

**WRITTEN CONSENT OF LOT OWNERS TO AMEND DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR PRESTON POINT**

PLEASE TAKE NOTICE THAT:

The Board of Directors of Preston Point Homeowners Association, Inc (the Association) proposes to amend the Declaration of Covenants, Conditions and Restrictions for Preston Point as recorded in Book 3935, Page 880 of the Wake County Registry, and as subsequently amended (collectively, the Declaration”), to require a period of two-years of owner-occupancy before a lot is eligible to be leased, to provide for grandfathering of certain lots from that requirement, to revise the minimum lease period from sixty days to twelve months, to require any lessee to abide by all of the obligations set for in those documents as a condition of the lease agreement and otherwise.

The Declaration and the NC Planned Community Act permit the Declaration to be amended with the written consent of not less than seventy-five percent (75%) of the Lot Owners. The Board of Directors has approved and believes the Proposed Amendment is in the best interest of the Preston Point development, and recommends that Lot Owners give their agreement to the Proposed Amendment by responding to the voting options described in the Covenant Amendment email and postal letter sent to each homeowner.

PROPOSED AMENDMENT TO DECLARATION

Article VIII of the Declaration of Covenants, Conditions and Restrictions for Preston Point as recorded in Book 3935, Page 880 of the Wake County Registry, and as subsequently amended (collectively, the Declaration”), is proposed to be amended as follows:

1. Article VIII, Section 1 of the Declaration is amended as follows:

“Section 1. Residential Purposes Only. Each Lot shall be used exclusively for single-family, non-transient residential purposes, and garages, carports, and parking spaces shall be used exclusively for the parking of passenger automobiles therein or thereon. No planes, trailers, boats, campers, abandoned cars, or trucks shall be parked or housed in garages, carports, and parking spaces except as otherwise provided in Section 11 of this Article. No trade or business of any kind shall be conducted upon a Lot or any part thereof. No structure shall be erected, placed, altered, used or permitted to remain on any Lot other than one detached single-family private dwelling and one private garage for no more than four (4) automobiles. Each residence constructed upon a Lot shall include an attached or detached garage for at least one (1) automobile. No Lot and no Improvements may be used for hotel or other transient residential purposes. Each lease relating to any Lot or any Improvements thereon (or any part of either thereof) must be in writing and for a term of at least sixty (60) days twelve (12) months and must incorporate the requirements of this Declaration, as it exists and as it may thereafter be amended, Bylaws and Rules and Regulations of the Association, and shall require any lessee to abide by all of the obligations set forth in those documents as a condition of the lease agreement. No Lot may be leased for less than the entire Lot.”

2. Article VIII of the Declaration is amended by adding a new Section 1A to read as follows:

“Section 1A. General Lease Requirements. A copy of any lease agreement shall be submitted to the Association within thirty (30) days of the date of signing such agreement or the date the lessee first takes up occupancy, whichever occurs first. The Association may request in writing that an Owner confirm in writing to it whether the Lot is subject to a lease and to provide a copy of a lease and any Owner is required to respond to the Association within thirty (30) days of the Association’s request and to provide a copy of the lease to the Association.”

3. Article VIII of the Declaration is amended by adding a new Section 1B to read as follows:

“Section 1B. Owner-Occupancy Requirement.

(a) Two-year Owner-Occupancy Requirement. No Lot may be leased unless it has been Owner-occupied for at least twenty-four (24) consecutive months. This two-year period begins on the date the Owner's deed is recorded.

(b) Certain Owners Grandfathered from Owner-Occupancy Requirement. The two-year owner occupancy requirement is not applicable to a Lot Owner whose deed was recorded prior to the date the amendment to the Declaration to add this requirement is recorded.

(c) Documentation of Owner-Occupancy. The Board of Directors may submit a written request to any Lot Owner requiring proof of owner-occupancy. A Lot owner shall respond to such a request in writing within thirty (30) days of the written request. The Board of Directors determines whether or not the two-year occupancy requirement has been met.”

(d) For purposes of this Section, the following definitions shall apply: (i) “owner-occupied” shall mean occupancy of a Lot by the Owner of record of such Lot or any parent or child of the Owner of record; (ii) the terms “lease” or “leased” shall refer the regular, exclusive occupancy of a Lot by any person other than the Owner, whether such person is paying rent to the Owner (except that occupancy by a roommate of an Owner when the Owner also occupies the dwelling as the Owner's primary residence, or occupancy by an immediate family member of the Owner whether or not the Owner occupies the dwelling, shall not be deemed a leasing situation); and (iii) the term “immediate family member” refers to a spouse or domestic partner of the Owner, or a child or parent of the Owner or of the Owner's spouse or domestic partner.“