Prepared by and return to:
William H. Weatherspoon, Jr.
BROWN & BUNCH
4900 Falls of Neuse Road
Suite 210
Raleigh, North Carolina 27609

STATE OF NORTH CAROLINA
COUNTY OF FRANKLIN

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BROOKFIELD

THIS DECLARATION is made on the date hereinafter set forth by WIGGINS FARM, LLC, a North Carolina limited liability company, hereinafter referred to as "Declarant".

WITNESSETH THAT:

WHEREAS, Declarant is the owner of that certain Property described hereinafter which is located in Youngsville Township, Franklin County, State of North Carolina; and

WHEREAS, the Property is a single-family development approved by the appropriate governmental authorities of Franklin County, North Carolina, now known as "Brookfield"; and

WHEREAS, in accordance with such approved single-family development, Declarant contemplates developing Brookfield in phases as a residential development; and

WHEREAS, Declarant desires to impose pursuant hereto, easements, covenants, conditions and restrictions upon all of the Property;

NOW, THEREFORE, Declarant hereby declares that all of the Property described hereinafter shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of enhancing and protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to Brookfield Homeowners Association, Inc., a North Carolina nonprofit corporation, its successors and assigns.

Section 2. "Board of Directors" shall mean the elected body governing the Association as provided by North Carolina corporate law.

Section 3. "Bylaws" shall mean the duly adopted bylaws of the Association, as may be amended from time to time.

Section 4. "Declarant" shall mean and refer to Wiggins Farm, LLC, a North Carolina limited liability company, its successors and assigns to whom the rights of Declarant hereunder are expressly transferred, in whole or in part, and subject to such terms and conditions as Declarant may impose in the transfer thereof.

Section 5. "Entry Features" shall mean those portions of the Property or other real property upon which an easement in favor of Declarant has been granted, upon which permanent identification signs or monuments shall be initially installed and erected by Declarant at the various entrances of Brookfield, and which shall be maintained by the Association in accordance with this Declaration.

Section 6. "Lot" shall mean and refer to any numbered or lettered plot of land shown upon any recorded subdivision map of the Property which is intended for residential purposes.

Section 7. "Lot in Use" shall mean and refer to any Lot on which a residential structure has been fully constructed and is being or to be occupied as a residence.

Section 8. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 9. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 10. "Property" shall mean and refer to that certain real property more particularly described on Exhibit A attached hereto and incorporated herein by this reference, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

ARTICLE II
PROPERTY

The Property is hereby made subject to this Declaration and the Property shall be owned, held, leased, transferred, sold, mortgaged and/or conveyed by Declarant, the Association and each Owner subject to this Declaration and the controls, covenants, conditions, restrictions, easements, development guidelines, charges and liens set forth in this Declaration. Declarant intends to develop the Property and, upon annexation in accordance with Article IX, Section 5(a), the real property described on Exhibit B attached hereto, in phases, containing up to seventy-six (76) Lots.

ARTICLE III
PROPERTY RIGHTS

Section 1. General Easements and Associated Undertakings. All of the Property shall be subject to such easements for private roads or drives, public streets, water lines, sanitary sewers, storm drainage facilities, gas lines, cable communication transmission, telephone and electric power lines and other public utilities, whether above or below ground, as shall be established by the Declarant, by its predecessor in title prior to the subjecting of the Property to this Declaration, or as shown on any recorded subdivision map of any portion of the Property. Sight easements, if

any, as may be shown upon any recorded subdivision map of the Property are hereby reserved by the Declarant.

An easement is hereby established for the benefit of any agency or utility performing any of the following services over an area of all Lots within the Property five (5) feet from the right-of-way line of any street or roadway established within the Property hereby or hereafter established for the setting, removal and reading of water and electricity meters, the maintenance and replacement of water, electricity, sewer and drainage facilities. In addition thereto, an easement is hereby established over all of the Property for the benefit of the County of Franklin and all other agencies and personnel performing any of the duties and services for the fighting of fires, mail delivery, collection of garbage, ambulance services and police protection.

Section 2. Entry Features. At all times during the term of this Declaration, the Association shall maintain and/or improve any Entry Features created within the Property or on any other real property over which Declarant and/or the Association has received an easement, in a manner at least comparable to the initial creation and construction thereof.

ARTICLE IV
MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a Lot which is subject to assessment.

Section 2. The Association shall have the following two classes of voting membership:

Class A. Class A Members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any such Lot, all such persons shall be Members. The vote for

such Lot shall be exercised as they determine, but in no event shall more than one vote or a fractional vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership; provided, however, in the event the Class B membership shall cease and be converted to Class A membership because the Declarant no longer owns the number of Lots required to keep such Class B membership in effect, such Class B membership shall be reinstated by the recordation of a subdivision map of the Property which creates additional Lots, but in no event shall such Class B membership extend beyond the time stated in subparagraph (b) of this Section; or

(b) on January 1, 2004.

ARTICLE V
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot 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: (1) annual assessments or charges and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, late charges,

costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, late charges, costs and reasonable attorneys' fees, shall also be the personal obligation of the person(s) 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 an Owner's successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Property and for the maintenance of any Entry Features and landscape easement areas.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Sixty and No/100 Dollars ($60.00) per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased by the Association each year not more than ten percent (10%) above the maximum assessment for the previous year without a vote by the Members.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above ten percent (10%) by a vote of two-thirds (2/3) of the appropriate and affected class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors of the Association may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement owned by the Association; provided, however, any such assessment shall have the assent of two-thirds (2/3) of the votes of each appropriate and affected class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 or this Article shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each appropriate and affected class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots owned by each class of Member and annual assessments may be collected on an annual, monthly or quarterly basis; provided, however, annual and special assessments for all Lots owned by Declarant and not occupied as a residence shall be twenty-five percent (25%) of such assessments for other similarly located Lots. Special assessments may be collected on an annual, monthly or quarterly basis. Notwithstanding anything in the foregoing to the contrary, the Association shall have the power, right and authority to issue a special

assessment against any Lot and its Owner if such Owner shall fail to reimburse the Association or the Declarant, as the case may be, pursuant to the provisions of Article IX, Section 11 of this Declaration.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence and shall be due and payable as to all Lots on the first day of the month following the platting of record of such Lot and shall continue on the first day of each calendar year thereafter. Such amount due and payable on the first day of each such calendar year shall be as set forth and established pursuant to Section 3 of this Article. The first annual assessment applicable to a Lot shall be adjusted according to the number of months remaining in the calendar year. There shall be paid at the time of the initial sale of each Lot by the Owner acquiring such Lot an amount equivalent to at least two (2) months' assessments in order to provide a working capital fund for the initial months of the Association's operations. For the purpose of establishing such working capital fund, a sale by Declarant to a purchaser who intends solely to acquire such Lot in order to construct a residential dwelling structure thereon for resale purposes shall not be considered the initial sale; provided, however, the sale at which time a Lot shall become a Lot in Use shall be considered the initial sale for such purpose. Amounts paid into such fund shall be in addition to and shall not be considered as advance payment of any portion of the annual assessment. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due date shall be as previously set forth herein, unless otherwise established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been

paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10.0%) per annum and shall be subject to a late charge of Twenty-Five and No/100 Dollars ($25.00). The Association may bring an action at law against the Owner personally obligated to pay the same for such delinquent assessment, interest, late charges, costs and reasonable attorneys' fees of any such action, or foreclose the lien against the Lot. For purposes of this Section 8, the amount of delinquent assessment, plus accrued interest and late charges, shall be considered evidenced by this Section 8 and, therefore, evidence of indebtedness shall exist hereby. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VI
INSURANCE

Section 1. Coverage. The Association shall obtain such insurance coverage as the Association shall from time to time determine to be desirable and necessary or as may be required by the Federal Housing Authority, Veterans Administration or Federal National Mortgage

Association. Such policies shall contain clauses providing for waiver of subrogation, if possible.

Section 2. Fidelity Insurance or Bond. All persons responsible for or authorized to expend funds or otherwise deal in the assets of the Association shall first be bonded by a fidelity insurer to indemnify the Association for any loss or default in the performance of their duties in an amount equal to at least one-half (1/2) the annual assessment plus reserves accumulated.

Section 3. Premiums. Premiums for contracts of insurance purchased by the Association shall be paid by the Association and charged ratably to the Owners as an assessment according to the provisions of Article IV above.

Section 4. Proceeds. All contracts of insurance purchased by the Association shall be for the benefit of the Association and its mortgagees, if any, as their interests may appear, and the Owners, and shall provide that all proceeds thereof shall be payable to the Association as insurance trustee under this Declaration. The sole duty of the Association as insurance trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes stated herein.

Section 5. Distribution of Insurance Proceeds. Proceeds of contracts of insurance received by the Association as insurance trustee shall be distributed to or for the benefit of the beneficiary or beneficiaries thereof in the following manner:

(a) The proceeds shall be paid first to defray the cost of reconstruction and repair of casualty or liability so covered.

(b) Any expense of the insurance trustee may be paid from proceeds after payment of reconstruction or repair expenses or liability. Any proceeds remaining thereafter shall be distributed to the beneficiary or beneficiaries of the trust.

ARTICLE VII
ARCHITECTURAL AND APPEARANCE CONTROL

Section 1. General. Anything contained in this Declaration which may be construed to the contrary notwithstanding, no tree removal, site preparation on any Lot or change in grade or slope of any Lot or erection of buildings or exterior additions or alterations to any building situated upon the Property or erection of or changes or additions in fences, hedges, walls and other structures, or construction of any swimming pools or other Improvements, shall be commenced, erected or maintained on any Lot until the architectural control committee appointed as hereinafter provided (the "Architectural Control Committee"), has approved the plans and specifications therefor and the location of such Improvements.

Section 2. Composition. For so long as Declarant owns one or more Lots, Declarant shall annually appoint the members of the Architectural Control Committee, which will be composed of three (3) individuals, each generally familiar with residential and community development design matters and knowledgeable about the Declarant's concern for a high level of taste and design standards within Brookfield. In the event of the death or resignation of any member of the Architectural Control Committee, Declarant, for so long as it has the authority to appoint the members of the Architectural Control Committee, and thereafter, the remaining members of the Architectural Control Committee, shall have full authority to designate and appoint a successor. No member of the Architectural Control Committee shall be liable for claims, causes of action or damages (except where occasioned by gross negligence or willful misconduct of such member) arising out of services performed pursuant to this Declaration. Upon final termination of Declarant's membership in the Association, the Board of Directors of the Association shall appoint the members of the Architectural Control Committee on an annual basis. At any time Declarant may elect not to appoint the members of the Architectural Control Committee and may assign this

right to the Board of Directors of the Association.

Section 3. Procedure. No Improvement of any kind or nature shall be erected, remodeled or placed on any Lot until all plans and specifications therefor and a site plan therefor have been submitted to and approved in writing by the Architectural Control Committee, as to:

(i) quality of workmanship and materials, adequacy of site dimensions, adequacy of structural design, and facing of main elevation with respect to nearby streets;

(ii) conformity and harmony of the external design, color, type and appearance of exterior surfaces;

(iii) location with respect to topography and finished grade elevation and effect of location and use on neighboring Lots and improvements situated thereon and drainage arrangement; and

(iv) the other standards set forth within this Declaration (and any amendments hereto) or as may be set forth within bulletins promulgated by the Architectural Control Committee, or matters in which the Architectural Control Committee has been vested with the authority to render a final interpretation and decision.

With respect to the initial Improvements to be constructed on a Lot, the final plans and specifications required hereunder shall include a site plan with building footprints showing distance of the Improvements from the Lot boundaries and the driveway to be constructed, and shall include construction drawings showing exterior elevations and a schedule of exterior materials and color scheme. For Improvements other than initial Improvements, the detail of the plans and specifications required therefor shall be as determined necessary by the Architectural Control Committee based on the circumstances of the proposed Improvements. Final plans and specifications for all Improvements proposed to be constructed on a Lot shall be submitted in

duplicate to the Architectural Control Committee for approval or disapproval. The Architectural Control Committee is authorized to request the submission of samples of proposed construction materials. At such time as the plans and specifications meet the approval of the Architectural Control Committee, one complete set of plans and specifications will be retained by the Architectural Control Committee and the other complete set of plans and specifications will be marked "Approved" and returned to the Lot Owner or his designated representative. Such plans and specifications as are so retained by the Architectural Control Committee shall be kept and considered as strictly confidential and shall be utilized to monitor and insure compliance therewith and for no other purpose. If found not to be in compliance with these covenants, conditions and restrictions, or if found to be otherwise unacceptable to the Architectural Control Committee pursuant hereto, one set of plans and specifications shall be returned to the Lot Owner marked "Disapproved", accompanied by a reasonable statement of items found not to be in compliance with these covenants, conditions and restrictions or otherwise being so unacceptable. Any modification or change to the Architectural Control Committee approved set of plans and specifications must again be submitted to the Architectural Control Committee for its inspection and approval. The Architectural Control Committee's approval or disapproval, as required herein, shall be in writing. .

The Architectural Control Committee may, but shall not be so required, from time to time publish and promulgate architectural standards bulletins which shall be fair, reasonable and uniformly applied in regard to the Lots and shall carry forward the spirit and intention of these covenants, conditions and restrictions. Although the Architectural Control Committee shall not have unbridled discretion with respect to taste, design and any standards specified herein, the Architectural Control Committee shall be responsive to technological advances or general

changes in architectural designs and materials and related conditions in future years and use its best efforts to balance the equities between matters of taste and design (on the one hand) and use of private property (on the other hand). Such bulletins, if any, shall supplement these covenants, conditions and restrictions and are incorporated herein by reference.

Section 4. Jurisdiction. The Architectural Control Committee is authorized and empowered to consider and review any and all aspects of the construction of any Improvements on a Lot which may, in the reasonable opinion of the Architectural Control Committee, adversely affect the living enjoyment of one or more Owners or the general value of the Property.

Section 5. Enforcement. The Architectural Control Committee and/or the Association shall have the specific, nonexclusive right (but not obligation) to enforce the provisions contained in this Article and/or to prevent any violation of the provisions contained in this Article by a proceeding at law or in equity against the person or persons violating or attempting to violate any such provisions contained in this Article.

Section 6. Definition of "Improvement". The term "Improvement" shall mean and include all buildings, storage sheds or areas, roofed structures, parking areas, loading areas, fences, walls, hedges, mass plantings, poles, driveways, ponds, lakes, changes in grade or slope, site preparation, swimming pools, tennis courts, signs, exterior illumination, changes in any exterior color or shape and any new exterior construction or exterior improvement exceeding $1,000.00 in cost which may not be included in any of the foregoing. The definition of Improvement does not include shrub or tree replacements or any other replacement or repair of any magnitude which ordinarily would be expensed in accounting practice and which does not change exterior colors or exterior appearances. The definition of Improvements does include both original Improvements and all later changes to Improvements.

Section 7. Failure of the Architectural Control Committee to Act. If the Architectural Control Committee fails to approve or disapprove any plans and specifications and other submittals which conform (and which relate to Improvements which will conform) with the requirements hereof or to reject them as being inadequate or unacceptable within thirty (30) days after submittal thereof, it shall be conclusively presumed that the Architectural Control Committee has approved such conforming plans and specifications and other submittals. If plans and specifications or other submittals are not sufficiently complete or are otherwise inadequate, the Architectural Control Committee may reject them as being inadequate or may approve or disapprove part, conditionally or unconditionally, and reject the balance.

Section 8. Limitation of Liability. Neither the Architectural Control Committee nor the members thereof nor Declarant shall be liable in damages or otherwise to anyone submitting plans and specifications and other submittals for approval or to any Owner by reason of mistake of judgment, negligence, except for gross negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any plans or specifications.

Section 9. Miscellaneous. No member of the Architectural Control Committee shall be entitled to compensation for services performed pursuant to this Article. The Association shall reimburse members of the Architectural Control Committee for reasonable out-of-pocket expenses.

ARTICLE VIII
USE RESTRICTIONS

Section 1. Rules and Regulations. The Board of Directors of the Association shall have the power to formulate, amend, publish and enforce reasonable rules and regulations concerning the use and enjoyment of each Lot.

Section 2. Use of Property. No portion of the Property (except for a model home which may be used by a builder for sales purposes) shall be used except for residential purposes incidental or accessory thereto. Each Lot shall be occupied and/or used as follows:

(a) Outside clothes lines shall not be permitted upon any Lot at locations where they can be viewed from any street or an adjacent Lot.

(b) No sign of any kind shall be displayed to the public view on any Lot except one professional sign of not more than six (6) square feet (i) advertising the Lot for sale or rent, (ii) advertising the building contractor constructing improvements on the Lot during the initial construction and sales period, or (iii) identifying the sales office and/or model home of a building contractor who owns the Lot; however, the foregoing shall not act to restrict or prohibit Declarant from erecting and maintaining signs advertising Brookfield or portions thereof. Notwithstanding the foregoing, all signs erected and maintained on any Lot must conform with all applicable governmental requirements.

(c) No mobile homes or house trailers shall be permitted on any Lot, with the exception of a trailer which may be used during the period of initial construction on a Lot, which shall be moved immediately upon the completion of such construction. "Mobile homes" shall include modular homes, even when such homes do not rest on wheels on the Lot. Boats, trailers, campers, not including those attached to the body of a truck, tents or temporary buildings shall not be permitted on any Lot except in areas where they can not be viewed from the streets.

(d) No lumber, brick, stone, cinder block, concrete or any other building materials, scaffolding, mechanical devices or any other thing used for building purposes shall be stored on any Lot in an exposed location except for the purpose of construction on such Lot and shall not be stored on such Lot for longer than the length of time reasonably necessary for the construction in

which same is to be used.

(e) No exposed above-ground tanks will be permitted for the storage of fuel or water or any other substance, except that such tanks may be placed above-ground provided they are kept in a screened enclosure which must exceed in height by at least one (1) foot any such tank as may be placed therein.

(f) Except for satellite dishes up to eighteen inches (18") in diameter, no exterior antennae, earth satellite station or dish, microwave dish or other similar improvement may be constructed, placed or maintained on any Lot without the prior written consent of the Architectural Control Committee, and in accordance with all applicable Federal Communication Commission guidelines.

(g) A resident of the residential structure constructed on a Lot engaging in a home occupation therein shall comply with all of the provisions of the Franklin County zoning ordinance then applicable thereto and, in addition to any provisions which may be contained therein, no home occupation shall be permitted which generates a significantly greater volume of vehicular traffic or on-street parking than would normally occur within a residential neighborhood.

(h) No Lot and no Improvements thereon may be used for hotel or other transient residential purposes. Each lease relating to any Lot or any Improvements thereon (or any part thereof) must be for a term of at least sixty (60) days and must provide that the tenant is obligated to observe and perform all of the terms and provisions of this Declaration applicable to such Lot and/or Improvements.

(i) Each Lot shall be used exclusively for single family residential purposes.

Section 3. Hobbies and Activities. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of

motor vehicles, which might tend to cause disorderly, unsightly or unkept conditions, shall not be pursued or undertaken on any part of any Lot at locations where they can be viewed from any street.

Section 4. Animals and Pets. No stable, poultry house or yard or other similar structure shall be constructed or allowed to remain on any Lot, nor shall livestock of any nature or classification whatsoever be kept or maintained on any Lot without the express written permission of the Association first had and obtained. However, a reasonable number of household pets as determined by the Board of Directors shall be permitted, provided they are not raised for commercial purposes.

Section 5. Prohibited Activities. Noxious, offensive or loud activities shall not be carried on upon any Lot. Each Owner shall refrain from any act or use of his Lot which could reasonably cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. Each Owner shall keep and maintain his Lot in a neat, orderly and well-kept manner.

Section 6. Governmental Regulations. All governmental building codes, health regulations, zoning restrictions and the like applicable to the Property shall be observed. In the event of any conflict between any provision of such governmental code, regulation or restriction and any provision of this Declaration, the more restrictive provision shall apply.

Section 7. Required Land Area. No Lot may be subdivided by sale or otherwise so as to reduce the total area thereof below that as shown upon any recorded subdivision map of the Property; provided, however, adjustments may be made in the line between any two (2) Lots so long as the area of any Lot is not reduced by more than ten percent (10%) and so long as all other restrictions herein set forth are observed and such adjustment or recombination is approved by the Franklin County community services department. Upon any recombination of Lots, the

setbacks and side line clearances from new Lot lines shall be applicable and setbacks from former Lot lines shall no longer be required. No recombination of Lots may be made in a manner which results in any increase in the number of Lots in excess of and shown on any recorded subdivision map of the Property.

Section 8. Utilities Easements. Declarant reserves an easement for and the right at any time in the future to grant a right-of-way and easement for the purpose of drainage, underground or above ground installation, repair and maintenance of poles, lines, conduits, pipes and other equipment necessary to or useful in furnishing electric power, gas, sewer, telephone service, cable services and any other utilities for or to the Lots as may be shown upon any recorded subdivision map of the Property, and over the rear ten (10) feet of each Lot, unless shown in excess of such distance on any recorded subdivision map of the Property. In addition thereto, a storm water drainage easement is hereby reserved and established over the side ten (10) feet and rear ten (10) feet of each Lot for the drainage of storm water from streets and from other Lots. No structures, plantings or other materials shall be placed or permitted to remain in such storm water drainage easements which may interfere with such drainage or change the direction of the flow, obstruct or retard the flow of surface water through drainage channels which may be constructed within such easements.

Section 9. Erosion Control. During the period of Lot grading and construction of the Improvements thereon and thereafter, each Owner shall exercise and maintain such erosion control measures, including the erection of silt fences, as may be required by the Declarant in order to minimize erosion and runoff. Compliance with the applicable erosion control ordinance shall not constitute automatic approval by Declarant, and Declarant reserves the right to impose requirements and standards in excess of those required by law.

Section 10. Setbacks. Lots shall be subject to setbacks, if at all, as may be shown on any recorded subdivision map of the Property and which are shown thereon as specifically pertaining to and affecting the subject Lot. The Architectural Control Committee is hereby vested with the authority to grant waivers or variances with respect to violations of such setbacks as are imposed hereby; provided, however, with respect to setbacks imposed by municipal or county authority, nothing herein shall relieve the requirement to comply therewith, such relief being available solely from the municipal or county authority imposing same.

ARTICLE IX
GENERAL PROVISIONS

Section 1. Enforcement. The Association, Declarant or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, Declarant or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants, conditions and restrictions of this Declaration shall run with and bind the Property 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. This Declaration may be amended during the first twenty (20) year period by an instrument approved by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument approved by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 4. Amendment Form. If any amendment to these covenants, conditions and restrictions is so approved, each such amendment shall be delivered to the Board of Directors of the Association. Thereupon, the Board of Directors shall within thirty (30) days, do the following:

(a) Reasonably assure itself that the amendment has been validly approved by the Owners of the required number of Lots. (For this purpose, the Board may rely on its roster of Members and shall not be required to cause any title to any Lot to be examined).

(b) Attach to the amendment a certification as to its validity, which certification shall be executed by the Association in the same manner that deeds are executed. The following form of certification is suggested:

CERTIFICATION OF VALIDITY OF AMENDMENT TO COVENANTS, CONDITIONS AND RESTRICTIONS FOR BROOKFIELD

By authority of its Board of Directors, Brookfield Homeowners Association, Inc. hereby certifies that the foregoing instrument has been duly approved by the Owners of 12 percent of the Lots of Brookfield and is, therefore, a valid amendment to the existing covenants, conditions and restrictions of Brookfield.

This the 29 day of November 1999.

BROOKFIELD HOMEOWNERS ASSOCIATION, INC.,
a North Carolina nonprofit corporation

By: _____
President

ATTEST:

_____
Secretary

(c) Immediately, and within the thirty (30) day period aforesaid, cause the amendment to be recorded in the Franklin County Registry.

All amendments shall be effective from the date of their recordation in the Franklin County Registry, provided, however, that no such instrument shall be valid until it has been indexed in the name of the Association. When any instrument purporting to amend the covenants, conditions and restrictions has been certified by the Board of Directors, recorded and indexed as provided by this Section, it shall be conclusively presumed that such instrument constitutes a valid amendment as to all persons thereafter purchasing any Lots.

Section 5. Annexation of Additional Property. At any time during the effective term of this Declaration, Declarant may propose that the Association annex additional properties which have been or will be developed in conformity with the general plan of development for Brookfield, as follows:

(a) Additions by Declarant. A portion or all of the real property described on Exhibit B attached hereto may be annexed by the Declarant without the consent of the Members within seven (7) years from the date of this Declaration, provided that the HUD, FNMA or VA, as the case may be, determine that the annexation is in accord with the general plan of development heretofore approved by them. The additions authorized under this Section 5(a) and under Section 5(b) shall be made by filing of record an amendment with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property, or by adopting this Declaration in whole or in part by reference. Such amendment(s) may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the general scheme of this Declaration.

(b) Other Additions. Annexation of additional properties not set forth on Exhibit B shall require the assent of two-thirds (2/3) of the votes of the Class A and Class B membership of the Association at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting. The presence of Members or of written proxies entitled to cast sixty-six and two-thirds percent (66 2/3%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not present at such a meeting, another meeting may be called subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be the same. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Contract Rights of Association. As long as there is a Class B membership, any contract entered into by or on behalf of the Association shall contain a provision giving the Association or the other party thereto the right to terminate such contract upon the giving of not more than thirty (30) days written notice to the other party or parties.

Section 7. Lender's Notice. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the Lot number or address, any mortgage holder, insurer or guarantor will be entitled to timely written notice of:

(a) Any condemnation or casualty loss that affects either a material portion of the project or the Lot securing its mortgage.

(b) Any sixty (60) day delinquency in the payment of assessments owed by the Owner of the Lot on which it holds the mortgage.

(c) A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

(d) Any proposed action that requires the consent of a specified percentage of mortgage holders.

(e) The Association's financial statement for the immediately preceding fiscal year.

Section 8. HUD/VA/FNMA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Department of Housing and Urban Development ("HUD"), the Veterans Administration ("VA") or the Federal National Mortgage Association ("FNMA"): mergers and consolidations, and amendment of this Declaration. Notwithstanding anything to the contrary contained in Article IX, Section 3 of this Declaration, Declarant reserves the right to make such changes and amendments to this Declaration as may be required by HUD, VA or FNMA in conjunction with the initial approval of this Declaration by any such entity; provided, however, such right and reservation shall lapse and expire upon the earlier to occur of the initial approval of this Declaration by any of such entities or the closing of the initial loan underwritten, guaranteed or insured by any of such entities which is secured by the lien of a deed of trust encumbering a Lot.

Section 9. Limitation of County's Liability. The maintenance responsibility of private streets and drives, if any, shall rest with the Association and in no case shall the County of Franklin or any agency thereof which provides emergency or regular fire, police or other public service to and for the Property, be responsible for failing to provide any such service to the Property or any of its occupants when such failure is due to the lack of access to such area due to inadequate design or construction, blocking of access routes, or any other factor within the control of Declarant, the Association or any occupants.

Section 10. Duty of Maintenance. The Owner of each Lot in the Property shall have the duty and responsibility, at such Owner's sole cost and expense, to keep that part of the Property so owned,

including Improvements, ground and drainage easements or other rights-of-way incident thereto, in accordance with the terms and provisions of the Declaration and in a well-maintained, safe, clean and attractive condition at all times. Such maintenance includes, but is not limited to, the following:

(1) Prompt removal of all litter, trash, refuse and waste;

(2) Lawn mowing on a regular basis;

(3) Tree and shrub pruning;

(4) Watering by means of a lawn sprinkler system or hand watering as needed;

(5) Keeping exterior lighting and mechanical facilities in working order;

(6) Keeping lawn and garden areas alive;

(7) Removing and replacing any dead plant material;

(8) Keeping vacant land well-maintained and free of trash and weeds;

(9) Keeping parking areas and driveways in good repair;

(10) Complying with all governmental health and police requirements;

(11) Repainting of Improvements; and

(12) Repair of exterior damage to Improvements.

Section 11. Enforcement. If any such Owner or occupant has failed in any of the duties or responsibilities of such Owner as set forth in Article IX, Section 10 of this Declaration, then the Board of Directors of the Association or Declarant may give such person written notice of such failure and such person must within ten (10) days after receiving such notice (which notice shall be deemed to have been received upon deposit in an official depository of the United States mail, addressed to the party to whom it is intended to be delivered, and sent by certified mail, return receipt requested), perform the care and maintenance required or otherwise perform the duties and responsibilities of such Owner. Should any such person fail to fulfill this duty and responsibility within such period, then the Association, acting

through its authorized agent or agents, or the Declarant, acting through its authorized agent or agents, shall have the right and power to enter onto the premises and perform such care and maintenance without any liability for damages for wrongful entry, trespass or otherwise to any person. The Owner of a Lot on which such work is performed shall be liable for the cost of such work together with interest on the amounts expended by the Association or the Declarant in performing such work computed at the highest lawful rate from the date(s) such amounts are expended until repaid to the Association or the Declarant, as the case may be, and for all costs and expenses incurred in seeking the compliance of such Owner with his duties and responsibilities hereunder and shall reimburse the Association or the Declarant, as the case may be, on demand for such costs and expense (including interest as above provided). If such Owner shall fail to reimburse the Association or the Declarant, as the case may be, within thirty (30) days after mailing to such Owner of a statement for such costs and expense by the Association or Declarant, the Association may issue a special assessment against such Owner pursuant to Article V, Section 6 of this Declaration.

Section 12. OBLIGATION TO IMPROVE PROPERTY AND WAIVER THEREOF. IF ANY OWNER (OR ITS SUCCESSORS OR ASSIGNS) OF A LOT DOES NOT, WITHIN TWO (2) YEARS AFTER CONVEYANCE OF TITLE TO SUCH LOT FROM DECLARANT, BEGIN THE CONSTRUCTION OF A PERMANENT RESIDENCE ON SUCH LOT AND WHICH IS APPROVED BY THE ARCHITECTURAL CONTROL COMMITTEE, DECLARANT SHALL HAVE AN OPTION (BUT NOT AN OBLIGATION) TO REPURCHASE SUCH LOT FOR A CASH PRICE EQUAL TO THE PURCHASE PRICE PAID TO DECLARANT FOR SUCH LOT. THIS OPTION TO REPURCHASE MUST BE EXERCISED IN WRITING WITHIN SIX (6) MONTHS AFTER THE EXPIRATION OF THE ABOVE-REFERENCED TWO (2) YEAR PERIOD. CLOSING OF THE REPURCHASE SHALL TAKE PLACE WITHIN NINETY (90) DAYS AFTER THE EXERCISE OF THE OPTION TO REPURCHASE AND SHALL BE HELD AT THE

THE PURCHASE PRICE PAID TO DECLARANT FOR SUCH LOT. THIS OPTION TO REPURCHASE MUST BE EXERCISED IN WRITING WITHIN SIX (6) MONTHS AFTER THE EXPIRATION OF THE ABOVE-REFERENCED TWO (2) YEAR PERIOD. CLOSING OF THE REPURCHASE SHALL TAKE PLACE WITHIN NINETY (90) DAYS AFTER THE EXERCISE OF THE OPTION TO REPURCHASE AND SHALL BE HELD AT THE OFFICE OF THE DECLARANT. THE SUBJECT LOT SHALL BE RECONVEYED TO DECLARANT BY GENERAL WARRANTY DEED SUBJECT ONLY TO THE EXCEPTIONS TO TITLE INCLUDED IN THE DEED FROM DECLARANT TO THE PURCHASER OF SUCH LOT FROM DECLARANT AND SUCH OTHER EXCEPTIONS, IF ANY, AS DECLARANT MAY SPECIFICALLY APPROVE IN WRITING AT THE CLOSING OF SUCH SALE.

Section 13. Joinder in Declaration. Prior to the recordation of this Declaration, Declarant has conveyed certain of the Lots to Beazer Homes Corp., a Tennessee corporation, pursuant to deed recorded in Book 1157, Page 280, Franklin County Registry, and to Anderson Homes, Inc., a North Carolina corporation, pursuant to deed recorded in Book 1157, Page 447, Franklin County Registry. Beazer Homes Corp. and Anderson Homes, Inc. hereby join in this Declaration for the purpose of consenting to the terms and provisions hereof and to subject such Lots previously conveyed by Declarant to this Declaration.

IN WITNESS WHEREOF, Wiggins Farm, LLC, being the Declarant herein, Beazer Homes Corp. and Anderson Homes, Inc. have hereunto caused this Declaration to be properly executed, this 29th day of November 1999.

WIGGINS FARM, LLC,
a North Carolina limited liability company

By: _____
Stephen Jellicorse, Manager

BEAZER HOMES CORP.,
a Tennessee corporation

By: _____
Vice President

Attest: _____
Assistant Secretary

[corporate seal]

ANDERSON HOMES, INC.,
a North Carolina corporation

By: _____
President

Attest: _____
Secretary

[corporate seal]

STATE OF NORTH CAROLINA
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that J. Stephen Jellicorse, Manager of Wiggins Farm, LLC, a North Carolina limited liability company, personally came before me this day and acknowledged the due execution of the foregoing instrument on behalf of and as the act of the company.

Witness my hand and official stamp or seal this 29 day of November, 1999.

Janice E. Sears
Notary Public

My Commission Expires: September 13, 2003

(STAMP SEAL) JANICE E. SEARS NOTARY PUBLIC *** WAKE COUNTY, N.C.

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Rhonda Lea Lown personally came before me this day and acknowledged that he/she is the Asst. Secretary of Beazer Homes Corp., a Tennessee corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Vice President, sealed with its corporate seal and attested by him/her as its Asst. Secretary.

Witness my hand and official stamp or seal this 29 day of November, 1999.

Janice E. Sears
Notary Public

My Commission Expires: September 13, 2003

(STAMP SEAL) JANICE E. SEARS NOTARY PUBLIC *** WAKE COUNTY, N.C.

STATE OF North Carolina
COUNTY OF Wake

I, a Notary Public of the County and State aforesaid, certify that Theresa L. Cathey personally came before me this day and acknowledged that he/she is the Asst. Secretary of Anderson Homes, 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 him/her as its Asst. Secretary.

Witness my hand and official stamp or seal this 29th day of November, 1999.

Joan E. Dowdy
Notary Public

My Commission Expires: 9/27/2004

(STAMP/SEAL)
JOAN E. DOWDY NOTARY PUBLIC WAKE COUNTY, N.C.

whw\covenants.brookfield

STATE OF NORTH CAROLINA, FRANKLIN COUNTY

The foregoing certificate(s) of Janice E. Sears & Joan E. Dowdy
Notar(y) (ies) Public,
is/are certified to be correct.

This instrument was presented for registration this day and hour and duly recorded in the office of the Register of Deeds of Franklin County, N.C., in Book 1160, Page(s) 818-849.
This 30th day of November, A.D., 19 99, at 11:25 o'clock A M.
KAY S. HUNT, REGISTER OF DEEDS
Kay S. Hunt
By: Betty Harrington
Asst. Deputy Register of Deeds

Exhibit A

BEING ALL of Lots 1, 2, 3, 26, 27, 28, 29, 30, 31, 32, 33, 49, 50, 51, 63, 64, 65, 66, 67 and 68, as shown on that plat of survey entitled, "Subdivision Plat, Lots 1-3, 26-33, 49-51, and 63-68, Brookfield", prepared by Robert T. Newcomb & Associates, P.C., dated September 7, 1999 and being recorded in Book of Maps 1999, Page 346, Franklin County Registry.

Exhibit B

ALL of those certain tracts or parcels of real property which are described in deeds being recorded in Book 1139, Page 651, Book 278, Page 276 and Book 848, Page 194, Franklin County Registry.

Prepared by and return to Joslin, Sedberry & Lamkin, L L P , P O Box 18928, Raleigh, NC 27619

SUPPLEMENTARY DECLARATION SUBJECTING ADDITIONAL LAND IN BROOKFIELD SUBDIVISION TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS Supplementary Declaration made this 22 day of Feb, 2001, by **Wiggins Farm, LLC**, a North Carolina limited liability company having an office in Wake County, North Carolina, hereinafter referred to as "Declarant."

WITNESSETH.

WHEREAS, Declarant is the original Developer of Brookfield Subdivision located in Youngsville Township, Franklin County, North Carolina and caused to be recorded that certain Declaration of Covenants, Conditions and Restrictions recorded in Book 1160, Page 818, Franklin County Registry (hereinafter the "Declaration"), and

WHEREAS, pursuant to Section 5(a) of Article IX of the Declaration, Declarant desires to subject Additional Property within Brookfield Subdivision to the Declaration;

NOW, THEREFORE, in consideration of the premises, Declarant hereby declares that the property identified and described as follows.

> All of the real property, containing 25.00 acres, more or less, shown on that subdivision plat entitled "Brookfield" recorded in **Book 2000, Page 122**, Franklin County Registry, which Property includes **Lots 4-25, Lots 34-48, Lots 52-62** and **Lots 69-76**, inclusive, to which reference is hereby made for a more particular description, and

shall be and hereby is annexed into the Properties covered by the Declaration and shall be and hereby is made subject to the Declaration and to the jurisdiction of the Brookfield Homeowners Association, Inc., a North Carolina non-profit corporation.

Said Additional Property shall be owned, held, transferred, sold, conveyed, given, donated, devised, inherited, leased, occupied and used subject to the covenants, restrictions, conditions, easements, charges, assessments, affirmative obligations and liens (hereinafter the "Covenants and Restrictions") contained in the Declaration, which Covenants and Restrictions shall run with the land and be binding on all parties having or acquiring any right, title and interest in the Properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

IN WITNESS WHEREOF, Declarant, as owner of the Additional Property, has caused this Supplementary Declaration to be executed and sealed in its name by a duly authorized manager/member, the day and year first written above

Wiggins Farm, LLC, a North Carolina limited liability company (SEAL)

By _____
Stephen Jellicorse, Manager

STATE OF NORTH CAROLINA
COUNTY OF WAKE

I, the undersigned, a Notary Public for said County and State certify that **Stephen Jellicorse** personally appeared before me this day and acknowledged that he is a **Manager of Wiggins Farm, LLC**, a North Carolina limited liability company, and that he as Manager, being authorized to do so, executed the foregoing instrument on behalf of the corporation

Witness my hand and official stamp and seal, this the 22nd day of February, 2001.

_____
Notary Public

[Notary Seal]

My Commission Expires _____

OFFICIAL SEAL
Notary Public, North Carolina
County of Wake
MICHAEL D. YOUTH
My Commission Expires December 15, 2005

North Carolina
Franklin County

The foregoing certificate of Michael D. Youth, a Notary Public is certified to be correct and duly recorded in Book 1204 Pages 393-394 at 3:10 P.M. on this the 23rd day of February, 2001.

Linda H. Stone Register of Deeds
By: Betty Harrington Deputy

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NORTH CAROLINA
Department of The Secretary of State

To all whom these presents shall come, Greetings:

I, Elaine F. Marshall, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF AMENDMENT

OF

HOLDEN FARM HOMEOWNERS ASSOCIATION, INC

the original of which was filed in this office on the 17th day of January, 2007.

Doc ID: 003952450003 Type: CRP
Recorded: 02/11/2010 at 02:03:19 PM
Fee Amt: $43.00 Page 1 of 3
Franklin County North Carolina
Linda H. Stone Register of Deeds
BK 1763 PG 481-483

by: Carolyn Coley Asst.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 5th day of February, 2010.

Elaine F. Marshall

Secretary of State

SOSID: 0512078
Date Filed: 1/17/2007 3:49:00 PM
Elaine F. Marshall
North Carolina Secretary of State
C200700800412

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State of North Carolina
Department of the Secretary of State

ARTICLES OF AMENDMENT
NONPROFIT CORPORATION

Pursuant to §55A-10-05 of the General Statutes of North Carolina, the undersigned corporation hereby submits the following Articles of Amendment for the purpose of amending its Articles of Incorporation.

1. The name of the corporation is: Brookfield Homeowners Association, INC

2. The text of each amendment adopted is as follows (*state below or attach*):
The name of the corporation shall be changed from Brookfield Homeowners Association, INC to Holden Farm Homeowners Association, INC effective upon filing with the Secretary of State December 29, 2006.

3. The date of adoption of each amendment was as follows:
The name change was voted on and approved as of September 28, 2006. The name change was filed as of December 29, 2006.

4. (*Check a, b, and/or c, as applicable*)
a. _____ The amendment(s) was (were) approved by a sufficient vote of the board of directors or incorporators, and member approval was not required because (*set forth a brief explanation of why member approval was not required*)_____

b. X The amendment(s) was (were) approved by the members as required by Chapter 55A.

c. _____ Approval of the amendment(s) by some person or persons other than the members, the board, or the incorporators was required pursuant to N.C.G.S. §55A-10-30, and such approval was obtained.

5. These articles will be effective upon filing, unless a date and/or time is specified: _____

This the 29 day of December , 2006

Brookfield Homeowners Association, INC
Name of Corporation

Signature

Jay D. McClain – HOA President
Type or Print Name and Title

Notes:
1. Filing fee is $25. This document and one exact or conformed copy of these articles must be filed with the Secretary of State.

Revised January 2000 Form N-02
CORPORATIONS DIVISION P. O. BOX 29622 RALEIGH, NC 27626-0622