

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

**CONSOLIDATED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
MAYFAIR TOWNHOMES**

**THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF
POLITICAL SIGNS AND THE FLAG OF THE UNITED STATES OF
AMERICA OR THE STATE OF NORTH CAROLINA.**

THIS CONSOLIDATED AND RESTATED DECLARATION is made this ___ day of October 2022 by the **MAYFAIR TOWNHOMES OWNERS ASSOCIATION, INC.**, a North Carolina nonprofit corporation. The original Declaration of Covenants, Conditions and Restrictions for Mayfair Townhomes was recorded March 26, 2008 in Book 23549, Page 811 in the Office of the Register of Deeds for Mecklenburg County, North Carolina (“the Declaration”). This Consolidated and Restated Declaration has been prepared and recorded for the purpose of incorporating the Declaration and all prior amendments to the Declaration into a single document. The prior amendments were recorded:

- First Amendment, March 12, 2013, in Book 28143, Page 249
- Second Amendment, November 4, 2016, in Book 31316, Page 30
- Third Amendment, November 20, 2018, in Book 33120, Page 176
- Fourth Amendment, September 26, 2022, in Book 37669, Page 975

This Consolidated and Restated Declaration makes no further amendments to the Declaration, and thus does not require the vote or written consent of Members of the Association. This Consolidated and Restated Declaration incorporates verbatim all of the provisions from the original Declaration and the prior amendments verbatim, *including references to the Declarant.*

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WITNESSETH:

WHEREAS, Declarant is the owner of the real property shown on the map of **Mayfair**, recorded in Map Book 50 at Page 85 in the Mecklenburg County Public Registry, which real property is more particularly described in Article II below, and desires to create thereon an exclusive residential community of multi-family attached residential lots to be named **Mayfair Townhomes**; and

WHEREAS, Declarant desires to insure the attractiveness of the community, to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of all property within the community and to provide for the maintenance and upkeep of the exterior of all residential lots and improvements located thereon and the Common Elements, as hereinafter defined; and Declarant reserves the right to complete improvements indicated on the plats and plans filed with this Declaration; and to these ends desires to subject the real property described in Article II to the covenants , conditions, restrictions, easements, charges and hens hereinafter set forth, each and all of which is and are for the benefit of the Property described below and each owner thereof; and

WHEREAS, the Declarant has deemed it desirable, for the efficient preservation, protection and enhancement of the values and amenities in the community and to insure the residents' enjoyment of the specific rights, privileges and easements in the Common Elements, to provide for the maintenance and upkeep of the exterior of all residential lots , including improvements located thereon and the Lot itself, with the exception of the rear patio area of each such Lot, and the Common Elements as hereinafter set forth, and to create an organization to which will be delegated and assigned the power of owning, maintaining and administering the Common Elements, and maintaining the exterior of the residential lots, and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has incorporated under North Carolina law, Mayfair Townhomes Owners Association, Inc., as a non-profit corporation for the purpose of exercising and performing the aforesaid functions.

NOW, THEREFORE, Declarant, by this Declaration of Covenants, Conditions and Restrictions, does declare that all of the property shown on the aforesaid map of Mayfair Townhomes and described in Article II is and shall be held, sold and conveyed subject to the easements, restriction s, covenants and conditions, charges and liens se t forth in this Declaration, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and shall be binding on all parties having any right , title or interest in the described 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 Mayfair Townhomes Owners Association Inc., a North Carolina non-profit corporation, its successors and/or as signs , whose Articles of Incorporation are attached hereto as Exhibit A. The Bylaws of said Association are

attached hereto as Exhibit B.

Section 2. "Executive Board" shall mean and refer to the Board of Directors of the Association, also referred to as the "Board."

Section 3. "Common Elements" shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners. The Common Elements are shown on the various plats of Mayfair Townhomes recorded or to be recorded in the Mecklenburg Public Registry, also designated thereon as "Common Open Space."

Section 4. "Declarant" shall mean Renaissance on Rea, LLC, a North Carolina limited liability company, and (i) any other person who has executed this Declaration, or who hereafter executes an amendment to this Declaration to add additional Property, except Institutional Lenders and except persons whose interests in the Property will not be conveyed to Lot Owners, and (ii) any person who succeeds to any Special Declarant Rights.

Section 5. "Declarant Control Period" shall mean the period commencing on the date hereof and continuing until the earlier of the following five dates: (i) the date two years after all Declarants have ceased to offer Lots for sale in the ordinary course of business, or (ii) the date upon which Declarant surrenders control of the Association, or (iii) the date 120 days after the Declarant has conveyed 75% of the Lots to Lot Owners other than a Declarant, (iv) the date two years after any development right to add new Lots was last exercised by Declarant, or (v) three years after the first Lot was conveyed.

Section 6. "Declaration" shall mean this document and any amendments thereto.

Section 7. "Eligible Insurer" shall mean an insurer or guarantor of a first mortgage on a Lot which has notified the Association in writing of the Eligible Insurer's name and address and that it has insured or guaranteed a first Mortgage on a Lot. Such notice will be deemed to include a request that the Eligible Insurer be given the notices and other rights described in Article XI.

Section 8. "Eligible Mortgagee" shall mean an Institutional Lender, which as of the date hereof is only Branch Banking and Trust Company, which has notified the Association in writing of its name and address and that it holds a first Mortgage on a Lot. Such notice will be deemed to include a request that the Eligible Mortgagee be given the notices and other rights described in Article XIV. Initially, as of the date of recording of this document, the sole Eligible Mortgagee, which need not give further notice to the Association, is Branch Banking & Trust Company, which holds a deed of trust lien against all Lots.

Section 9. "Institutional Lender" shall mean a bank, savings and loan association, insurance company, real estate or mortgage investment trust, pension fund, an agency of the United States government, mortgage banker, or any other lender generally recognized as an institutional type lender, or the Declarant, holding a first Mortgage on a Lot Notwithstanding the foregoing, a lender shall be deemed an Institutional Lender if, with respect to the particular mortgage in question the loan is eligible for purchase, securitization or sharing by the Federal National Mortgage Association .

Section 10. "Lot" shall mean and refer to any plot of land, with delineated boundary

lines appearing on any recorded subdivision map of the Property with the exception of any Common Elements and shall include all improvements thereon. Each Lot is designed for single-family ownership. "Lot Improvements" shall refer to the single family residential dwelling constructed upon each Lot.

Section 11. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 12. "Mortgage" shall mean a deed of trust as well as a mortgage.

Section 13. "Mortgagee" shall mean a beneficiary under or a holder of a deed of trust, as well as a mortgage.

Section 14. "Owner" or "Lot 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 any interest merely as security for the performance of an obligation.

Section 15. Section 15. "Project" shall refer to the Mayfair Townhomes developments shown on the Site Plan attached as Exhibit " D".

Section 16. "Project Documents" shall mean this Declaration and Bylaws of the Association.

Section 17. "Property" shall mean and refer to the real property described in Article II hereof.

Section 18. "Special Declarant Rights" shall mean rights reserved for the benefit of the Declarant, including, but not limited to, all rights referenced in NCGS Chapter 47F 1 -1 03(28) and the right to complete improvements indicated on plats and plans filed with the Declaration; to add additional phases which shall be subject to this Declaration as provided for herein; to replat the Property as described in Article II; and the right to change voting rights, if any.

Other terms not specifically defined herein shall have the meanings given to them under the North Carolina Planned Community Act, Chapter 47F of the North Carolina General Statutes.

ARTICLE II. PROPERTY SUBJECT TO THIS DECLARATION

Section 1. The Property. The property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration and within the jurisdiction for the Association is located in Mecklenburg County, North Carolina, and is more specifically described in Exhibit "C" attached hereto and incorporated herein by express reference.

Section 2. Additions to the Property. Additional land may be brought within the scheme of this Declaration in future stages or development without the consent of any other Owner or any mortgagee. provided it is done so within five (5) years of the date of this Declaration, and provided that a Supplement to this Declaration is filed subjecting the additional property to the benefits, agreements, restrictions or obligations set forth herein.

Section 3. Replating. Declarant shall have and hereby reserves the right, at any time or from time to time, to file a replat of all or any part of the Property owned or controlled by Declarant to affect a reconfiguration of any Lots or Common Elements in the Property, subject to any necessary approval, joinder or consent of the appropriate county and/or municipal authorities, including additional plats to allow Declarant to develop the Property in phases in accordance with the site plan approved by Mecklenburg County; provided the total number of lots shall not exceed sixty five and provided further that the configuration of the Lots shall be substantially similar to the site plan attached hereto as Exhibit D.

ARTICLE III. MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. 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 any Lot which is subject to assessment.

Section 2. Voting and Voting Rights. The voting rights of the membership shall be appurtenant to the ownership of the Lots. There shall be two (2) classes of Lots with respect to voting rights:

Class A Lots. Class A Lots shall be all Lots except Class B Lots as the same is hereinafter defined. Each Class A Lot shall entitle the Owner(s) of said Lots to one (1) vote. When more than one person holds an interest in any Lot, all such persons shall be Members. However, the vote for such Lot shall be exercised as the Owners thereof among themselves determine, but in no event shall more than one (1) vote be cast with respect to any one (1) Class A Lot.

Class B Lots. Class B Lots shall be all Lots owned by Declarant which have not been converted to Class A Lots as provided in (a) or (b) below. The Declarant shall be entitled to three (3) votes for each Class B Lot owned by it. The Class B Lots shall cease and be converted to Class A Lots on the happening of either of the following events, whichever occurs earlier:

- (a) when the total number of votes appurtenant to the Class A Lots equals the total number of votes appurtenant to the Class B Lots; or
- (b) on December 31, 2009.

Section 3. Suspension of Voting Rights. Voting rights attributable to an ownership interest in a Lot shall be suspended throughout the term of any default under the Bylaws of the Association or of this Declaration by an Owner of such Lot.

Section 4. Control by Declarant. Notwithstanding any other language or provision to the contrary herein or in the Bylaws of the Association, Declarant hereby retains the right to appoint and remove any Members of the Board of Directors of the Association and any officer or officers of the Association until ninety (90) days after the first of the events to transpire outlined in Article III. Section 2 above, concerning the termination of the Class B Member status of Declarant, or the surrender by Declarant of the authority to appoint and remove directors and officers by an express amendment to this Declaration executed and recorded by Declarant. Upon the expiration of the period of Declarant's right to appoint and remove directors and officers of

the Association pursuant to the provisions of this Section, such right shall automatically pass to the Owners, including Declarant, if Declarant then owns one or more Lots; and a special meeting of the Association shall be called for and held within ninety (90) days after the date of the expiration of Declarant's rights hereunder. At such special meeting the Owners shall elect a new Board of Directors which shall undertake the responsibilities of running the Association, and Declarant shall deliver the books, accounts, and records, if any, which Declarant has kept on behalf of the Association as well as any agreements or contracts executed by or on behalf of the Association which may still be in effect or operation. Each Owner by acceptance of a deed to or other conveyance of a Lot vests in Declarant such authority to appoint and remove directors and officers of the Association as provided in this Section.

ARTICLE IV. PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Elements which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to limit the use of the Common Elements to Owners who occupy a residence on the Property as their principal residence in Mecklenburg County, North Carolina, and to their families, tenants, contract purchasers and guests as provided in Section 2 of this Article IV;

(b) The right of the Association to dedicate or transfer all or any part of the Common Elements to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless the Members entitled to at least two-thirds (2/3rds) of the votes appurtenant to each Class of Lots (Class A and Class B) agree to such dedication or transfer and signify their agreement by a signed and recorded, written document, provided that this paragraph shall not preclude the Association or Declarant from granting easements to public authorities or others for the installation and maintenance of electrical, telephone, cablevision, water and sewerage utilities and drainage facilities upon, over, under and across the Common Elements without the assent of the membership when, in the sole opinion of the Board or Declarant, such easements do not interfere with the use and enjoyment of the Property or are necessary for the convenient use and enjoyment of the Property;

(c) The right of the Association to limit the number of guests of Members;

(d) The right of the Association, with the written assent of Members entitled to at least eighty percent (80%) of the votes appurtenant to each Class of Lots (Class A and Class B), to mortgage, pledge, deed in trust up to eighty percent (80%) of its real or personal property as for money borrowed or debts incurred for the purpose of improving the Common Elements and facilities, with the rights of such creditors to be subordinate to the rights of the Owners hereunder;

(e) The right of the Association to adopt, publish, and enforce rules and regulations as provided in Article X;

(f) The right of the Association to enter any Lot in order to perform any maintenance, alteration, or repair required herein to be performed by the Association, and the Owner of such Lot shall permit the Association or its representative to enter for such purpose at reasonable times and with reasonable advance notice;

(g) The right of the Association or its representative to enter any Lot in the case of any emergency threatening such Lot or any other Lot for the purpose of remedying or abating the cause of such emergency. Such right of entry shall be immediate.

Section 2. Delegation of Use.

(a) Family. The rights and easement of enjoyment granted to every Owner in Section 1 of this Article IV may be exercised by members of the Owner's family who occupy the residence of the Owner within the Property as their principal residence in Mecklenburg County, North Carolina.

(b) Tenants Or Contract Purchasers. The right and easement of enjoyment granted to every Owner in Section I of this Article IV may be delegated from the Owner to his tenants or contract purchasers who occupy a residence within the Property, or a portion of said residence, as their principal residence in Mecklenburg County, North Carolina.

(c) Guests. Recreational facilities situated upon the Property may be utilized by guests of Owners, tenants or contract purchasers subject to the rules and regulations of the Association, as may be established by its Board of Directors, governing said use.

ARTICLE V. COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. 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; (a) annual assessments or charges and (b) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fen due. The personal obligation for the delinquent assessments shall not pass to his 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 of the Property and in particular for: (1) the improvement and maintenance of the Common Elements and of the exterior of the Lot Improvements located upon each Lot, including landscaping as installed by Declarant or the Association; (2) the maintenance, cleaning, repair, and reconstruction of (a) private streets, driveways, walks, parking and walking paths situated on the Common

Elements, (b) any private water and/or sewer lines; (d) any ponds, including detention and retention and (d) clubhouse and mail kiosks; and such maintenance to include the cutting and removal of weeds and grass, the removal of trash and rubbish, or any other maintenance, and for the use and enjoyment of the Common Elements, including, but not limited to the cost of repairs, replacements, and additions; the cost of labor, equipment, materials, management, and supervision; (4) the payment of utility charges for water and sanitary sewer service to each Lot as provided in Article VI, Section 1 herein; and (5) the payment of taxes and public assessments assessed against the Common Elements; (6) the procurement and maintenance of insurance in accordance with this Declaration; (7) the employment of attorneys and accountants to represent the Association when necessary; (8) the provision of adequate reserves for the replacement of capital improvements, including, without limiting the generality of the foregoing, roofs, paving, landscaping control and supplies, administrative and management fees, and other major expenses for which the Association is responsible, and (9) such other needs as may arise.

Due to various factors, such as differing amounts of exposure to the elements, some Lots may require more maintenance than others and it is in the best interest of the Association that all Lots be properly maintained, the Association has an obligation to provide this maintenance without regard to the actual costs of the maintenance in relation to the dues paid by said Lot.

Section 3. Reserves. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Areas and those other portions of the Property which the Association may be obligated to maintain, including, but not limited to, the following: (i) the roofs of Lot Improvements on the Lots; (ii) painting and maintenance of the exterior of Lot Improvements located on each Lot; (iii) streets, drives and parking lots; (iv) sewer and storm water changes and facilities. Such reserve funds are to be established out of the annual assessments. The Association in its discretion may maintain separate reserve funds for each such purpose, and such other purposes it may deem appropriate.

Section 4. Maximum Annual Assessment. The maximum annual assessment the calendar year beginning January 1, 2008, shall be Three Thousand Three Hundred Dollars (\$3,300.00) per lot and for successive calendar years thereafter shall be established by the Board subject to this Article V. The Board shall adopt a proposed budget and fix the amount of the annual assessment as to each Lot for each calendar year at least thirty (30) days prior to January 1 of such calendar year, and the Association shall send written notice of the amount of the annual assessment and a summary of the proposed budget, as well as the amount of the payment due, to each Owner on or before January 15 (revised by the Third Amendment recorded November 20, 2018 in Book 33120, Page 176) of such calendar year, To the extent that the annual assessments commence prior to the commencement of a calendar year, the Board shall adopt a proposed budget for the remainder of the then-current calendar year and fix the amount of the annual assessment within thirty (30) days after the conveyance of the first Lot by Declarant to an Owner other than Declarant, and shall send notice to each Owner as set forth above. To the extent required by North Carolina General Statutes 47F-3-103(c) or other applicable law, such notice shall include notice of a meeting of the Members to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. If such a meeting is required by N.C. General Statutes 47F-3-103(c), or other applicable law, the Board of Directors shall set a date for a meeting of the Members to consider ratification of the budget to be held not less than ten (10) nor more than sixty (60) days after mailing of the summary and notice. If such meeting is required as set forth above, there

shall be no requirement that a quorum be present at the meeting. If the proposed budget to be voted on at any such meeting is within the maximum increase limits set forth in Section 4(a) below, the budget is ratified unless at such meeting Members exercising all of the votes in the Association reject the budget. If the proposed budget to be voted on at any such meeting exceeds the maximum increase limits set forth in Section 4(a), the Owners must approve such increase as set forth in Section 4(b) below. The failure of the Association to send, or of a Member to receive, such notice shall not relieve any Member of the obligation to pay annual assessments.

(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 effective January 1 of each year, without a vote of the Members, but subject to the limitation that any such increase shall not exceed the greater of ten percent (10%) or the percentage increase in the Consumer Price Index (published by the Department of Labor, Washington, DC) for all cities over the preceding twelve (12) month period.

(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 the increase permitted in Section 4(a) above if such increase is approved by Members entitled to cast no less than two-thirds ($2/3^{\text{rds}}$) of the votes appurtenant to each Class of Lots represented in person or by proxy 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.

Section 5. Special Assessment for Capital Improvements. In addition to the annual assessments authorized above and subject to the provisions of Sections 2 and 3 of Article VII, 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 upon the Common Elements or in connection with exterior maintenance, including fixtures and personal property related thereto, provided that any such assessment shall have approval of the Members as provided in Section 4(b) of this Article.

Section 6. Notice and Quorum for any Action Authorized Under Section 4(b) and 5. Written notice of any meeting called for the purpose of taking any action authorized under Sections 4(b) or 5 of this Article shall be sent to all Members no less than ten (10) days nor more than sixty (60) days in advance of the meeting. For those meetings called pursuant to Sections 4(b) or 5, the presence of Members or of proxies entitled to cast sixty percent (60%) of the votes appurtenant to each Class of Lots (Class A and Class B) 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 7. Uniform Rate of Assessment. Both annual and special assessments shall be fixed at a uniform rate for all Lots and shall be collected on a monthly basis, unless said Lots are owned by the Declarant.

Section 8. Date of Commencement of Annual Assessments: Due Dates. The annual

assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the first Lot by Declarant to an Owner other than Declarant, provided, however, that the assessments shall only commence as to each Lot owned by Declarant when either of the following has occurred: (a) twelve (12) months have passed since the issuance of a Certificate of Occupancy as to the improvements constructed on such Lot; or (b) the improvements located on any Lot are occupied. Declarant further agrees that as long as there are Class B Lots, Declarant shall pay any funds necessary for operating expenses as defined in the budget provided to each Owner that are not covered by the annual assessments collected. The first annual assessment as to each Lot shall be adjusted according to the number of months remaining in the calendar year. At least thirty (30) days before January 1 of each year, the Board of Directors shall fix the amount of the annual assessment against each Lot as set forth in Section 4 of this Article Y; and in the event the Board elects not to fix such assessment rate as herein provided, the amount of the prior year's annual assessment shall be the fixed amount. Written notice of any change in the assessment rate shall be sent to every Owner. The due dates for the payment of annual and special assessments shall be established by the Board. 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.

Section 9. Effect of Non-Payment of Assessments; Remedies of the Association. Any assessment not paid within fifteen (15) days after the due date shall be assessed a late charge in the amount of Fifteen and No/100 Dollars (\$15.00) or in an amount to be determined from time to time by the Board, and the assessment with late charge shall bear interest from the due date at an annual rate determined from time to time by the Board, not to exceed fifteen percent (15%) per annum. The Association, or its agent or representative, may bring an action at Law against the Owner personally obligated to pay the same or foreclose the lien against the Lot to which the assessment related; and, in either event interest, costs, and reasonable attorney's fees of any such action shall be added to the assessment to the extent allowed by law, No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his Lot.

Section 10. Subordination of the Lien to Mortgages and Ad Valorem Taxes. The lien of the assessments provided for herein shall be subordinate to the lien of any first or second mortgage or deed of trust on a Lot and to any ad valorem taxes for such Lot. Sale or transfer of any Lot shall not affect any assessment hereon. However, the sale or transfer of any Lot which is subject to any mortgage or deed of trust pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer; provided, however, that the Board of Directors of the Association may in its sole discretion determine such unpaid assessments to be an annual assessment collectible from all Owners including the foreclosure sale purchaser. No such sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Exempt Property. All Property dedicated to, and accepted by, a local public authority and all property owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 12. Working Capital Fund. At the time of closing of the sale of each Lot, a sum equal to two month's assessment for each Lot shall be collected from the purchaser of such Lot and transferred to the Association to be held as a Working Capital Fund. The purpose of said fund is to insure that the Association will have adequate cash available to meet unforeseen expenses, and to acquire additional equipment or services deemed necessary or desirable. Amounts paid into the fund shall not be considered advance payment of regular assessments.

ARTICLE VI. EXTERIOR MAINTENANCE

Section 1. Association's Responsibility. In addition to maintenance of the Common Elements, the Association shall provide all exterior maintenance upon Lot Improvements as follows: paint, stain, repair and care for roof surfaces and roof systems, gutters and downspouts and all exterior building surfaces, including the painting and staining of entry doors and garage doors, but excluding repair and replacement of entry doors and garage doors and their appurtenant hardware, and further excluding maintenance or replacement of all exterior glass, including windows and patio doors. The Association shall also be responsible for the maintenance, repair and replacement of underground water supply lines located on Lots, up to the point the line enters the exterior wall or foundation of the unit constructed on the Lot. (last sentence added by the Fourth Amendment recorded September 26, 2022 in Book 37669, Page 975)

The Association shall also maintain all grass, trees, shrubs and landscaping on Lots, with the exception of the areas comprising the rear yards of the Lots. (revised by the Fourth Amendment recorded September 26, 2022 in Book 37669, Page 975). Further, the Owner of any Lot may, at his or her election, plant flowers in the front and rear beds established by Declarant in developing the Lot provided such maintenance by the Owner does not hinder the Association in performing its maintenance of the exterior of the Lot Improvements and landscaping. No maintenance by an Owner shall reduce the assessment payable by him or her to the Association. No Owner shall plant any vegetation in the front yard except with the prior written approval of the Association. Nothing herein shall prevent any owner from installing walkways, patios or other landscaping in the rear yard of a Lot, subject to the requirements of Article VIII, but the Association shall have no obligation to maintain any additions or landscaping installed by an Owner.

The Association shall pay all utility charges for sanitary sewer and water services provided to the Lots, and no Lot shall be separately metered for such services. The Association shall collect a "Utility Share" from the Owners, which Utility Share shall be collected monthly as part of the annual assessment and shall be calculated by dividing the monthly bill for sanitary sewer and water services by the number of Lots subject to assessment.

In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family, or guests, or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Lot is subject. The Association is hereby granted an easement right of access to go upon any Lot for performance of repairs or maintenance for which the Association is responsible hereunder.

Section 2. Owner's Responsibility. Except as provided in Section 1 of this Article above, all maintenance of the Lot Improvements on the Lot shall be the responsibility of the Owner

thereof, including any patios, walkways, landscaping, etc. installed by owner in the rear of his Lot. Each Owner shall maintain, repair and replace, at his expense, all interior portions of the Lot Improvements on his Lot which shall need repair, including bathroom and kitchen fixtures, light fixtures or other electrical or plumbing equipment, pipes and fittings serving an Owner' s Lot. Further, each Owner shall repair, maintain and replace, at his own expense, when necessary, the heating and air-conditioning systems servicing bis dwelling, whether located on his Lot or the Common Elements adjacent to his Lot. Each Owner shall be responsible for interior pest control. Each Owner shall be responsible for the maintenance and repair of sewer lines located on their Lot and serving only their Lot, including but not limited to clearing blockages, except that repairs that require replacement of those sewer lines shall be the Association's responsibility. (last sentence added by the Fourth Amendment recorded September 26, 2022 in Book 37669, Page 975)

In the event that the Board of Directors of the Association determines that any Owner has failed or refused to discharge properly his obligations with regard to the maintenance, repair or replacement of items for which he is responsible hereunder; or (b) that the need for maintenance, re pair or replacement, which is the responsibility of the Association hereunder , is caused through the willful or negligent act of an Owner, his or her family, guests, lessees or invitees, and is not covered or paid for by insurance, in whole or in part, then the Association may perform the repair, replacement or maintenance and shall, except in the event of an emergency situation, give the Owner written notice of the Association's intent to provide such necessary maintenance, repair or replacement, at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repairs or replacement deemed necessary. The Owner shall have ten (10) days within which to complete such maintenance, repair or replacement; or, in the event that such maintenance, repair or replacement is not capable of completion within a ten (10) day period, to commence such work which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance , repair or replacement at Owner's sole cost and expense, and all costs shall be added to and become a part of the assessment to which such Owner is subject and shall become a lien against the Lot.

Section 3. Management Agreement. The Association shall have the right to hire a management company to undertake any of its responsibilities set forth in the Declaration, However , any such management agreement shall be terminable by the Association, without liability, upon not more than ninety (90) days' notice to the other party.

ARTICLE VII. PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Property and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. Subject to t he provisions of Article V, Section 5, the cost of reasonable repair and maintenance for a party wall shall be shared in equal shares by the Owners of the two (2) adjoining Lots utilizing such wall.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or

damaged by fire or other casualty, any Owner who has used the wall may restore it, and the Owner of the other Lot adjoining such wall shall contribute one half of the cost of restoration thereof without prejudice, however, to the right of any such Owner to call for a larger contribution from the other Owner under any rule of law regarding liability for negligent or willful acts or omission.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

ARTICLE VIII. ARCHITECTURAL CONTROL

No building, fence, signs, wall, statuary or other structure or improvements of any kind shall be commenced, erected, or maintained upon any Lot or upon the Common Elements nor shall any exterior addition to or change or alteration therein (including but not limited to, color or painting of the exterior and type of exterior finish) be made, including the erection of antennae, satellite dishes or disks, aerials, awnings, the placement of reflective or other material in the windows of a dwelling or other exterior attachment (including storm doors, garage doors, patio doors, entrance doors and all other doors), and the installation of playground equipment, until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by an architectural committee composed of three (3) representatives appointed by the Board of Directors of the Association (said committee being hereinafter referred to as the "Architectural Control Committee"). Absent such approval, the proposed improvement may not be commenced.

Failure of the Architectural Control Committee to respond to proposed plans and specifications submitted by any Owner within thirty (30) days after such submittal shall be deemed approval by the Architectural Control Committee of the plans and specifications.

The vote of a majority of the members of the Architectural Control Committee shall be binding.

The Architectural Control Committee shall be subject to appointment by, and removal by, the Board from time to time, and shall report to and be ultimately responsible to the Board for its decisions.

In the event an Owner of any Lot in the Property shall make unauthorized changes to the premises and the improvements situated thereon in a manner unsatisfactory to the Board of Directors of the Association or the Architectural Control Committee, the Board of Directors of the

Association or the Architectural Control Committee shall have the right, through its agents and employees, to enter upon said parcel and to repair, maintain and restore the Lot and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance and any other costs or attorney's fees incurred in the enforcement of the rights under these provisions shall be added to and become a part of the assessments to which such Lot is subject. Any approval by the Board of Directors of the Association or the Architectural Control Committee shall be in accordance with the requirements set forth hereafter.

The provisions of this Article VIII shall not apply to improvements of any kind constructed upon any lot or upon the Common Elements by Declarant, and Declarant is expressly exempt from the provisions of this Article VIII.

(added by the Fourth Amendment recorded September 26, 2022 in Book 37669, Page 975)

No relocation of exterior doors or windows, or removal of brick or other exterior cladding of a building is permitted. Structures such as sunrooms, porches, pergolas, and/or awnings may be attached to the rear of a building with the prior written consent of the Architectural Control Committee; however, any such structures that impose an additional vertical load on exterior cladding or walls of the building will not be permitted. Alterations to trusses or other structural components of roofs are not permitted.

ARTICLE IX. INSURANCE

Section 1. Insurance Coverage. Insurance coverage on the property shall be governed by the following provisions.

(a) Ownership of Policies. All insurance policies upon the Properties, including hazard insurance, shall be purchased by the Association for the benefit of all the Association and the Owners and their mortgagees as their interest may appear, and provisions shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Owners. Owners may, at their option, obtain insurance coverage at their own expense upon their own personal property and for their personal liability and living expense and such other coverage as they may desire.

(b) Coverage. All buildings and improvements upon the land, including but not limited to all interior improvements, such as interior walls, finishes, fixtures, equipment, built-in appliances, cabinets, upfits and upgrades, and all personal property of the Association included in the Common Elements and facilities shall be insured in an amount equal to one hundred percent (100%) insurable replacement value as determined annually by the Association with the assistance of the insurance company providing coverage. Such coverage shall provide protection against;

(i) Loss or damage by fire and other hazards covered by a master policy with appropriate riders and extended coverage, including vandalism and malicious mischief;

(ii) Such other risks as from time to time shall be customarily covered with respect to buildings on the land; and

(iii) Such policies shall contain clauses providing for waiver of subrogation.

(c) Liability. Public liability insurance shall be secured by the Association with limits of liability of no less than One Million and No/100 (\$1,000,000.00) Dollars per occurrence and shall include an endorsement to cover liability of the Owners as a group or entity to a single Owner. There shall also be obtained such other insurance coverage as the Association shall determine from time to time to be desirable and necessary.

(d) Premiums. Premiums for insurance policies purchased by the Association shall be paid by the Association and shall be included as part of the annual assessment described in Article V above.

(e) Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the owners and their mortgagees, as their interests may appear, 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 purpose stated herein or stated in the Bylaws and for the benefit of the Owners and their mortgagees in the following shares:

(i) Proceeds on account of damage to Common Elements and facilities are to be held for the Association.

(ii) Proceeds on account of damage to Lots shall be held in undivided shares for the Owners of damaged Lots in proportion to the cost of repairing the damage suffered by each Owner, which cost shall be determined by the Association.

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

(f) Subrogation. Each insurer shall waive its right to subrogation under any policy maintained pursuant to this Section 2 against any Owner or member of Owner's household.

(g) Act or Omission of Owner. No act or omission of any Owner, unless such Owner is acting within the scope of the Owner's authority on behalf of the Association, will preclude recovery under any of the policies maintained pursuant to this Section 1.

(h) Other insurance. If at the time of a loss, there is other insurance in the name of an Owner covering the same risk covered by the Association's policy, the Association's policy shall provide primary insurance.

(i) Issuance of Certificates: Cancellation. Any insurer that has issued an insurance policy under this section shall issue certificates or memoranda of insurance to the Association and, upon written request, to any Owner, mortgagee or beneficiary under

a deed of trust. Any insurer issuing an insurance policy under this Section 1 may not cancel or refuse to renew the policy until thirty (30) days after notice of the proposed cancellation or nonrenewal has been mailed to the Association, each Owner and each mortgagee or beneficiary under a deed of trust to whom certificates or memoranda of insurance have been issued at their respective last known addresses.

Section 2. Distribution of Insurance Proceeds. Proceeds of insurance policies received by the Association as insurance trustee shall be distributed in the following manner:

(a) Expense of the Trust. All expenses of the insurance trustee shall be first paid or provisions made therefor;

(b) Reconstruction or Repair. The remaining proceeds shall be paid to defray the cost of repairs to the buildings and improvements located upon the land or the lots and the Common Elements and, if applicable, due to insured casualty occurring on the Common Elements, proceeds on account of damage to Lots shall be paid to defray the cost of repair to the Lots. Any proceeds remaining after defraying such costs shall be distributed to the beneficial Owners as provided above.

Section 3. Fidelity Insurance or Bond. All persons responsible for or authorized to expend funds or otherwise deal in the assets of the Association or those held in trust, 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 six (6) months' assessments, plus reserves accumulated.

Section 4. Obligation to Rebuild. (revised by the Second Amendment recorded November 4, 2016 in Book 31316, Page 30) Should any portion of a townhouse lot be damaged or destroyed, the Owner of such lot shall repair or replace it promptly in accordance with the original construction plans and specifications unless (i) this Declaration is terminated or (ii) repair or replacement would be illegal under any state or local health, environmental or safety statute or ordinance. The cost of repair or replacement of any Lot, or of any other Lot Improvements, in excess of the proceeds of the insurance, as well as the deductible set forth in the Association's insurance policy, are the sole responsibility of the Owner of such damaged Lot or other Lot Improvements asserting a claim. At the discretion of the board, the deductible under the Association's policy may be apportioned among the affected lot owners, in proportion to each lot's respective share of the total damage, if more than one Lot is damaged due to a single event, provided that the Association's insurance policy proceeds cover the cost of repair or replacement of multiple Lots. If a loss that affects more than one Lot or Lot Improvements results from the fault of one or more Owners, the deductible shall be entirely allocated to such Owners. Any portion of the Common Elements which is damaged or destroyed shall be repaired or replaced promptly by the Association unless (i) this Declaration is terminated, (ii) repair or replacement would be illegal under any state or local health, environmental or safety statute or ordinance or (iii) each class of Owners decides at a duly called meeting not to rebuild by an eighty percent (80%) or more vote appurtenant to each class of Lots. The cost of repair or replacement of Common Elements in excess of insurance proceeds and reserves is a common expense. If any portion of the Common Elements is not repaired or replaced, (i) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Property and (ii) the remainder of the proceeds shall be retained by the

Association as part of its reserve fund.

ARTICLE X. USE RESTRICTIONS

Section 1. Rules and Regulations. The Board of Directors of the Association shall have the power to formulate, publish and enforce reasonable rules and regulations concerning the use and enjoyment of the Lots and Common Elements subject to this Declaration, including but not limited to regulations regarding the usage of the front yard space of each Lot. Such rules and regulations may provide for imposition of fines or penalties for the violation thereof or for the violation of any of the covenants and conditions contained in this Declaration.

Section 2. Antennas/Satellite Dishes. No outside radio or transmission tower or receiving antenna, including a satellite dish antenna, and no outdoor television antenna or satellite dish may be erected or installed by an Owner without the prior approval of the Board or the Architectural Control Committee.

Section 3. Restrictions on Use. The Lots shall be occupied and used by Owners for residential purposes only and no trade or business may be conducted in or from any Lot, except that an Owner residing in a dwelling on a Lot may conduct business activities within the dwelling as long as:

- (a) The existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the dwelling;
- (b) The business activity conforms to all zoning requirements for the Property;
- (c) The business activity does not involve persons coming onto the Property who do not reside in the Property or door to door solicitation of residents of the Property
- (d) The business activity is consistent with the residential character of the Property and does not constitute a nuisance, a hazardous or offensive use or threaten the security or safety of other residents of the Property, as may be determined in the sole discretion of the Board of Directors of the Association.

The term "business" and "trade" as used in this Section, shall be construed to have the ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether:

- (i) such activity is engaged in full or part time;
- (ii) such activity is intended or does generate a profit; or
- (iii) a license is required therefor.

This section shall not apply to any activity conducted by the Declarant with respect to its development and sale of the Property or its use of any Lots which it owns within the Property.

The foregoing provisions of this Section or any other provision of this Declaration notwithstanding, Declarant shall have an easement to maintain sales offices and models for sales of Lots throughout the Property. Declarant shall have the right to relocate, and to discontinue and reestablish, sales offices and models within the Property from time to time until all of the Lots have been conveyed to Owners other than Declarant. Declarant also shall have the right to change use or combination of uses of such offices or models, provided that such offices or models shall be used only for sales offices or models.

Declarant shall also have an easement to maintain signs on the Common Elements advertising the Property until all of the Lots have been conveyed to Owners other than Declarant.

Section 4. Dwelling Size and Type. The total square footage of the main structure located on a Lot, exclusive of one-story open porches and garages, shall not be less than two thousand (2,000) square feet. The main structure located on a Lot shall not exceed two (2) stories in height. All dwellings shall be predominately constructed of only brick and mortar; provided, however, if it is not possible to construct dwellings using brick, all outside materials shall be as maintenance-free as brick. Under no circumstances shall dwellings be made of stucco.

Section 5. Nuisances. No activity deemed noxious or offensive by the Architectural Control Committee shall be carried on upon any Lot or within the Common Elements, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood as determined by said Architectural Control Committee. Examples of such offensive activities shall include, but not be limited to, the origination or emission of any loud or disturbing noise or vibrations, the maintenance of an auto repair site, the maintenance of unsightly outdoor storage of persona} property (including toys, motorcycles or other motor vehicles, tricycles, bicycles, wood piles or other miscellaneous items} on porches, patios, terraces or yards, or similar unsightly activity not in keeping with the aesthetic character and high level of appearance of the community. Garage doors shall remain closed at all times except when in use. The Architectural Control Committee, with the approval of the Board of Directors of the Association, may establish reasonable rules and regulations for enforcing the provisions of this Section 5.

No potentially hazardous or toxic materials or substances shall be used or stored on any Lot other than normal household, lawn and garden products which shall be used by Owner in a manner not to permit spills or runoff of such materials onto the Lot, adjacent lots or property, wetlands area, ponds or buffers. No activity shall be allowed which violates local, state or federal laws or regulations; provided however, the Board shall have no obligation to take enforcement action in the event of a violation.

Section 6. Animals. No animals, lives tock, or poultry of any kind shall be kept or maintained on any Lot 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. The number of household pets generally considered to be outdoor pets such as dogs and cats shall not exceed two (2) in number, except for newborn offspring of such household pets which are under three (3) months in age. Notwithstanding the foregoing, Pit bulls are expressly prohibited, and the Association shall have the right to prohibit, or require the removal of, any dog or animal, which after consideration of factors such as size, breed and disposition of the animal, interference by the animal with the peaceful enjoyment by other Owners of their Lots and the security measures taken

by the Owner with respect to such animal, the Association, in its sole discretion, deems to be undesirable, a nuisance or a safety hazard. If any such pet creates a nuisance as determined by the Executive Board in its sole and absolute discretion, then the Unit Owner shall remove the pet from the Unit within fifteen (15) days after written notice from the Executive Board and the pet shall not be allowed to return to the Lot. Failure to do so by the offending Owner may result in a fine of at least Ten Dollars (\$10.00) per day, as determined by the Executive Board, until compliance. No pet shall be permitted upon the Common Elements unless carried or leashed by a person that can control the pet. Pets shall not be permitted to defecate in the Common Elements, and each Owner shall clean up immediately after his pet if an accident occurs. An Owner's failure to remove fecal matter or other solid waste left in any Common Element or Lot by an animal owned by an occupant of such Owner's Lot (or their guests or invitees) shall be conclusively deemed to be a nuisance and shall be subject such Owner to such reasonable penalties as may be determined by the Association, including without limitation, upon repeated violations, the removal of such animal as described above. All pets shall be registered or inoculated as required by law. Each Owner shall hold the Association harmless from any claim resulting from any action of his pet, and shall repair at his expense any damage to the Common Elements caused by his pet.

Section 7. Control of Dogs. Every person owning or having possession, charge, care, custody or control of any dog shall keep such dog exclusively upon his own Lot; provided, however, that such dog may be off the Lot if it is under the control of a competent person and restrained by a chain, leash or other means of adequate physical control. All Owners must control their pets at all times, whether or not such Owner is present, in a manner that will prevent any pet from (i) making noise at objectionable sound levels for extended periods of time, whether continuously or intermittently, (ji) endangering the health or safety of other Owners, their families, guests or invitees or creating fear in other Owners as to the safety of themselves, their families, guests or invitees, or (iii) otherwise constituting a nuisance or inconvenience to the Owner(s) of any other Lot, all of the foregoing as determined by the Association. Any pet identified by the Association as a potentially dangerous animal constituting an unreasonable risk or threat to any other Owner, whether or not such risk or threat is deemed immediate or imminent, whether due to the type, kind of species of such animal, or its size, natural proclivities or inherent nature, or as a result, whether in whole or in part, of the known tendencies, habits disposition or history of such animal, or as a result of the manner in which such animal generally is supervised or controlled by its owner, or for any combination of any of the foregoing reasons, shall be subject to such further restrictions or control as the Association may in its absolute discretion deem appropriate, which further restrictions or control may include, without limitation, any one or more of the following additional requirements: (a) constant restraint of the animal by means of a cage, chain, lease or other means deemed appropriate and approved by the Association while such animal is outside of the Lot Improvements, even while the animal is on such Owner's Lot; (b) limitations on the time periods or durations that such animal is permitted to be outside of the Owner's Lot Improvements; (c) prohibiting the animal to be outside at any time without its Owner's presence; or (d) permanent removal of the animal from the Property.

Section 8. Temporary Structures and Parking of Vehicles Onstreet and Offstreet. No residence of a temporary nature shall be erected or allowed to remain on the Property, and no trailer, basement, shack, tent, garage, barn or any other building of a similar nature shall be used as a residence on the Property, either temporarily or permanently. Mobile house trailers, on or off wheels, recreational vehicles ("RVs"), motor homes, vehicles or enclosed bodies of the type which

may be placed on or attached to a vehicle, known generally as "campers", commercial vehicles of any kind operated by a member of the household occupying the dwelling on the Lot and any boats and boat trailers shall not be permitted on any Lot or any other portion of the Property, unless inside the garage. No out buildings, storage sheds, trash receptacles or other structures shall be placed between the dwellings on the Property and any adjoining public right-of-way or adjoining property.

No vehicle of any type which is abandoned or inoperative shall be stored or kept on any Lot or elsewhere within the Property in such manner as to be seen from any other Lot or any street within the Property, and no automobiles or other mechanical equipment may be dismantled or allowed to accumulate on any said Lot. Vehicles of any type shall not be parked within the private street rights-of-way, nor shall vehicles of any type be parked or stored on any part of the Lot or other portion of the Property not improved for that purpose, i.e. garage, drive way or parking pad. This paragraph does not preclude occasional, temporary parking within the private street rights-of-way for guests or other reasonable purposes, nor does it preclude temporary parking within the paved portion of any internal "dead end" street provided that no inconvenience is imposed on the owners of other Lots.

The provisions of this Section 6 shall not preclude temporary buildings and other structures used during the construction period by Declarant for sale of Lots, such as a temporary sales office or construction trailer. This paragraph shall also not preclude trucks and other construction vehicles used during construction of dwellings and Lot development by Declarant or its contractors, agents and employees.

Section 9. Signs. Except for political signs, no signs or other advertising devices shall be erected upon or displayed or otherwise exposed to view on any Lot or any improvement thereon without the prior written consent of the Association, except Declarant may post temporary "For Sale" and other advertising signs on the Property until such time as all Lots owned by Declarant have been sold and conveyed.

Section 10. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish, and all trash, garbage or other waste shall be stored in sanitary containers in accordance with the rules and regulations of the Association and of any health or public safety authority having jurisdiction over the property. No trash, garbage or other waste may be placed with the Common Elements, except in containers approved by the Association.

Section 11. Leasing. (revised by the First Amendment to the CCRs recorded March 12, 2013 in Book 28143, Page 249, and later rewritten by the Fourth Amendment recorded September 26, 2022 in Book 37669, Page 975). The Members of the Association and its Board of Directors ("the Board") has deemed it to be in the best interest of Lot Owners to restrict the number of Lots that may be leased or occupied by persons other than the Owner. Such restrictions will, among other things, enhance property values by promoting stability and reducing resident turnover; increasing interest by the Lot Owners in the appearance and maintenance of their Lots; minimizing problems of rule enforcement and vandalism; and ensuring that Lots and Lot Owners qualify for certain mortgage programs.

(a) Notice to Board. Any Lot Owner intending to make a lease of his/her Lot

shall give prior written notice to the Board of Directors (or any Managing Agent designated by the Board) of such intention. For purposes of this Section, "lease" is defined as the exclusive or non-exclusive occupancy or license for use of all or any portion of a Lot by any person(s), other than the Lot Owner, for which the Lot Owner receives any consideration or benefit, including but not limited to, a fee, service, property or gratuity. The required notice shall include a complete copy the proposed lease, and such other information as the Board or its agent shall reasonably require. Notwithstanding the foregoing, a lease to the spouse, former spouse, parent, grandparent, child, grandchild, or sibling of the Lot Owner shall not be considered to be a "lease" for purposes of this section.

(b) All leases of Lots shall be in writing, utilizing standardized lease forms provided by or approved by the Board or its Managing Agent. The provisions of this Section shall also apply to the renewal of or modification to the terms of any lease of a Lot. No subleasing of a Lot shall be allowed. No Lot shall be leased for transient or hotel purposes, and the minimum initial term of any proposed lease shall not be less than twelve months; the sole exception being during the 120-day period immediately preceding or succeeding the sale of a Lot; occupancy during that 120-day period shall be limited to the buyer(s) and seller(s) of the Lot. All leases must contain a provision that any violation of the Declaration, Bylaws or rules and regulations of the Association by the tenant constitutes a default under the lease, with the landlord's remedy being termination of the lease.

(c) Approval of the Board. Within 30 days after receipt of such notice, the Board or its Managing Agent shall provide the Owner with written notice of its approval or disapproval of the proposed lease. The decision of the Board shall be final and non-appealable, but approval shall not be unreasonably withheld. The Board's approval may be conditioned upon the addition, deletion, or modification of any provision of the proposed lease. The Board may withhold approval based upon information gleaned by the Board from any investigative, criminal or other background reports obtained by or provided to the Board. The procedures for obtaining, and the parameters for reviewing such reports, shall be promulgated by the Board. No person aged 18 or above may occupy the property as his/her principal residence unless they are included on the lease as one of the tenants. **The Board specifically reserves the right to withhold the approval of any lease which would result in more than two of the Lots being occupied by persons other than the Lot Owner at any given time.** The failure of the Board to provide written notice to the Lot Owner of its approval or disapproval of the proposed lease within 30 days of the Owner's notice of its intent to lease shall be deemed an approval of the proposed lease.

(d) The Association may charge reasonable administrative fees to Owners for processing their lease applications, or addressing violations of this section.

(e) Compliance with Declaration, Bylaws, and Rules and Regulations. Any Lot Owner leasing his/her Lot shall provide the Tenant with a copy of the Declaration, By-Laws, and Rules and Regulations affecting the community upon execution of the lease; the tenant will be required to sign an acknowledgement that he/she has received a copy of these documents, and agrees to abide by their terms. The Tenant shall be bound in all respects by the provisions contained therein. Any default by a Tenant of such provisions shall entitle

the Association to terminate the lease, and the Lot Owner hereby irrevocably appoints the Association as its lawful attorney-in-fact (which appointment is coupled with an interest) to take all actions necessary to terminate the lease and the Tenant's right to possession of the Lot, including the commencement of legal proceedings against the Lot Owner and/or the Tenant. If the Association proceeds to evict the tenant, any costs, including reasonable attorneys' fees actually incurred and court costs associated with the eviction shall be an assessment and lien against the Lot.

(f) It shall be a violation of this Section 11 for any Owner to collude with a tenant to terminate any lease under circumstances which the Board determines to be, in the Board's sole discretion, a deliberate attempt by the Owner to circumvent the express requirement that no Lot may be leased for a period shorter than 12 months. In addition, it shall be a violation of this Article for any Owner to list, advertise or offer his/her Lot for a lease period less than 12 months. Any listing, advertisement or offer of any Lot shall affirmatively state that the Lot is listed, advertised or offered only for a period of 12 months or longer. If any Owner lists, advertises or offers his/her Lot in violation of the restrictions contained herein, each listing or offering shall be considered a separate and continuing violation justifying daily fines in accordance with NCGS §47F-3-107.1.

(g) Notwithstanding anything else to the contrary, no Owner shall be permitted to rent or lease his Lot until 24 months have elapsed since the date on which the deed conveying said Lot to such Owner was recorded in the Mecklenburg County Public Registry. In the event that a Lot is leased for any period of time in violation of this mandatory 24-month "waiting period," the waiting period shall be immediately tolled, and any time which elapses while the unapproved lease remains in effect shall not count toward satisfaction of the waiting period described herein.

(h) In no event shall any lease or rental agreement release or relieve a Lot Owner from the obligation to pay regular and special assessments to the Association, regardless of whether the obligation to pay assessments has been assumed by the tenant in such lease or rental agreement.

(i) The restriction on the number of allowable leased Lots in Section 11(c) and the 24-month waiting period of Section 11(g) shall not apply to Lot Owners whose Lot is leased as of the date of recordation of this Amendment, but such Lots shall be subject to all other provisions in this Section. This exemption shall remain in effect until fee simple title to the property is transferred by the current Lot Owner, whether such transfer is by deed, inheritance, foreclosure or otherwise. An exclusive schedule of the Lots which are currently leased and falling within this exemption is appended hereto as Exhibit A and incorporated herein by reference.

(j) Owners shall provide the names of the tenants, the tenants' contact information, a description of the tenants' vehicles, and emergency contact information for the Owner and if the Owner uses a managing agent, contact information for the managing agent. Owners are responsible for informing any managing agent of the requirements of the Declaration, and for ensuring that the managing agent complies on the Owner's behalf.

(k) The Board reserves the right to waive any or all of these restrictions with

respect to any particular Lot for exceptional circumstances or if strict enforcement hereof would result in undue hardship to the Owner. Decisions on claimed exceptional circumstances shall be determined on a case-by-case basis, are in the sole discretion of the Board, and are not appealable by the Owner.

(l) Void Transactions. Any violation of these provisions shall subject the Lot Owner to a fixed or daily fine, after notice and an opportunity to be heard, in accordance with N.C.G.S. § 47C-3-107.1.

Section 12. Zoning Development Standards. The property is zoned UR-2(CD). All Owners shall comply with such zoning standards.

ARTICLE XI. EASEMENTS

Section 1. General. All of the Property, including Lots and Common Elements, shall be subject to such easements for driveways, walkways, parking areas, water lines, sanitary sewer, storm drainage facilities, gas lines, telephone lines, electric power lines; and other public utility facilities as shall, be established by the Declarant or by its predecessors in title, prior to the subjecting of the Property to this Declaration or by recording of the Map; and the Declarant, prior to conveying the Common Elements to the Association, and the Association, after conveyance of the Common Elements to the Association, shall have the power and authority to grant and establish upon, over, under, and across the Common Elements such further easements as are requisite for the convenient use, development and enjoyment of the Property. All new utilities shall be installed underground. In addition, there is hereby reserved in the Declarant and its agents and employees an easement and right of ingress, egress, and regress across all Common Elements, now or hereafter owned by the Association, for the purpose of development of the Property and construction of improvements within the Property.

All Lots shall be subject to easements for the encroachment of initial improvements constructed on adjacent Lots by the Declarant to the extent that such initial improvements actually encroach including, but not limited to, such items as overhanging eaves and walls.

Section 2. Construction. As a special Declarant right, Declarant hereby reserves a construction easement over the Property for the purposes reasonably related to the installation of streets and utilities and construction of dwellings on the Lots and improvements on the Common Elements, and for the construction of future phases as provided for herein.

Section 3. Emergency. There is hereby reserved without further assent or permit and to the extent allowed by law, a general easement to all firemen, ambulance personnel, policemen and all similar persons to enter upon the Property or any portion thereof which is now or hereafter made subject to this Declaration in the performance of their respective duties. The Association and its agents shall also have the right to enter the Lots and any improvements located thereon for the purpose of making any emergency repairs or replacements.

ARTICLE XII. GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner> shall have the right to enforce, by 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 or by 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 sha remain in full force and effect.

Section 3. Amendment. (revised by the Amendment to the CCRs recorded March 12, 2013 in Book 28143, Page 249) The covenants and restrictions of this Declaration shall run with and bind the land. This Declaration may be amended by the affirmative vote or written agreement signed by lot owners of lots to which at least sixty-seven percent (67%) of the votes in the association are allocated. Any such amendment shall be effective upon recording in the Mecklenburg County Register of Deeds Office.

Section 4. Management and Contract Rights of Association. Declarant shall enter into a contract with a management company or manager for the purposes of providing all elements of the operation, care, supervision, maintenance, and management of the Property. However, no such contract shall be binding upon the Association except through express adoption or ratification of the terms and conditions of such contract. Any contract or lease entered into by Declarant or by the Association while Declarant is in control thereof shall contain a provision allowing the Association to terminate such -contract without justification or penalty after transfer of management by Declarant to the Association.

Section 5. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior written approval of the Federal Housing Administration or the Veterans Administration: annexation of additional Property; dedication of Common Elements to any public entity; and amendment of the Declaration.

Section 6. Rights of Noteholders. Any holder(s) of a mortgage on a Lot will, upon request, be entitled to (a) inspect the books and records of the Association during normal business hours, (b) receive an annual financial statement of the Association with ninety (90) days following the end of its fiscal year, (c) receive written notice of all meetings of the Association and the right to designate a representative to attend all such meetings, (d) receive written notice of any condemnations or casualty loss that affects either a material portion of the Property or the Lot securing its mortgage, (e) receive written notice of any sixty (60) day delinquency in the payment of assessments or charges owed by the owner of any Lot on which it holds the mortgage, (t) receive written notice of a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association, (g) receive written notice of any proposed action that requires the consent of a specified percentage of mortgage holders, and (h) be furnished with a copy of any insurance policy maintained by the Association.

Section 7. Conflict with the Act. Should any of the terms, conditions, provisions, paragraphs, or clauses of this Declaration conflict with any provisions of the Act, the provisions

of the Act shall control unless the Act permits the Declaration to vary the Act, in which event the Declaration shall control.

Section 8. Interpretation of Declaration. Whenever appropriate singular may read as plural, plural may be read as singular, and the masculine gender may be read as the feminine or neuter gender. Compound words beginning with the prefix "here" shall refer to this entire Declaration and not merely to the part in which they appear.

Section 9. Captions. The captions herein are only for convenience and reference and do not define, limit or describe the scope of this Declaration, or the intent of any provision.

Section 10. Exhibits. Exhibits A, B, C and D attached hereto are hereby made a part hereof

Section 11. Invalidity. The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity or enforceability or effect of 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 provision had never been included herein.

Section 12. Waiver. No provision of 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.

Section 13. Law Controlling. This Declaration shall be construed and controlled by and under the laws of the State of North Carolina.

Section 14. Notices. All notices given to the Declarant shall be made when delivered, whether by overnight mail or otherwise to the following address:

Declarant: Renaissance on Rea, LLC
1904 East Boulevard
Charlotte, North Carolina 28204

All notices to a Mortgagee or Insurer shall be made to the address given the Declarant in writing from time to time.

ARTICLE XIII. SUPPLEMENTAL PHASES

Section 1. Declarant's Right to Add Supplemental Phases. Declarant reserves the right to subject the property or any of the property shown on Exhibit C to this Declaration and to create additional Lots on said property without the consent of any Owner. By acceptance of a Deed to a Lot, each Owner agrees that these additional phases may be added by Declarant.

Section 2. Supplemental Declarations. Declarant shall file a Supplemental Declaration which shall describe and identify the property to be added, which shall incorporate specifically the terms and conditions of this Declaration) and make the property added subject to this Declaration. Upon such recordation, the property described therein shall be subject to this

Declaration as if originally described therein.

ARTICLE XIV. MORTGAGEE RIGHTS

Section 1. Introduction. This Article establishes certain standards and covenants which are for the benefit of the holders, insurers and guarantors of certain Mortgages and others as identified in this Article XIV. In the event of conflict between the provisions of this Article and provisions of any other portion of the Project Documents, this Article will control. In the event that the Act shall for any given act or consent contain a greater or more stringent requirement, the Act will control.

Section 2. Percentage of Eligible Mortgagees. Wherever in this Declaration the approval or consent of a specified percentage of Eligible Mortgagees is required, it will mean the approval or consent by Eligible Mortgagees holding mortgages on Lots which in the aggregate have allocated to them such specified percentage of the votes when compared to the total votes allocated to all Lots then subject to mortgages held by Eligible Mortgagees.

Section 3. Notice of Actions. The Association will give timely written notice by registered or certified mail, return receipt requested, to each Eligible Mortgagee and Eligible Insurer, and each Lot Owner hereby consents to and authorizes such notice of:

- (a) Any condemnation loss or any casualty loss which affects a material portion of the Project or any Lot in which there is a first Mortgage held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable;
- (b) Any delinquency in the payment of Assessments owed by an Owner whose Lot is subject to a first Mortgage held, insured, or guaranteed, by such Eligible Mortgagee or Eligible Insurer, which remains uncured for a period of 60 days;
- (c) Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;
- (d) Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as specified in Article XIV, Section 4, which notice shall be sent by registered or certified mail, return receipt requested; and
- (e) Any judgment rendered against the Association.

Section 4. Consent Required.

(a) Document Changes. Notwithstanding any lower requirement permitted by the Declaration or the Act, no amendment of any material provision of the Project Documents by the Association or Lot Owners described in this Section 4(a) may be effected without the vote of at least 67% of the Lot Owners (or any greater Lot Owner Vote required in the Act) unless such rights are reserved to the Declarant as Special Declarant Rights in the Project Documents and until approved in writing by at least 51% of the votes of the Lot estates that are subject to Mortgages held by the Eligible Mortgagees, including

51% of the Eligible Mortgagees. A change to any of the provisions governing the following subject areas would be considered material:

- (i) Voting rights;
- (ii) Increases in assessments that raise the previously assessed amount by more than 25%, assessment liens or the priority of assessment liens;
- (iii) Reductions in reserves for maintenance, repair and replacement of Common Elements;
- (iv) Responsibility for maintenance and repairs;
- (v) Reallocation of interests in the Common Elements, or rights to their use;
- (vi) Redefinition of any Lot boundaries;
- (vii) Convertibility of Lots into Common Elements or vice versa;
- (viii) Expansion or contraction of the Project or the addition, annexation or withdrawal of property to or from the Project;
- (ix) Hazard or fidelity insurance requirements;
- (x) Imposition of any restrictions on the leasing of Lots;
- (xi) Imposition of any restrictions on a Lot Owner's right to sell or transfer his or her Lot;
- (xii) A decision by the Association to establish self-management if professional management had been required previously by the Project Documents or by an Eligible Mortgagee;
- (xiii) Restoration or repair of the Project (after damage or partial condemnation) in a manner other than that specified in the Project Documents;
- (xiv) Any action to modify or terminate the legal status of the Project after substantial destruction or condemnation occurs; or
- (xv) Any provisions that expressly benefit mortgage holders, insurers or guarantors.

(b) Actions. Notwithstanding any lower requirement permitted by the Declaration or the Act, the Association may not take any of the following actions, other than rights reserved to the Declarant as Special Declarant Rights, without the approval of at least 51% of the Votes of the Eligible Mortgagees of Lots that are subject to mortgages of the Eligible Mortgagees or such higher percentage as set forth herein:

- (i) An amendment to the Declaration which authorizes the conveyance or encumbrance of the Common Elements or any portion thereof (as to which a 67% Eligible Mortgagee approval is required). The granting of easement for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Association and its members will not be deemed a conveyance or encumbrance within the meaning of this clause;
- (ii) The establishment of self-management when professional

management had been required previously by the documents or by an Eligible Mortgagee;

(iii) The restoration or repair of the Property (after a hazard damage or partial condemnation) in a manner other than that specified in the Project Documents;

(iv) The alteration of any partition or creation of any aperture between adjoining Lots (when Lot boundaries are not otherwise being affected), in which case only the owners of Lots affected and Eligible Mortgagees of those Lots need approve the action;

(v) Any action taken not to repair or replace the Property;

(c) The Association may not change the period for collection of regularly budgeted Common Expense Assessments to other than monthly without the consent of an Eligible Mortgagee. The Association can accept prepayment of Common Expense Assessment, and may, in its discretion, authorize discounts for such prepayment.

(d) The Association shall provide notice, including the text of the proposed action, mailed by certified or registered mail, by return receipt required, to an Eligible Mortgagee. Failure to respond within 30 days of receipt of notice of the action shall be deemed consent given under this subsection.

Section 5. Inspection of Books. The Association must maintain current copies of the Declaration, Bylaws, rules, books, records and financial statements. The Association will permit any Eligible Mortgagee, Eligible Insurer or other first mortgagees of Lots to inspect the books and records of the Association during normal business hours.

Section 6. Enforcement. The provisions of this Article are for the benefit of Eligible Mortgagees and Eligible Insurers and their successors, and may be enforced by any of them by any available means, at law or in equity.

Section 7. Attendance at Meetings. Any representatives of an Eligible Mortgagee or Eligible insurer may attend any meeting which a Lot Owner may attend.

ARTICLE XV. RESERVATION OF DEVELOPMENT AND ARTICLE XVI. SPECIAL DECLARANT RIGHTS

Section 1. Reservation of Special Declarant Rights. Declarant hereby reserves all Special Declarant Rights as defined herein. Each of such rights may be exercised by Declarant within the ten-year period immediately following the date of recording of this Declaration, unless a shorter period of time is required by the Act or this Declaration.

Section 2. Transfer of Special Declarant Rights.

(a) All Special Declarant Rights provided in the Project Documents are transferable upon the terms and conditions set forth herein.

(b) Exception as described in Section 2, (d) and (e) below, no Special Declarant Rights created or reserved under the Act or as provided for in the Project Documents may be transferred except by an instrument evidencing the transfer recorded in the Mecklenburg County Registry. The instrument is not effective unless executed by the transferor and transferee.

(c) Upon transfer of any Special Declarant Right, made voluntarily pursuant to Section 2(b) above, the liability of a transferor Declarant is as follows:

(i) A transferor is not relieved of any obligation or liability arising before the transfer and remains liable for warranty obligations imposed upon him by law. Lack of privity does not deprive any Unit Owner of standing to bring an action to enforce any obligation of the transferor.

(ii) If a transferor retains any Special Declarant Rights, or if a successor to any Special Declarant Rights is an affiliate of a Declarant, the transferor is subject to liability for all obligations and liabilities imposed on a Declarant by Law or by the Project Documents arising after the transfer and is jointly liable with the successor for the liabilities and obligations of the successor which relate to the Project.

(iii) A transferor who retains no Special Declarant Right has no liability for any act or omission, or any breach of contractual or warranty obligation arising from the exercise of a Special Declarant Right by a successor Declarant who is not an affiliate of the transferor.

(d) Unless otherwise provided in the Mortgage, in case of foreclosure of the Mortgage, sale by a trustee under a deed of trust, or sale under Bankruptcy Act or receivership proceedings, of any Lots owned by a Declarant in the Project, a Person acquiring all the Lots being foreclosed or sold, but only upon his request, succeeds to all Special Declarant Rights, or only to any rights reserved in the Project Documents to maintain models, sales offices and signs. The judgment or instrument conveying title shall provide for transfer of only the Special Declarant Rights requested.

(e) Upon foreclosure, sale by a trustee under a deed of trust, or sale under Bankruptcy Code or receivership proceedings, of all Lots in the Project owned by Declarant:

(i) The Declarant ceases to have any Special Declarant Rights; and

(ii) The Declarant Control Period terminates unless the judgment or instrument conveying title provides for transfer of all Special Declarant Rights to a successor Declarant.

(f) The liabilities and obligations of Persons who succeed to Special Declarant Rights are as follows:

(i) A successor to any Special Declarant Right who is an affiliate of a

Declarant is subject to all obligations and liabilities imposed on any Declarant by the Act or by the Project Documents.

(ii) A successor to any Special Declarant Right other than a successor described in Subparagraphs (f)(iii) or (t)(iv) , who is not an affiliate of the Declarant, is subject to all obligations and liabilities imposed upon a Declarant by law or the Project Documents, but he is not subject to liability for misrepresentations or warranty obligations on improvements made by a previous Declarant or made before the Declaration was recorded creating the Project, or for a breach of fiduciary obligation by a previous Declarant.

(iii) A successor to only the right reserved in the Project Documents to maintain models, sales offices, and signs, if he is not an affiliate of a Declarant, may not exercise any other Special Declarant Right, and is not subject to any liability or obligation as Declarant.

(iv) A successor to all Special Declarant Rights who is not an affiliate of a Declarant and who succeeded to those rights pursuant to a deed in lieu of foreclosure or a judgment or instrument conveying title to Units under Subparagraph (d) of this section, may declare his intention in a recorded instrument to hold those rights solely for transfer to another person. Thereafter, until transferring all Special Declarant Rights to any person acquiring title to any Unit owned by the successor, or until recording any instrument permitting exercise of all those rights, that successor may not exercise any of those rights other than the right to control the Board in accordance with the provisions of the Act and the Project Documents during the Declarant Control Period and any attempted exercise of those rights is void. So long as a successor Declarant may not exercise Special Declarant Rights under this subparagraph, he is not subject to any liability or obligation as a Declarant other than liability for the successor's acts and omissions.

(g) Nothing in this Article subjects any successor to a Special Declarant Right to any claims against or other obligations of a transferor Declarant, other than claims and obligations arising under the Project Documents.

(h) Nothing contained in the Project Documents shall be deemed to impose upon the Declarant or its successors or assigns any obligation of any nature to build, construct, or provide any buildings except to the extent required by law.

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SIGNATURES APPEAR ON THE FOLLOWING PAGES

IN WITNESS WHEREOF, the President executed this document on the date written below.

MAYFAIR TOWNHOMES
OWNERS ASSOCIATION, INC.

By: Peter R. Herran
President

STATE OF North Carolina

COUNTY OF Mecklenburg

This 5 day of January, 2023, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came Peter R. Herran, who, being duly sworn, says that he/she is President of the MAYFAIR TOWNHOMES OWNERS ASSOCIATION, INC., a North Carolina nonprofit corporation; that the statements contained in the foregoing instrument are true, and he/she voluntarily acknowledged said instrument, for the purposes therein, to be the duly authorized act and deed of said company.

WITNESS my hand and notarial stamp or seal this 5 day of January, 2023.

Meta B. Lockwood
Notary Public

Meta B. Lockwood
(Print or type name of Notary Public)

My Commission Expires:

10/21/2023

(Notarial Seal)

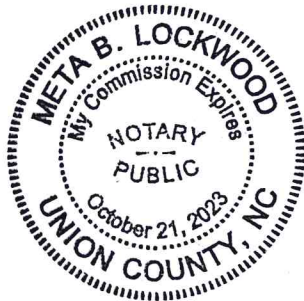


EXHIBIT A

ARTICLES OF INCORPORATION

C20061080094

SOSID: 840954
Date Filed: 4/18/2006 3:17:00 PM
Elaine F. Marshall
North Carolina Secretary of State
C20061080094

ARTICLES OF INCORPORATION
OF
MAYFAIR TOWNHOMES OWNERS ASSOCIATION, INC.

I, the undersigned, being a natural person of full age, make these Articles of Incorporation for the purpose of forming a nonprofit corporation pursuant to the provisions of Chapter 55A of the North Carolina General Statutes.

ARTICLE I

NAME

The name of the corporation is **MAYFAIR TOWNHOMES OWNERS ASSOCIATION, INC.** (the "**Corporation**").

ARTICLE II

DURATION

The period of duration of the Corporation shall be perpetual.

ARTICLE III

PURPOSES

The purposes for which the Corporation is organized are:

(A) To provide for the management, maintenance, preservation, administration and operation of **MAYFAIR TOWNHOMES**, a Townhome Community organized pursuant to Chapter 47F of the North Carolina General Statutes, The North Carolina Townhome Act, as set forth in that certain Declaration of Townhomes to be recorded in the Office of the Register of Deeds for Mecklenburg County, North Carolina (the "Declaration").

(B) To promote the health, safety and welfare of the "**Owners**" (as defined in the Declaration) and residents within the jurisdiction of this Corporation.

(C) To engage in any and all lawful activities incidental to the foregoing purposes, except as restricted herein.

ARTICLE IV

POWERS

In order to carry out the purposes for which this Corporation has been formed, the Corporation shall have all of the powers set forth in Chapter 55A of the North Carolina General Statutes, including, but not by way of limitation, the power:

(A) To exercise all of the privileges and powers and to perform all of the duties and obligations of the Corporation as set forth in the Declaration and the Bylaws of the Corporation;

(B) To fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declaration and Chapter 47F of the North Carolina General Statutes, the North Carolina Townhome Act; to pay all expenses in connection therewith and all other expenses incident to the conduct of the business of the Corporation, including all licenses, taxes or governmental charges levied or imposed against the property of the Corporation;

(C) To acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Corporation;

(D) To borrow money, and with the requisite assent of the membership, to mortgage, pledge, grant a deed of trust or hypothecate any or all of the Common Elements (as defined in the Declaration) as security for money borrowed or debts incurred subject to the property rights of the members of the Corporation as provided in the Declaration and the Bylaws of the Corporation;

(E) To dedicate, sell or transfer all or any part of the Common Elements to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed upon by the members of the Corporation as provided in the Declaration and the Bylaws of the Corporation.

ARTICLE V

NO PECUNIARY GAIN

This Corporation is a nonprofit corporation, and no part of the net earnings (if any) of the Corporation shall inure to the pecuniary benefit of its members, officers, or directors, except as permitted by Chapter 55A of the North Carolina General Statutes.

ARTICLE VI

MEMBERSHIP AND VOTING RIGHTS

Membership in the Corporation shall be limited to the owners (the "Owners") of the Townhome lots (the "Lots") in the **MAYFAIR TOWNHOMES** (except as provided in the fourth paragraph of this Article VI) and every Owner of a lot shall automatically be a member of the Corporation. Members shall not include persons or entities who hold an interest merely as security for the payment or performance of an obligation. Membership in the Corporation shall be appurtenant to and may not be separated from Lot ownership.

Subject to the provisions of the Declaration, the total maximum number of votes of the Membership of the Corporation shall not exceed seventy-five (75). If any Lots are combined into one residence, the combined Lots shall be entitled to one (1) vote. Each Member shall be entitled to cast one vote for each Lot owned by such Member. In the event fee simple title to a Lot is owned of record by more than one person or entity, all such persons or entities shall be Members of the Association, but the votes with respect to any such jointly owned Lot shall be cast as hereinafter provided.

If the fee simple title to any Lot is owned of record by two (2) or more persons or entities (whether individually or in a fiduciary capacity), the vote with respect to any such jointly owned Lot may be cast by any one of the joint Owners in person or by proxy, except that the holder or holders of a life estate in a Lot shall have the sole right to cast the vote appurtenant to the Lot. If more than one of the joint Owners vote or more than one life estate holder in a Lot vote, the unanimous action of all joint Owners or joint life estate holders voting shall be necessary to effectively cast the vote allocated to the particular Lot. Such unanimous action shall be conclusively presumed if any one of such multiple Owners casts the vote allocated to that Lot without protest being made promptly by any of the other of such joint owners.

Until such time as the Declaration is recorded in the office of the Register of Deeds of Mecklenburg County, the membership of the Corporation shall be comprised of three (3) individuals named in Article VIII hereof as the initial Executive Board of Directors of the Corporation, and each such individual shall be entitled to cast one (1) vote on all matters on which the membership shall be entitled to vote.

The date of recordation of the conveyance in the office of the Register of Deeds of Mecklenburg County for any Lot shall govern the date of ownership of such Lot. However, in the case of death, the transfer of ownership shall occur on the date of death in the case of intestacy or the date of probate of a Will in the case of testacy. Until a decedent's Will is probated, the Corporation may rely on the presumption that a deceased Owner died intestate.

ARTICLE VII

REGISTERED AGENT AND OFFICE

The address of the initial registered office and principal office in the State of North Carolina, is 2012 Euclid Avenue, Charlotte, Mecklenburg County, North Carolina 28203, and the name of the initial Registered Agent at such address is **David T. Young**.

ARTICLE VIII

EXECUTIVE BOARD OF DIRECTORS

The affairs of the Corporation shall be managed by an Executive Board of Directors (the "Executive Board") of three (3) members. The number of members of the Board may be changed by amendment of the Bylaws of the Corporation, provided that said Board shall not be less than three (3) in number. The initial Executive Board shall be selected by **Renaissance On Rea, LLC** (also referred to herein as Declarant), a North Carolina limited liability company, and need not be members of the Corporation. The names and addresses of the persons who are to act as initial members of the Executive Board until the first annual meeting of the members or until their successors are elected and qualified are:

<u>NAME</u>	<u>ADDRESS</u>
David T. Young	2012 Euclid Avenue Charlotte, NC 28203
Terry R. Birch	2012 Euclid Avenue Charlotte, NC 28203
Henry A. Harkey	1043 E. Morehead St. - Suite 300 Charlotte, NC 28204

At the first annual membership meeting, the members, pursuant to the terms of the Bylaws, and subject to the provisions of the Declaration, shall elect three (3) members of the Executive Board for a term of one (1) year; subject, however, to the right of Declarant to appoint a majority of such members until either (a) one hundred twenty (120) days after the date by which seventy-five percent (75%) of the Lots have been conveyed to Lot purchasers other than Declarant; or (b) two (2) years after Declarant has ceased to offer Lots for sale in the ordinary course of business, whichever shall occur first.

At the meeting of the Association in which the Lot Owners other than Declarant are entitled to elect a majority of the Directors, the members shall elect three (3) members of the Executive Board for a term of one (1) year. At each annual membership meeting occurring thereafter, there shall be an election of members of the Executive Board for those members whose terms of office have expired, and the new terms of office for those expiring shall be for the same length of term applicable to the previously expiring terms. Members of the Executive Board may succeed themselves in office.

ARTICLE IX

AMENDMENTS

Amendments of these Articles shall require the assent of at least three-fourths (3/4) of the entire Membership entitled to vote.

ARTICLE X

DISSOLUTION

The Corporation may be dissolved with the assent given in writing and signed by not less than 75% of the members. Upon dissolution of the Corporation, other than incident to a merger or a consolidation, the assets of the Corporation shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this corporation was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed, and assigned to any non-profit corporation, association, trust, or other organization to be devoted to such similar purposes.

ARTICLE XI

INCORPORATOR

The name and address of the Incorporator, is Henry A. Harkey, 1043 East Morehead Street, Suite 300, Charlotte, North Carolina 28204.

IN WITNESS WHEREOF, I, the undersigned Incorporator, have hereunto set my hand and seal, this 12th day of April, 2006.


Henry A. Harkey INCORPORATOR

(SEAL)

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

Before me, the undersigned Notary Public of Lincoln County, State of North Carolina, personally came **HENRY A. HARKEY**, the Incorporator, and acknowledged the due execution of the foregoing instrument in writing for the purposes therein expressed.

Witness my hand and notarial seal, this 12th day of April, 2006.



Gayle D. Green

Notary Public

My Commission Expires: 10/19/2007

EXHIBIT B

**CONSOLIDATED AND RESTATED BYLAWS OF
MAYFAIR TOWNHOMES OWNERS ASSOCIATION, INC.**

**CONSOLIDATED AND RESTATED BYLAWS OF
MAYFAIR TOWNHOMES OWNERS ASSOCIATION, INC.**

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**CONSOLIDATED AND RESTATED BYLAWS OF
MAYFAIR TOWNHOMES OWNERS ASSOCIATION, INC.**

THESE CONSOLIDATED AND RESTATED BYLAWS are made this ___ day of October 2022 by the **MAYFAIR TOWNHOMES OWNERS ASSOCIATION, INC.**, a North Carolina nonprofit corporation. The original Bylaws were attached as Exhibit B to the Declaration of Covenants, Conditions and Restrictions for Mayfair Townhomes, recorded March 26, 2008 in Book 23549, Page 811 in the Office of the Register of Deeds for Mecklenburg County, North Carolina ("the Declaration"). These Consolidated and Restated Bylaws have been prepared and recorded for the purpose of incorporating the original Bylaws and all prior amendments to the Bylaws into a single document. The prior amendments were recorded:

- First Amendment, November 20, 2018, in Book 33120, Page 176
- Second Amendment, September 26, 2022, in Book 37669, Page 975

These Consolidated and Restated Bylaws make no further amendments to the Bylaws, and thus do not require the vote or written consent of Members of the Association. This Consolidated and Restated Declaration incorporates verbatim all of the provisions from the original Declaration and the prior amendments verbatim, *including references to the Declarant*.

Section 1 Definitions

The words, phrases and terms used in these Bylaws shall have the meanings as set forth in the Declaration of Covenants, Conditions and Restrictions for Mayfair Townhomes (the "Declaration"), recorded in the Office of the Register of Deeds for Mecklenburg County, North Carolina, to which a copy of these Bylaws is attached as Exhibit B.

Section 2 Administration of Townhomes

Section 2.1 Authority and Responsibility: Except as otherwise specifically provided in the Project Documents, the Association shall be responsible for administering, operating and managing the Common Elements, and shall have, without limitation, all of the powers specified in N.C.G.S. §47F-3-102.

Section 2.2 Official Action: Unless specifically required in the Project Documents, all actions taken or to be taken by the Association shall be valid when such are approved by the Board as hereinafter set forth or when taken by the committee, person or entity to whom such authority has been duly delegated by the Board as set forth in the Project Documents or these Bylaws. The Association, its Board, officers and members shall at all times act in conformity with the North Carolina Nonprofit Corporation Act, the North Carolina Planned Community Act, and the Project Documents.

Section 3 Offices - Seal - Fiscal Year

Section 3.1 Principal Office and Registered Office: The initial principal office and registered office of the Association shall be located at 2012 Euclid Avenue, Charlotte, NC 28203.

Section 3.2 Other Offices: The Association may have other offices at such other places within the State of North Carolina as the Board may from time to time determine or as the affairs of the Association may require.

Section 3.3 Seal: The seal of the Association shall contain the name of the Association, the word "Seal," year of incorporation and such other words and figures as desired by the Board.

Section 3.4 Fiscal Year: The fiscal year of the Association shall be the calendar year.

Section 4 Membership

Section 4.1 Qualification: Membership in the Association shall be limited to the Owners, and every Owner of a Lot shall automatically be a member of the Association. Membership in the Association shall be appurtenant to and may not be separated from Lot ownership.

Membership in the Association shall inure automatically to Owners upon acquisition of the fee simple title (whether encumbered or not) to any one or more Lots. The date of recordation in the Office of the Register of Deeds of Mecklenburg County of the conveyance of the Lot in question shall govern the date of ownership of each particular Lot. However, in the case of death, the transfer of ownership shall occur on date of death in the case of intestacy or date of probate of the will in the case of testacy. Until a decedent's will is probated, the Association may rely on the presumption that a deceased Owner died intestate.

Section 4.2 Place of Meetings: All meetings of the membership shall be held at a place in Mecklenburg County, North Carolina designated by the Board.

Section 4.3 Annual Meetings: A meeting of the Association shall be held at least once each year. The first Annual Meeting of the Association shall be held on the date and hour designated by Declarant. Thereafter, the Annual Meeting of the Association shall be held on the second Monday in February of each year (revised by the First Amendment to the Bylaws recorded November 20, 2018 in Book 33120, Page 176). If the second Monday in February shall be a legal holiday, the Annual Meeting shall be held at the same hour on the first day following which is not a legal holiday. At such meetings, the Board shall be elected in accordance with Section of these Bylaws, and the Members shall transact such other business as may properly come before them.

Section 4.4 Substitute Annual Meetings: If an Annual Meeting shall not be held on the day designated by these Bylaws, a Substitute Annual Meeting may be called in accordance with the provisions of Sections 4.5 and 4.6. A meeting so called shall be designated and treated for all purposes as the Annual Meeting.

Section 4.5 Special Meetings: After the first Annual Meeting of the Members, special Meetings of the Members may be called at any time by the President; by not less than twenty percent (20%) of all Owners; or by not less than fifty-one percent (51%) of the Board members. Business to be acted upon at all Special Meetings shall be confined to the subjects stated in the notice of such meeting.

Section 4.6 Notices of Meetings: Written or printed notice stating the time and place of a membership meeting, including Annual Meetings, and the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, and any proposal to remove a director or officer, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of any such membership meeting, either personally or by mail, by or at the discretion of the President or the Secretary, to the address of each Lot. Notice shall be deemed given upon deposit in the mail depository of each Lot. Any notice of meeting required to be given by the Association to Members under these Bylaws shall also be deemed given when transmitted by the Association to an electronic mail address provided by the Member to the Association. The Member, by submitting an electronic mail address to the Association, hereby agrees to receive notices electronically. (the last sentence was added by the First Amendment recorded November 20, 2018 in Book 33120, Page 176).

Notice given to any one tenant in common, tenant by entirety or other joint Owner of a Lot shall be deemed notice to all joint Owners of the subject Lot.

The notice of meeting shall specifically state the purpose or purposes for which the meeting is called.

Section 4.7 Quorum: Except as otherwise provided in these Bylaws, the presence in person or by proxy of Members entitled to cast twenty-five percent (25%) of the votes which may be cast for election of the Board shall constitute a quorum at all meetings of the Members. (revised by the First Amendment to the Bylaws recorded November 20, 2018 in Book 33120, Page 176) If a quorum is not present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than the announcement at the meeting, until a quorum is present or is represented. The Members at any meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

Section 4.8 Voting Rights: Each Member shall be entitled to the voting rights set forth in the Declaration. If fee simple title to a Lot is owned of record by more than one person or entity, all such persons or entities shall be Members of the Association, but the vote with respect to any such jointly owned Lot shall be cast as hereinafter provided.

If the fee simple title to any Lot is owned of record by two or more persons or entities (whether individually or in a fiduciary capacity), the vote with respect to any such jointly owned Lot may be cast by any one of the joint Owners in person or by proxy, except that the holder or holders of a life estate in a Lot shall have the sole right to cast the votes allocated to the Lot. If more than one of the joint Owners vote or more than one life estate holder in a Lot vote, the unanimous action of all joint Owners or joint life estate holders voting shall be necessary to effectively cast the votes allocated to the particular Lot.

Such unanimous action shall be conclusively presumed if any one of such multiple Owners casts the votes allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other of such joint Owners.

In no event may the vote which may be cast with respect to any Lot be divided among joint

Owners of the Lot or cast in any manner other than as a whole, it being the intention of this Section 4.8 that there be no "splitting" of votes that may be cast by any Member or Members.

Section 4.9 Proxies: Members may vote by casting ballots either in person, by agents duly authorized by a written proxy executed by the subject Member, by a duly-authorized attorney-in-fact, or by e-mail or other electronic means as authorized by the Board of Directors. (revised by the First Amendment to the Bylaws recorded November 20, 2018 in Book 33120, Page 176) A proxy is not valid after the earlier of the term stated therein or the expiration of eleven (11) months from the date of its execution. Unless a proxy otherwise provides, any proxy holder may appoint in writing a substitute to act in his place. In order to be effective, all proxies must be filed with the Secretary or duly acting Secretary either during or prior to the meeting in question. A member may not revoke a proxy given pursuant to this Section 4.9 except by written notice of revocation delivered to the person presiding over a meeting of the Association.

All of the provisions in the Declaration concerning voting by joint Owners shall apply to the vote cast for any one Lot by two or more proxy holders.

Section 4.10 Majority-Vote: (revised by the First Amendment to the Bylaws recorded November 20, 2018 in Book 33120, Page 176) The casting of a majority of the votes represented at a meeting at which a quorum is present, in person, by proxy, by an attorney-in-fact or by submission of an electronic ballot as authorized by Section 4.9 shall be binding for all purposes except where a different percentage vote is stipulated by these Bylaws, the Declaration or the Articles of incorporation of the Association.

The casting of a majority of the votes represented at a meeting at which a quorum is present, in person or by proxy, shall be binding for all purposes except where a different percentage vote is stipulated by these Bylaws, the Declaration or the Articles of Incorporation of the Association.

Section 4.11 Actions Without Meeting: Any action which may be taken at a meeting of the membership may be taken without a meeting if consent or ratification, in writing, setting forth the action so taken or to be taken shall be signed by all of the persons who would be entitled to vote upon such action at a meeting and such consent is filed with the Secretary of the Association and inserted in the minute book of the Association.

Section 5 Board

Section 5.1 General Powers: The business and affairs of the Association shall be managed by the Board or by such committees as the Board may establish pursuant to Section 6 of these Bylaws. Provided, however, the Board may not act on behalf of the Association to amend the Declaration, to elect members of the Board, or to determine the qualifications, powers and duties, or terms of office of Board members. The Board may, however, fill vacancies in its membership for the unexpired portion of any term.

Section 5.2 Number, Term and Qualification: The initial Board shall consist of the three (3) individuals appointed by Declarant whose names are set forth in the Articles of Incorporation of the Association. Board members may succeed themselves in office. The Board of Directors, before each annual meeting of Members, shall determine the number constituting the

Board of Directors for the ensuing year, which number shall not exceed seven (7) or be less than three (3). Directors must be members of the Association. To qualify for election or appointment to the Board, Members must (i) reside in a Unit for at least 90 days out of each calendar year; and (ii) must be in “good standing” with the Association, which is defined as being current in payment of all assessments and other amounts due to the Association, and free of any outstanding violations of the Declaration, Bylaws, or Rules and Regulations. (last sentence added by the Second Amendment to the Bylaws recorded September 26, 2022 in Book 37669, Page 975)

Section 5.3 Election of Board Members: The election of all Board members shall be by ballot. Persons receiving the highest number of votes (see Section 4.8) shall be elected. Cumulative voting is not permitted.

Section 5.4 Removal: Any Board member, other than a member appointed by Declarant, may be removed from the Board, with or without cause, by a vote of at least sixty-seven percent (67%) of the votes entitled to be cast by all Members present and entitled to vote at any meeting of the Membership at which a quorum is present. Provided, the notice of the meeting must state that the question of such removal will be acted upon at the subject meeting. If any Board members are so removed, their successors as Board members may be elected by the membership at the same meeting to fill the unexpired terms of the Board members so removed.

Section 5.5 Vacancies: A vacancy occurring in the Board may only be filled by a majority of the remaining Board members, though less than a quorum, or by the sole remaining Board member; but a vacancy created by an increase in the authorized number of Board members shall be filled only by election at an Annual or substitute Annual Meeting or at a Special Meeting of Members called for that purpose or by unanimous consent of the Members without meeting. The Members may elect a Board member at any time to fill any vacancy not filled by the Board members. As indicated in Section 5.4, the Membership shall have the first right to fill any vacancy created by the Membership's removal of a Board member.

Section 5.6 Chairman: A member of the Board shall be elected as Chairman of the Board by the Board members at the first meeting of the Board. The Chairman shall preside at all meetings of the Board and perform such other duties as may be directed by the Board. Prior to election of a Chairman and/or in the event that the Chairman is not present at any meeting of the Board, the President shall preside.

Section 5.7 Compensation: No Member of the Board shall receive any compensation from the Association for acting as such. Provided, however, each Board member shall be reimbursed for reasonable out-of-pocket expenses incurred and paid by him on behalf of the Association, and nothing herein shall prohibit the Board from compensating a Board member for unusual and extraordinary services rendered on the basis of quantum meruit. Further provided, each Board member, by assuming office) waives his right to institute suit against or make claim upon the Association for compensation based upon quantum meruit.

Section 5.8 Loans to Board Members and Officers: No loans shall be made by the Association to its Board members or officers. The Board members who vote for or assent to the making of a loan to a Board member or officer of the Association, and any officer or officers participating in the making of such loan, shall be jointly and severally liable to the Association for

the amount of such loan until the repayment thereof.

Section 5.9 Liability of Board Members: To the extent permitted by the provisions of the North Carolina Nonprofit Corporation Act in effect at the applicable time, each Board member is hereby indemnified by the Association with respect to any liability and expense of litigation arising out of his activities as a Board member. Such indemnity shall be subject to approval by the Members only when such approval is required by said Act.

Section 5.10 Meetings of the Board:

A. Regular Meetings: Regular Meetings shall be held, without notice, at such hour and address as may be fixed from time to time by resolution of the Board. Should any such meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

B. Special Meetings: Special Meetings shall be held when called by the President of the Association, or by any board member, after not less than three (3) or more than thirty (30) days written notice to each Board member.

C. Notices of Special Meetings: The notice provided for herein may be waived by written instrument signed by those Board members who do not receive said notice. Except to the extent otherwise required by law, the purpose of a Board members' special meeting need not be stated in the notice. Notices shall be deemed received upon the happening of any one of the following events: (1) one day following deposit of same in the United States mail with proper postage paid and addressed to the Board member at his last known address on file with the Association; (2) deposit of same in his Lot mail box; (3) delivery to the Board member. Attendance by a Board member at a meeting shall constitute a waiver of notice of such meeting unless the subject Board member gives a written statement at the meeting to the person presiding objecting to the transaction of any business because the meeting is not lawfully called and gives such notice prior to the vote on any resolution.

D. Approved Meeting Place: All Board meetings shall be held in Mecklenburg County, North Carolina.

E. Quorum: A majority of the Board members then holding office shall constitute a quorum for the transaction of business and every act or decision done or made by a majority of the Board members present at a duly held meeting at which a quorum is present shall be regarded as the act or decision of the Board.

Section 5.11 Action Without Meeting: The Board members shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Board members. Any action so approved shall have the same effect as though taken at a meeting of the Board. Said written approval shall be filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

Section 5.12 Presumption of Assent: A Board member who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to

the action taken unless his contrary vote is recorded or his dissent is other wise entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Board member who voted in favor of such action.

Section 5.13 Powers and Duties: The Board shall have the authority to exercise all powers and duties of the Association necessary for the administration of the affairs of the Project except such powers and duties as by Jaw or by the Project Documents may not be delegated by the Owners co the Board. The powers and duties to be exercised by the Board shall include , but shall not be limited to, the following:

A. Operation, care, upkeep and maintenance of the Common Elements to the extent such operation, care, upkeep, and maintenance is not the obligation of the Owners;

B. Determination of the funds required for operation, administration, maintenance and other affairs of the Project and collection of the Common Expenses from the Owners, as provided in the Project Documents;

C. Employment and dismissal of personnel (including without limitation the Independent Manager) necessary for the efficient operation, maintenance, repair, and replacement of the Common Elements;

D. Adoption of rules and regulations covering the details of the operation, maintenance, repair, replacement, use and modification of the Common Elements;

E. Opening of bank accounts on behalf of the Association and designating the signatories required therefor;

F. Obtaining insurance as required or permitted under the terms of the applicable provisions of the Declaration;

G. Keeping detailed, accurate records of the receipts and expenditures of the Association; obtaining annual audits of the financial records of the Association from the Association's public accountant; furnishing the annual reports; and furnishing current budgets. All books and records shall be kept in accordance with good and accepted accounting practices and the same shall be available for examination by all Owners or their duly authorized agents or attorneys, at convenient hours on working days;

H. Keeping a complete record of the minutes of all meetings of the Board and Membership in which minute book shall be inserted actions taken by the Board and/or Members by consent without meeting;

I. Supervising all officers, agents and employees of the Association and insuring that their duties are properly performed;

J. Enforcing, on behalf of the Association, the obligations and assessments provided

in the Declaration including, but not limited to, the institution of civil actions to enforce payment of the assessments as provided in the Declaration, the institution of actions to foreclose liens for such assessments, the imposition of changes for late payment of assessments, and after notice and an opportunity to be heard, in accordance with the procedures specified in N.C.G.S. §47F-3-107A, suspending privileges of Owners or levying reasonable fines for violations of the Declaration, Bylaws and rules and regulations of the Association, such fines not to exceed the greater of \$150.00 per day, or such higher maximum amount as may be specified in N.C.G.S. §47F-3-107A;

K. Making of repairs, additions, and improvements to or alterations or restoration of the Property in accordance with the other provisions of these Bylaws and the Declaration, after damage or destruction by fire or other casualty, or as a result of a condemnation or eminent domain proceeding;

L. Enforcing by any legal means or proceeding the provisions of the Article s of Incorporation of the Association, these Bylaws, the Declaration or the rules and regulations hereinafter promulgated governing use of the Common Elements;

M. Enforcing, on behalf of the Association, any other rights or remedies of the Association, including, but not limited to, the institution of civil actions; provided, however, that no civil action may be brought by the Association that seeks more than \$25,000.00 in damages without the written consent of at least sixty-seven percent (67%) of the Members ;

N. Paying all taxes and assessments which are or may become liens against any part of the Project, other than the Lots, and to assess the same against the Owners in the manner herein provided;

O. Hiring attorneys and other professionals;

P. Maintaining and repairing any Lot, if such maintenance or repair is required by the Declaration or is necessary in the discretion of the Board to protect the Common Elements or any other Lot or if the Owner of such Lot has failed or refused to perform such maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered or mailed by the Board to said Owner, provided that the Board shall levy a special assessment against such Owner for the costs of said maintenance or repair;

Q. Entering any Lot when necessary in connection with any maintenance or construction for which the Board is responsible; provided, such entry shall be made during reasonable hours with as little inconvenience to the Owner as practicable, and any damage caused thereby shall be repaired by the Board and such expenses shall be treated as a Common Expense; and entering any Lot for the purpose of correcting or abating any condition or situation deemed by the Board to be an emergency;

R. Signing all agreements, contracts, deeds and vouchers for payment of expenditures and other instruments in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by either the Treasurer or the Assistant Treasurer of the Association, and countersigned by any Board member;

S. Furnishing certificates setting forth the amounts of unpaid assessments that have been levied upon a Lot to the Owner or Mortgagee of such Lot, or a proposed purchaser or Mortgagee of such Lot, and imposing and collecting reasonable charges therefor; and

Exercising any other powers and duties reserved to the Association exercisable by the Board in the Declaration, the Articles of Incorporation or these Bylaws.

Section 5.14 Independent Manager: The Board may employ or enter into a management contract with any individual, firm or entity it deems appropriate and in the best interest of the Association concerning the routine management of the project. The Board may delegate to such person, firm or entity (referred to in these Bylaws as "Independent Manager") such duties and responsibilities in the management of the Property as the Board deems appropriate. Provided, the Board may not delegate to the Independent Manager the complete and total responsibilities and duties of the Association in violation of the Nonprofit Corporation Act of North Carolina. The Independent Manager's contract shall be for a term not to exceed three (3) years, renewable by agreement between the Board and such Independent Manager for successive one-year terms; provided, however, that any such contract shall provide that it is terminable by the Association, with or without cause, upon not more than ninety (90) days' prior written notice and without payment of any penalty. The Board shall have authority to fix the reasonable compensation for the Independent Manager. The Independent Manager shall at all times be answerable to the Board and subject to its direction.

Section 6 Committees

Section 6.1 Creation: The Board, by resolutions adopted by a majority of the number of Board members then holding office, may create such committees as they deem necessary and appropriate in aiding the Board to carry out its duties and responsibilities with respect to the management of the Project. Each committee so created shall have such authorities and responsibilities as the Board members deem appropriate and as set forth in the resolutions creating such committee. The Board shall elect the members of each such committee. Provided, each committee shall have in its membership at least one (1) member of the Board.

Section 6.2 Vacancy: Any vacancy occurring on a committee shall be filled by a majority of the number of Board members then holding office at a regular or special meeting of the Board.

Section 6.3 Removal: Any member of a committee may be removed at any time with or without cause by a majority of the number of Board members then holding office.

Section 6.4 Minutes: Each committee shall keep regular minutes of its proceedings and report the same to the Board when required.

Section 6.5 Responsibility of Board Members: The designation of committees and the delegation thereto of authority shall not operate to relieve the Board or any member thereof of any responsibility or liability imposed upon it or him by law.

If action taken by a committee is not thereafter formally considered by the Board, a Board member may dissent from such action by filing his written objection with the Secretary with reasonable promptness after learning of such action.

Section 7 Officers

Section 7.1 Enumeration of Officers: The officers of the Association shall consist of a President, a Secretary, a Treasurer and such Vice Presidents, Assistant Secretaries, Assistant Treasurers and other officers as the Board may from time to time elect. Except for the President, no officer need be a member of the Board.

Section 7.2 Election and Term: The officers of the Association shall be elected annually by the Board. Such elections shall be held at the first meeting of the board next following the Annual or Substitute Annual Meeting of the Members. Each officer shall hold office until his death, resignation, removal or until his successor is elected and qualified.

Section 7.3 Removal: Any officer elected or appointed by the Board may be removed by the Board whenever in its judgment the best interest of the Association will be served thereby.

Section 7.4 Vacancy: A vacancy in any office may be filled by the election by the Board of a successor to such office. Such election may be held at any meeting of the Board. The officer elected to such vacancy shall serve for the remaining term of the officer he replaces.

Section 7.5 Multiple Offices: The person holding the office of President shall not also hold the office of Secretary at the same time. Any other offices may be simultaneously held by one person. Any officer may also be a member of the Board.

Section 7.6 President: The President shall be the chief executive officer of the Association and shall preside at all meetings of the Members. In the absence of an elected Chairman, he shall also preside at all meetings of the Board. He shall see that the orders and resolutions of the Board are carried out; he shall sign all written instruments regarding the Common Elements and co-sign all promissory notes of the Association, if any; and he shall have all of the general powers and duties which are incident to the office of President of a corporation organized under Chapter 55A of the North Carolina General Statutes in the supervision and control of the management of the Association in accordance with these Bylaws.

Section 7.7 Vice Presidents: The Vice Presidents in the order of their election, unless otherwise determined by the Board shall, in the absence or disability of the President, perform the duties and exercise the powers of that office. In addition, they shall perform such other duties and have such other powers as the Board shall prescribe.

Section 7.8 Secretary: The Secretary shall keep the minutes of all meetings of Members and of the Board; he shall have charge of such books and papers as the Board may direct; and he shall, in general, perform all duties incident to the Office of Secretary of a corporation organized under Chapter 55A of the General Statutes of North Carolina.

Section 7.9 Treasurer: The Treasurer shall have the responsibility for the Association's

funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial statements. He shall co-sign promissory notes of the Association; he shall prepare a proposed annual budget (to be approved by the Board) and the other reports to be furnished to the Members as required in the Declaration. He shall perform all duties incident to the office of Treasurer of a corporation organized under Chapter 55A of the General Statutes of North Carolina.

Section 7.10 Assistant Secretaries and Treasurers: The Assistant Secretaries and Treasurers shall, in the absence or disability of the Secretary or the Treasurer, respectively, perform the duties and exercise the powers of those offices, and they shall, in general, perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board.

Section 7.11 Compensation: Officers shall not be compensated on a regular basis for the usual and ordinary services rendered to the Association incident to the offices held by such officers. The Board may, however, compensate any officer or officers who render unusual and extraordinary services to the Association beyond that called for to be rendered by such person or persons on a regular basis. Each officer, by assuming office, waives his right to institute suit against or make claim upon the Association for compensation based upon quantum meruit.

Section 7.12 Indemnification: To the extent permitted by the provisions of the North Carolina Nonprofit Corporation Act in effect at the applicable times, each officer is hereby indemnified by the Association with respect to any liability and expense of litigation arising out of his activities as an officer. Such indemnity shall be subject to approval by the Members only when such approval is required by said Act.

Section 8 Operation of the Property

Section 8.1 Determination of Common Expenses and Fixing of the Common Charges: The Board shall from time to time, and at least annually, prepare and adopt a proposed budget for the Project, determine the amount of the Common Expenses payable by the Owners to meet the proposed budget of the Project, and allocate and assess such proposed Common Expenses among the Owners at a uniform rate (based upon the total number of Lots in the Project), all in accordance with the procedure set forth in this Section 8, but subject to the limitations set forth in Article V of the Declaration. The Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board pursuant to the provisions of the Declaration. The Common Expenses shall also include such amounts as the Board deems necessary for the operation and maintenance of the Property, including without limitation, an amount for working capital of the Project; an amount for a general operating reserve; an amount for a reserve fund for losses due to insurance deductibles; an amount for a reserve fund for repair and replacement of the Common Elements; and such amounts as may be necessary to make up any deficit in the Common Expenses for any prior year. Within thirty (30) days after adoption of any proposed budget for the Project, the Board shall provide a summary of the budget to all the Owners, and shall set a date for a meeting of the Owners to consider ratification of the budget no less than ten (10) nor more than sixty (60) days after mailing of the summary. Notwithstanding any other provisions of these Bylaws, there shall be no requirement that a quorum be present at such meeting. Notwithstanding any other provision of these Bylaws,

the proposed budget shall be deemed ratified unless at that Meeting a majority of all the Owners present and entitled to cast a vote reject the budget. In the event the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board.

The Association, acting through the Board, may levy a special assessment during any calendar year for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement comprising or to comprise a portion of the Common Elements, including fixtures and personal property; provided, however, that any such special assessment must be approved by the vote of Owners of Lots to which at least sixty-seven percent (67%) of the votes in the Association are allocated cast in person or by proxy at a meeting duly held in accordance with the provisions of these Bylaws.

The Declarant, as the agent of the Association, shall collect from each initial purchaser of a Lot at the time of closing an "initial capital assessment" equal to two times the estimated monthly assessment for Common Expenses. Such funds shall not be considered advance payments of assessments. The Declarant will deliver the funds so collected to the Association to provide the necessary working capital for the Association. Such funds may be used for certain prepaid items, initial equipment and supplies, organizational expenses and other start-up costs, and for such other purposes as the Board may determine. Except for the permitted reimbursement of prepaid contributions referred to above, the Declarant may not use the working capital fund to defray any of the Declarant's expenses, reserve contributions, or construction costs, or to make up any budget deficits of the Association.

Section 8.2 Payment of Common Expenses: All Owners shall be obligated to pay the Common Expenses assessed by the Board pursuant to the provisions of Section 8.1 hereof and as provided in the Declaration at such time or times as the Board shall determine.

No Owner shall be liable for the payment of any part of the Common Expenses assessed against his Lot subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of the Declaration and applicable restrictions of record) of such Lot. A purchaser of a Lot shall be jointly and severally liable with the seller for the payment of Common Expenses assessed against such Lot prior to the acquisition by the purchaser of such Lot without prejudice to the purchaser's rights to recover from the seller the amounts paid by the purchaser therefor.

Section 8.3 Collection of Assessments: The Board shall assess Common Expenses against the Lots from time to time and at least monthly in accordance with the allocations set forth in the Declaration. The Board shall take prompt action to collect any Common Expenses which remain unpaid for more than thirty (30) days from the due date for payment thereof.

The Board shall notify the holder of the Mortgage on any Lot (of which it has notice) for which any Common Expenses assessed pursuant to these Bylaws remain unpaid for more than thirty (30) days from the due date for payment thereof and in any other case where the Owner of such Lot is in default with respect to the performance of any other obligation hereunder for a period in excess of thirty (30) days.

Section 8.4 Default in Payment of Common Expenses; Remedies: In the event of

default by any Owner in paying to the Board the Common Expenses as determined by the Board, such Owner shall be obligated to pay interest on such Common Expenses from the due date thereof at the rate of eighteen percent (18%) per annum, together with all expenses, including reasonable attorney's fees (if permitted by law), incurred by the Board in any proceeding brought to collect such unpaid Common Expenses. In addition, the Board shall have the authority to levy a late charge on any assessment not paid within fifteen (15) days after its due date, in the amount of four percent (4%) of the overdue assessment.

The Board shall have the right and duty to attempt to recover such Common Expenses, together with interest thereon, and the expenses of the proceedings, including reasonable attorneys' fees (if permitted by law), in an action to recover a money judgment for the same brought against such Owner, or by foreclosure of the lien on such Lot in the manner specified in N.C.G.S. §47F-3-1 16.

In the event of the failure of an Owner to pay any assessment imposed hereunder, or any installment thereof, for more than sixty (60) days after such assessment or installment thereof shall become due, in addition to the other remedies available under the Project Documents or the North Carolina Planned Community Act, the Board shall have the right to declare all other Common Expense assessments, and installments thereof, with respect to such Owner's Lot that are to fall due during the then current fiscal year of the Association to be immediately due and payable.

Section 8.5 Lien and Personal Obligations: All Common Expenses provided for in this Article, together with the interest and expenses, including reasonable attorneys' fees (if permitted by law), as provided for herein, shall be a charge on and a continuing lien upon the Lot against which the assessment is made, which such lien shall be prior to all other liens excepting only (i) assessments, liens and charges for real estate taxes due and unpaid on the Lot and (ii) all sums unpaid on Mortgages and other liens and encumbrances duly recorded against the Lot prior to the docketing of such lien. Such lien shall become effective when a notice thereof has been filed in the office of the Clerk of Superior Court for Mecklenburg County, North Carolina, provided such notice of lien shall not be recorded until such sums assessed remain unpaid for a period of more than thirty (30) days after the same shall become due. Such notice of lien shall also secure all assessments against the Lot becoming due thereafter until the lien has been satisfied.

The lien for unpaid assessments shall not be affected by the sale or transfer of the Lot, except in the case of a foreclosure of a Mortgage, in which event the purchaser at foreclosure shall not be liable for any assessments against such Lot that became due prior to the date of acquisition of title by such purchaser. Such unpaid assessments shall be deemed Common Expenses collectible from all Owners of Lots, including the purchaser at foreclosure. In addition, each Owner shall be personally liable for any assessment against his Lot. No Owner may exempt himself from such liability by non-use or enjoyment of any portion of the Common Elements or by the abandonment or sale of his Lot.

Section 8.6 Foreclosure of Liens for Unpaid Common Expenses: In any action brought by the Board to foreclose on a Lot because of unpaid Common Expenses, the Owner shall be required to pay a reasonable rental for the use of his Lot and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same.

Section 8.7 Abatement and Enjoyment of Violations by Owners: The violation of any rule or regulation adopted by the Board or the breach of any Bylaw contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in the Declaration, these Bylaws, the North Carolina Planned Community Act, or at law or in equity: (a) to enter the Lot in which or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; provided, however, that the Board shall be obligated to institute judicial proceedings before any item of construction can be altered or demolished; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach at the expense of the defaulting Owner.

Section 8.8 Maintenance and Repair: (a) Except as is specifically provided in the Declaration, all maintenance and any repairs to any Lot, whether ordinary or extraordinary, shall be made by the Owner of such Lot. Each Owner shall be responsible for all damages to any and all other Lots and/or to the Common Elements that his failure to do so may engender; and (b) except as is specifically provided in the Declaration, all maintenance, repairs and replacements to the Common Elements (unless necessitated by the negligence, misuse or neglect of an Owner, in which case such expense shall be charged to and paid by such Owner), shall be made by the Board; provided, however, there is excluded from the provisions contained in this section any repairs necessitated by casualty insured against by the Board to the extent the Board receives insurance proceeds for such repairs.

Section 8.9 Additions, Alterations or Improvements by Owners: No Owner shall make any structural addition, alteration, or improvement in or to his Lot, or any change in the exterior appearance thereof, except in accordance with the terms of the Declaration.

Section 8.10 Use of Common Elements: An Owner shall not interfere with the use of the Common Elements by the remaining Owners and their employees, families and invitees.

Section 8.11 Right of Access: An Owner shall grant a right of access to his Lot to the Independent Manager and/or any other person authorized by the Board or the Independent Manager for the purpose of making inspections, or for the purpose of correcting any condition originating in his Lot and threatening another Lot or the Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical equipment or other Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical equipment or other Common Elements in or adjoining his Lot; provided, however, such requests for entry (except in the case of emergencies where no request shall be required) are made in advance and any such entry is at a time reasonably convenient to the Owner. In the case of an emergency, such right of entry shall be immediate whether the Owner is present at the time or not.

Section 8.12 Rules of Conduct: Rules and regulations concerning the use of the Lots and the Common Elements shall be promulgated and amended by the Board with the approval of a majority of Owners. Copies of such rules and regulations shall be furnished by the Board to each Owner prior to the time when the same shall become effective.

Section 8.13 Common Expenses for Utilities: Any utilities which may be provided to the Lots through a common meter or facility, and utilities furnished to any portion of the Common Elements 1 shall be paid by each Owner as and when billed according to the extent of such Owner's use or, at the option of the Board, such may be paid by the Board and assessed against the Lots as a Common Expense.

Section 9 Amendments

(first sentence revised by the First Amendment to the Bylaws recorded November 20, 2018 in Book 33120, Page 176) These Bylaws may be amended by the affirmative vote of, or written agreement signed by, Members holding at least sixty-seven percent (67%) of the votes in the Association. Provided, however, where a larger vote in the Association is required for the Association to take or refrain from taking a specific action, as set forth in the Project Documents, no amendment of these Bylaws shall be made unless and until the Owners holding such larger percentage of the vote in the Association execute said amending instrument. All persons or entities who own or hereafter acquire any interest in the Property shall be bound to abide by any amendment to these Bylaws which is duly passed, signed, acknowledged and recorded as provided herein. No amendment to these Bylaws shall be adopted or passed which shall impair or prejudice the rights and priorities of any Mortgagee without the consent of such Mortgagee. No amendment to these Bylaws shall be adopted or passed which shall impair or prejudice the rights of Declarant provided for in the Project Documents, without the consent of Declarant.

Section 10 Miscellaneous

Section 10.1 Severability: Invalidation of any covenant, condition, restriction or other provisions of the Declaration or these Bylaws shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

Section 10.2 Successors Bound: The rights, privileges, duties and responsibilities set forth in the Project Documents, as amended from time to time, shall run with the ownership of the Property and shall be binding upon all persons who own or hereafter acquire any interest in the Property.

Section 10.3 Gender, Singular, Plural: Whenever the context so permits, the use of the singular or plural shall be interchangeable in meaning and the use of any gender shall be deemed to include all genders.

Section 10.4 Nonprofit Corporation: No part of the Association's assets or net income shall inure to the benefit of any of the Members, the officers of the Association, or the members of the Board, or any other private individual either during its existence or upon dissolution except as reasonable compensation paid or distributions made in carrying out its declared nonprofit purposes as set forth in the Articles of Incorporation of the Association and these Bylaws.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK
SIGNATURES APPEAR ON THE FOLLOWING PAGES

IN WITNESS WHEREOF, the President executed this document on the date written below.

MAYFAIR TOWNHOMES
OWNERS ASSOCIATION, INC.

By: _____
President

STATE OF _____

COUNTY OF _____

This ___ day of _____, 20___, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came _____, who, being duly sworn, says that he/she is President of the MAYFAIR TOWNHOMES OWNERS ASSOCIATION, INC., a North Carolina nonprofit corporation; that the statements contained in the foregoing instrument are true, and he/she voluntarily acknowledged said instrument, for the purposes therein, to be the duly authorized act and deed of said company.

WITNESS my hand and notarial stamp or seal this ___ day of _____, 20___.

Notary Public

(Print or type name of Notary Public)

My Commission Expires:

(Notarial Seal)

EXHIBIT C

LEGAL DESCRIPTION

MAYFAIR TOWNHOMES

BEGINNING at an existing iron rod found in the eastern margin of the right-of-way of Rea Road, said point marking the southwest corner of property owned now or formerly by Amherst Green Townhome Association Inc. (see Deed Book 11703 at Page 51, Mecklenburg County Registry); and from said point of Beginning, thence with the southern boundary line of said Amherst Green, South $68^{\circ} 41' 45''$ East 762.84 feet to an existing iron rod located in the western boundary line of Lot 29 of Windswept, Section 2 (see Map Book 25 at Page 875, Mecklenburg County Registry); thence with the western boundary line of said Lot 29 and continuing with the western boundary line of Lot 28 as shown on the aforesaid Map, South $33^{\circ} 46' 41''$ West 203.12 feet to an existing iron rod marking the northwest corner of Lot 27 as shown on the aforesaid Map; thence with the western boundary line of Lot 27 as shown on the aforesaid Map, South $33^{\circ} 42' 49''$ West 34.97 feet to an existing iron rod marking the northwest corner of property owned now or formerly by Eugene Kim (see Deed Book 17837 at Page 173, Mecklenburg County Registry); thence with the western boundary line of said Kim, the following two courses and distances: (1) South $33^{\circ} 26' 09''$ West 212.37 feet to an existing iron rod and (2) South $32^{\circ} 18' 21''$ West 200.41 feet to an existing iron pin marking the northwest corner of property owned now or formerly by Torch Enterprises LLC (see Deed Book 19497 at Page 589, Mecklenburg County Registry); thence with the western boundary line of said Torch Enterprises, South $33^{\circ} 34' 31''$ West 35.04 feet to an existing iron pin marking the northeast corner of property owned now or formerly by Karrington Operating Company & Sunrise Assisted Living (see Deed Book 8982 at Page 300, Mecklenburg County Registry); thence with the northern boundary of said Karrington, North $77^{\circ} 28' 56''$ West 512.80 feet to a new iron pin in the eastern margin of the right-of-way of Rea Road; thence with the eastern margin of said right-of-way, North $12^{\circ} 37' 43''$ East, a total of 758.12 feet (passing existing iron pins at 312.73 feet and at 522.78 feet) to the point and place of Beginning. CONTAINING 10.3127 acres according to a survey prepared by Daryl D. Kaseman, NC PLS #K-4559, dated January 15, 2007.

EXHIBIT D

SITE PLAN

