

FOR REGISTRATION
Willie L. Covington
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Durham County, NC
2014 FEB 18 03:29:05 PM
BK: 7442 PG: 854-882
DECLARATION
FEE: \$82.00
INSTRUMENT # 2014004250

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Prepared by William A. Anderson, III P.O. Box 51579, Durham, NC 27717-1579

Return to Durham Central Park Cohousing Community, LLC
Attn: Doug Henderson-James
803 Lancaster St., Apt. D
Durham, NC 27701-1566

STATE OF NORTH CAROLINA
COUNTY OF DURHAM

DECLARATION
OF
DURHAM CENTRAL PARK
COHOUSING CONDOMINIUM

THIS DECLARATION OF CONDOMINIUM is made this 11th day of February, 2014, by DURHAM CENTRAL PARK COHOUSING COMMUNITY, LLC, a North Carolina limited liability company (the "Declarant"). Declarant hereby states and declares as follows:

WITNESSETH:

WHEREAS, Declarant is the Owner of certain real property located in the City of Durham, Durham County, North Carolina, more particularly described on Exhibit A attached hereto, upon which is one building intended to contain residential condominium units and certain other improvements; and

WHEREAS, Declarant desires to submit the real property and the improvements located thereon (collectively, the "Property") to the terms and provisions of the North Carolina Condominium Act and by so doing intends to protect the value and the desirability of the Property, further a plan for condominium ownership of the Property, create a harmonious and attractive residential development, and promote and safeguard the health, comfort, safety, convenience and welfare of the owners of the condominium units;

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

ARTICLE I
DEFINITIONS

The capitalized terms used in this Declaration and in the Exhibits hereto shall have the meanings stated in the North Carolina Condominium Act and as follows, unless the context otherwise requires:

Act or North Carolina Condominium Act means the North Carolina Condominium Act as currently set forth in N.C.G.S. Chapter 47C, Articles 1 through 4, as amended.

Articles or Articles of Incorporation means the articles of incorporation filed with the office of the North Carolina Secretary of State which establishes Durham Central Park Cohousing Condominium Association as a North Carolina not-for-profit corporation.

Association means the Unit Owners' association as defined by the Act, and also means the Durham Central Park Cohousing Condominium Association, the not-for-profit corporation by which the Unit Owners' association shall operate the Condominium.

Board means all Unit Owners, who shall be authorized to operate the Association as provided by the Act, this Declaration and the Bylaws and which group shall also be called the Plenary, the decision making body of the Association.

Bylaws means the bylaws of the Association which, with this Declaration and the Articles of Incorporation of the Association, describe the powers and functions of the Association, and which from time to time may be amended by the Association.

Building means the structure containing Units which comprises a part of the Property.

Common Elements means all portions of the Condominium other than the Units.

Common Expenses means the expenses for which the Unit Owners are liable to the Association consisting of expenditures made by, or financial liabilities of, the Association including, but not limited to, expenses of administration, maintenance, insurance, operations, repair or replacement of the Common Elements, allocations to general operating reserves and any authorized additions thereto, any amount for general working capital and general operating reserves, amounts for a reserve fund for replacements, and to make up any deficit in assessments for Common Expenses for any prior year and any expense or liability covered by the levy of a special assessment.

Common Expense Share means the proportionate share of liability for Common Expenses allocated to each Unit, and the proportionate share of Association revenues, if any, allocated to each Unit.

Community Member shall mean any person living at the Condominium, including, without limitation, any Owner, Tenant or Housemate.

Co-owner means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, which owns a Unit. The term "Owner" or "Co-owner" shall have the same connotation as the term "Unit Owner" as used in the Act.

Condominium means the real estate described in Exhibit A, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the Owners of those portions.

Condominium Documents means this Declaration, and the Articles of Incorporation, Bylaws and the Policies for the Association.

Declaration means this Declaration of Condominium, as it may be amended from time to time, which shall be recorded in the Durham County Registry together with the Plat, thereby establishing Durham Central Park Cohousing Condominium by subjecting the Property to the Act.

Declarant means Durham Central Park Cohousing Community, LLC, a North Carolina limited liability company, and its successors and assigns.

Housemate means any non-Owner (whether or not such non-Owner pays rent) that resides in a Unit while the Owner of such Unit also resides in the Unit.

Limited Common Elements means the portion of the Common Elements allocated for the exclusive use of one or more but fewer than all of the Units by the Declaration or by operation of N.C.G.S. § 47C-2-102(2) and (4) of the North Carolina Condominium Act.

Mentor means a Community Member who provides any Tenant assistance and guidance related to the expectations of the Condominium Members, and further acts as a liaison between such Tenant and the Community Members.

Owner or Unit Owner has the same definition as Co-owner as set forth in this Article 1.

Period of Declarant Control means the period during which the Declarant shall control the Association, which period shall commence on the date this Declaration is recorded and continue until the earlier of (i) 120 days after conveyance of seventy-five percent (75%) of the Units to Unit Owners other than Declarant; (ii) two years after Declarant has ceased to offer Units for sale in the ordinary course of business; or, (iii) the date upon which Declarant voluntarily surrenders control of the Condominium to the Association.

Pet means a domesticated animal kept for pleasure, rather than utility.

Plat means the survey of the Property and the plans for the Condominium, said Plat consisting of Sheets 1 through 8, inclusive, and being recorded in the Durham County Registry in Condominium Plat Book 12, Pages 216 through 223, inclusive. The Plat is hereby incorporated herein by reference and is made an integral part of this Declaration.

Policies are rules and regulations adopted by the Association from time to time as provided in the Declaration and Bylaws for the purpose of governing the use and enjoyment of the Condominium.

Property means and includes the underlying land, the Buildings, all other improvements and structures thereon, as described in Exhibit A attached hereto and incorporated herein by reference, and all easements, rights and appurtenances belonging thereto.

Service Animal means a working animal trained to assist people with daily living activities.

Short Term Rental means any tenancy of a Unit for a term of thirty (30) days or fewer.

Special Declarant Rights means all of Declarant's reserved rights as defined in the Act and in this Declaration.

Storage Closet means the storage closet located on the parking level of the Condominium that is allocated to a particular Unit by the Association.

Tenant means any person that resides in a Unit (whether or not such person pays rent) while the Owner of such Unit resides elsewhere.

Unit or Condominium Unit means the physical portion of the Condominium which is designated for separate ownership, the boundaries of which are described in section 3.2 hereof and which are shown on the Plat.

The definitions set forth in N.C.G.S. §47C-1-103 are hereby incorporated by reference and the terms defined therein shall have the meanings set forth therein when used in this Declaration or in other Condominium documents, unless the applicable terms are expressly defined otherwise in this Declaration or unless the context otherwise plainly requires a different meaning.

ARTICLE II
SUBMISSION OF PROPERTY TO CONDOMINIUM ACT

2.1 Submission of Property. Declarant hereby submits the Property to the provisions of the Act. The Property will be administered in accordance with the provisions of the Act and the Condominium Documents.

2.2 Condominium Name. The name of the Condominium shall be "Durham Central Park Cohousing Condominium".

2.3 Plat and Plans. The Property is located at 130 Hunt Street, Durham, Durham County, North Carolina, 27701. Attached hereto as Exhibit A is a legal description of the Property, which Property is more particularly shown on the Plat. The architectural plans filed as part of the Plat show and describe the Units and certain Limited Common Elements.

2.4 Number of Units. Declarant hereby establishes within the Property twenty four (24) Units and does hereby designate all such Units for separate ownership. The maximum number of Units permitted in the Condominium is twenty four (24). Subdivision of Units is prohibited. Unit boundaries are described in below section 3.2 and on the Plat. Identifying Unit numbers and Unit locations are also shown on the Plat.

2.5 Association Membership. Each Owner shall be a member of the Association. Owners shall be entitled to participate in decisions of the Association.

2.6 Limited Common Elements Generally. Other than those portions of Common Elements allocated by operation of N.C.G.S. § 47C-2-102(2) or (4) and those created and allocated by operation of section 4.2 below, there are no additional Limited Common Elements.

2.7 Special Declarant Rights. Declarant reserves all Special Declarant Rights for the entire Property including the following:

(a) To complete any and all improvements indicated on the Plat;

(b) During the Period of Declarant Control, to appoint and remove any officers or Board members; provided, however, that: (i) not later than sixty (60) days after the conveyance of twenty-five (25%) of the Units to Owners other than Declarant, at least one (1) member and not less than twenty-five (25%) of the Members of the Board shall be elected by Owners other than Declarant; and (ii) not later than sixty (60) days after conveyance of fifty percent (50%) of the Units to Owners other than Declarant, not less than thirty-three (33%) of the members of the Board shall be elected by Owners other than Declarant;

(c) To use those easements through any Common Elements which are reasonably necessary

for the purpose of making any improvement indicated on the Plat, or otherwise necessary for the exercise of these Special Declarant Rights or otherwise discharging its obligations or rights hereunder;

(d) To assign, collaterally or otherwise, in whole or in part, to its successors in title, any of Declarant's Units hereunder, or to its agent, or to an independent third party, or to the Association, any of the rights reserved in this Declaration, including these Special Declarant Rights. All references to Declarant and Declarant's rights hereunder shall be deemed to include any specific assignee of Declarant.

Except for those Special Declarant Rights that terminate earlier by operation of law or under the Condominium Documents, these Special Declarant Rights shall expire five (5) years after Declarant's conveyance in fee of the last Unit owned by Declarant

ARTICLE III
DESCRIPTION OF UNITS; USE; REPAIRS; RESTRICTIONS
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

3.1 General Description of Units. All of the Units are more particularly shown on the Plat, which is incorporated herein in the same manner as if expressly set forth in this section 3.1. The Plat provides the relative locations of all the Units, the Unit numbers, the square footage area of each Unit, and depicts the Unit boundaries that are further described in section 3.2 below, which together with this Declaration shall constitute a complete description of the Units within the Condominium.

3.2 Unit Boundaries. The vertical and horizontal perimetric boundaries of each Unit shall consist of the unfinished perimeter walls, the subfloors (whether wood or concrete), and the bottom surfaces of the ceiling joists, as applicable, and all as more particularly shown and described on the Plat. More specifically, the horizontal plane of the bottom surface of the ceiling joists within a Unit shall be the upper boundary thereof and the horizontal plane of the top surface of the subfloor (whether wood or concrete) of each Unit shall be the lower boundary thereof. All lath, furrowing, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished surfaces thereof shall be a part of the Unit. All other portions of such walls, floors, or ceilings not included within the Units are a part of the Common Elements. Interior walls, partitions, fixtures, appliances, cabinets and other facilities and other improvements lying completely within the boundaries of a Unit, if any, shall be part of such Unit.

3.3 Unit Owners' Responsibilities for Maintenance and Repair

(a) Each Owner shall be responsible for the maintenance and repair of her Unit. All Unit Owners shall be responsible for routine cleaning of the interior surfaces of the exterior windows and doors, which are Limited Common Elements allocated exclusively to the Unit served. Repair and replacement of exterior windows and entry doors serving Units shall be the responsibility of the Association and the cost of such repair or replacement shall be borne by the Owner of the Unit served by such windows or doors. In the event any window or exterior door is broken, the Unit Owner shall be responsible for securing her Unit until such time as the window or door can be repaired or replaced.

(b) Each Owner shall be responsible for any damage to her Unit or to any other Unit or any of the Common Elements caused by any action or inaction of that Owner, his lessee, invitee, or agent (i.e., actions other than what is customarily considered normal wear and tear), damage attributable to keeping Pets, smoking tobacco products (which is prohibited), overflowing plumbing fixtures caused by negligence, and similar kinds of activity, which directly or indirectly causes damage to any other Unit or to any of the Common Elements. Unit Owners may change their entry door locks from time to time so long as any new lock installed is coordinated with the Association and is keyed to the building master key

system.

(c) In the event that the Association determines that any Unit Owner has failed or refused to discharge properly his obligations with respect to the maintenance, cleaning, repair, or replacement of items for which he is responsible under the Declaration, then, in that event, the Association, except in the event of an emergency situation, shall give such Unit Owner written notice of the Association's intent to provide such necessary maintenance, cleaning, repair, or replacement at such Unit Owner's sole cost and expense, and setting forth with reasonable particularity the maintenance, cleaning, repair, or replacement deemed necessary. Except in the event of emergency situations, such Unit Owner shall have fifteen (15) days in which to complete said maintenance, cleaning, repair, or replacement in a good and workmanlike manner, or in the event such maintenance, cleaning, repair, or replacement is not capable of completion within said fifteen (15) day period, to commence said maintenance, cleaning, repair, or replacement in a good and workmanlike manner within fifteen (15) days and diligently pursue completion. In the event of emergency situations or the failure of any Unit Owner to comply with the provisions hereof after such notice, the Association may provide any such maintenance, cleaning, repair, or replacement at such Unit Owner's sole cost and expense, and said cost shall be added to and become a part of the assessment to which such Unit Owner and his Unit are subject and shall become a lien against such Unit as provided herein.

ARTICLE III

DESCRIPTION OF UNITS; USE; REPAIRS; RESTRICTIONS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

3.4 Uses of Units; Use Restrictions.

It is the intent of the Declarant that the Property be developed and maintained as an attractive, well maintained residential development. To that end, the following covenants, conditions and restrictions are hereby placed on the Property.

- (a) **Restrictions to Run with Land.** The Declarant hereby declares and affirms that the covenants, conditions and restrictions described herein shall be deemed restrictive covenants running with the land and are imposed as a limitation and burden upon each Unit Owner and upon the Declarant, upon all future Unit Owners, upon Owner's lessees, invitees, permittees, licensees, guests or any other person or entity having any right, title or interest in the Property.
- (b) **Residential nature of units.** The Units shall be used only for residential, noncommercial purposes; provided, however, this prohibition shall not be interpreted to prevent a Community Member from "working from home" so long as such working from home does not result in customer or client visits or shipping and receiving more intensive than is usual and customary for a residential condominium unit.
- (c) **No day care or group home.** Except to the extent such uses are required by law to be permitted, no Unit may be used for day care or group home purposes.
- (d) **Odors and noise.** No unusual, disturbing or objectionable odor or noise shall be permitted to emanate from any Unit.
- (e) **No sweeping or debris into Common Elements.** No Unit Owner shall sweep or throw any debris, dirt or other substance into any Common Element or from any window or balcony, patio or

terrace or permit any other person to engage in such activities.

- (f) **Comply with city, county, state and federal laws.** The Owners shall each comply with all laws, statutes, codes, rules, orders, decrees, ordinance, regulations and requirements, now or hereafter enacted or promulgated by the United States of America, State of North Carolina, the County of Durham, or the City of Durham, and any other entity or agency now or hereafter having jurisdiction over the Property or any portion thereof; and make all payments of taxes and other charges, the nonpayment of which entitles the unpaid party to assert a lien on an Owner's property, or if noncompliance or nonpayment by one Owner with respect to his Unit or any part thereof would subject the other Owner to civil or criminal liability, or would jeopardize the full force or effect of any certificate of occupancy issued for a Unit or for the Building itself or would jeopardize such other Owner's right to occupy or use beneficially his respective Unit or any part thereof, or would result in the imposition of a lien against any other property of an Owner.
- (g) **Owner responsibility for use of units and consequences.** Each Owner (hereinafter for the purposes of this section 3.4(f), "Indemnifying Owner") covenants and agrees, at its sole cost and expense, to indemnify and hold harmless any other Owner, its partners, agents, directors, officers, employees and members (collectively referred to for the purposes of this section 3.4(f) as the "Indemnitee") from and against any and all claims against Indemnitee for losses, liabilities, damages, judgments, costs and expenses and any actions or proceedings arising therefrom, by or on behalf of any person, firm, corporation or governmental authority, other than the Indemnitee, arising from the Indemnifying Owner's or its permittees' use, possession, or management of the Indemnifying Owner's Unit or activities therein or arising out of the Indemnifying Owner's or its permittees' use, exercise or enjoyment of an easement and from and against all costs, reasonable attorney's fees, expenses and liabilities incurred with respect to any such claim, action or proceeding brought against the Indemnitee by reason of any such claim, Indemnifying Owner, upon notice from Indemnitee, covenants to resist or defend such action or proceeding with attorneys reasonably satisfactory to Indemnitee. (Any counsel for the insurance company providing insurance against such claim, action or proceeding shall be presumed reasonably satisfactory to Indemnitee.)
- (h) **No negative impact on the building or Community members.** No Unit Owner shall do, suffer, or permit to be done, anything in his Unit which would impair the soundness or safety of the Condominium, or which would be noxious or offensive or an interference (including noise) with the peaceful possession and proper use of other Units, or which would require any alteration of or addition to any of the Common Elements (except as required by law), or which would otherwise be in violation of law, or which would cause the insurance rates for the insurance carried by the Association, or by any other Unit Owner on his Unit or personal property kept on the Property, to increase above the commercially reasonable rates available for similar purposes.
- (i) **Emergency access to units.** In case of any emergency originating in or threatening any Unit, or any portion of the Common Elements, regardless of whether the Owner, any tenant, or their invitees, if any, are present at the time of such emergency, the Association's Board and all managerial personnel shall have the right to authorize access to such Unit and any Common Element or Limited Common Element for the purpose of remedying or abating the cause of such emergency, and such right of entry shall be immediate. To facilitate entry in the event of any such emergency, the Owner of each Unit, if required by the Association, shall deposit a key to

such Unit or Limited Common Element under the control of the Association.

- (j) **Hazardous substances.** No Owner shall (either with or without negligence) cause or permit the escape, disposal or release of any biologically active or other hazardous substances, or materials (including flammables) or allow the storage or use of such substances or materials anywhere on the Property in any manner not sanctioned by law for the temporary storage and use of such substances or materials. Each Owner shall maintain its Unit so as to comply with all now existing or hereafter enacted or issued statutes, laws, rules, ordinances, orders, permits and regulations of all state, federal, local and other governmental and regulatory authorities, agencies and bodies applicable to the Property pertaining to environmental matters or regulating, prohibiting or otherwise having to do with asbestos, lead and all other toxic, radioactive, or hazardous wastes or material including, but not limited to, the Federal Clean Air Act, the Federal Water Pollution Control Act, and the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as from time to time amended.
- (k) **TV antenna, dish, etc.** Except as permitted by applicable law, including regulations of the Federal Communications Commission, no television antenna, dish, radio receiver or sender or other similar device shall be attached to or installed in the exterior portion of any Unit or to the Common Elements without the express prior written permission of the Association, and no such device shall be attached to or installed on or in any Limited Common Element without the prior written consent of the Unit Owner(s) of Units to which such affected Limited Common Elements are allocated.
- (l) **Garbage and recycling.** All garbage and items to be recycled shall be placed only in the designated receptacles for pickup by the City of Durham, its agent, or other private contractor.
- (m) **Changes mandated by law.** Declarant or Association may make changes in any Unit or in the Common Elements at any time to meet mandatory requirements of applicable law.
- (n) **Hanging of pictures and shelves.** No Owner shall in any way puncture, tear, cut or otherwise damage the gypsum board which is hung on the perimeter walls and certain ceilings of the Units in violation of the applicable building codes; provided, however, this restriction shall be construed to permit the normal hanging of pictures or shelves.
- (o) **No time share programs.** No interest in any Unit shall be subjected to a time share program, as that term is defined in N.C.G.S. § 93A-41(10).
- (p) **No tobacco smoking.** There shall be no smoking tobacco products in any part of the Condominium. This prohibition expressly prohibits smoking tobacco products within any Units or Limited Common Elements or any portion of the Common Elements, and expressly prohibits the smoking of tobacco products by any substance by any method, including, without limitation, cigarettes, cigars, pipes, and all other smoking devices intended for the smoking of tobacco.
- (q) **No personal storage in Common Areas.** Unit Owners shall not store anything within or on the Common Elements without the prior approval of the Association; provided, however, that a Unit Owner may store or place things on Limited Common Elements allocated exclusively to his Unit subject to the other provisions of this Declaration. The Association may make reasonable rules and regulations regarding the storage of things within or on the Common Elements.

- (r) **Grilling only per fire codes.** Grilling using charcoal grills, gas grills, other grill type or any open flame device shall be subject to the applicable fire codes.
- (s) **Expectations of Community Members.** The Condominium is inhabited by the Community Members and it is expected that such Community Members will take an active role in the life of the community which includes keeping informed of Association decisions, serving on committees and assuming other tasks as necessary.
- (t) **Leasing of Units.** All Units shall be purchased with the intent to be Owner occupied, however certain occasions may warrant the leasing of Units for limited terms. The following covenants apply to the leasing of any Unit:
- (i) Any lease of any Unit shall expressly provide that occupancy thereunder must be in a manner consistent with the Condominium Documents and shall provide that the terms and conditions of the Condominium shall be complied with by the Tenant. Any lease entered into by a Unit Owner pursuant to the provisions of this paragraph shall be deemed to contain the requirements set forth in the Condominium Documents whether or not they are actually contained therein, and the Owner and the Tenant under any such lease shall be bound by these provisions.
 - (ii) An Owner may lease their Unit to any Housemate, in accordance with Durham City regulations, without approval of the Board.
 - (iii) Any Owner that leases a Unit to a Tenant or has a Housemate (whether or not the Tenant or Housemate pays rent) is responsible for introducing such Tenant or Housemate to the Community Members, and for ensuring that such Tenant or Housemate understands the expectations of the Community Members.
 - (iv) Any Owner who desires to lease their Unit to a Tenant or otherwise have a Tenant reside in such Owner's Unit shall apply to the Board for approval of such arrangement (lease or otherwise). Such Board approval shall not be granted by the Board for Short Term Rentals or terms of more than one year. The Board may allow any Unit to be leased for additional periods (in addition to the initial term), but in no instance may the aggregate term or period of continuous tenancy extend beyond two (2) years (see section 3.4(i)(ix) below).
 - (v) When seeking approval of any leasing arrangement from the Board, the Owner shall provide the Board with a copy of the proposed lease agreement one month before the rental period is to begin. The Board will notify the Community Members when it receives such a proposal. The Board may waive this time limit in exceptional circumstances. The lease agreement should include the following:
 1. A written statement that the Owner intends to return as a full-time resident of the Condominium/Unit;
 2. All terms of the rental agreement;
 3. Language that clearly states that subletting of the Unit by the Tenant is prohibited; and
 4. Name of Community Member(s) who have agreed to act as the Mentor to the Tenant.
 - (vi) Absentee Owners should stay in touch with the Community Members and should be ready to provide a proxy to another Owner to exercise at meetings of the Association.
 - (vii) The Owner must provide a key of such Owner's Unit to the Mentor of the Tenant(s) during the Owner's absence.
 - (viii) To complete the Board's approval process, once a lease is signed, the Owner must provide the Board with:
 1. Contact information of the Owner for the period of the tenancy; and

2. A signed copy of the final lease agreement.
- (ix) Any Owner who wishes to lease a Unit that is currently leased for additional periods of one (1) year, or Owners who desire to rent their Units more than once within a twelve (12) month period, may apply to do so, subject to the following covenants and conditions:
1. The Owner of such Unit shall reaffirm in writing his or her intention to return to the community as full-time residents.
 2. The Board, after publicly informing the Community Members regarding the proposed lease, requesting comments from the Community Members regarding the same, and consulting with neighboring Unit Owners of the Unit in question, shall provide a determination, in its sole discretion, whether during the previous lease term, the Unit had been well managed and whether the Tenants have participated appropriately as Community Members.
 3. The proposal to rent/lease for an additional period complies with all the other applicable requirements.
- (x) Owners shall not be permitted to lease their Units unless they have lived in the community for at least twelve (12) months or owned the Unit for at least twelve (1) months.
- (xi) The Board may permit Owners who acquire Units by inheritance to rent their Units subject to the terms of this section 3.4(i).
- (xii) If any Owner leases their unit without approval by the Board, the Board shall enforce the violation of this Declaration in accordance with the Condominium Documents.
- (xiii) Tenants shall have the rights and responsibilities of Community Members, including participation in Association, except they will not be allowed to vote without having the proxy of the Owner of the Unit in accordance with the Condominium Documents.
- (xiv) Each Tenant shall participate in an orientation process with their Mentor using materials provided by the Association. All Community Members shall act in accordance in the Condominium Documents. Owners are ultimately responsible for the compliance of their Tenant or Housemate with the Condominium Documents.
- (xv) Tenants are expected to participate in duties performed by Owners including, but not limited to, recycling, trash collection, snow removal, security checks and work days.
- (xvi) Tenants are invited and encouraged to participate in community life, including meetings and committees, and community meals, including serving, cooking and cleaning up after the meals.
- (xvii) If Tenants have questions or concerns about community life or responsibilities or relationships with Community Members, they should consult with the Mentor and/or with other Community Members.
- (xviii) An orientation guide for new residents of the Condominium shall be provided to Tenants when they first arrive.
- (xix) Mentors shall use the orientation guide to conduct an initial orientation for Tenants when they first arrive and will stay in touch with them as needed during their period of adjustment to the Condominium.
- (xx) Community Members will welcome and accept new Tenants and Housemates as Community Members (subject to the restrictions on voting stated above).
- (xxi) Community Members who have concerns related to Tenants should bring them first to the Tenants themselves, then to the Mentor and, if necessary, to the Board.
- (xxii) Each lease agreement between an Owner and Tenant shall contain the following language:
1. Tenant understands that the Condominium is a cohousing community and that he or she is welcomed to participate in community activities such as meetings, meals,

entertainment or work activities. Tenant may use the common facilities. If Tenant wishes to reserve the guest rooms or to reserve common facilities for private use, the established procedures for reserving and using these facilities must be followed. Tenants shall abide by the Condominium Documents.

2. Tenant understands that he or she is expected to participate in recycling and in common cohousing chores including, but not limited to, taking out trash barrels, security checks, lawn maintenance, snow removal and community workdays.
- (u) **Pets and Service Animals.** Pets and Service Animals are welcome in the Condominium subject to the Condominium Documents. Animals that are not Pets or Service Animals are prohibited on the Property. All Community Members shall be bound by the Animal Control Ordinance of the City of Durham, and also be bound by the pet control guidelines established by the Association, which may be stricter than the Animal Control Ordinance of the City of Durham.
- (i) All Community Members must register their Pets and Service Animals with the Association, and sign and agree to abide by the current pet policy as determined by the Board.
 - (ii) The Association reserves the right to charge a reasonable service fee to Pet owners and to determine the fee structure.
 - (iii) Pets are not allowed in any Common Element, except when being transported in and out of the Condominium. The transit of Pets between Units and the outdoors shall be limited to the normal areas of ingress, egress and regress. Pets are not permitted in any of the Common Elements used for dining and socializing. Service Animals may accompany their Owners in all parts of the Condominium as necessary, except in kitchen areas where Service Animals are prohibited.
 - (iv) Any Pet or Service Animal that creates noise or smells that disturb neighbors, bites, attacks or displays any aggressive behavior will not be allowed on the Property. The Board reserves the right to impound and expel an animal based on offending behavior and at the sole discretion of the Board.
 - (v) The following Pets are allowed on the Property: cats, dogs, fish, birds (excluding chickens and roosters and wild or exotic breeds as defined by applicable laws), rabbits, gerbils, guinea pigs, nonvenomous snakes native to North Carolina, reptiles and amphibians (excluding wild or exotic breeds as defined by applicable laws). A Pet shall not include animals of any kind that have venom or poison or capture mechanisms, or if let loose would constitute vermin. The Board may grant exceptions to this prohibition but also reserves the right to restrict further the types of animals allowed on the Property.
 - (vi) With the exception of Service Animals as defined by the Americans With Disabilities Act, no dog breeds known for aggressive or assertive behaviors (including, but not limited to, Pit Bull and Pit Bull mixes, Rottweiler and Rottweiler mixes, Mastiff, German Shepherd, Huskies, Alaskan Malamute, Doberman Pinschers, Chow Chows, Pres Canarios, Boxers and Dalmatian) will be allowed on the Property. The Board may grant exceptions to this prohibition but also reserves the right to apply this prohibition to other breeds based on updated information from the Center for Disease Control.
 - (vii) The Board reserves the right to limit the number of any pets kept in a Unit.
 - (viii) Commercial breeding of any animal is prohibited.
- (v) **Weapons.** The Residents of the Condominium desire to live in a safe and trusting community. The following covenants apply to weapons:
- (i) All weapons of any kind in possession of Community Members and their guests and invitees, including, but not limited to, firearms, swords, and knives, shall be stored safely by such

- person in a Unit or Storage Closet.
- (ii) No weapons are permitted in any Common Elements except when being transported through the Common Elements.
 - (iii) All weapons shall be handled, stored and transported in compliance with all applicable North Carolina and local laws.
 - (iv) The Association reserves the right to restrict possession and storage of weapons on the Property.
- (w) **Noise.** The residents of the Durham Central Park Condominium seek to maintain peace and quiet in the Condominium. The City of Durham Noise Ordinance shall bind all Community Members, their guests and invitees. Community Members, guests and invitees shall also be bound by any noise guidelines established by the Association Board, which may be stricter than the City of Durham Noise Ordinance.
- (x) **Special Rules for Signs, Banners, and Flags.**
- (i) Except as required by law, no signs, banners, or flags or of any type shall be posted, hung or erected by any Owner or any other person on any part of the Common Elements except as permitted by this subsection 3.4(c) or by the prior approval of the Association.
 - (ii) "For Sale," "For Lease" or other similar signs not exceeding two square feet in size for the purpose of marketing the Unit are permitted to be hung in a window for not more than one hundred twenty (120) days in any twelve (12) month period.
 - (iii) The display of any flag or banner that is visible from outside the Condominium is subject to the applicable laws.

3.5 Assessments for Common Expenses.

- (a) **Periodic Assessments for Common Expenses.** The Association shall have the power to levy, and all Unit Owners shall be obligated to pay, periodic assessments imposed by the Association to meet all Association Common Expenses. Payment of the periodic assessments shall be in equal monthly installments on or before the first day of each month, or in such other reasonable manner as the Board shall designate so long as the assessments are levied at least annually. Within thirty (30) days after the adoption of any proposed budget, the Executive Board shall provide a summary of the budget to all Unit Owners, and shall set a date for a meeting of the Unit Owners to consider ratification of the budget not less than fourteen (14) or less than thirty (30) days after mailing of the summary. There shall be no requirement that a quorum be present at the meeting for the purpose of ratifying the budget. The budget shall be ratified at that meeting unless the Unit Owners constituting seventy five percent (75%) of the total votes in the Association reject the budget. If the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the Unit Owners ratify a budget proposed by the Executive Board.
- (b) **Assessments to Remain in Effect Until New Assessments Made.** The omission by the Board before the expiration of any year, to fix the assessments hereunder for that or the next year, shall not be deemed a waiver or modification in any respect of the provisions of this Declaration and Bylaws or a release of any Unit Owner from the obligation to pay the assessments, or an installment thereof for that or any subsequent year, but the assessment fixed for the preceding year shall continue until a new assessment is fixed. No Unit Owner may exempt himself from liability for his contribution towards the Common Expenses by waiver of the use or enjoyment of

any of the Common Elements or by abandonment of his or her or its Unit.

- (c) **Special Assessments.** All Unit Owners shall be obligated to pay special assessments imposed by the Association to meet the costs of, among other things, capital improvements, repair or replacement of the Common Elements, allocations to reserves and other extraordinary expenses.
- (d) **Records.** The Board shall keep detailed records of the receipts and expenditures according to the Bylaws, and the Association's financial records shall be available to the Owners as prescribed in the Bylaws. Upon written request from any Eligible Holder, the Association shall prepare and furnish within a reasonable time an audited financial statement of the Association for the immediate preceding fiscal year.
- (e) **Default in Payment of Assessments.** The Board shall take prompt action to collect any periodic and special assessments, or portions thereof, due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof. In the event of default by any Unit Owner in paying any assessments as determined by the Board, such Unit Owner shall be obligated to pay a late charge of the greater of twenty dollars (\$20.00) or ten percent (10%) of the payment which is late, together with all expenses, including attorney's fees, incurred by the Board in any proceeding brought to collect such unpaid assessments. The Board shall have the right and duty to attempt to recover such assessments, together with interest thereon, and the expenses of the proceeding, including attorney's fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by N.C.G.S. § 47C-3-116. With regard to the subordinate nature of such liens as it relates to mortgages recorded prior to the recording of any evidence of such lien, the provisions of N.C.G.S. § 47C- 3-116(b), as amended, shall be controlling.
- (f) **Statement of Assessments or Other Charges.** The Board shall, within ten (10) days of a request and for a reasonable fee not to exceed Ten Dollars (\$10.00), promptly provide any purchaser, Unit Owner, lender or prospective lender so requesting the same in writing, with a written statement of the current Common Expense Share allocated to the Unit and of all unpaid assessments or other charges due from the Owner of that Unit and the purchaser's liability therefor shall be limited to the amount as set forth in the statement.
- (g) **Utilities.** The Association will maintain the accounts for the Building in its name and utility charges will constitute a portion of the Association budget payable by the Owners in the periodic assessments as a Common Expense. Owners shall be directly responsible for any utilities such as telephone, internet, or cable that are provided by the utility company on a Unit by Unit basis.
- (h) **Limitation on Budget Increase.** The affirmative vote of 67% of the total votes in the Association shall be required for any increase to the Association budget in excess of 5% over the prior year's budget.
- (i) **Initial Working Capital Assessment.** Upon closing of the sale of every Unit from the Declarant to the initial purchaser, such initial Unit purchaser shall pay at closing to the Association the amount of three (3) months' regular assessments, not as a prepayment, but as working capital for the Association (10% of which shall be used to establish the reserve funding, or such greater

amount as may be required by agencies guaranteeing residential mortgages). This payment is in addition to the normal proration of the regular assessment at closing for the billing period in that is required at closing if the Declarant has begun assessing the Units.

3.6 Alterations.

- (a) An Owner may make improvements or alterations within his Unit that do not in any way change the Common Elements or otherwise impair the structural integrity of the Buildings or the mechanical, plumbing or electrical systems. Declarant may make changes in any Unit or in the Common Elements at any time to meet mandatory requirements of applicable law.
- (b) Removal of the physical partitions between adjoining Units is prohibited.
- (c) Subdivision of Units is prohibited.
- (d) Prior to the commencement of any material alterations the Unit Owner shall:
 - (i) Notify the association in writing of the intent to commence work and provide for waivers of all mechanics' and materialmen's lien rights which may arise as a result of the alteration if requested by the Association;
 - (ii) Secure all proper governmental permits, including, but not limited to building permits, necessary for the completion of the work;
 - (iii) Purchase insurance insuring against all losses commonly insured against arising out of the work, name Declarant and the Association as additional insureds and provide certificates of insurance with respect to such insurance;
 - (iv) Indemnify and hold the Declarant, the Association and all other Unit Owners harmless from the effect of the work including, but not limited to, any damage resulting from any disturbance to, or compromise of, the structural support of the Building;
 - (v) Minimize the disturbance to other Unit Owners during the work; and
 - (vi) Reimburse the Declarant and the Association for any expenses incurred by the Association, including but not limited to legal, architectural, other consulting fees, and repair or damage to Common Elements.
- (e) Any improvements made by a Unit Owner to a Limited Common Element allocated exclusively his specific Unit shall only be done with the prior written consent of the Association, including approval of plans for the work, except that Unit Owners shall not be required to first obtain the consent of the Association for the maintenance, repair or replacement of the heating, ventilation and air conditioning equipment serving their Units. All improvements are the sole responsibility of the Unit Owner and the costs of such will be borne entirely by the Unit Owner. The responsibility and cost to maintain, replace, repair, and insure such improvements are the sole responsibility of the Unit Owner. If any such improvements cause damage to the Unit, any other Unit or any of the Common Elements, the cost to repair such damage will be borne by the Unit Owner of the Unit to which the Limited Common Elements are allocated.
- (f) Changes to Common Elements are restricted. No Unit Owner shall modify or alter any Common Elements (including Limited Common Elements) without the prior written consent of the Association, including the Association's written approval of such Unit Owner's plans for the proposed work, and such work shall be subject to the construction rules in Section 3.6(d). The plans for the Unit Owner's work shall explain the impact of the proposed work on other Units and the Building's systems, and the plans shall be made to minimize such impact.

