on which the building is erected and all land described in Paragraph 2 above.

(b) All foundations, columns, girders, beams, supports and other structural members.

(c) The roof and all exterior walls and interior walls except those partition walls and all ceilings, floors, and stairways wholly within a unit.

(d) All central appurtenant installments for operations and for services such as power, lights, telephone, security system, cable TV, elevator, cold water for common building usage, heat and air conditioning

for common building usage, including pipes, ducts, wiring, cables and conduits, whether located in common areas or in units and all other central mechanical equipment spaces.

(e) All waterlines, sewer pipes and sewer system.

(f) All of the parts of the property and all apparatus installations existing in the building or upon the property for common use necessary or convenient to the existence, maintenance, or safety of the property.

(g) All landscaping, other site improvements, trash collection areas and equipment related thereto, parking areas if not a part of the Limited Common Areas and Facilities as outlined in Paragraph 7 herein, equipment rooms, lobbies and lobby closets.

7. LIMITED COMMON AREAS AND FACILITIES.

Limited Common Areas and Facilities shall mean and include those common areas and facilities reserved for use by a certain Unit or Units to the exclusion of other Units, including any deck, porch, patio, courtyard, balcony, and/or storage room appurtenant to such of the Units as are shown on the Plans, or any assigned parking space or assigned storage room within the covered parking area on the lower level. Each Unit Owner is hereby granted an exclusive and irrevocable license to use and occupy such Limited Common Areas and Facilities as are associated with such Unit Owner's Unit. Storage units and assigned parking spaces are more particularly identified on Exhibit "B1", attached hereto. The cleanliness and orderliness of the Limited Common Areas and Facilities shall be the responsibility of the individual Unit Owner, but the responsibility for maintenance, painting, repair and replacement thereof, together with control over the exterior decoration of same, shall be and remain with the Association. The Association may adopt a policy whereby owners of parking spaces beneath the building which are a part of the Limited Common Areas and Facilities of the project will pay a supplemental monthly assessment in excess of the standard monthly assessment to cover additional ownership costs related to the under building parking which is not available to or owned by all unit owners. There are no Limited Common Areas and Facilities except as provided in this Paragraph 7.

8. PERCENTAGE OF OWNERSHIP IN COMMON AREAS.

Each unit shall have an undivided ownership interest in the common areas as shown on the attached Exhibit "B2". The percentage of common area per unit shall not be changed without the unanimous consent of the owners herein.

Every owner of a Unit shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit which is subject to assessment.

Each Unit together with its undivided interests in the common areas and facilities, shall, for all purposes be, and is hereby declared to be, and to constitute a separate parcel of real property and the Unit Owner thereof shall be entitled to the exclusive ownership and possession of his unit subject only to the ground lease, covenants, restrictions, and easements herein and by the By-Laws, rules, regulations and resolutions adopted pursuant thereto.

9. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS.

The Declarant, for each unit owned within the property, hereby covenants, and each owner of any unit by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association the annual assessments or common charges to be established and collected as hereinafter provided. All units will be allocated full assessments no later than sixty days after the first unit is conveyed except for unsold or unoccupied units owned by the Declarant which shall be assessed at a rate of 25% of a full assessment until such time that they shall be either sold or occupied.

The annual and special assessments, together with the interest, and costs and reasonable attorney's fees incurred in the collection thereof, shall be a charge on the unit and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest and costs and reasonable attorney's fees incurred in the collection thereof, shall also be the personal obligation of the person (or persons) who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

The assessments levied by the Association shall be used exclusively to promote and protect the recreation, health, safety, and welfare of the residents, for the improvement and maintenance of the common area, and of the building and improvements situated upon the property, and to pay ad valorem taxes and public improvement assessments levied against the common areas. Should the Association elect to renew the ground lease for the land of the condominium past the initial 99 year term, the rental cost of any renewal period will become a part of the assessments as well.

Any lien for delinquent common expense assessments or other charges that the Association has on a unit will be subordinate to a first mortgage on the unit, if the mortgage was recorded before the delinquent assessment was due. Any such lien for a common expense assessment will not be affected by the sale or transfer of the unit estate, unless a foreclosure of a first mortgage is involved, in which case the foreclosure will extinguish the lien for any assessments that were payable before the foreclosure sale, but will not relieve any subsequent unit owner from paying further assessments.

10. WORKING CAPITAL FUND.

A working capital fund shall be established by the Declarant in order to meet unforeseen expenditures or to purchase any additional equipment or services. The working capital fund shall be initially funded by the Declarant in an amount equal to two months of the estimated common charges for each unit. The Declarant is expressly prohibited from using the working capital funds to defray any of its expenses, reserve contributions or construction costs or to make up any budget deficits while it is in control of the Association. Each unit's share of the working capital fund shall be collected at the time the sale of the unit is closed. Any amounts paid into this fund shall not be considered as advance payments of regular assessments. At such time that each unit's share of the working capital fund is paid in by a Unit Owner as provided herein, the Declarant shall be reimbursed out of the working capital fund for that amount previously paid by the Declarant to the working capital fund on behalf of the unit. The working capital fund shall be transferred to the Association for deposit to a segregated fund when control of the Association is transferred to the Unit Owners by the Declarant.

11. AMOUNT OF LIEN.

The lien for each unit as described in Paragraph 9 above shall be based on the percentage share in common areas as described in Paragraph 8 above. Said lien shall be perfected upon filing in the Office of the Clerk of Superior Court, Wake County, North Carolina.

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

12. USE OF BUILDING.

(a) The building and each of the units shall be used for residential purposes only. The use of the building and units are further restricted by the By-Laws of the Association. No unit may be subdivided into

smaller units or any portions thereof sold or otherwise transferred without first amending the By-Laws to show the changes in the units to be effected thereby.

(b) No more than two persons over the age of eighteen unrelated by blood or marriage shall reside in any single unit for more than thirty consecutive days in any one calendar year.

(c) The common areas and facilities shall be used only for the purposes for which they are intended and the furnishing of services for the enjoyment of the units.

(d) No noxious or offensive activity shall be conducted upon any unit nor shall anything be done thereon which may be or may become an annoyance or nuisance or shall interfere with the peaceful possession of property by Unit Owners.

(e) No animals, livestock or poultry of any kind shall be kept or maintained on any unit or in any dwelling except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes. All household pets shall be kept on a leash at all times when outside the units.

(f) No outside radio or television antennas, including satellite dishes or receivers, shall be erected on any unit unless and until permission for the same has been granted by the Association.

(g) No signs shall be permitted on or about the units.

(h) All window coverings (i.e., curtains, blinds, draperies, shades, etc.) shall be installed and maintained in accordance with provisions of the Association.

(i) Unit Owners shall not park or store any motorcycle, camper, trailer, trailer vehicle, or similar vehicle anywhere on the premises. No trucks shall be permitted except for standard 2-ton or less pickup trucks or smaller sized trucks.

(j) Any lease or rental agreements involving the units shall be in writing and shall be subject to the requirements of the Association documents and Association rules and regulations governing same.

13. PERSON TO RECEIVE SERVICE OF PROCESS.

G. Roland Gammon, III is hereby designated to receive service of process in any action which may be brought against or in relation to this condominium. The address of such person is: Twenty One Glenwood Avenue, Suite 203, Raleigh, NC, 27603, which is located within the city and county where the building is located. The person so designated to receive service of process may be changed by the Board of Directors.

14. EASEMENTS.

Each Unit Owner shall have an easement in common with all other owners over all other units to use all pipes, wires, ducts, cables, conduits, public utilities and other common facilities located in any of the other units and serving each unit. Furthermore, the Declarant hereby conveys to each Unit Owner an easement and right of access to any and all common areas, open spaces, yards and parking areas for the common use of all owners. The Association shall have the right to establish the rules and regulations pursuant to which the owner of any unit, and family, guests and invitees may be entitled to use the common areas.

Each unit shall be subject to an easement in favor of the other owners of all other units to use the pipes, ducts, cables, wires, conduits, public utility lines and other common facilities serving other units located in such unit. The Board of Directors shall have the right of access to each unit to inspect the same, to remove violations therefrom and maintain, repair, or replace facilities contained therein or which serve

other units in the building. Each Unit Owner shall specifically have an easement to maintain all components of the heating and air conditioning system serving his unit in their present location as shown in the plan attached hereto.

The Board of Directors may hereafter agree that easements for utility purposes for the benefit of the Property, including the right to install, lay, maintain, repair, and replace water lines, pipes, sewer lines, telephone wires and electrical conduits, wires over, under and along any portion of the common areas in each unit are necessary. Each Unit Owner hereby grants the Board of Directors irrevocable power of attorney to execute, acknowledge, and record for and in the name of each Unit Owner such instruments as may be necessary to effectuate the foregoing. An easement is hereby established over all common areas for the benefit of applicable governmental agencies for the setting, removing, and reading of water meters, maintaining and replacing water, drainage and drainage facilities, fire fighting, law enforcement, garbage collection and the delivering of mail.

15. DISCLAIMER BY CITY OF RALEIGH.

Pursuant to the code of the City of Raleigh, the City of Raleigh refuses to be responsible for failing to provide any emergency or regular public service to this project or its occupants when such failure is due to the lack of access to certain roads or streets that are not public due to inadequate design or construction, blocking of access routes or any other factor within the control of the Declarant, Association, or occupants.

Accordingly, the Board of Directors is hereby empowered to make all efforts to assure that there is adequate access to all units and shall not allow any blocking of access or defects in access to remain uncorrected.

16. PARTITIONING.

The common areas and facilities shall not be divided nor shall any right to a partition thereof exist. Nothing herein contained ever shall be deemed to prevent ownership of a condominium unit by the entireties, jointly or in common or in other form permitted by law.

17. DAMAGE , DESTRUCTION AND CONDEMNATION.

Except as herein provided, damage to or destruction of the building shall be promptly repaired and restored by the Board of Directors. The Unit Owners shall be liable for assessment of any deficiency, provided however, that if the building be more than two-thirds destroyed by fire or any other casualty or the same taken by condemnation and the owners of 67% of the units and 51% of the votes of units estates that are subject to mortgages held by eligible holders resolve not to proceed with reconstruction or restoration, then in that event, the property shall be deemed to be owned as tenants in common by the Unit Owners and subject to the provisions of North Carolina General Statutes Section 47C-2-118 as the same exists as of the date hereof.

Implied approval by an eligible mortgage holder shall be assumed when an eligible mortgage holder fails to submit a response to any written proposal within thirty (30) days after it receives proper notice of the proposal, provided the notice was delivered by certified mail or registered mail with a "return receipt" requested.

In any related proceedings, negotiations, settlements or agreements, the Association shall be designated to represent the Unit Owners. In such event, each Unit Owner shall appoint the Association as an attorney-in-fact for this purpose. The Association shall appoint an Insurance Trustee to act on behalf of the Unit Owners in connection with the settlement of any condemnation awards or insurance claims and to administer the allocation of proceeds among the various interested parties.

Any losses, awards or proceeds from the condemnation, destruction or liquidation of all or a part of the property shall be payable to the Association's Insurance Trustee for the benefit of the Unit Owners

and their mortgage holders. Any distribution of funds in connection with the termination of the project shall be made based on the relative value of each unit and in accordance with the formula that is used to determine the Unit Owner's individual interest in the common elements.

Any reconstruction or repair shall be in accordance with the plans and specifications of the original building.

18. INSURANCE.

The insurance which shall be carried upon the property shall be governed by the following provisions:

(i) Casualty or physical damage insurance shall be carried in an amount equal to the full replacement value (i.e., 100% of full "replacement cost") of all buildings and all improvements on the Property owned either by the Association or unit owners and all personal property included within the Property described in Exhibit "A" hereto, except such personal property as may be owned by the unit owners with a replacement cost endorsement and an inflation guard endorsement, without deduction or allowance for depreciation (as determined annually by the Board of Directors with the assistance of the insurance company affording such coverage), such coverage to afford protection against at least the following:

a) loss or damage by fire or other hazards covered by the standard coverage endorsement together with coverage for common expenses with respect to condominium units during any period of repair or reconstruction; and

b) such other risks as from time to time customarily shall be covered with respect to buildings similar to the building in construction, location and use, including, but not limited to, vandalism, malicious mischief, windstorm and water damage, subject to such deductible amounts not in excess of One Thousand Dollars ($1,000.00) as the Board of Directors shall determine. All Casualty Insurance policies shall be purchased by the Association for the benefit of the Association, the Unit Owners and their respective mortgagees, as their interests may appear and shall provide (a) for the issuance of certificates of insurance with mortgagee endorsements to the holders of mortgages on the Units, if any, and (b) that the insurer waives its rights of subrogation against the Unit Owners, Occupants and the Unit Owners Association. All casualty insurance policies shall provide that all proceeds payable as a result of casualty losses shall be paid to the Board of Directors as trustees, for each of the Unit Owners in the percentages established in this Declaration for the purposes elsewhere stated herein, and for the benefit of the Association, the Unit Owners, and their respective mortgagees as their interests may appear.

(ii) The Association shall insure itself, the members of the Board, the Unit Owners, and the Occupants against liability for personal injury or death and for injury to or destruction of property occurring upon, in or about, or arising from or relating to the Condominium Project or any portion thereof, including, without limitation, water damage, legal liability, hired automobile, non-owned automobile and off-premises employee coverage, such insurance to afford protection in such amount and with such coverage as shall be deemed necessary by the Association. All liability insurance shall contain cross-liability endorsements to cover liabilities of the Unit Owners as a group to a Unit Owner. In the event the insurance effected by the Association on behalf of the Unit Owners and Occupants against liability for personal injury or property damage arising from or relating to this Condominium Project shall, for any reason, not fully cover any such liability, the amount of any deficit shall be a Common expense to the Unit Owners, and any Unit Owners who shall have paid all or any portion of such deficiency in an amount exceeding his proportionate share thereof based on his percentage of interest in the common areas shall have a right of contribution from the other Unit Owners according to their respective percentage of interest in the common areas.

(iii) Premiums upon insurance policies purchased by the Association shall be paid by the Association at least thirty (30) days prior to the expiration date of such policies and shall be assessed as Common expenses.

(iv) All insurance policies shall be written with a company or Companies licensed to do business in the State of North Carolina and holding a rating of "A+" or better in Best's Insurance Guide.

(v) Exclusive authority to negotiate losses under said policies shall be vested in the Board of Directors or its authorized representative.

(vi) In no event shall the insurance coverage obtained and maintained pursuant to the requirements hereof be brought into contribution with insurance purchased by the Owners of the condominium units or their mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Unit Owners Association pursuant to the requirements hereof shall exclude such policies from consideration.

(vii) All policies shall provide that such policies may not be canceled or substantially modified without at least thirty (30) days prior written notice to any and all insureds named thereon, including any and all mortgagees of the condominium units.

(viii) All policies of casualty insurance shall provide that, notwithstanding any provisions thereof which give the carrier the right to elect to restore damage in lieu of making a cash settlement, such option shall not be exercisable without the prior written approval of the Board of Directors (or any Insurance Trustee) or when in conflict with the provisions of this Declaration or the provisions of the North Carolina Unit Condominium Act as the same may be in force from time to time.

(ix) All policies of insurance shall contain a waiver of subrogation by the insurer as to any and all claims against the Association, the Board of Directors thereof, the Owners of any condominium unit and/or their respective agents, employees or invitees, and any defenses based upon co-insurance or invalidity arising from the acts of the insureds.

19. UNIT OWNERS POLICIES OF INSURANCE.

The Owner of any Condominium Unit (including the holder of any mortgage thereon) may obtain additional insurance (including a "Condominium Unit Owner's Endorsement" for improvements and betterments to the condominium unit made or acquired at the expense of the owner) at his own expense. Such insurance shall be written by the same carrier as that purchased by the Board of Directors pursuant to the provisions hereof or shall provide that it shall be without contribution as against the same. The Grantor recommends that each owner of a Condominium Unit in the project obtain, in addition to the insurance hereinabove provided to be obtained by the Unit Owners Association, a "Tenant's Homeowners Policy", or equivalent, to insure against loss or damage to personal property used in or incidental to the occupancy of the Condominium Unit, additional living expense, vandalism or malicious mischief, theft, personal liability and the like. Such policy should include a "Condominium Unit Owner's Endorsement" covering losses to improvements and betterments to the condominium unit made or acquired at the expenses of the Unit Owner.

20. UNITS SUBJECT TO DECLARATION.

All present and future owners, tenants, occupants of units and employees of owners and tenants shall be subject to, benefited by and shall comply with the provisions of this Declaration, by the By-Laws and any rules and regulations as may be adopted in accordance with the By-Laws. In accordance herewith, the Declaration, By-Laws and rules and regulations may be amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any unit shall constitute an agreement that the provisions of this Declaration, By-Laws, and any rules and regulations which may be adopted are accepted and ratified by such owner, tenant, or occupant and all of such

provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such unit as though provisions were made a part of each and every deed, conveyance or lease. When there are unsold units in the project, the Declarant also shall enjoy the same rights and assume the same duties under this Declaration as they relate to each unsold unit but for the payment of assessments on unsold or unoccupied units (see Paragraph 9).

21. CONSTRUCTION.

In interpreting any and all provisions of this instrument, the Exhibits attached hereto and subsequent deeds and deeds of trust covering individual units, the actual location of the unit shall be deemed conclusively to be the property intended to be conveyed, reserved or encumbered notwithstanding any minor deviations, either horizontally or vertically, from the locations indicated in Condominium File No. 234, Wake County Registry or in minor variations in the description of the unit contained herein. To the extent that such minor deviations in location do or shall exist, a valid easement therefor and for the maintenance thereof does and shall exist.

22. AMENDMENT.

The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. For a period no longer than twenty four (24) months after the initial filing of this Declaration in the Wake County Registry, the Declarant may unilaterally amend this Declaration without the consent or approval of other Unit Owners or eligible mortgage holders provided such amendments shall be exclusively for the purpose of (1.) correcting clerical errors, (2.) making changes in order to comply with Federal National Mortgage Association requirements, (3.) making permanent assignments of under-building parking spaces (if any), or (4.) making permanent assignments of under-building storage closets (if any). Otherwise, this Declaration may be amended during the first twenty-year period by an instrument signed by not less than eighty percent (80%) of the Unit Owners. Any amendment must be recorded.

Amendments of a material nature shall be agreed to by Unit Owners who represent at least 80% of the total allocated votes in the Association and by eligible mortgage holders who represent at least 51% of the votes of unit estates that are subject to mortgages held by eligible holders. Unit Owner votes may be cast in person or by proxy at a meeting held in accordance with the provisions of the By-Laws. No such amendment shall be effective until set forth in an amended declaration and duly recorded in the Office of the Register of Deeds in Wake County, North Carolina. Upon recording, all the Unit Owners and their successors and assigns, shall be bound by said amendments.

A material change shall be considered as one which changes any of the following:

- voting rights;
- increases in assessments that raise the previously assessed amount by more than 25%, assessment liens, or the priority of assessment liens;
- reductions in reserves for maintenance, repair, and replacement of common elements;
- responsibility for maintenance and repairs;
- reallocation of interests in the general or limited common elements or rights to their use;
- redefinition of any unit boundaries;
- convertibility of units into common elements or vice versa;

- expansion or contraction of the project, or the addition, annexations, or withdrawal of property to or from the project;
- hazard or fidelity insurance requirements;
- imposition of any restrictions on the leasing of units;
- imposition of any restrictions on a Unit Owner's right to sell or transfer his or her unit;
- a decision by the Association to establish self-management if professional management had been required previously by Association documents or by an eligible mortgage holder;
- restoration or repair of the project (after damage or partial destruction) in a manner other than that specified in the documents; or
- any provisions that expressly benefit mortgage holders, insurers or guarantors.

Implied approval by an eligible mortgage holder shall be assumed when an eligible mortgage holder fails to submit a response to any written proposal for an amendment within thirty (30) days after it receives proper notice of the proposal, provided the notice was delivered by certified mail or registered mail with a "return receipt" requested.

This Declaration may further be unilaterally amended by the Declarant for the purpose of recording a verified statement of a registered architect or licensed professional engineer certifying that the plans heretofore filed or being filed simultaneously with such amendment fully depicting the layout, ceiling and floor elevations, unit numbers and dimensions of the units as built.

23. RIGHTS OF CONDOMINIUM MORTGAGE HOLDERS, INSURERS or GUARANTORS

Upon receipt of written request by a holder, insurer or guarantor of a mortgage on any unit in the project, the Association shall furnish timely written notice regarding the following:

- any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage;
- any 60-day delinquency in the payment of assessments or charges owed by the Unit Owner of any unit on which it holds the mortgage;
- a lapse, cancellation or material modification of any insurance policy maintained by the Association; and
- any proposed action that requires the consent of a specified percentage of eligible mortgage holders.

Any interested mortgage holder, insurer, or guarantor shall send a written request to the Association stating both its name and address and the unit number or address of the unit on which it has (or insurers or guarantees) the mortgage.

24. SEVERABILITY.

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

25. WAIVER.

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

26. GOVERNING LAW.

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

27. DEFINITION.

Any terms used herein which are defined in the North Carolina Condominium Act shall have the meaning specified in the Act unless a contrary intention fairly appears.

IN WITNESS WHEREOF, the Declarant has hereunto set its hand and seal this the day and year first above written.

Rene Langford, Inc.

By: Rene F. Langford

Rene F. Langford, President

(CORPORATE SEAL)

Attest:

By: Joan Langford

Joan Langford, Secretary

As Lessor under that ground lease recorded in Book 8200 Page 1207, Wake County Registry, the undersigned executes this Declaration for the purpose of subjecting the ground lease to the terms and provisions of this Declaration.

First Presbyterian Church, Raleigh, North Carolina,
Presbyterian Church (U.S.A.), Inc.

By: George B. Thackeford, Jr.

Its president

(CORPORATE SEAL)

Attest:

By: Pamela B. Wall

Its Secretary

NORTH CAROLINA

WAKE COUNTY

I, a Notary Public of the County and State aforesaid, certify that JOAN LANGFORD personally came before me this day and acknowledged that she is the Secretary of Rene Langford, Inc., a North Carolina Corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by Joan Langford, as its Secretary.

WITNESS my hand and seal, this 5th day of JANUARY, 2000.

C. Ann Cabell Baum
Notary Public

C. ANN CABELL BAUM NOTARY PUBLIC WAKE COUNTY, N.C.

My commission expires:

My Commission Expires 5-30-2001

NORTH CAROLINA

WAKE COUNTY

I, a Notary Public of the County and State aforesaid, certify that ~~George G. Shackelford, Jr. and~~ Pamela G. Worth personally came before me this day and acknowledged that they are the Secretary of First Presbyterian Church, Raleigh, North Carolina, Presbyterian Church (U.S.A.), Inc., a North Carolina Corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by its Secretary.

WITNESS my hand and seal, this 7th day of January, 2000.

Sharyl Y. Monkovich
Notary Public

SHARYL Y. MONKOVICH NOTARY PUBLIC WAKE COUNTY, N.C.

My commission expires:

[illegible]-11-2004

Declaration of Condominium
Exhibit "A"

Legal Description

BEGINNING at a control corner in the Southwest intersection of West Hargett Street and South Dawson Street, having North Carolina State Plane Coordinates N(y)=738,317.494 and E(x)=2,105,637.53; thence in a Westerly direction with West Hargett Street, North 87 degrees, 13 minutes, 21 seconds West, 165.29 feet to a stake; thence South 02 degrees, 15 minutes, 10 seconds West 101.33 feet to a stake; thence North 87 degrees, 59 minutes, 34 seconds West 72.82 feet to a corner of a building; thence South 02 degrees, 04 minutes, 41 seconds West 120.16 feet to a seam in a retaining wall; thence South 87 degrees, 53 minutes, 44 seconds East 237.65 feet to a stake; thence with South Dawson Street, North 02 degrees, 16 minutes, 29 seconds East 219.67 feet to the point and place of BEGINNING, containing 1.03 acres, all as shown on a survey entitled "Property of First Presbyterian Church of Raleigh", prepared by Robert T. Newcomb, III, RLS, dated June, 1986 and recorded in Book of Maps 1986, Page 1244, Wake County Registry.

Declaration of Condominium
Exhibit "B"

Description of Building and Units

Park Devereux will be a single building containing a total of forty six (46) residential condominium units of varying sizes situated in Raleigh, North Carolina. The property is located on the west side of Raleigh's downtown Central Business District. The five story building will be constructed of non-combustible materials, principally steel and concrete. It's exterior will be principally brick masonry. The roof will be a rubber membrane. HVAC systems will be electric heating and air conditioning.

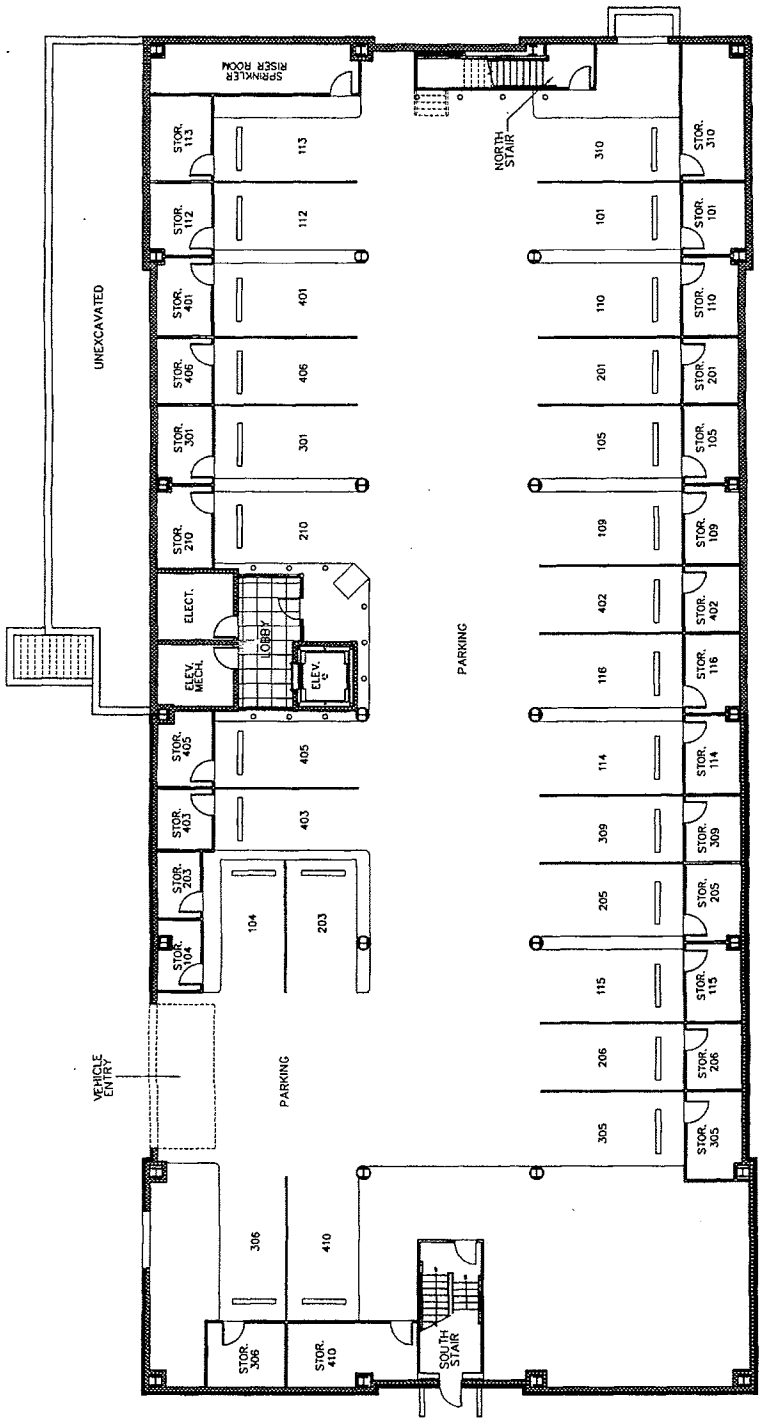
Unit Designation and Address

Unit sizes vary. Each unit has immediate access to the common areas as follows:

Stairwells:	Two
Elevators:	One
Surface parking:	Located at rear (west) of the building. Limited under building parking is provided on a permanently assigned basis.

#101 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#102 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#103 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#104 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#105 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#106 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#107 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#108 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#109 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#110 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#111 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#112 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#113 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#114 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#115 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#116 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#201 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#202 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#203 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#204 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#205 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#206 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#207 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
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#209 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#210 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#301 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#302 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#303 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
#304 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
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#401 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601
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#410 Park Devereux, 200 South Dawson Street, Raleigh, North Carolina, 27601



CLINE DAVIS ARCHITECTS, PA

PARK DEVEREUX CONDOMINIUMS
BASEMENT LEVEL PLAN
Raleigh, North Carolina

WHITE OAK PROPERTIES, INC.

Declaration of Condominium
Exhibit "B1"
THE INDICATED PARKING SPACES AND STORAGE CLOSETS ARE ASSIGNED TO THE UNITS AS SHOWN.

Declaration of Condominium
Exhibit "B2"

Park Devereux Condominium Homeowners Association, Inc.

Ownership in Common Areas

Unit #	Approximate Unit Size	% ownership in common areas
101	1,760	2.829%
102	923	1.483%
103	1,372	2.205%
104	1,448	2.327%
105	1,372	2.205%
106	1,448	2.327%
107	1,760	2.829%
108	1,760	2.829%
109	923	1.483%
110	923	1.483%
111	923	1.483%
112	1,372	2.205%
113	1,448	2.327%
114	923	1.483%
115	923	1.483%
116	1,760	2.829%
201	1,592	2.559%
202	1,295	2.081%
203	1,021	1.641%
204	1,295	2.081%
205	1,592	2.559%
206	1,804	2.899%
207	1,070	1.720%
208	1,185	1.904%
209	1,070	1.720%
210	1,804	2.899%
301	1,592	2.559%
302	1,295	2.081%
303	1,021	1.641%
304	1,295	2.081%
305	1,592	2.559%
306	1,804	2.899%
307	1,070	1.720%
308	1,185	1.904%
309	1,070	1.720%
310	1,804	2.899%
401	1,592	2.559%
402	1,295	2.081%
403	1,021	1.641%
404	1,295	2.081%
405	1,592	2.559%
406	1,804	2.899%
407	1,070	1.720%
408	1,185	1.904%
409	1,070	1.720%
410	1,804	2.899%