

Amended and Restated  
 DECLARATION  
 OF  
 COVENANTS, CONDITIONS, AND RESTRICTIONS  
 FOR THE  
 PRESTON GRANDE VILLAS & TOWNHOMES ASSOCIATION, INC

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DECLARATION  
OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS  
FOR THE  
PRESTON GRANDE VILLAS & TOWNHOMES ASSOCIATION, INC.

THIS DECLARATION as amended and restated is made on the date hereinafter set forth by Preston Grande Villas & Townhomes Association, Inc. (hereinafter referred to as “Declarant”):

WITNESSETH:

WHEREAS, Declarant is a residential community to be known as PRESTON GRANDE VILLAS and PRESTON GRANDE TOWNHOMES (hereinafter sometimes referred to individually and collectively as the “Subdivision”);

WHEREAS, Declarant desires to provide for the maintenance and upkeep of the Common Area and to enforce the covenants and restrictions applicable to the Subdivision, and, to that end, desires to subject all of the property within the Subdivision to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Declarant is the organization created to own, maintain and administer the Common Area, to administer and enforce covenants and restrictions exclusively applicable to the Subdivision, and to collect and disburse the assessments and charges hereinafter created, and Declarant is incorporated under North Carolina law as a non-profit corporation, the PRESTON GRANDE VILLAS & TOWNHOMES ASSOCIATION, INC., for the purpose of exercising the aforesaid functions;

NOW, THEREFORE, Declarant hereby declares that the real property described in Section 1 of Article II of this Declaration is and shall be owned, held, transferred, sold, conveyed, and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in this Declaration, which shall run with the real property and be binding on all parties owning any right, title or interest in said real property or any part thereof, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. “Association” shall mean and refer to the PRESTON GRANDE VILLAS & TOWNHOMES ASSOCIATION, INC., a North Carolina non-profit corporation, its successors and assigns.

Section 2. “Common Area” shall mean and refer to the real property, together with any improvements thereon, owned by the association, whether in fee, by easement, or otherwise, for the common use and enjoyment by the Owners of Lots within the Properties. The Common Area shall be maintained by the Association or its successors in interest unless dedicated to public use as set forth herein.

Section 3. “Declarant” shall mean and refer to Preston Grande Villas & Townhomes Association, Inc. It shall also mean and refer to any person, firm or corporation to whom or which Declarant shall assign or delegate the rights and obligations of Declarant by an Assignment of Declarant’s Rights recorded in the Wake County Registry.

Section 4. “Dwelling” or “Unit” shall mean and refer to any building or portion thereof within the properties, which is designated and intended for use and occupancy as a residence by a single family, whether as Owners or tenants or lessees of the Owner thereof.

Section 5. “Lot” shall mean and refer to any plot of land, with delineated boundary lines, shown on any recorded subdivision map of the Properties, with the exception of any Common Area owned in fee by the Association and any street rights-of-way shown on any such recorded map.

Section 6. “Member” shall mean and refer to every person or entity who or which holds membership in the Association.

Section 7. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot, which is part of the properties, including contract sellers and owners of an equity of redemption, but excluding those having interest solely in a Lot as security for the performance of an obligation. Any reference to an Owner in the masculine gender shall be deemed to include the feminine gender, and any reference to an Owner in the singular shall be deemed to include the plural, and vice versa.

Section 8. “Properties” shall mean and refer to the “Existing Property” described in Article II of this declaration.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION  
AND WITHIN THE JURISDICTION OF THE

PRESTON GRANDE VILLAS & TOWNHOMES ASSOCIATION, INC.

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration, and which is within the jurisdiction of the Association, is described on Exhibit A attached hereto.

Section 2. Annexation by the Declarant or the Members. No additional property may be annexed to the subdivision, nor become subject to the jurisdiction of the Association.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

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

Section 2. Voting Rights. The voting rights of the membership shall be appurtenant to the ownership of the Lots. **Ownership of a Lot shall entitle the Owner(s) of said Lot to one (1) vote. When more than one person owns an interest (other than a leasehold or security interest) in any Lot, all such persons shall be Members and the voting rights appurtenant to their Lot shall be exercised as they, among themselves, determine; but fractional voting shall not be allowed, and in no event shall more than one vote be cast with respect to any Lot.**

Section 3. Vacant/Leased Residences. If the owner of a Lot ceases to occupy the dwelling constructed thereon as his own personal living quarters or if any residence within the Properties is leased for rental purposes to tenants, the vote as expressed by the Owners of such vacant and rental units shall not be entitled to any weight greater than twenty-five (25) percent on any matter pending before the Association.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment and Access. Except as limited by Section 2 of this Article IV and by the Rules and Regulations adopted by the Members and/or the Board of Directors of the Association, every Owner shall have a right and easement of

enjoyment in, use of and access to, from and over the Common Area, which right and easement shall be appurtenant to and shall pass with title to every Lot, subject to:

(a) the right of the Association to charge reasonable admission and other fees for the use of any facilities hereafter situated or constructed on the Common Area and to limit the use of such facilities to Owners who occupy a residence on the Properties, and to their families, tenants and guests, as provided in Section 2 of this Article IV.

(b) the right of the Association to suspend the voting rights of an Owner for any period during which any assessment against his Lot remains unpaid, or for a period not to exceed sixty (60) days for any infraction of the published rules and regulations of the Association.

(c) the right of the Association to dedicate, sell or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed upon by the Members. No such dedication or transfer shall be effective unless the Members entitled to at least two-thirds (2/3) of the votes appurtenant to each Class of Lots agree to such dedication, sale or transfer and signify their agreement by a signed and recorded document, provided that this subsection shall not preclude the Board of Directors of the Association, without the consent of the Members, from granting easements upon, over, under across the Common Area for the purpose of installing and maintaining sewage, utility (including CATV) and/or drainage facilities, when, in the opinion of the Board, such easements are necessary for the convenient use and enjoyment of the Properties. Subject to the provisions of subparagraph (e) below, the Common Area shall be preserved to the perpetual benefit of the Owners or of the public in general and shall not be conveyed, except to the Town of Morrisville or to another non-profit corporation organized for similar purposes.

(d) the right of the Association, with the assent of Members entitled to at least two-thirds (2/3) of the votes appurtenant to the Lots, to mortgage, pledge, deed in trust or otherwise hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, provided that the rights of any such lender or mortgagee shall be subordinate to the property rights of the Owners as set forth herein.

(e) the right of the Association, with the consent of the Town of Morrisville, and Members entitled to at least two-thirds (2/3) of the votes appurtenant to the Lots, to exchange all or part of the Common Area for other property and consideration of like value and utility.

## Section 2. Delegation of Use

(a) Family. The right and easement of enjoyment and access granted to every Owner by Section 1 of this Article may be exercised by members of the Owner's family who occupy the residence of the Owner within the Properties as their principle residence in Wake County, North Carolina

(b) Tenants. The right and easement of enjoyment and access granted to every Owner by Section 1 of this Article may be delegated by such Owner to his tenants or contract

purchasers who occupy a residence within the Properties, or a portion of said residence, as their principle residence in Wake County, North Carolina.

(c) Guests. The right and easement of enjoyment and access granted to every Owner by Section 1 of this Article may be delegated to guests of such Owners, tenants or contract purchasers, subject to such rules and regulations as may be established by the Board of Directors.

Section 3. Conveyance of Title to the Association. Any improvements placed on the Common Area shall become the property of the Association upon completion of such improvements.

Section 4. Regulation and Maintenance of Common Area and Common Area Easements. It is the intent of the Association that, unless otherwise approved as provided in Article VIII of this Declaration, the easement area shall be maintained in the same state as when the Lot upon which such easement lies was conveyed to the Owner.

(a) Rights and Responsibilities of the Lot Owners. Each Owner of a Lot upon which a Common Area easement lies shall pay all property taxes and other assessments levied against his Lot, including that portion of such tax or assessment as is attributable to a Common Area easement. Notwithstanding any other provision of this Declaration, no Owner or other person shall, without the prior written consent of the Association: (1) remove any trees or vegetation within the Common Area; (2) erect gates, fences, or other structures on the Common Area; (3) place any garbage receptacle on or in the Common Area; (4) fill or excavate the Common Area or any part thereof; or (5) plant vegetation or otherwise restrict or interfere with the use, maintenance, and preservation of the Common Area.

(b) Rights and Responsibilities of the Association. The Association shall have the right and obligation to ensure that the Common Area is preserved to the perpetual benefit of the Owners within the Subdivision and, to that end, shall: (i) maintain the Common Area in its natural or improved state, as appropriate, and keep it free of impediments to its free use by the Owners within the Subdivision; (ii) procure and maintain adequate liability insurance, in an amount not less than \$1,000,000.00, covering the Association and its Members against any loss or damage suffered by any person, including the Owner of the Lot upon which a Common Area easement lies, resulting from the use of the Common Area; and (iii) pay all property taxes and other assessments levied against all Common Area owned in fee by the Association.

## ARTICLE V

### COVENANT FOR MANTENANCE ASSESSMENT

Section 1. Creation of the Lien and Personal Obligation of Assessments. All assessments which are unpaid when due, together with interest and late charges as set forth in Section 8 of this Article V and all costs of collection, including reasonable attorney's fees, shall be a charge on the land, and shall be a continuing lien upon the Lot against which such

assessment is made. Each such assessment or charge, together with interest and costs of collection, including reasonable attorney's fees, shall also be the personal or corporate obligation of the person(s), firm(s) or corporation(s) owning such Lot at the time when the assessment fell due, but such personal obligation shall not be imposed upon such Owner's successors in title unless expressly assumed by them. Although unpaid assessments and charges are not the personal obligation of such Owner's successors unless expressly assumed by them, the unpaid assessments and charges shall continue to be a lien upon the Lot against which the assessment or charge was made.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and, in particular, for: (i) acquisition, improvement, and maintenance of properties, services and facilities related to the use and enjoyment of the Common Area; (ii) repair and reconstruction of the Common Area, including storm water infiltration devices and other storm water drainage facilities constructed on or serving the Properties, including but not limited to, the cost or repair, replacement and additions thereto and the cost of labor, equipment, materials, management and supervision thereof; (iii) payment of taxes and public assessments levied against the Common Area owned by the Association in fee; (iv) maintenance, replacement, repair and reconstruction of such portions of the Lots and the improvements and landscaping installed thereon as the Association may deem proper; (v) procurement and maintenance of insurance in accordance with the Section 4(b) of Article IV and Section 8 of Article IX of this Declaration; (vi) employment of attorneys, accountants and other persons or firms to represent the Association when necessary; (vii) payment of principal and interest on funds borrowed for Association purposes; and (viii) such other needs as may arise.

Section 3. Maximum Annual Assessment; Annual Assessments.

(a) The Maximum Annual Assessment may be increased by the Board of Directors effective January 1 of each year without a vote of the membership, but subject to the limitation that the percentage of any such increase shall not exceed 10% of the maximum assessment for the previous year unless such increase is approved as set forth in Section 3(b), below.

(b) The Maximum Annual Assessment may be increased without limitation if such increase is approved by not less than two-thirds (2/3) of the votes cast by the Members, in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the actual annual assessment for a calendar year at any amount not in excess of the Maximum Annual Assessment allowed for that year.

(d) Any annual assessment established by the Board of Directors shall continue thereafter from year to year as the annual assessment until changed by the Board.

Section 4. Special Assessments. Subject to the provisions of Section 5, below, in addition to the annual assessments authorized above, the Association may levy in any assessment year, special assessments for the purpose of defraying, in whole or in part, the cost of any construction, repair or replacement of any improvement for which the Association is responsible,

including, if appropriate, fixtures and personal property related thereto, for repayment of indebtedness and interest thereon, or for any other purpose, provided that any such assessment shall have the assent of not less than two-thirds (2/3) of the votes cast by the Members, in person or by proxy, at a meeting duly called for this purpose. Such assessment shall be due and payable at the times and in accordance with procedures established by the Board of Directors.

Section 5. Assessment Rate; Collection Period. Except as set forth in this Article V, both annual and special assessments shall be fixed at a uniform rate for all Lots. Annual and special assessments may be collected on a yearly, semi-annual, quarterly or monthly basis, as determined by the Board of Directors.

Section 6. Notice of Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking action authorized under Section 3(b) or 4 of this Article V shall be sent to all Members not less than fifteen (15) days nor more than thirty (30) days prior to the meeting. At such a meeting, the presence of members or of proxies entitled to cast fifty percent (50%) of the votes appurtenant to the Lots shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and if the same is called for a date not later than sixty (60) days after the first meeting, the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

Section 7. Date of the Commencement of Annual Assessments; Amount of Initial and Subsequent Annual Assessments; Certificate of Payment. Subject to the provisions of Section 5 of this Article V, unless a different commencement date is set by the Board of Directors, the annual assessments provided for herein shall commence as to all Lots on the first day of the month following the recording of the title of that lot. Unless a lower amount is set by the Board of Directors, the first annual assessment shall be the “maximum annual assessment” set forth in Section 3 of this Article and shall be prorated according to the number of months remaining in the calendar year.

At least twenty-five (25) days before January 1 of each year, the Board of Directors shall fix the amount of the annual assessment against each Lot. At least fifteen (15) days before January 1 of each year, the Board of Directors shall send written notice of such assessment to every Owner subject thereto. The due dates for the payment of annual and special assessments shall be established by the Board.

The Association shall, upon demand, and for such reasonable charge as the Board of Directors may determine, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid. If such certification states that an assessment has been paid, such certificate shall be conclusive evidence of payment.

Section 8. Effect of Nonpayment of Assessments; Remedies. Any assessment not paid within ten (10) days after the due date shall incur such late charges as the Board of Directors may from time to time establish, and, if not paid within thirty (30) days after the due date, shall also bear interest from the due date at the rate of twelve percent (12%) per annum or the highest

rate allowed by law, whichever is less. The Association may bring an action at law or in equity against the Owner personally obligated to pay the same and/or foreclose the lien against the Lot for which such assessment is due. Interest, late payment charges, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or by abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust on a Lot. Sale or transfer of any Lot shall not affect any assessment lien. However, the sale or transfer of a Lot pursuant to such a foreclosure of a mortgage or deed of trust shall extinguish the lien of such assessments as to the payment thereof, which became due prior to the date of such conveyance. No such sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage or deed of trust.

Section 10. Exempt Property. All Common Area, all property dedicated to and accepted by a public authority and all property owned by a charitable or non-profit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. Notwithstanding the foregoing, no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 11. Advance payment. At the time of the closing of the resale of each dwelling on each Lot, a sum equal to one-quarter (1/4) of the annual assessment for each Lot in effect at the time of such sale shall be collected from the purchaser of such dwelling and transferred to the Association as advance payment of its annual assessment.

## ARTICLE VI

### RIGHTS OF LENDERS

Section 1. Books and Records. Any owner or holder of a first deed of trust on any Lot, or its agent(s), shall have the right, during normal business hours, to examine copies of this Declaration, the Articles of Incorporation, By-laws, and the books and records of the Association and, upon written request to the Association, to receive a copy of the financial statement for the immediately preceding fiscal year.

Section 2. Notice to Lenders. Upon written request to the Association, the owner or holder of a first deed of trust on any Lot shall be entitled to timely written notice of:

(a) Any 60-day delinquency in the payment of assessments or charges owed by the Owner of the Lot securing its loan;

(b) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and/or

(c) Any proposed action that requires the consent of a specified percentage of owners or holders of first mortgages on the Lots.

Section 3. Approval of Owners and Holders of First Deeds of Trust. Unless at least two-thirds (2/3) of the owners and holders of the first deeds of trust on Lots located within the Properties have given their written approval, the Association shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any real estate or improvements thereon which are owned, directly or indirectly, by the Association. The granting of easements for utilities or other purposes shall not be deemed a transfer within the meaning of this clause. Notwithstanding anything herein to the contrary, the property owned by the Association, whether in fee, by easement, or otherwise shall be preserved to the perpetual benefit of the Owners or of the public in general and shall not be conveyed except to the Town of Morrisville or to another non-profit corporation for aforementioned purposes. Nothing herein shall be deemed to prohibit the Association, with the consent of the Town of Morrisville, from exchanging Common Area for other property as provided in Section 1(e) of Article IV of this Declaration, or to require the approval of such exchange by the holders of first deeds of trust on the Lots.

(b) Change the method of determining the obligations, assessments, dues or other charges, which may be levied against a Lot;

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

(d) Use the proceeds of any hazard insurance policy covering losses to any part of the Common Area for other than the repair, replacement, or reconstruction of the damaged improvements.

Section 4. Payment of Taxes and Insurance Premiums. The owners or holders of first deeds of trust on Lots, jointly or singly, may pay taxes or other charges which are in default and which may have become a charge or lien against any of the Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage upon the lapse of a policy covering property owned by the Association. The persons, firms or corporations making such payments shall be owed immediate reimbursement therefore by the Association.

## ARTICLE VII

### EASEMENTS

Section 1. Access and Utility Easements. Easements for the installation and maintenance of driveways, walkways, water, gas, telephone, cable television and electric power

transmission lines, sanitary sewer and storm water drainage facilities, and other public utility installations are reserved as shown on the recorded plats of the Properties. The Association may reserve or grant easements over the Common Area as provided by Article IV, Section 1(c), of this Declaration. Within any such easement herein provided, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation or maintenance of the utilities installed thereon, or which may change the direction of water through drainage pipes or channels constructed in such easements.

The Association reserves an easement and right of ingress, egress and regress on, over and under the properties to maintain and correct drainage or surface water runoff in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any grading of the soil or take any other similar action that it deems reasonably necessary or appropriate. After such action has been completed, the Association shall grade and seed the affected property and otherwise restore the affected property to its original condition to the extent practicable, but shall not be required to replace any trees, bushes or shrubbery necessarily removed. The Association shall give reasonable notice of its intent to take such action to all affected Owners.

Section 2. Easements for Governmental Access. An easement is hereby established over the Common Area and every Lot within the Properties for the benefit of applicable governmental agencies for: installing, removing and reading water meters; maintaining and replacing water, sewer and drainage facilities; acting for other purposes consistent with public safety and welfare, including, without limitation, law enforcement, fire protection, garbage collection and the delivery of mail.

Section 3. Owners' Easement and Right of Entry for Repair, Maintenance and Reconstruction. If any dwelling is located closer than five (5) feet from its lot line, the Owner thereof shall have a perpetual access easement over the adjoining Lot to the extent reasonably necessary to perform repair, maintenance or reconstruction of such dwelling. Such work shall be done expeditiously and, upon completion of the work, the Owner shall restore the adjoining Lot to as nearly the same condition as that which prevailed prior to the commencement of the work as is reasonably practicable.

Section 4. Association's Easement and Right of Entry. The Association, for itself and its employees, agents, contractors, subcontractors and invitees, shall have a perpetual access easement over each Lot to the extent reasonably necessary to perform the maintenance to be performed by the Association as provided in Article IX of this Declaration.

Section 5. Easement for Initial Encroachments. In the event that any portion of a dwelling initially constructed on a Lot encroaches on any other Lot or the Common Area, and such encroachment was not caused by the purposeful act or omission of the Owner of such Lot, then an easement appurtenant to such Lot shall exist for the continuance of such encroachment upon the Common Area or other Lot for so long as such encroachment shall naturally exist. In the event that any structure erected principally on the Common Area encroaches upon any Lot, then an easement shall exist for the continuance of such encroachment upon such Lot for so long as such encroachment shall naturally exist. The foregoing shall not be construed so as to allow

enlargement of any existing encroachment or to permit the rebuilding of the structure, if destroyed, in a manner so as to continue such encroachment.

## ARTICLE VIII

### ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to, or change or alteration therein be made, nor shall a building permit for any such improvement or change be applied for or obtained, nor shall any major landscaping or relandscaping of any Lot be commenced or made (such construction, alteration and landscaping are hereinafter referred to as the "Improvements") until plans and specifications showing the nature, kind, shape, heights, materials, color and location of same shall have been submitted to and approved in writing by the Board of Directors of the Association. If the Board fails to approve or disapprove such improvements within forty-five (45) days after complete plans and specifications have been received by it, approval will not be required, and this Article shall be deemed to have been complied with. The Board shall have the right to charge a reasonable fee, not to exceed \$75.00, for receiving and processing each application. The Board shall have the right to promulgate and from time to time amend the written architectural standards and construction specifications (hereinafter the "Architectural Guidelines") which may establish, define and expressly limit the standards and specifications which will be approved, including, but not limited to, architectural style, exterior color or finish, roofing material, siding material, driveway material, landscape design and construction technique. The Board shall not approve any Improvements, which it determines, in its discretion, not to be in harmony of external design, construction and/or location in relation to the surrounding structures, topography or the general plan of development of the Subdivision.

Owners may appeal a disapproved request for Improvements by submitting a written response that includes specific detailed information that clarifies why the request should be reconsidered. Such appeal must be received by the Board within thirty (30) days of the date of the letter notifying the Owner of the disapproval. The Board shall act on the resubmitted request within thirty (30) days after the appeal has been received by it. If the appeal is made more than thirty (30) days after the date of the initial notification, it shall be treated as a new request, and the forty-five (45) day interval shall apply.

The Board may, at any time, delegate the review and approval authority contained in this Article VIII to an Architectural Review Committee composed of three or more persons; this ARC shall in any wise perform an initial review of submitted requests and provide a recommendation to the Board.

### ARCHITECTURAL GUIDELINES

Section 1.     Common Architectural Elements. Homeowners shall not change the materials, styles or colors of the 'uniting' architectural elements. These include

- (a) Brick and shingles
- (b) Soffit, trim and siding (gloss white)
- (c) Front doors (painted gloss black, 6 panel style)
- (d) Shutters (black, 6 panel style)
- (e) Porch railings (gloss black)
- (f) Garage doors: Wayne Dalton Model 311, stained and finished as described in this Article VIII, Section 6.

Section 2. Storm/Screen Doors.

(a) Storm/screen doors installed on the front doors of Units may be white or black. White storm doors must be a ‘full view’ style. The Larson “Charleston” and Pella “Worthington” are approved models. Some additional latitude in style is permissible on a black storm door, as adding a black storm door to a black front door does not appreciably change the overall appearance of the entry. Larson “3460 with roll-screen” and Pella “Select” are approved models.

(b) Storm/screen doors installed on rear doors must be white, of the style cited in Section 2 (a) of this Article VIII, or of a retractable “hideaway” style.

Section 3. Decks. Decks must be stained with a semi-transparent stain in a cedar tone, at least once every three (3) years, in order to preserve the wood and maintain a harmonious appearance. Solid stains or paint (including white) may not be used. Sherwin-Williams Oil-based Cedar and Flood CFW-UV Oil Finish Cedar Tone are approved products. As manufacturers may discontinue specific products from time to time, updates to the deck stain product list will be posted on the Association Website.

Section 4. Deck Enclosures. Decks may be enclosed with a screened porch. Roof style may be gable or shed, as is architecturally appropriate for the building/unit to which the enclosure is attached. Roof and/or enclosure style may be further restricted based on pre-existing structures, so as to maintain the balance and harmony of the sub-division. Materials shall be of a similar quality and finish as those used on the main building (e.g., Owens-Corning “Weatherwood” shingles for the roof). An inventory of the various rear elevations and acceptable structures and roof designs will be maintained by the ARC, and made available to the Members.

Section 5. Awnings. Awnings may be installed over decks only, not over front doors where no porch roof exists or over windows. The awnings must be retractable, and made of Suncloth® or an equivalent fabric, in Hunter Green.

Section 6. Garage Doors. Garage doors shall be maintained as described in Article IX of this Declaration. Should an Owner replace a garage door, or choose to refinish the door outside the prescribed maintenance schedule, the following steps/ products shall be used:

- (a) Sand entire door to remove all old finish and stain
- (b) Apply Minwax Pre-stain Wood Conditioner according to manufacturer’s instructions.

- (c) Stain with Minwax Red Oak Wood Finish, #215
- (d) Apply at least 3 coats of Minwax 'Helmsman' Spar Varnish, Clear/Semi-gloss

Section 7.     Attic Fans. It is recommended that Owners install attic exhaust fans so as to reduce long-term damage to the roof. Such a ventilator must have a low-profile vent cap, and should be installed on the back slope of the roof near the peak. A recommended model is the CertainTeed Attic Aire Model #XLRBR (1170/780 2-Speed Attic Ventilator with Thermostat).

## ARTICLE IX

### MAINTENANCE OF LOTS AND UNITS

Section 1.     Association's Responsibility. In addition to maintenance of the Common Area and the improvements and facilities located thereon, the Association shall be responsible for maintaining the grass, plants, shrubs, trees, landscaping, walks and parking areas (hereinafter the "Yard Improvements") installed by the Developer, Association or the builder who constructed the initial improvements on such Lot(s), and any Yard Improvements installed by an Owner with the prior written consent of the Association (but only to that extent that such consent specifically provides that the Association will maintain such added landscaping), provided, however, that: (i) the Association shall not be responsible for maintaining any fence installed on any Lot or any Yard Improvements inside of such fence installed; (ii) the Association's obligation to maintain shall not include the obligation to replace any plant, shrub or tree for any reason; and (iii) the Association shall not be responsible for repair or replacement of any Yard Improvements when such repair or replacement is necessitated by work done by or at the request of any Owner or utility company or governmental entity.

The Association shall have no responsibility to maintain or repair any Unit or any portion thereof or for insuring any Unit or other improvements on any Lot, and shall not be liable for any damage to any Unit, except such damage caused by the Association, its duly authorized agents or employees.

Notwithstanding the foregoing, the Association will maintain garage doors (materials, procedures and scheduled frequency) in accordance with recommendations from recognized professionals as approved by the Board of Directors of the Association.

The Association shall have the right (but not the obligation), by the affirmative vote of a majority of the Members, to accept certain items, areas or improvements on a Lot for maintenance by the Association, including, but not limited to, Yard Improvements installed by an Owner. Such acceptance shall be in writing and may be subject to such terms and conditions, including, but not limited to, a special assessment for that Lot, as the Association might establish in such written acceptance.

Section 2.     Owner's Responsibility; Remedy for Owner's Failure to Maintain. Any maintenance on a Lot that is not the responsibility of the Association, whether by the terms of this Declaration or by written acceptance of same, shall be the responsibility of the Owner of

such Lot. Each Owner shall keep his Lot and Unit in an orderly condition and shall keep the improvements thereon in a suitable state of repair. If an Owner does not perform maintenance of his Lot and Unit, the Association shall have the right (but not the obligation), through its agents and employees, by the affirmative vote of not less than two-thirds (2/3) of the Board of Directors, to enter upon such Lot and to repair, maintain and restore the Lot or exterior of the Unit erected thereon, and the cost of such exterior maintenance, plus a surcharge of 15% for administration shall be assessed in accordance with Section 3 of this Article. Prior to such entry, the Association shall give written notice to the Owner stating: (i) the specific item(s) needing maintenance; (ii) the corrective action to be taken; (iii) a time, not less than 15 calendar days from the date of the notice, in which the Owner is to perform the necessary maintenance; and (iv) a statement that, if the Owner fails to perform the maintenance within such time period, the Association will exercise its right to perform the maintenance and that the Owner will be assessed with the costs thereof as provided in this Article IX.

Section 3. Assessment of Cost. In the event that the Association performs maintenance on any Lot as provided in Section 2 of this Article IX, the cost of any such maintenance, replacement or repairs shall be assessed against the Lot upon which such maintenance is done and shall be added to and become part of the assessments to which such Lot is subject under Article V hereof, enforceable under the terms thereof.

Section 4. Access at Reasonable Hours. As provided in Section 4 of Article VII of this Declaration, the Association, through its duly authorized agents or employees, shall have the right, after reasonable oral or written notice to the Owner, to enter upon any Lot at reasonable hours on any day.

## ARTICLE X

### USE RESTRICTIONS

Section 1. Prohibited Uses. No Lot or dwelling constructed thereon shall be used for any purpose, which is not permissible under applicable governmental residential zoning regulations.

Section 2. Prohibited Activities; Businesses. No noxious or offensive trade or activity shall be carried on or in any Lot or Unit, nor shall anything be done thereon or therein which may be or become an annoyance or nuisance to the neighborhood. No business trade or activity may be conducted on any Lot unless permitted by the Board of Adjustments of the Town of Morrisville.

Section 3. Temporary Structures. No residence of a temporary nature shall be erected or allowed to remain on any Lot, and no trailer, basement, shack, tent, garage, barn, or any other building of a similar nature shall be used as a residence on any Lot, either temporarily or permanently.

Section 4. Signs. Except as otherwise required by the Town of Morrisville, no sign of any kind shall be displayed to the public view on any Lot except one sign of not more than six (6) square feet advertising the property for sale or rent, and signs of not more than six (6) square feet expressing support or opposition to political candidates or other issues which will appear on the ballot of a primary, general or special election, provided that such political signs shall not be placed on a Lot earlier than sixty (60) days before such election and shall be removed within two (2) days after such election.

Section 5. Animals. No animal livestock, or poultry of any kind shall be kept or maintained on any Lot or in any Unit, except that dogs, cats, or other household pets may be kept or maintained, provided that they are not kept or maintained for commercial purposes. As provided in Section 12 of this Article X, the Board of Directors of the Association shall have the right and authority to adopt rules and regulations which further limit or prohibit the types of animals or household pets which may be kept or maintained on a Lot or in a Unit and which limit or prohibit such animals upon Common Area.

Section 6. Antennas. No radio or television transmission or reception towers shall be erected on a Lot.

Section 7. Clotheslines. No clotheslines may be erected or maintained on any Lot.

Section 8. Garbage: Unsightly Storage. All trash and rubbish shall be kept in garbage cans stored in such a manner as not to be visible from the street upon which the Unit fronts. No trash, rubbish, stored materials, wrecked or inoperable vehicles, or similar unsightly items shall be allowed to remain on any Lot; provided, however, that the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish, and other debris for collection by governmental or other similar garbage and trash removal units. In the event of curbside trash and/or garbage pickup, trash and/or garbage cans may be moved to the street on the night before the scheduled pickup, but all garbage cans must be returned to approved enclosure the night of the scheduled pickup.

Section 9. Lease of Dwelling. The Owner of a Unit may lease or sublet the premises. However, any lease or sublease must be for at least six (6) months, in writing, and contain the following provision:

“Tenant shall obey, adhere to and be bound by all provisions of the Declaration of Covenants, Conditions And Restrictions For The Preston Grande Villas & Townhomes Association, Inc., recorded in the Wake County Registry. Tenant acknowledges that he/she/they has/have received a copy of such Declaration and the rules and regulations of the Association and is/are familiar with the provisions of same.”

If an Owner fails to include said provision in any lease or sublease, it shall be conclusively deemed to be included and part of said lease or sublease. Owner shall furnish the Association a copy of any leases or subleases of his/her unit.

Section 10. Parking. The Association shall provide and maintain at least the minimum number of parking spaces required by the Town of Morrisville for the Subdivision.

No Owner or his family, lessee or sub lessee or guest of an Owner shall: (i) park any vehicle on the street within or adjoining the subdivision except in a designated paved parking space; (ii) park or keep on any Lot or street within or adjoining the Subdivision any abandoned, partly dismantled or inoperative vehicle; or (iii) park or keep on any Lot or any street within or adjoining the Subdivision any boat or boat trailer, motor home, camper, bus, truck in excess of one ton weight, commercial vehicle, truck or van, or anything else other than normally intended to be a private passenger vehicle within the Subdivision. Designated paved parking spaces are reserved for the temporary use of the owner or his family, lessee or sub lessee or guest. Permanent parking needs must be accommodated by each unit's garage and driveway.

The Board of Directors shall have the right and authority to make, implement and enforce such additional parking rules and regulations as it might determine from time to time necessary or appropriate, and shall have the right and authority to enforce same, including, but not limited to, the right to levy fines for violations thereof. Furthermore, the Association shall have the right to have towed any vehicle parked or maintained in violation of these or subsequently-adopted parking rules and regulations, the cost of which towing and storage shall be the responsibility of the Owner of the Lot to which such vehicle is registered.

Section 11. Fines. The Board of Directors shall have the right and authority to levy fines or penalties for the violation of any provision of this Declaration and/or the rules and regulations hereafter promulgated by the Board pursuant thereto. Any monetary fine or penalty shall be deemed a Special Assessment against the Lot of the Owner against whom such fine or penalty is assessed.

Section 12. Adoption of Rules. The Board of Directors shall have the authority to adopt additional rules and regulations governing the use of the Common Area and the Lots within the Subdivision and shall furnish a written copy of such rules and regulations to the Owner(s) of each Lot at least fifteen (15) days before such rules and regulations become effective. Any violations of such rules shall be punishable by fine and/or suspension of voting rights as provided in this Declaration.

## ARTICLE XI

### GENERAL PROVISIONS

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

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

Section 3. Amendment. The covenants and restrictions of this Declaration shall run and bind the land for a term of twenty-five (25) years from the date the Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated or altered by a vote of the Owners as set forth below. This Declaration may be amended during the first twenty-five year period by an instrument signed by the Owners of not less than two-thirds (2/3) of the Lots, and thereafter by an instrument signed by the Owners of not less than fifty percent (50%) of the Lots. No amendment shall be effective unless it has been approved as provided herein and is recorded in the office of the Register of Deeds of Wake County.

Section 4. Non-liability of Governmental Entities. Neither the Town of Morrisville nor any other governmental entity shall be responsible for failing to provide any emergency or regular fire, police or other public service to the Properties, any Lot, or any Owner or occupant when such failure is due to the lack of access to the Properties or any Lot therein due to inadequate design or construction of such access, blocking of access routes, or any other factor within the control of the Association, an Owner, or an occupant of any Lot.

Section 5. Subdivision of Lots. No Lot within the Subdivision may be subdivided by sale or otherwise so as to reduce the total lot area shown on the recorded plats of the Subdivision.

Section 6 Insurance. The Association shall procure and maintain adequate liability insurance covering the Association, in an amount not less than \$1,000,000.00. The Association shall also procure and maintain adequate hazard insurance on real and personal property owned by the Association or for which the Association is otherwise responsible and shall procure and maintain officers' and directors' liability insurance. The premiums for such insurance shall be a common expense paid from the annual assessments provided in Article V of this Declaration.

Section 7. Preston Development. The Lots in the Subdivision are part of a planned community known as PRESTON. The Owners of the Lots are members of the PRESTONWOOD HOMEOWNERS ASSOCIATION, INC., and are subject to and bound by the Declaration of Covenants, Conditions for Preston, recorded in Book 3935, Page 863, Wake County Registry, and the Additional Declaration Of Covenants, Conditions for Preston, recorded in Book 5198, Page 854, Wake County Registry, as each may be amended and supplemented from time to time (hereinafter referred to as the "Master Declaration"), which Master Declaration provides additional restriction on such Lots.

IN WITNESS WHEREOF, Declarant has hereunto set his hand and seal, as of the day and year shown notary acknowledgements set forth below.

DECLARANT:

\_\_\_\_\_ (Seal)  
President, Board of Directors

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STATE OF NORTH CAROLINA – WAKE COUNTY

I, \_\_\_\_\_, a Notary Public for Wake County, North Carolina, certify that \_\_\_\_\_ personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official stamp and seal, this \_\_\_\_\_.

[stamp]

\_\_\_\_\_  
Notary Public  
My commission expires: \_\_\_\_\_

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STATE OF NORTH CAROLINA – WAKE COUNTY

The foregoing certificate of \_\_\_\_\_, Notary Public, is certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

\_\_\_\_\_, Register of Deeds

By: \_\_\_\_\_  
Deputy/Asst. Register of Deeds

EXHIBIT A

PRESTON GRANDE MULTI-FAMILY

LYING and being in the Town of Morrisville, Wake County, North Carolina, and being particularly described as follows:

PHASE I: BEING all of the real property, containing 5.0687 acres (220,793 sq. ft.), more or less, shown and described on that certain map entitled "SUBDIVISION MAP, PRESTON GRANDE MULTI-FAMILY, PHASE I", recorded in Book of Maps 1998, Page 1334, Wake County Registry, to which map reference is hereby made for a more particular description of same, which property includes Units 49-82, inclusive, as shown on aforesaid recorded plat.

PHASE II: BEING all of the real property, containing 9.3909 acres (402,097 sq. ft.), more or less, shown and described on that certain map entitled "SUBDIVISION MAP, PRESTON GRANDE MULTI-FAMILY, PHASE II", recorded in Book of Maps 1998, Page 1335, Wake County Registry, to which map reference is hereby made for a more particular description of same, which property includes Units 1-48, inclusive, as shown on aforesaid recorded plat.

**Owners:**

\_\_\_\_\_ (Seal)

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Witness: \_\_\_\_\_

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