

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

SCEARNEL



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.

ARTICLE IV
COMMON ELEMENTS

4.1 Common Elements. The real estate that comprises the Common Elements as of the recording of this Declaration is all of the Property except the Units. Subject to the other provisions of this Declaration, the Association shall be responsible for the maintenance, replacement and repair of the Common Elements and the cost for such maintenance, repair or replacement shall be borne by all the Unit Owners.

There are Storage Closets for Owners in the Common Elements. The Association shall allocate to each Unit one (1) Storage Closet for use of that Unit's Owner. Owners may lock the Storage Closet assigned to them so long as the Association has the means to enter the Storage Closet to fulfill its obligations hereunder.

4.2 Limited Common Elements. The Limited Common Elements are identified and allocated as follows:

(a) The Limited Common Elements specified in section N.C.G.S. § 47C-2-102(2) (being any chute, flue, duct, wire, conduit, bearing wall, bearing column, or any other fixture which lies partially within and partially outside the designated boundaries of a Unit, or any portion thereof serving only that Unit, including satellite dishes and mailboxes) are allocated to the Units served by those Limited Common Elements.

(b) The Limited Common Elements specified in section N.C.G.S. § 47C-2-102(4) (being any shutter, awning, window box, doorstep, stoop, deck, porch, balcony, patio and all exterior doors, windows or other fixtures designated to serve a single Unit but located outside the Unit's boundaries) are allocated to the Units served by those Limited Common Elements.

(c) All portions of heating, ventilation and air conditioning ("HVAC") systems lying outside the boundaries of Units but serving only one Unit are Limited Common Elements allocated to the Unit served by those systems.

(d) Each Unit is allocated one exclusive parking space as a Limited Common Element. The Association is responsible for allocating one exclusive space to each Unit based on reasonable considerations such as the relative health of Community Members.

Subject to the other provisions of this Declaration, the Association shall be responsible for the maintenance, replacement and repair of the Limited Common Elements and the cost for such maintenance, repair or replacement shall be borne by the Unit Owner so benefited by the Limited Common Element, as more specifically set forth in the Bylaws. Maintenance to the Limited Common Element parking spaces shall be charged equally to Unit Owners except where the maintenance is necessary because of an Owner's negligence, in which case the cost shall be assessed under Section 3.3(b) hereof. In the event that a Unit Owner has installed improvements to a Limited Common Element allocated exclusively to his Unit, and such improvements must be altered by the Association to maintain, repair or replace the Limited Common Element, the cost of such alterations shall be borne by the Unit Owner of the Unit to which such Limited Common Elements are allocated. Unit Owners shall be directly responsible for arranging for the maintenance, repair or replacement of the portions of HVAC systems serving their Unit exclusively and for payment of the same. The Association shall be responsible for maintaining, replacing and repairing portions of the HVAC systems serving more than one Unit.

4.3 Parking. The Association shall be responsible for promulgating policies governing the use of parking spaces in the Condominium that are in excess of the 25 exclusive spaces, if any.

4.4 Conveyance or Encumbrance of Common Elements. Portions of the Common Elements may be conveyed or subjected to a security interest by the Association if the Owners entitled to cast at least eighty percent (80%) of the votes in the Association, including eighty percent (80%) of the votes allocated to Units not owned by Declarant, agree to that action; provided, that all the Units Owners to which any Limited Common Element is allocated must agree in order to convey such Limited Common Element or subject it to a security interest. The procedure for conveying or encumbering a portion of the Common Elements and distributing the proceeds, if any, shall be that set forth in N.C.G.S. § 47C-3-112.

ARTICLE V **AMENDMENT AND TERMINATION OF CONDOMINIUM**

5.1 Amendment of Declaration.

(a) Except in cases of amendments by the Declarant, the Association, or certain Unit Owners pursuant to the exceptions provided in N.C.G.S. § 47C-2-117(a), the Declaration may be amended only by a consensus of Members representing sixty seven percent (67%) of the Units in the Association. Provided, however, where the act or approval of a greater percentage of the vote of Unit Owners is expressly required by this Declaration, the Act, or the Association's Articles of Incorporation or Bylaws, this Declaration may not be amended to decrease such greater percentage of votes without the consent of Unit Owners holding that greater percentage of votes. Any amendment purporting to vitiate, reduce, or impair any right of Declarant shall be void and of no effect unless executed by Declarant.

(b) Every amendment shall be prepared, executed, recorded and certified by the Association and shall be effective only when recorded in the Durham County Registry.

(c) Except where permitted by the Act, if applicable, no amendment to the Declaration may create or increase Special Declarant Rights, increase the number of Units, or change the boundaries of any Unit, or the uses to which any Unit is restricted, in the absence of unanimous consent of the Unit Owners.

(d) Notwithstanding the foregoing, this Declaration may be amended by the Declarant or Association without the consent of any Owner in order to comply with any provisions of law or to correct manifest errors herein; and any such amendment, upon execution and certification by the Declarant or Association and recording by the Durham County Registry, shall be effective upon recording. In addition, for so long as Declarant has the right to appoint the majority of the members of the Board of the Association and to the extent permitted by law, this Declaration and the other Condominium Documents may be amended by the Declarant without the consent of any Owner in order to comply with the rules, regulations and policy statements promulgated and issued by the U.S. Department of Housing and Urban Development, the Veterans' Administration, the Federal Housing Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation or the Government National Mortgage Association.

(e) No amendment shall reduce or impair any rights reserved by the Declarant without the consent and joinder of Declarant.

(f) Notwithstanding anything herein to the contrary, certain types of amendments to this Declaration must be approved by certain mortgagees of Unit Owners as set forth in Article XIII hereof.

5.2 Termination. Subject to Article XIII hereof, the dedication of the Property to the Condominium herein shall not be revoked, or the Property removed from the Act except that the Condominium may be terminated and the Property removed from the provisions of the Act by the affirmative vote of the Unit Owners representing at least eighty percent (80%) of the total votes allocated agree to terminate the Condominium, as evidenced by execution of a termination agreement, or ratification thereof, by such Owners, provided that all the mortgagees of the Units (including those mortgagees of Unit Owners who did not consent) are provided with thirty (30) days prior written notice of such termination. Except as otherwise provided for herein, termination of the Condominium shall be in accordance with the Act.

5.3 Statutory Compliance. No amendment or termination that is contrary to, or inconsistent with, any requirements or provisions of the Act shall be valid.

ARTICLE VI
DECISIONS IN ASSOCIATION; ALLOCATION OF INTEREST IN COMMON ELEMENTS
AND COMMON EXPENSE LIABILITIES

6.1 Votes and Interest in Common Elements. All Unit Owners may participate in the consensus decisions of the Association. All Units are allocated an equal voting interest and an equal interest in the Common Elements appurtenant to each Unit. The voting interest and interest in the Common Elements allocated to each Unit is stated on Exhibit B attached hereto and incorporated herein by reference.

Notwithstanding the requirements for consensus decision making in the Articles, the Bylaws, or this Declaration, where the North Carolina Condominium Act or the North Carolina Nonprofit Corporation Act requires decision making by vote, then such vote shall be held in accordance with law and in accordance with the required percentage of votes cast as set forth in the Condominium Documents, or if not so set forth, then as set forth in the relevant statutes.

6.2 Common Expense Share. The Common Expense Share allocated to each Unit shall be calculated based on two weighted factors, the square footage of the Unit and the number of people residing in the Unit. The Common Expense Share allocated to each Unit as of the recording of this Declaration is set forth on Exhibit B. The Common Expense Shares allocated to the Units will change in the future as the number of residents in the Condominium changes, and as the Board recalculates the Common Expense Share of each Unit as described below. Therefore, the Common Expense liability of each Unit will change over time.

The method of calculation of the Common Expense Share allocated to each Unit is described as follows:

Two thirds of the Common Expense Share for each Unit is based on the square footage of the Unit relative to the total square footage of all the Units. The remaining one third of the Common Expense Share for each Unit is based on the number of residents in a Unit relative to the total number of residents in the Condominium.

The Common Expense Share allocated to each Unit shall be the sum of the Unit's Square Footage Share (as defined below) plus the Resident Share (as defined below).

Square Footage Share shall mean the product of two-thirds (2/3) multiplied by the quotient of the Unit's total square footage over the total number of square footage of all the Units.

Example of Square Footage Share: $2/3 \times \frac{\text{Square Footage of Unit}}{\text{Total Square Footage of all Units}}$

Occupant Share shall mean the product of one-third (1/3) multiplied by the quotient of the number of people that reside in the Unit (which is the numerator) over the total number of people who reside in the Condominium (which is the denominator).

Example of Resident Share: $1/3 \times \frac{\text{Number of People Residing in Unit}}{\text{Total Number of People Residing in Condominium}}$

Beginning with calendar year 2014 and every subsequent year, in order to determine the number of residents in each Unit and the total number of residents in the Condominium, the Board shall conduct a census between December 15 and December 31 (first in 2013) and between June 1 and June 15 of every year (first in 2014), and based on this census, the Board shall recalculate the Common Expense Share allocated to each Unit, and such recalculated Common Expense Share shall be effective on January 1st and July 15th each year. The board shall notify all Owners in writing (or electronically using the Owner's most current email address on file) of the recalculated Common Expense Share.

Units owned by the Declarant shall be deemed to have one (1) resident.

The square footage of each Unit shall be as stated on the Plat.

ARTICLE VII
ADMINISTRATION AND BYLAWS

7.1 Association; Bylaws. Declarant has caused to be incorporated under the laws of the State of North Carolina a nonprofit corporation known as Durham Central Park Cohousing Condominium Association. Each Unit Owner shall have the right to participate in the decisions of the Association as set forth in Article VI hereof. The administration of the Condominium, and consequently of the Association, shall be in accordance with the provisions of the Bylaws.

7.2 Automatic Membership in Association. Each Unit Owner shall automatically become and be a member of the Association upon being conveyed a fee interest in a Unit. Should a Unit Owner be a corporation, limited liability company, partnership, trust, unincorporated association or other entity, said corporation, limited liability company, partnership, trust, unincorporated entity or other entity must designate, in a certificate signed by an officer, manager, partner or other authorized representative of such entity, the name of the individual authorized, to be known as the Designated Member, to vote on behalf of such entity, which certificate shall be filed with the Secretary of the Association. All such certificates shall be valid until revoked, superseded by a subsequent certificate, or until there has been a change in ownership of the Unit concerned.

ARTICLE VIII
GENERAL CONDITIONS; MISCELLANEOUS MATTERS

8.1 Common Elements Not Partitioned. Unless otherwise herein provided, the Common Elements and Limited Common Elements shall remain undivided and no Unit Owner shall bring any action for partition and/or division of same.

8.2 Common Elements Not Severable from Units. The undivided interest in the Common Elements and Limited Common Elements shall not be separated from the Unit to which it appertains and

shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

8.3 Provisions and Covenants Applicable to Units. Each Unit Owner shall comply with the provisions this Declaration, all exhibits hereto, and authorized amendments hereto. The failure to comply with such provisions, decisions, or resolutions shall be grounds for an action to recover sums due for damages or for injunctive relief. The Units shall also be conveyed subject to the recorded Plat for the Property and amendments thereto. The acceptance of a deed of conveyance or the entering into of a lease for any portion of the Property or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the Bylaws and any Policies which may be adopted by the Association are accepted and ratified by such Owner, tenant or occupant, and an agreement that such provisions shall be deemed and taken to be covenants running with the Property and shall bind any person having at any time any interest or estate in such Unit as though such provisions were made a part of each and every deed of conveyance or lease.

8.4 Nonuse Not Exemption of Liability for Common Expenses. No Unit Owner may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit.

8.5 All Users of Property Subject to Declaration. All present or future Unit Owners and any other person that might use the facilities of the Property in any manner, including those who may lease a Unit from the Declarant, are subject to the provisions of the Condominium Documents and any authorized amendments thereto, and the mere acquisition or rental of any of the Units shall signify that the provisions of the Condominium Documents and any authorized amendment thereto are accepted and ratified.

8.6 Assessments Subordinate to Mortgagee Taking Title. Where a mortgagee or other purchaser of a Unit obtains title by reason of foreclosure or deed in lieu of foreclosure of a deed of trust encumbering a Unit, such acquirer of title, his or its heirs, successors, assigns or grantees, shall not be liable for assessments by the Association which became due prior to the acquisition of title by such acquirer, it being understood however, that the this section shall not be construed to prevent the Association from filing and claiming liens for such unpaid assessments and enforcing the same as provided by law, and provided that such assessments shall be subordinate to such deed of trust. Any sale or transfer of a Unit pursuant to a foreclosure shall not relieve the purchaser or transferee of a Unit from liability for, nor the Unit so sold or transferred from, any Common Expenses thereafter becoming due.

8.7 Condemnation. In the event of an action for eminent domain or a condemnation of all or a portion of the Property which is subject to this Condominium, the award for such taking shall be distributed in accordance with the procedure set forth in N.C.G.S. § 47C-1-107.

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

8.9 Gender and Number. The use of the feminine gender in this Declaration shall be deemed to refer to the masculine and neuter gender, and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

8.10 Applicable Law; Interpretation. This Declaration is set forth to comply with the requirements of the Act as presently constituted or as hereafter amended. In case any of the provisions stated above conflict with the provisions of the Act, the provisions of the Act shall control. In all cases, the provisions of this Declaration shall be given that reasonable interpretation or construction which will

best effect consummation of the general plan of land use restrictions and affirmative obligations of the Property, which will carry out the intent of the Declarant as expressed herein, and which will preserve the Property as a site for an attractive, well-maintained, residential community.

Should any provision of this Declaration or any section, paragraph sentence, clause, phrase or term in this Declaration be declared to be void, invalid, illegal, or unenforceable for any reason by the adjudication of the highest court or other tribunal which considers such matters and has jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable.

Contrary to the restrictive common law rule of construction, this Declaration shall by this covenant be interpreted broadly to touch and concern the Property with recognition of modern economic, land use planning and real estate finance and development principles, theories and practices. It is the Declarant's intent, and all Owners who take subject to this Declaration to covenant and agree and are thereby estopped to deny, that any reserved right or function of the Declarant and/or Association, and any other covenant, condition, restriction or obligation within this Declaration is intended to promote the use and enjoyment of the Property, is intended to foster the creation, preservation or enhancement of economic or intangible value associated with the Property, and does touch and concern, benefit and burden and run with the Property.

8.11 Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Declaration or the intent of any provisions hereof.

8.12 Exhibits. All the exhibits to this Declaration shall be an integral part of this instrument and are hereby incorporated by reference.

ARTICLE IX **INSURANCE; RECONSTRUCTION AND REPAIR**

9.1 Insurance. The Association shall be required to obtain and maintain insurance policies that include the minimum coverages of (i) one hundred percent (100%) replacement coverage on the Building, including the Units, less a commercially reasonable deductible amount, (ii) liability insurance coverage of at least \$1,000,000 per occurrence and \$2,000,000 per accident, and (iii) fidelity bond or fidelity crimes insurance coverage covering the Board members, officers and employees of the Association in a reasonable amount. The Association shall be required to insure all the Units at one hundred percent (100%) replacement coverage; however, the Association shall not be responsible for insuring improvements and betterments made to those Units by the Unit Owners. Additional provisions governing insurance are contained in the Bylaws. The Association's policy insurance will not cover improvements made by Unit Owners to Limited Common Elements.

With respect to any claim against the Association's policy made by an Owner relating to a problem within a Unit, to the maximum extent permitted by law, the claimant Owner shall be responsible for paying half the applicable deductible. This provision is intended to minimize frivolous claims by Owners that could result in higher insurance premiums.

9.2 Insurance Obtained by Owners. Each Owner shall obtain and keep continuously in force additional fire and casualty and extended coverage insurance upon his Unit, his personal property, public liability insurance, and such other insurance coverage as he may desire. Each Owner shall obtain and maintain public liability insurance coverage in the amount of at least \$500,000 for bodily injury, including death, of persons and property damage, arising out of a single occurrence, and all Owner's

insurance policies shall waive any right of the insurer to contribution or proration because of the Association's casualty and public liability policy.

At the request of the Association or Declarant, each Owner shall certify at the closing of the purchase of a Unit that such an individual policy has been obtained.

9.3 Reconstruction. In the event of casualty loss or damage to the Property the provisions of N.C.G.S. § 47C-3-113(h) shall govern all matters pertaining to reconstruction and repair.

ARTICLE X **EASEMENTS**

10.1 Reserved Easements. The Declarant expressly reserves such easements through the Common Elements as described in N.C.G.S. § 47C-2-116. The Association shall have the right at any time to grant easements for utility purposes for the benefit of the Property, including the right to install, lay, maintain, repair and replace water lines, pipes, ducts, sewer lines, gas mains, telephone and television or cable television wires, cables and equipment, electrical conduits, and wires over, under, along and on any portion of the Common Elements. Easements for installation and maintenance of utilities and drainage facilities, if any, are also reserved as shown on the Plat. Within these easements no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may obstruct or change the flow of drainage channels in the easements.

10.2 Easement for Encroachment. If any portion of the Common Elements now encroaches upon any Unit or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any such encroachments shall occur hereafter as a result of (a) settling of the Building; (b) alteration or repair to the Common Elements made by or with consent of the Association; (c) repair or restoration of the Building or any Unit made necessary because of damage by fire or other casualty; or (d) condemnation or eminent domain proceedings, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Building stand.

10.3 Other Condominium Easements. Each Unit Owner shall have a nonexclusive easement in common with all Unit Owners to use the Common Elements, including all pipes, wires, ducts, flues, cables, conduits, public, utility lines and other Common Elements, if any, located in any of the other Units and serving his Unit. To the extent that there are Common Elements within Units, each Unit shall be subject to a nonexclusive easement in favor of all other Unit Owners to use the pipes, wires, ducts, flues, cables, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit. The Association shall have the right of access to each Unit to inspect the same to remove violations therefrom and to maintain, repair or replace Common Elements contained therein or elsewhere on the Property.

10.4 Construction Easement. Declarant shall also have such easements through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations or exercising Special Declarant Rights as provided herein.

10.5 Emergency. The Association, or its agent, shall have a right of entry upon the Common Elements, Units and any Limited Common Elements to make emergency repairs or to carry out its duties to address emergencies, and a reasonable right of entry upon the Units to effect other repairs, improvements, replacement or maintenance made for the benefit of the Unit entered or another Unit.

10.6 Appurtenant. All easements granted herein are appurtenant to and shall run with the land,

and shall inure to the benefit of and be binding upon the Declarant, the Association, Owners, occupants, mortgagees, and any other person or entity having an interest in the Condominium.

ARTICLE XI
LENDER CONSENT

11.1 Consent of Lender. The Land and the Buildings are currently encumbered by the lien of that North Carolina Deed of Trust and Security Agreement dated November 26, 2012 as executed and delivered by Declarant to BB&T Collateral Service Corporation as Trustee, for the benefit of Branch Banking and Trust Company and recorded in Book 7128, Page 556, Durham County Registry. A Consent of Lender executed by said Trustee and said lender consenting to the execution and recordation of this Declaration is attached hereto as Exhibit C and made a part of this Declaration.

ARTICLE XII
GENERAL ASSOCIATION MATTERS

12.1 Powers of Board. All powers granted in the Declaration or the Bylaws to the Association shall be exercisable by the Board, except as otherwise expressly provided in the Declaration, the Bylaws, or the Act.

12.2 Policies. The Association may adopt and enforce reasonable Policies not in conflict with the Declaration and supplementary thereto, as more fully provided in the Bylaws.

12.3 Enforcement by Association. The Association shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, the Bylaws and Articles of Incorporation of the Association. Failure by the Association to enforce any covenant or restrictions therein shall in no event be deemed a waiver of the right to do so thereafter.

Upon notice to the Association of a violation hereunder and a failure of the Association to take action upon said violation within ninety (90) days, any Owner, or other holder of an interest in the Condominium may undertake the enforcement of the provisions of the Declaration at his own expense.

ARTICLE XIII
RIGHTS OF FIRST LIEN HOLDERS

This Article XIII shall govern notwithstanding any other provision of the Condominium Documents, and to the extent that there is a conflict between any other provision of the Condominium Documents and this Article XIII, this Article XIII shall control.

13.1 Notices of Action. A holder, insurer or guarantor of a first mortgage on a Unit which is entitled to the certain rights set forth in Section 9 of HUD Handbook 4265.1, Chg 4, Appendix 24 issued by the U.S. Department of Housing and Urban Development and which has given to the Association a written request stating the name and address of such holder, insurer or guarantor and the Unit number (hereinafter referred to as an "Eligible Holder"), will be entitled, and the Board shall cause to be delivered, timely written notice of the following:

(a) any proposed amendment of the Condominium Documents effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto; (ii) the interests in the Common Elements or Limited Common Elements appertaining to any Unit or the liability for Common Expenses thereto; (iii) the Common Interests allocated to any Unit; or (iv) the purposes to which any Unit

or the Common Elements are restricted;

- (b) any proposed termination of the Condominium;
- (c) any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by an Eligible Holder;
- (d) any delinquency in the payment of assessments or charges owed by a Unit Owner subject to the mortgage that is held, insured or guaranteed by an Eligible Holder, where such delinquency has continued for a period of sixty (60) days; or
- (e) Any lapse, cancellation or material modification of any insurance policy maintained by the association pursuant to Article IX hereof.

13.2 Approval Rights of Eligible Holders. The approval of Eligible Holders shall be required in the instances hereinafter set forth:

- (a) Termination of Condominium.
 - (i) Upon Casualty or Condemnation. Any election to terminate the Condominium after substantial destruction or a substantial taking in condemnation of the Property requires the approval of the Eligible Holders of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to mortgages held by such Eligible Holders are allocated.
 - (ii) In Absence of Casualty or Condemnation. In any election to terminate the Condominium in the absence of substantial destruction or a substantial taking in condemnation of the Property, the approval of the Eligible Holders of first mortgages on Units to which at least sixty-seven percent (67%) of the votes of Units subject to a mortgage appertain shall be required to terminate the Condominium.
- (b) Restoration or Repair. Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the original plans and specifications unless the approval is obtained of the Eligible Holders of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to mortgages held by Eligible Holders are allocated.
- (c) Amendment of Condominium Documents. The approval of the Eligible Holders of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to a mortgage appertain, shall be required to amend materially any provisions of the Condominium Documents or to add any material provisions thereto, which establish, provide for, govern or regulate any of the following:
 - (i) Decision making (or voting as the case may be);
 - (ii) Assessments, assessment liens or subordination of such liens;
 - (iii) Reserves for maintenance, repair and replacement of the Common Elements;
 - (iv) Insurance or fidelity bonds;

- (v) Rights to the use of Common Elements;
- (vi) Responsibility for maintenance and repair of the Common Elements;
- (vii) Expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium;
- (viii) Boundaries of any Unit;
- (ix) The interests in the Common Elements or Limited Common Elements;
- (x) Convertibility of Units into Common Elements or of Common Elements into Units;
- (xi) Leasing of Units;
- (xii) Imposition of any right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer, or otherwise convey his or her Unit in the Condominium;
- (xiii) Establishment of self-management by the Association where professional management has been required by HUD, VA, FHA, FNMA, FHLMC, or Ginnie Mae; or
- (xiv) Any amendment to a provision in the Condominium Documents which is for the express benefit of holders or insurers of first mortgages on Units.

[signature and acknowledgment page follow]

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the day and year first above written.

DECLARANT:

Durham Central Park Cohousing Community, LLC

By: Douglas Henderson James
Name: DOUGLAS HENDERSON-JAMES
Title: MANAGER, ~~DEVELOPER~~ LLC

STATE OF NORTH CAROLINA
COUNTY OF Durham

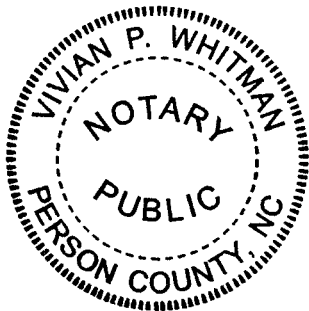
I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document: Douglas Henderson James

Date: Feb. 11, 2014

Vivian P. Whitman
Notary Public

Print Name: Vivian P. Whitman

[Official Seal]



My commission expires: 6/11/2017

**EXHIBIT A
TO
DECLARATION
OF
DURHAM CENTRAL PARK COHOUSING CONDOMINIUM**

Legal Description of Property

BEING all of that parcel commonly known 130 Hunt Street containing 25,354.52 square feet as shown on the survey entitled "Condominium Plat of Durham Central Park Cohousing Community LLC" by Coulter Jewell Thames, P.A. recorded in Condominium Plat Book 12, Page 216, Durham County Registry, and being more particularly described as follows:

BEGINNING at a ¾" iron pipe in the northern boundary line of Hunt Street, an existing 50' public right of way, at the southeastern corner of the parcel herein described, said beginning point being a control corner having NC Grid Coordinates N:818,945.21, E:2,029,954.81, and running thence N 01° 11' 20" W 139.40 feet to a computed point; thence S 89° 08' 41" W 110.30 feet to a computed point; thence S 00° 58' 59" E 6.15 feet to a computed point; thence S 89° 47' 40" W 74.08 feet to a computed point; thence S 00° 38' 59" E 78.52' to a ¾" iron pipe; thence S 00° 50' 38" E 55.01 feet to a PK nail in the northern boundary line of Hunt Street, said PK nail having NC Grid Coordinates N:818,942.56, E:2,029,769.36; thence running along and with the northern boundary line of Hunt Street the following two calls: (1) N 89° 20' 03" E 78.57 feet to a PK nail, and (2) N 89° 04' 11" E 106.90 feet to the place and point of BEGINNING.

The foregoing property is subject to:

1. Notice of Brownfields Property recorded in Book 6864, Page 488, Durham County Registry;
2. Matters shown on plats recorded in Plat Book 2, Page 191; Plat Book 8, Page 203; Plat Book 26, Page 104; Plat Book 103, Page 21; and Plat Book 188, Pages 327 and 329; and Plat Book 190, Page 387, Durham County Registry; and
3. Easement and Memorandum of Agreement recorded in Book 7424, Page 719, Durham County Registry.

**EXHIBIT B
TO
DECLARATION
OF
DURHAM CENTRAL PARK COHOUSING CONDOMINIUM**

Allocation of Voting, Interest in Common Elements, and Common Expense Shares

The following table sets forth votes interest and the interest in the Common Elements allocated to each Unit, and the Common Expense Share allocated to each Unit effective as of the recording of this Declaration. The Common Expense Share allocated to each Unit will be recalculated over time based on the census taken by the Board and to determine the number of people residing in each Unit and in the total number of residents in the Condominium.

Units (24)	Voting Interest and Interest in Common Elements	Common Expense Share
106	4.17%	2.82%
107	4.17%	5.02%
108	4.17%	4.37%
201	4.17%	5.68%
202	4.17%	4.22%
204	4.17%	3.48%
205	4.17%	3.46%
206	4.17%	2.82%
207	4.17%	4.15%
208	4.17%	3.50%
301	4.17%	2.81%
302	4.17%	5.09%
303	4.17%	2.79%
304	4.17%	4.35%
305	4.17%	4.33%
306	4.17%	2.82%
307	4.17%	5.02%
308	4.17%	4.37%
401	4.17%	5.68%
402	4.17%	5.09%
404	4.17%	4.35%
405	4.17%	4.33%
407	4.17%	5.02%
408	4.17%	4.42%
Total	100.00%	100.00%

The totals are rounded.

**EXHIBIT C
TO
DECLARATION**

Consent of Lender

CONSENT OF LENDER

THIS CONSENT OF LENDER is made this 13th day of February, 2014 by Branch Banking and Trust Company ("Lender") and BB&T Collateral Service Corporation ("Trustee").

WITNESSETH:

WHEREAS, Lender is the beneficiary of that deed of trust recorded in Book 7128, Page 556, securing the amount stated therein, securing the amount stated therein ("Deed of Trust"), which encumber certain real property located in The City of Durham, North Carolina, described in Exhibit A (the "Property") of the Declaration of Durham Central Park Cohousing Condominium (the "Declaration");

NOW, KNOW ALL MEN BY THESE PRESENTS, that Lender joins in the foregoing Declaration of Durham Central Park Cohousing Condominium and the provisions of the North Carolina Condominium Act for the sole purpose of consenting to the creation by the Declarant of the Condominium on the property upon which it has a lien. The Lender makes no representations or warranties as to the validity of the documents creating the Condominium nor the development and physical construction of the Condominium itself. The Lender agrees that the lien of its Deed of Trust on the property being submitted to the Condominium shall hereafter be upon the Units, the interests in Common Elements, and other rights appertaining to those units, and that any subsequent foreclosure of the Lender's lien shall not extinguish this Declaration but shall merely vest in Lender the rights and duties set forth herein, provided, however, that should Lender acquire title to the property secured by the Deed of Trust, any liability Lender shall have for the duties set forth in the Declaration shall be non-recourse except to the extent of its interest in such property; that all present and future owners of any of the property described in the Declaration shall be entitled to the full rights and easements to the extent the same are granted herein; that the submission of the property to the North Carolina Condominium Act will not trigger the "due-on-sale" clause in the Deed of Trust, should such clause exist; and, that upon full satisfaction of the loan secured by the Deed of Trust, the rights of Lender and the Trustee (or such successor trustees as permitted by the Deed of Trust) set forth in this Declaration shall terminate.

[Signatures follow this page.]

IN WITNESS WHEREOF, Lender and Trustee have caused this instrument to be executed and effective as of the day and year first above written.

LENDER:

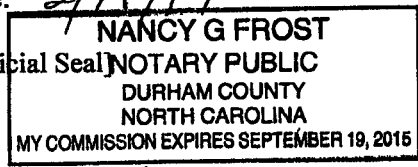
Branch Banking and Trust Company

By: [Signature]
Name: Jeff Hendriks
Title: Vice President

STATE OF NORTH CAROLINA
COUNTY OF Durham

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document: Jeff Hendriks

Date: 2/18/14



[Signature]
Notary Public

Print Name: Nancy G. Frost

My commission expires: Sept. 19, 2015

TRUSTEE:

BB&T Collateral Service Corporation

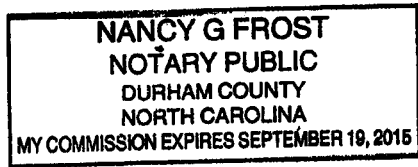
By: [Signature]
Name: Earl W. Tye
Title: SVP

STATE OF NORTH CAROLINA
COUNTY OF Durham

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document: Earl W Tye

Date: 2/18/14

[Official Seal]



[Signature]
Notary Public

Print Name: Nancy G. Frost

My commission expires: Sept. 19, 2015