

roadways and drives except as specifically approved in writing by the Declarant or Association for the purpose of Maintenance or similar purposes and except as operated by the Association, Declarant or their respective contractors, subcontractors or designees.

11.19. Additional Use Restrictions. The Board of Directors of the Association may adopt such additional use restrictions, rules or regulations, applicable to all or any portion of the Property. The Association may waive or modify application of those use restrictions which it has authority to enforce with respect to any Lot(s) or Unit(s) as the Board deems appropriate.

11.20. Exemption for Declarant. To enable the development of the Property as a fully occupied residential community, neither the Association, nor any Owner shall do anything to interfere with the activities of the Declarant. For so long as the Declarant owns any property within the Community, nothing in the Governing Documents shall be understood or construed to:

11.20.1. Prevent Declarant, its successors or assigns, or its contractors or subcontractors, from doing on any property owned or controlled by Declarant, or its successors or assigns whatever they determine to be necessary or advisable in connection with the completion of the development of the Property, including the alteration of its construction plans and designs as Declarant deems advisable in the course of development. (All models or sketches showing plans for future development of the Property may be modified by the Declarant at any time and from time to time, without notice);

11.20.2. Prevent Declarant, its successors or assigns, or their respective contractors, subcontractors or representatives, from erecting, constructing and Maintaining on any property owned or controlled by Declarant, or its successors or assigns, such structures as may be reasonably necessary for completing said development and establishing the Property as a community and disposing of the same by sale, lease or otherwise;

11.20.3. Prevent Declarant, its successors or assigns, or its contractors or subcontractors, from conducting on any property owned or controlled by Declarant, or its successors or assigns, the business of developing, subdividing, grading and constructing Improvements in the Property, or of disposing of Lots and/or Units by sale, lease or otherwise;

11.20.4. Prevent Declarant, its successors or assigns, from determining in their sole discretion the nature of any type of Improvements to be initially constructed as part of the Property;

11.20.5. Prevent Declarant, its successors or assigns or its or their contractors or subcontractors, from Maintaining such sign or signs on any property owned or controlled by Declarant, or its successors or assigns as may be necessary in connection with the operation of any of the Property owned or controlled by Declarant, or its successors or assigns, and the sale, resale, lease or other marketing of Lots and/or Units;

11.20.6. Prevent Declarant, or its successors or assigns from filing Supplemental Declarations which modify or amend this Declaration, or which add or withdraw additional property as otherwise provided in this Declaration; or

11.20.7. Prevent Declarant from modifying, changing, re-configuring, removing or otherwise altering any Improvements located on the Common Areas.

In general, the Declarant shall be exempt from all restrictions set forth in this Declaration to the extent such restrictions interfere in any matter with Declarant's plans for construction, development, use, sale, leasing, resale or other disposition of the Property.

12. COMPLIANCE AND ENFORCEMENT

12.1. Compliance by Owners. Every Owner, and its Permitted User, Tenant, Guest, invitee, officer, employee, contractor, subcontractor and agent shall comply with the Governing Documents. No immunity, exculpation or indemnification provision of this Declaration shall relieve one or more Owners from its liabilities as an Owner under this Declaration and other Governing Documents.

12.2. Enforcement. Failure to comply with any of the Governing Documents shall be grounds for immediate action which may include an action to recover sums for damages, injunctive relief or any combination thereof.

12.3. Individual Assessments: Suspension of Rights. In addition to all other remedies and to the maximum extent lawful, the Board of Directors of the Association shall have the right to (.1) impose Individual Assessments for fines on an Owner for failure of an Owner or any of the other parties described in Section 12.1 to comply with this Declaration or with any rule or regulation, or (.2) suspend the rights of an Owner whose Assessments are more than 30 days delinquent; provided that no suspension of rights shall occur or Individual Assessments for fines shall be imposed without first providing notice of the charge, opportunity to be heard and to present evidence, and notice of the decision as required by §3-107.1 of the Act.

12.3.1. Payment of Individual Assessments. Individual Assessments shall be paid not later than fifteen (15) days after notice of the imposition or assessment of the fines.

12.3.2. Collection of Individual Assessments. As to Owners, to the extent no prohibited by law, Individual Assessments shall be treated as a lien for Assessments subject to requirements of the Act for perfecting a lien and the provisions of Article 9 for the collection of Assessments.

12.3.3. Application of Individual Assessments. All monies received from Individual Assessments shall be allocated as determined by the Association.

12.3.4. Non-exclusive Remedy. The imposition of an Individual Assessment or suspension of rights shall not be construed to be exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any Individual Assessment paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

13. DEVELOPMENT REVIEW; GENERAL POWERS

The following provisions of this Article 13 are subject to those of Article 14 hereof.

13.1. Members of ARB. The Architectural Review Board of the Association, which is sometimes referred to in this Declaration as the "ARB", shall initially consist of at least three (3) members. The Declarant shall be entitled to appoint all members of the ARB for so long as Declarant (or any of its affiliates) owns any portion of the Community. After the Declarant no longer owns any portion of the Community, the Board of Directors shall have the right to change the number of, appoint and remove all members of the ARB. Each new member of the ARB shall be appointed by the Board of Directors and shall hold office until such time as he has resigned or has been removed or his successor has been appointed, as provided herein.

The members of the ARB shall not be compensated for their services as such, although they may be reimbursed for their reasonable out of pocket expenses incurred in connection with the performance of their duties under this Declaration. Such expenses shall be a Common Expense of the Association. The ARB may, with the approval of the Board of Directors as to amounts, require the payment of a nonrefundable filing fee as a condition to the consideration of any matter presented to it, such fees to be applied to expenses of the ARB (including overhead, development, review, enforcement and other Association expenses reasonably allocable to the ARB) and fees for professional services and consultants. In addition, the Board of Directors may require, at its sole discretion, that a structural engineer, architect, or other professional review proposed construction, with such review to be at the Owner's sole expense.

In addition to the power and duties set forth herein, the ARB shall have the right and duty to enforce such design and development review, architectural control, Maintenance and other requirements and restrictions imposed on any portion of the Property by Declarant as Declarant may, in its sole discretion, elect to have it enforce (subject at all times to Declarant's right to modify or revoke such right and duty). Such election may be made by Declarant by means of deed restrictions, contract or by way of an exclusive or non-exclusive assignment of Declarant's rights to enforce same. Further, Declarant may provide for specific criteria and procedures to be used by the ARB in such regard (subject to later modification). Absent such provision the ARB shall proceed in the manner set forth in this Article.

13.2. Review of Proposed Construction. Subject to Section 13.8 below, no Unit, fence, wall or other structure or Improvement (including landscaping, basketball hoops, birdhouses, other pet houses, asphaltting or other improvements or changes thereto of any kind) shall be commenced, altered, removed, painted, erected or Maintained on any Lot or Common Area, nor shall any addition, removal, change or alteration (including paint or exterior finishing) visible from the exterior of any Unit be made, nor shall any awning, canopy or shutter be attached to or placed upon outside walls or roofs of Units or other Improvements, until the plans and specifications showing the nature, kind, shape, height, materials and location of the same have been submitted to, and approved in writing by the ARB. The ARB shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alteration, removal or addition contemplated thereby in the location(s) indicated will not be detrimental to the appearance of the Community as a whole, and that the appearance of any structure affected thereby

will be in harmony with the surrounding structures and is otherwise desirable. The ARB may condition its approval of proposals and plans and specifications as it deems appropriate, and may require submission of additional plans and specifications or other information prior to approving or disapproving material submitted. The ARB may also issue rules or guidelines setting forth procedures for the submission of plans for approval. The ARB may require such detail in plans and specifications submitted for its review as it deems proper, including floor plans, site plans, drainage plans, elevation drawings and descriptions or samples of exterior materials and colors. Until receipt by the ARB of any required plans and specifications, the ARB may postpone review of any plans submitted for approval. Upon such receipt, the ARB shall have forty-five (45) days in which to accept, accept with conditions or reject any proposed plans. If the ARB does not reject the plans and specification within such period, they shall be deemed approved.

All changes and alterations shall also be subject to all applicable permit requirements, to all applicable governmental laws, statutes, ordinances, rules, regulations, orders and decrees, and to the requirements of any Sub-Association Declaration as to review by its DCC (Design Control Committee) unless the Sub-Association has delegated its right to review proposed Improvements in writing to the ARB of the Association.

13.3. Meetings of the ARB. The ARB shall meet from time to time as necessary to perform its duties hereunder. The ARB may from time to time, by resolution unanimously adopted in writing, designate a ARB representative (who may, but need not, be one of its members) to take any action or perform any duties for and on behalf of the ARB, except the granting of variances or exemptions from the requirements of this Article 13. In the absence of such designation, the vote of any two (2) members of the ARB shall constitute an act of the ARB.

13.4. No Waiver of Future Approvals. The approval of the ARB of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval of the ARB, shall not be deemed to constitute a waiver of any right to withhold approval as to any similar proposals, plans and specifications, drawings or matters whatever subsequently or additionally submitted for approval.

13.5. Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

13.5.1. Upon the completion of any work for which approved plans are required under this Article, the Owner shall give written notice of completion to the ARB.

13.5.2. Within sixty (60) days thereafter, the ARB or its duly authorized representative may inspect such Improvement. If the ARB finds that such work was not effected in substantial compliance with the approved plans, it shall notify the Owner in writing of such noncompliance within such sixty (60) day period, specifying the particulars of noncompliance, and shall require the Owner to remedy them.

13.5.3. If the Owner fails to correct such noncompliance within thirty (30) days from the date of notice, the ARB shall notify the Board in writing of such failure. The Board shall then determine whether there is a noncompliance and, if so, the nature thereof and the estimated

cost of correcting or removing the same. If a noncompliance exists, the Owner shall correct or remove the same within a period of not more than forty-five (45) days from the date of announcement of the Board ruling. If the Owner does not comply with the Board ruling within such period, the Board, at its option, may either remove the non-complying Improvement or correct the noncompliance. The Owner shall reimburse the Association upon demand for all expenses incurred in connection therewith, plus an administrative charge to be determined by the Association (to cover the Association's administrative expenses in connection with the foregoing and to discourage the Owner from failing to comply). If such expenses are not promptly repaid by the Owner to the Association, the Board shall levy Individual Assessments against the Owner and his Lot for reimbursement.

13.5.4. If for any reason the ARB fails to notify the Owner of any noncompliance within sixty (60) days after receipt of written notice of completion from the Owner, the Improvement shall be deemed to have been made in accordance with the approved plans.

13.6. Non-Liability of ARB Members. Neither the ARB nor any member thereof, nor its duly authorized representative, shall be liable to the Association or to any Owner or any other Person for any claim, loss, damage or injury arising out of or in any way connected with the performance or non-performance of the ARB's duties hereunder. The ARB shall review and approve or disapprove all plans submitted to it for any proposed Improvement, alteration or addition solely on the basis of aesthetic considerations and benefit or detriment which would result to the immediate vicinity and to the Community. The ARB shall take into consideration the aesthetic aspects of the architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and may consider exemptions pursuant to the procedures set forth herein for demonstrated hardship as to any such designee.

13.7. Restrictions on Contractors, Workers. The Board of Directors of the Association shall have the right to adopt restrictions and conditions relating the terms on which construction, Maintenance and Restoration of a Unit can be performed, including the review and approval of plans, design, structural integrity, aesthetic appeal, construction details, lien protection, Association oversight, contractor's access, deliveries, and storage of materials and hours of construction and other matters relating to such work. The Association shall have the right to approve the contractor performing the work, to require that the work be performed only during certain specified hours or only on certain days so as to minimize the disruption and inconvenience to the other Owners, and to require that the contractor fulfill such bonding and insurance requirements as the Board may reasonably require. Any contractor, worker or other Person who does not comply with the Association's regulations and requirements regarding construction in and about a Unit shall be denied access to the Property and shall not be permitted to perform further work at the Property. The Owner shall further be responsible for any claim, loss, damage or injury to the Common Areas or other Lots or Units by any contractor, worker or other Person performing work in a Unit and such claim, loss, damage or injury shall be the subject of Individual Assessments against the Unit Owner by the Association.

13.8. Exemptions. Declarant, its affiliates and designees shall be exempt from the provisions hereof with respect to Improvements, alterations and additions and removals desired to be effected by any of them and shall not be obligated to submit plans and specifications to or obtain

Association or ARB approval for any construction or changes which any of them may elect to make at any time. It is specifically contemplated that Declarant may, from time to time, exempt Owners from all or some of the provisions of this Article 13 and all or some of the procedures set forth herein and, without limiting the generality of Section 1.28 hereof, may alter the procedures set forth herein as to any such exempted party.

Notwithstanding any provision elsewhere in this Declaration to the contrary, the matters set forth in this Section and in any Supplemental Declaration relating to this Section executed by Declarant in connection with the sale of any Lot cannot be amended or modified without the written consent of the Owner of the particular Lot in question.

14. ADDITIONAL SPECIAL DECLARANT RIGHTS

14.1. General. Notwithstanding any other provision in this Declaration to the contrary, the Declarant and each affiliate of the Declarant shall have, in addition to the other special Declarant rights set forth in the Act or the Governing Documents, the rights described below in Subsections 14.1.1 through 14.1.8 so long as the Declarant owns any portion of the Community:

14.1.1. Effectuation of General Plan of Development. The right to modify the Site Plan and Subdivision Plat, execute all documents and take all actions affecting any portion of the Property owned or controlled by it which, in its sole discretion, are desirable or necessary to effectuate or facilitate the development of the Community.

14.1.2. Platting. The right to plat, re-plat, subdivide and re-subdivide any portion or portions of the Property owned or controlled by it.

14.1.3. Development Planning. The right to determine, in its sole discretion, the type of Improvements, if any, to be constructed on any portion of the Property owned or controlled by it and the Common Areas and the right to revise its plans concerning such Improvements.

14.1.4. Construction. The right to construct and Maintain, on any portion of the Property owned or controlled by it or the Common Areas, any Improvements it considers desirable; and the right to construct and Maintain sales, marketing, leasing, management or other general business offices, temporary construction offices, and storage facilities. The rights shall include a right of ingress and egress by any and all types of vehicles and equipment to, through, over and about the Common Areas during whatever period of time the Declarant or Declarant's Permittees is engaged in any construction or improvement work on or within the Community as well as an easement for the parking and storage of materials, vehicles, tools, equipment and the like which are being utilized in such work.

14.1.5. Marketing. The right to sell, lease, resell, market, promote, operate, and manage existing and planned Units (and portions thereof), which right shall include the right to construct and Maintain marketing, sales and leasing offices and models and to be open for business seven (7) days per week on any portion of the Property owned or controlled by it and the Common Areas, to solicit and receive the visits of unlimited numbers of prospective purchasers and Tenants (all of whom shall have the right while visiting to use parking spaces on the Common Areas), and

to place signs, lighting, flags, banners and other promotional devices on any portion or portions of the Property owned or controlled by it or the Common Areas without regard to the size or aesthetic appeal of such signs or devices.

14.1.6. Alteration of Common Areas. The right, without the vote or consent of the Association or Owners, to expand, alter or add to all or any part of the Common Areas or any Improvements thereon.

14.1.7. Assignment. Without limiting the generality of Section 1.28 hereof, the right to assign the foregoing rights, in whole or in part, to any one or more Declarants or Declarant's assignees by a written assignment recorded in the Registry.

14.1.8. Use of Common Areas. Anything to the contrary in this Declaration notwithstanding, as long as the Declarant or any of its affiliates owns any property in the Community, the Declarant and the Declarant's Permittees shall have the right to non-exclusive use of the Common Areas, without charge, for sales, leasing, promotions, special events, signage, display, access, ingress, egress, construction and exhibit purposes during the period of construction, development, sale or lease of any land, Lots or Units owned by Declarant and its affiliates within the Community. Further, the Declarant shall have the right to permit Persons other than Owners, their Permitted Users to use certain portions of the Common Areas under such terms as Declarant, its successors and assigns, may from time to time desire without interference from the Association. Without limiting the generality of the foregoing, the Declarant may grant employees of the Declarant and their families the right to use all Common Areas.

14.2. Easement. There is hereby created and reserved a blanket easement for the Declarant and each affiliate of the Declarant to enable each of them and (to the extent authorized in writing by Declarant) the Declarant's Permittees to exercise the rights set forth in the Governing Documents free of any interference by the Association or any Owner.

14.3. Injunctive Relief for Interference. The Declarant and each affiliate or assignee of the Declarant shall be entitled to injunctive relief for any actual or threatened interference with its or their rights under this Article, in addition to whatever remedies at law it or they might be entitled to.

15. LEASING AND OCCUPANCY OF UNITS. No Owner other than the Declarant may occupy or lease a Unit except by complying with the following provisions:

15.1. Residential Use Only. Use and occupancy of the Units is restricted to residential uses only. These use restrictions shall not be construed in such a manner as to prohibit an Owner or Permitted User from maintaining his personal professional library, keeping his personal business or professional records or accounts or handling his personal, business or professional telephone calls, electronic transmissions or correspondence in and from his Unit to the extent permitted by applicable law; provided such activities do not interfere with the quiet enjoyment of other Units. Notwithstanding the foregoing, the Declarant, its successors and assigns, shall be permitted to use Units which the Declarant owns or leases as model apartments, as sales, leasing, construction, management or other offices.

15.2. Leased Units. An Owner may lease his Unit, provided that any such lease must be for not less than twelve (12) months. Only entire Units may be leased. No subleases or assignments of leases of a Unit are allowed. All leases shall be in writing and shall contain the following provisions:

15.2.1. Each Tenant shall comply, and all leases shall require the Tenant to comply, with the covenants, terms, conditions and restrictions of the Governing Documents and, if applicable, the Sub-Association Declaration. A violation of any of the terms of any of the Governing Documents or, if applicable, Sub-Association Declaration shall constitute a material breach of the lease and shall constitute grounds for damages, termination of the lease and eviction by the Association.

15.2.2. Pursuant to Section 11.19 of this Declaration, the Association has the right to collect all rental payments due to the Owner and apply them against unpaid Assessments if, and to the extent that, the Owner is in default in the payment of Assessments.

15.2.3. The Board of Directors shall have the power and authority to terminate the lease and/or bring proceedings to evict the Tenant in the name of the Owner if either the Tenant defaults under the lease or the Association forecloses a lien for unpaid Assessments on the Unit.

15.2.4. This Declaration and other Governing Documents then in effect must be given to the Tenant by or on behalf of the Owner at or before the commencement of the lease term; provided, however, that such Tenant's obligations under this Section 15.2 shall not be affected by the failure to receive the Governing Documents. All tenancies are hereby made subordinate to any lien filed by the Association, whether prior or subsequent to such lease.

15.2.5. If an Owner fails to include any of the foregoing provisions in any lease, the provisions shall be deemed to be included and part of the lease.

15.2.6. Prior to the time a Tenant takes possession of the Unit, the Owner shall furnish the Association with a copy of the lease for the Unit. Each Owner or Tenant of a leased Unit shall be obligated to deliver a copy of the lease to the Association within seven (7) days after request by the Association.

15.3. Owner Responsible for Conduct of Permitted Users. The Owner of a Unit is responsible for all conduct of each Permitted User of the Unit, including any claim for injury, loss or damage to Persons or property caused by the acts or omissions of the Owner's Permitted User(s). Each Owner shall be jointly and severally liable with the Permitted User to the Association for any amount which is required by the Association to repair any injury, loss or damage to the Common Area resulting from acts or omissions of the Permitted User and to pay any claim for injury, loss or damage to property caused by the negligence of the Permitted User, and the Association may levy an Individual Assessment against the Unit therefor.

15.4. Use of Common Areas. When a Unit is leased, the Permitted User shall have all use rights in Common Areas and Association Property otherwise readily available for use generally

by Owners, and the Owner of the leased Unit shall not have such rights, except as a Guest of another Owner or the Tenant. Nothing herein shall interfere with the access and eviction rights of the Owner as a landlord pursuant to North Carolina law. The Association shall have the right to adopt rules to prohibit dual usage by an Owner and a Permitted User of Common Areas.

15.5. Declarant's Use. The Declarant, its successors and assigns, shall be permitted to use Units which the Declarant owns, leases or manages for any activities relating to marketing, selling, purchasing, reselling, leasing or promoting those Units as well as for models, sales, resales, leasing, and management offices, overnight accommodations by its designees or any other lawful purpose.

16. ADDITIONAL RIGHTS OF ELIGIBLE MORTGAGEES.

16.1. Books and Records. Any Eligible Mortgagee shall have the right, during normal business hours, to examine copies of the Governing Documents, and the books and records of the Association and, upon written request to the Association, to receive a copy of the financial statement for the immediately preceding Fiscal Year.

16.2. Notice to Eligible Mortgagees. Eligible Mortgagees shall be entitled to timely written notice of:

16.2.1. A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;

16.2.2. Association's meetings and attend such meetings;

16.2.3. Any alleged default by any Owner whose Lot is subject to a First Mortgage it holds or has insured or guaranteed, if the default is not cured within sixty (60) days after notice of the default to the Owner;

16.2.4. Any condemnation or casualty loss which affects a major portion of the Common Areas;

16.2.5. A copy of, within reasonable time after it requests it, financial statement of the Association for the immediately preceding Fiscal Year;

16.2.6. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

16.2.7. Any proposed action by the Association which would require hereunder the consent or approval of a specified percentage of Eligible Mortgagees.

16.3. Approval of Eligible Mortgagees. After the expiration of the Declarant Control Period, unless at least a majority of the Eligible Mortgagees based on the original principal amount of their First Mortgages encumbering Units have given their prior written approval, the Association shall not:

16.3.1. By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer Common Areas or any other real property which is owned, directly or indirectly, by the Association. The granting of easements or relocation of easements for utilities or other purposes shall not be deemed a transfer within the meaning of this subsection.

16.3.2. Change the method of determining the obligations, Assessments, dues or other charges which *may* be levied against a Unit;

16.3.3. Fail to maintain property insurance on insurable improvements on the Common Area on a current replacement cost basis in an amount not less than one hundred (100%) percent of the full insurable replacement value;

16.3.4. Use the proceeds of any property insurance policy covering losses to any part of the Common Area for other than the repair, replacement or reconstruction of the damaged Improvements.

16.4. Payment of Taxes and Insurance Premiums. Eligible Mortgagees, jointly or singularly, may pay taxes or other charges which are in default and which have or may become a charge or lien against any of the Common Area and may pay delinquent premiums on property insurance policies or secure new property insurance coverage upon the lapse of a policy covering the Common Areas or Association Property. The Eligible Mortgagees making such payments shall be owed immediate reimbursement therefor by the Association.

17. AMENDMENTS. This Declaration, Articles and Bylaws shall be amended as follows:

17.1. By the Declarant. During the Declarant Control Period, this Declaration, the Articles and Bylaws may be amended, changed or added to at any time and from time to time by an instrument executed by Declarant and recorded in the Registry without the requirement of the consent of the Association or any of the Owners or their mortgagees; provided, however, the Association shall, forthwith upon request of the Declarant, join in any such amendments or modifications and execute such instruments to evidence such joinder and consent as the Declarant shall, from time to time, request. In addition, the Declarant shall not amend or modify any provision of this Declaration, the Bylaws or Articles of Incorporation concerning the care, maintenance of, or liability for, Stormwater Control Measures without the review and approval of the governmental office having jurisdiction for watershed protection.

17.2. By the Association. After the Declarant Control Period, this Declaration, the Articles and Bylaws may be amended, changed or added to at any time and from time to time by the affirmative vote or written consent of the Class A Members (through their respective Voting Members) having not less than sixty-seven (67%) percent of the voting interests of Class A Members and, to the extent not prohibited by law, the affirmative vote or written approval of the Declarant so long as the Declarant is a Member. Notwithstanding the foregoing, the Association shall not amend or modify any provision of this Declaration, the Bylaws or Articles of Incorporation concerning the care, maintenance of, or liability for, Stormwater Control Measures

without the review and approval of the governmental office having jurisdiction for watershed protection.

17.3. Scrivener's Errors. Amendments for correction of scrivener's errors or other nonmaterial changes may be made by the Declarant alone so long as the Declarant owns any portion of the Community, and thereafter by the Board without the need for approval of the Owners.

17.4. Limitations on Amendments Affecting Declarant Rights. No amendment shall be permitted which changes the rights, privileges and obligations of the Declarant or any affiliate of the Declarant respectively without the prior written consent of whichever of them is affected. Nothing contained herein shall affect the right of the Declarant to make whatever amendments or Supplemental Declarations are otherwise expressly permitted hereby without the consent or approval of any Owner or Mortgagee.

17.5. Amendments Required by Secondary Mortgage Market. Notwithstanding anything herein to the contrary, the Declarant shall have an absolute right to make any amendments to this Declaration (without any other party's consent or joinder including the Association or any Owners) that are requested or required by or necessitated by a change in the guidelines of the Federal National Mortgage Association ("Fannie Mae"), Federal Home Loan Mortgage Corporation ("Freddie Mac"), U.S. Department of Housing and Urban Development ("HUD") and U.S. Department of Veterans Affairs ("VA"), the Government National Mortgage Association, or any other governmental, quasi-governmental or government-chartered entity which owns or expects to own one or more Mortgages on Lots or portions of the Property within the Community or to insure or guarantee the payment of one or more such Mortgages or that are requested or required by any institutional First Mortgagee to enhance the salability of its Mortgages on Lots or portions of the Property to one or more of the foregoing.

17.6. Mortgagee's Consent. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to mortgagees or make any materially adverse change in the sections hereof entitled "Insurance for Common Areas" unless a majority of the Eligible Mortgagees shall join in the amendment. Except as specifically provided herein, the consent and/or joinder of any lien or mortgage holder on a Unit shall not be required for the adoption of any amendment to this Declaration and, whenever the consent or joinder of a lien or mortgage holder is required, such consent or joinder shall not be unreasonably withheld or delayed. Whenever the consent or approval of an Eligible Mortgagee or other mortgagee is required by the Governing Documents, or any applicable statute or law to any action of the Association or to any other matter relating to, the Association, the Board, or by the Governing Documents, the Association shall request such consent or approval of such Eligible Mortgagee or other mortgagee by written request sent by certified mail, return receipt requested. Any Eligible Mortgagee or other mortgagee receiving such request shall be required to consent to or disapprove the matter for which the consent or approval is requested in writing within sixty (60) days after the Eligible Mortgagee or other mortgagee receives such request. The response of the Eligible Mortgagee or other mortgagee must be sent by certified mail, return receipt requested (or equivalent delivery evidencing such request was delivered to and received by the Association) and the response must be received by the

Association. If such response is not timely received by the Association, the Eligible Mortgagee or other mortgagee shall be deemed to have consented to and approved the matter for which such approval or consent was requested. Such consent or approval given or deemed to have been given, where required, may be evidenced by an affidavit signed by a majority of the Directors, the President or Secretary of the Association, which affidavit, where necessary, may be recorded in the Register's Office for the County. Such affidavit shall be conclusive evidence that the applicable consent or approval was given as to the matters therein contained.

17.7. Effective Date. Amendments to this Declaration are valid from the later of the time of recording in the Registry or such later date specified in the amendment.

17.8. Challenge. No action to challenge the validity of an amendment adopted pursuant to this Article may be brought more than one (1) year after the amendment is recorded.

18. EFFECT AND DURATION OF COVENANTS. This Declaration shall run with, bind, benefit and burden all of the Property, and shall run with, bind, and be enforceable by and against the Declarant, the Association, every Owner, and the respective legal representatives, heirs, successors and assigns of each, for a term of thirty (30) years from the date this Declaration is recorded. After that time they shall be automatically extended for successive periods of ten (10) years each unless an instrument has been recorded in which eighty (80%) percent of the then Owners and majority of the Eligible Mortgagees (based on the original principal amount of the Mortgages held by the Eligible Mortgagees) agree by signing it to revoke this Declaration in whole or in part.

19. GENERAL PROVISIONS

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

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

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

19.4. Performance of Association's Duties by Declarant. Declarant shall have the right from time to time at its sole discretion, to perform at Declarant's expense the duties and obligations required hereunder to be performed by the Association. In connection therewith Declarant shall

have the right to reduce the budget of the Association and the Assessments payable by the Owners; provided, however, that any such performance on the part of Declarant may be discontinued by Declarant at any time, and any such performance shall not be deemed to constitute a continuing obligation on the part of Declarant.

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

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

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

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

19.9. CPI. Whenever a specific dollar amount is recited in Governing Documents, unless limited by law or by the specific text hereof or unless held to be unconscionable, such amounts shall be increased from time to time by application of a nationally recognized consumer price index using the date of recordation of this Declaration as the base year. The index used shall be that published by the United States Department of Labor, Bureau of Labor Statistics, designated as "Consumer Price Index, all urban consumers, United States, 1982-84 = 100, all items". If the Bureau of Labor Statistics shall change the method for determining the consumer price index or in

the event the Bureau of Labor Statistics shall cease to publish said statistical information and it is not available from any other source, public or private, then the Board shall choose a reasonable alternative to compute such increases.

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

19.11. CONSTRUCTION AND OTHER ACTIVITIES. ALL OWNERS AND PERMITTED USERS OF THE PROPERTY ARE HEREBY PLACED ON NOTICE THAT DECLARANT OR ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, LICENSEES AND OTHER DESIGNEES MAY BE, FROM TIME TO TIME, CONDUCTING EXCAVATION, CONSTRUCTION AND OTHER ACTIVITIES WITHIN OR IN PROXIMITY TO THE COMMUNITY. BY THE ACCEPTANCE OF THEIR DEED OR OTHER CONVEYANCE OR MORTGAGE, LEASEHOLD, LICENSE OR OTHER INTEREST, AND BY USING ANY PORTION OF THE PROPERTY, EACH SUCH OWNER AND PERMITTED USER AUTOMATICALLY ACKNOWLEDGES, STIPULATES AND AGREES (.1) THAT NONE OF THE AFORESAID ACTIVITIES SHALL BE DEEMED NUISANCES OR NOXIOUS OR OFFENSIVE ACTIVITIES, HEREUNDER OR AT LAW GENERALLY, (.2) NOT TO ENTER UPON, OR ALLOW THEIR CHILDREN OR OTHER PERSONS UNDER THEIR CONTROL OR DIRECTION TO ENTER UPON (REGARDLESS OF WHETHER SUCH ENTRY IS A TRESPASS OR OTHERWISE) ANY PROPERTY WITHIN OR IN PROXIMITY TO THE COMMUNITY WHERE SUCH ACTIVITY IS BEING CONDUCTED (EVEN IF NOT BEING ACTIVELY CONDUCTED AT THE TIME OF ENTRY, SUCH AS AT NIGHT OR OTHERWISE DURING NON-WORKING HOURS), (.3) DECLARANT AND THE OTHER AFORESAID PARTIES WILL NOT BE LIABLE BUT, RATHER, SHALL BE HELD HARMLESS, FOR ANY AND ALL LOSSES, DAMAGES (COMPENSATORY, CONSEQUENTIAL, PUNITIVE OR OTHERWISE), INJURIES OR DEATHS ARISING FROM OR RELATING TO THE AFORESAID ACTIVITIES, (.4) ANY PURCHASE OR USE OF ANY PORTION OF THE COMMUNITY HAS BEEN AND WILL BE MADE WITH FULL KNOWLEDGE OF THE FOREGOING, AND (.5) THIS ACKNOWLEDGMENT AND AGREEMENT IS A MATERIAL INDUCEMENT TO DECLARANT TO SELL, CONVEY, LEASE OR ALLOW THE USE OF THE APPLICABLE PORTION OF THE COMMUNITY.

19.12. COVENANTS RUNNING WITH THE LAND. IT IS THE INTENTION OF ALL PARTIES AFFECTED HEREBY (AND THEIR RESPECTIVE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS) THAT THE COVENANTS IN THE GOVERNING DOCUMENTS SHALL RUN WITH THE LAND AND WITH TITLE TO THE PROPERTY. WITHOUT LIMITING THE GENERALITY OF ARTICLE 19 HEREOF, IF ANY PROVISION OR APPLICATION OF THE COVENANTS IN THE GOVERNING DOCUMENTS WOULD PREVENT THE COVENANTS FROM RUNNING WITH THE LAND

AS AFORESAID, SUCH PROVISION OR APPLICATION SHALL BE JUDICIALLY MODIFIED, IF AT ALL POSSIBLE, TO COME AS CLOSE AS POSSIBLE TO THE INTENT OF SUCH PROVISION OR APPLICATION AND THEN BE ENFORCED IN A MANNER WHICH WILL ALLOW THE COVENANTS IN THE GOVERNING DOCUMENTS TO SO RUN WITH THE LAND; BUT IF SUCH PROVISION OR APPLICATION CANNOT BE SO MODIFIED, SUCH PROVISION OR APPLICATION SHALL BE UNENFORCEABLE AND CONSIDERED NULL AND VOID IN ORDER THAT THE PARAMOUNT GOAL OF THE PARTIES AFFECTED HEREBY (THAT THE OTHER COVENANTS IN THE GOVERNING DOCUMENTS RUN WITH THE LAND) BE ACHIEVED.

19.13. NOTICES AND DISCLAIMERS AS TO WATER BODIES. NEITHER DECLARANT, THE ASSOCIATION, NOR ANY OF THEIR OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUB-CONTRACTORS (COLLECTIVELY, THE "LISTED PARTIES") SHALL BE LIABLE OR RESPONSIBLE FOR MAINTAINING OR ASSURING THE WATER QUALITY OR LEVEL IN ANY LAKE, POND, CANAL, CREEK, STREAM OR OTHER WATER BODY WITHIN THE COMMUNITY, EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY OR CONTRACTED FOR WITH AN APPLICABLE GOVERNMENTAL OR QUASI-GOVERNMENTAL AGENCY OR AUTHORITY. ALL PERSONS ARE HEREBY NOTIFIED THAT FROM TIME TO TIME WILDLIFE MAY INHABIT OR ENTER INTO WATER BODIES WITHIN THE COMMUNITY AND MAY POSE A THREAT TO PERSONS, PETS AND PROPERTY, BUT THAT THE LISTED PARTIES ARE UNDER NO DUTY TO PROTECT AGAINST, AND DO NOT IN ANY MANNER WARRANT AGAINST, ANY DEATH, INJURY OR DAMAGE CAUSED BY SUCH WILDLIFE.

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

[signature page follows]

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

DECLARANT:

CH-LEWISTON, LLC
a North Carolina limited liability company

By: [Signature]
Name: Kevin Phillips
Title: manager

STATE OF Texas

COUNTY OF Dallas

I certify that the following person personally appeared before me this day, acknowledging to me that s/he signed the foregoing document: Kevin Phillips.

Date: _____, 20____

[Signature]
Official Signature of Notary

(Official Seal)



Erin Hansen, Notary Public
Printed or typed name

My commission expires: 5/28/2023

Exhibit A**PARCEL 1:**

BEGINNING at an iron pin in the western right-of-way of Lewiston Road (N.C.S.R. 2124), in the line of Thomas M. Metz, now or formerly; thence along the line of Metz North 80°26'1" West 881.79 feet to an iron pin in the line of Metz; thence along the line of Metz and Cabot Park Subdivision, Phase 1, Map 1, as per plat thereof recorded in Plat Book 130, Page 23, Guilford County Registry, North 80°5'25" West 277.08 feet to an iron pin in the eastern right-of-way and the terminus of Crimson Wood Drive; thence along Crimson Wood Drive and the northern line of Cabot Park, Ph. 1, Map 1, North 18° 59' 59" East 200.00 feet to an iron pin, a control corner, in the line of Hickory Woods Subdivision, Ph. 1, Map 2, as per plat thereof recorded in Plat Book 87, Page 30, Guilford County Registry; thence North 88° 55' 41" East 91.99 feet to an iron pin in the line of Hickory Woods Subdivision, Ph. 1, Map 2; thence along the line of Hickory Woods Subdivision, Ph. 1, Map 2, South 0° 16' 15" West 5.35 feet to an iron pin in the line of Hickory Woods Subdivision, Ph. 1, Map 2; thence along the lines of Hickory Woods Subdivision, Ph. 1, Map 2, and Hickory Woods Subdivision, Ph. 1, Map 1, as per plat thereof recorded in Plat Book 87, Page 30, South 86° 42' 01" East 725.02 feet to an iron pin, a control corner; thence along the northern line of Hickory Woods Subdivision, Ph. 1, Map 1, South 87° 13' 56" East 285.07 feet to an iron pin in the western right-of-way of Lewiston Road; thence along the western right-of-way of Lewiston Road South 3° 44' 14" West 325.55 feet to an iron pin, the point and place of BEGINNING, and containing 6.754 acres, more or less, in accordance with a survey dated December 3, 1999, entitled "Boundary Survey for Tom Simpson," by Jamestown Engineering Group, Inc., Job No. 99225.

PARCEL 2:**TRACT 1**

BEGINNING at a point in the center line of Lewiston Road, also known as State Road 2124, said beginning point also being the southeast corner of Thomas M. Metz's property and the northeast corner of the Ella H. Lindsay heirs' property; running thence with the north line of the Lindsay heirs' property North 76 degrees 11 minutes West 1,068.82 feet to an iron stake, a new corner; thence North 11 degrees 42 minutes 44 seconds East 164.83 feet to an iron stake, a new corner; thence North 76 degrees 29 minutes 14 seconds West 780.00 feet to an iron stake; thence South 55 degrees 49 minutes 16 seconds West 40.26 feet to an iron stake, a corner with the Hodgin heirs' property; thence with Hodgin's north line, North 67 degrees 51 minutes West 739.42 feet to an iron stake; thence North 0 degrees, 23 minutes, 30 seconds East 263.05 feet to an iron stake, a corner with the Hodgin heirs; thence, South 68 degrees, 24 minutes, 30 seconds East 1,007.25 feet to an iron stake; thence North 89 degrees, 21 minutes, 30 seconds East 559.53 feet to an iron stake; thence, South 1 degrees, 04 minutes, 30 seconds West 196.41 feet to an iron stake, Chappel's corner; thence with Chappel's line South 70 degrees 12 minutes 30 seconds East 561.42 feet to an iron stake; continuing with Chappel's line South 87 degrees 0 minutes East 489.50 feet to a point in the center line of Lewiston Road; thence with the center line of Lewiston Road South 5 degrees, 16 minutes, 30 seconds West 344.58 feet to the point of BEGINNING, and containing 15.805 acres, more or less, according to a survey by Kenneth Vaughn dated October, 1982.

SAVE AND EXCEPT THE FOLLOWING:

The property conveyed in Deed recorded at Book 3279, Page 841.

The property conveyed in Deed recorded at Book 3306, Page 730.

The property conveyed in Deed recorded at Book 4585, Page 985.

TRACT 2

BEGINNING at an iron stake located in the western margin of Lewiston Road, said beginning point also being the northeast corner of Thomas M. Metz' property, and running thence with the north line of Metz' property North 87° 0' West 458.89 feet to an iron stake in Metz' north line; thence continuing with Metz' north line, North 70° 08' 46" West 434.56 feet to an iron stake; thence a new line South 78° 47' 55" East 97.24 feet to an iron stake; thence South 78° 48' 14" East 786.47 feet to the point of BEGINNING, and containing 0.663 acres, more or less, according to a survey by Kenneth Vaughn, made October, 1982 and revised March, 1983.

PARCEL 3:

BEGINNING at an iron pin, said point being the southeast corner of Lot #5 in the western line of E.F. Jessup and running thence South 13° 27' West 33.66 feet to an iron pin; thence still with Jessup's line South 10° 34' 30" West 131.34 feet to an iron pin; thence North 76° 01' 20" West 1814.26 feet to an iron pin, common corner with Lots 6, 7, 6-A and 7-A; thence North 12° 38' East 159.60 feet to an iron pin; thence South 76° 11' East 1809.94 feet to the point of BEGINNING, containing 6.742 acres, more or less, and being designated as Lot #6 together with and subject to the right of egress, ingress and regress over a right-of-way eighteen feet in width across the easternmost portion of lots designated as Lots 3, 4, 5, 6, 7, and 8, as shown on a blueprint of survey prepared by E. H. Cude, R.L.S., which right-of-way shall be for the joint and several use of the owners and their successors in title of said lots next above set forth.

SAVE AND EXCEPT that certain property described as Tract 1 in the Deed recorded in Book 4585, Page 988, in the Office of the Register of Deeds of Guilford County, North Carolina.

PARCEL 4:

TRACT 1

BEGINNING at an iron pipe marking the Northwest corner of the property now or formerly belonging to Vance F. Allred, Sr., (D.B. 4233, Page 912), and also marking the Northeast corner of the property now or formerly belonging to Darrell Allred and wife, Charlene Mired, (D.B. 3523, Page 2022); runs thence along the northern boundary line of the said property of Darrell Allred et ux. North 76° 55' 08" West 387.21 feet to an iron pipe; runs thence North 12° 45' 39" East 135.87 feet to an iron pipe marking the Southwest corner of the property now or formerly belonging to George E. Jessup (D.B. 3054, Page 602); runs thence along the southern boundary line of the said property of George E. Jessup South 75° 47' 24" East 886.19 feet to an iron pipe; runs thence South 11° 06' 23" West 55.85 feet to an iron pipe; runs thence South 86° 33' 56" East 328.02 feet to an iron pipe located in the western boundary line of the property now or formerly belonging to Max F. Jessup (D.B. 2907, Page 626); runs thence along the western boundary line of the said property of Max F. Jessup South 06° 28' 10" East 91.40 feet to an iron pipe located at the Northeast corner of the property now or formerly belonging to Ruth Hughes et al. (D.B. 3618, Page 1001); runs thence along the northern boundary line of the said property of Ruth Hughes North 82° 07' 15" West 355.89 feet to an iron pin marking the Northeast corner of the property now or formerly belonging to Vance F. Allred, Sr., (D.B. 4233, Page 912); runs thence along the northern boundary line of the said property of Vance F. Allred, Sr. North 76° 49' 24" 499.52 feet to an iron pipe, located at the Northwest corner of the said property of Vance F. Allred, Sr., (D.B. 4233, Page 912), the same being the POINT AND PLACE OF BEGINNING, and containing 3.19 acres more or less.

Together with and subject to the right of egress, ingress and regress over a right of way eighteen feet in width across the easternmost portion of Lots designated as Lots 3, 4, 5, 6, 7 and 8 as shown on blueprint of survey prepared by E. H. Cude, R. L. S. referenced in Commissioners Deed recorded in Book 3054, Page

602, which right of way shall be for the joint and several use of the owners and their succession in title to said lots. Said easement was first created in Report of Commissioners recorded at Book 1745, Page 404 as confirmed by Order recorded at Book 1745, Page 412.

TRACT 2

BEGINNING at the Northeast corner of Lot 8 of the Edward Hughes Estate Subdivision unrecorded plat and also being the Southeast corner of Lot 7 and also in the center line of the Old Pleasant Ridge Road, thence North $86^{\circ} 38' 30''$ West 328.16 feet to a new iron stake, thence North $10^{\circ} 36' 50''$ East 55.93 feet to a new iron stake, thence with the line of Lots 7 and 8 South $76^{\circ} 50' 15''$ East 325.86 feet to the point of BEGINNING and being part of Lot 8 of the Edward Hughes Estate Subdivision unrecorded plat and containing 0.209 acres.

TRACT 3

Lying and being in Friendship Township, Guilford County, North Carolina, and being more particularly described as follows:

BEGINNING at an iron pin, said pin or point being the southeast corner of Lot No.6 in the western line of E.F. Jessup; and running thence with Jessup's line South $10^{\circ} 34' 30''$ West 21.69 feet to a point; thence still with Jessup's line South $03^{\circ} 13' 30''$ West 125.40 feet to an iron pin in the western line of E.F. Jessup; thence North $77^{\circ} 01' 40''$ West 1835.07 feet to an iron pin in the line of Lot No. 7-A; thence North $12^{\circ} 38'$ East 177.14 feet to an iron pin; thence South $76^{\circ} 01' 20''$ East 1814.26 feet to the point of BEGINNING, containing 6.744 acres, more or less, being designated as Lot No.7, together with and subject to the right of egress, ingress and regress over a right-of-way eighteen feet in width across the easternmost portion of Lots designated as Lots 3, 4, 5, 6, 7 and 8 as shown on blueprint of survey prepared by E. H. Cude, R.L.S., (referenced in the Commissioners Deed recorded in Book 3054 Page 602, but created by Report of Commissioners recorded at Book 1745, Page 404 as confirmed by Order recorded at Book 1745, Page 412) which right-of-way shall be for the joint and several use of the owners and their successors in title of said lots next above set forth.

TOGETHER WITH AND SUBJECT TO a right-of-way for ingress, egress and regress over a strip of land 18 feet wide over the easternmost portion of Lots Nos. 3, 4, 5, 6, 7 and 8 to the new Pleasant Ridge Road, as established in Commissioner's Report filed in Book 1745, Page 404, in the Office of the Register of Deeds of Guilford County, North Carolina.

LESS AND EXCEPT the two following tracts:

That portion thereof conveyed to Howard Crosby by Deed recorded in Book 2119, Page 639, said land being more particularly described as follows:

Beginning at an iron pin in the center line of the old Pleasant Ridge Road, Dorothy H. Lindsay's southeast corner, said beginning point also being the northeast corner of Tract 7 in the division of the lands of Edward Hughes, see Commissioner's Report recorded in Book 1745, Page 404; in the Office of the Register of Deeds of Guilford County, North Carolina; and running thence from said beginning point with the center line of the old road South $10^{\circ} 34' 30''$ West 21.69 feet to an iron pin and South $03^{\circ} 13' 30''$ West 51.86 feet to a new iron pin; thence a new line North $76^{\circ} 11' 30''$ West 316.3 feet to a new iron pin; thence a new line north $10^{\circ} 34' 30''$ East 73.55 feet to an iron pin in Dorothy Lindsay's southern line; thence with her line South $76^{\circ} 1' 20''$ East 309.72 feet to the

point of BEGINNING, containing .50 acres according to a survey prepared by Robert E. Wilson, September 9, 1963.

The property conveyed to The New Fortis Corporation by Deed recorded in Book 4585 Page 1003, said land being more particularly described as follows:

BEGINNING at an existing iron stake in the eastern boundary line of Lot 40 of the Cardinal Woods Subdivision as shown on a plat recorded in Plat Book 109, Page 5, Guilford County Registry, and said beginning point being North 00° 01' 36" East 306.96 feet from the southeast corner of Lot 37 of Cardinal Woods Subdivision as recorded in Plat Book 109, Page 5, Guilford County Registry, and thence from said beginning point with the eastern boundary line of the said Cardinal Woods Subdivision, North 00° 01' 27" West 482.13 feet to an existing iron stake, said iron stake being the southwest corner of the Hodgins Heirs Property known as Tax Lot 34, Block 900 of the Guilford County Tax Maps as the same are now constituted and described in Book 3043, Page 51, Guilford County Registry; thence with the southern boundary line of the said Hodgins Heirs Property, South 72° 21' 26" East 656.46 feet to an existing iron stake, said iron stake being the southeast corner of the Hodgins Heirs Property and the southwest corner of the Josephine L. Small Property known as Tax Lot 47, Block 899 as shown on the Guilford County Tax Maps as the same are now constituted and described in Book 3212, Page 258, Guilford County Registry; thence with the southern boundary line of the said Small Property, South 76° 14' 36" East 625.20 feet to a new iron pipe; thence on a new line with the said Jessup, South 12° 18' 18" West 166.16 feet to a new iron stake in the northern boundary line of the Josephine L. Small Property known as Tax Lots 77, Block 899 of the Guilford County Tax Maps as the same are now constituted and described in Book 3388, Page 318, Guilford County Registry; thence with the northern boundary line of the said Small Property, North 77° 14' 56" West 625.02 feet to an existing iron stake, said iron stake being the northwest corner of the Small Property; thence with a portion of the western boundary line of the said Small Property, South 12° 18' 18" West 64.65 feet to an existing iron stake, said iron stake being the northeast corner of the John W. Hughes et ux. property known as Tax Lot 49, Block 899 of the Guilford County Tax Maps as the same are now constituted and described in Book 3388, Page 317, Guilford County Registry; thence with the northern boundary line of the said Hughes Property, South 85° 19' 21" West 575.77 feet to an existing iron stake, the point and place of BEGINNING, and containing 7.45 acres and being designated as Lots 3 and 7 as shown on an unrecorded survey dated August 11, 1997 and entitled "Property Survey for The New Fortis Corporation and Others, Lewiston Road - S.R. 2124" by Homer S. Wade, Registered Land Surveyor.

PARCEL 5:

Lot 81 as shown on the plat entitled "Final Plat Phase I, Map I Sunset Ridge a.k.a. Cabot Park" prepared by Borum, Wade and Associates, P.A., dated June 30, 1998, and recorded in Plat Book 130, Page 23 in the Office of the Register of Deeds of Guilford County, North Carolina.

SAVE and EXCEPT that part of Lot 81 that had been conveyed by Mary L. Metz to The New Fortis Corporation by the Deed dated September 12, 1997, and recorded in Book 4585, Page 985 as follows:

BEGINNING at an existing iron pipe at the northeast corner of Lot 14 as shown on the Plat recorded at Plat Book 130, Page 23; which pipe also is in the southern margin of the right-of-way of Crimson Wood Drive, a 50'-wide public road; thence along the southern margin of Crimson Drive, N 98° 17' 03"

E 26.55' to an existing 1" iron pipe at the northeast corner of Lot 81 as shown on such plat and also being the south end of the terminus of Crimson Wood Drive; thence S 19° 12' 25" W 101.20' to an existing 1" iron pipe; thence S 76° 9' 56" E 24.80' to a point in the eastern line of Lot 14; thence along the eastern line of Lot 14 N 19° 2' 41" E 94.48' to the point of BEGINNING, being 2,429.5 sq ft (0.056 acres), more or less, according to a map of survey drawn by Sgroi Land Surveying, PLLC, dated November 16, 2015 and last revised November 2, 2017, and designated as Project No. 2015-113.

Exhibit B

Any real property located within 5,000 feet of any boundary of the Property.