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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

**DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
BOLING TOWNHOMES**

THIS DECLARATION, made on the date hereinafter set forth by AMV REALTY, INC., a North Carolina Corporation hereinafter referred to as the "Declarant":

WITNESSETH:

WHEREAS, the Declarant is the owner of certain property in Johnston County, North Carolina, and as more particularly described on the map entitled "BOLING TOWNHOMES" dated 5 April 2007 and recorded at book 70, pages 392-393 of the Johnston county Registry, which is hereby incorporated herein by reference; and

WHEREAS, Declarant desires to ensure the attractiveness of the property and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of all properties within the subdivision, and to provide for the maintenance and upkeep of the Common Area and /or Easement, as hereinafter defined, and to that end desires to subject the real property described above, together with such additions as may hereafter be made thereto, to the covenants, conditions, restrictions, easements, reservation, liens and charges as hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof;

WHEREAS, the Declarant intends to create a planned community subject to Chapter 47F of the Planned Community Act, N.C.G.S. §47F-1-101 *et seq.*;

WHEREAS, Declarant has deemed it advisable, for the efficient preservation, protection and enhancement of the values and amenities of such property and to ensure the residents' enjoyment of the specific rights, privileges and easements in the Common Area, as hereinafter defined, and to provide for the maintenance and upkeep of the Common Area, to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the Common Area, administering and enforcing these covenants and restrictions, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has incorporated under the non-profit corporation Act, N.C.G.S. §55A-1-101 *et seq.*, the Boling Townes Homeowners Association, Inc., as a non-profit corporation for the purpose of exercising and performing the aforesaid functions;

NOW THEREFORE, Declarant, by this declaration of Covenants, Conditions and Restrictions does declare that all of the property described above and such additions does declare that all of the property described above and such additions thereto as may be hereafter made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the following easements, restriction, covenants, conditions, charges and liens set forth in this Declaration and the Planned Community Act under Chapter 47F of the General Statutes, all of which shall run with the real property and shall be binding on all parties having or

acquiring any right, title or interest in the described property or any part thereof, and shall inure to the benefit of each owner thereof.

**ARTICLE 1
DEFINITIONS**

SECTION 1. "Association" shall mean and refer to Boling Towns Homeowners Association Inc., a North Carolina non-profit corporation, its successors and assigns.

SECTION 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties including contract sellers, but excluding those having such interests merely as security for the performance of an obligation.

SECTION 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association. Properties shall mean and refer to the real property depicted on the map recorded at book 70, page 392 of the Johnston County Register of Deeds and all future maps, if any, showing additional land brought within the jurisdiction of the Association.

SECTION 4. "Common Area" shall mean all real property owned by the all real property owned by the Association for the common use and enjoyment of the owners, together with all, roads, parking, street lighting, stormwater system, water and sewer lines located and serving the properties which are located outside dedicated public easements and city rights-of-way, except water and sewer lines located on a Lot which serves only that Lot.

SECTION 5. "Town home Lot" or "Lot" shall mean and refer to any plot of land, with delineated boundary lines appearing on any recorded subdivision map of the properties, up which a town home residential dwelling is to be situated.

SECTION 6 "Declarant" shall mean and refer to AMV Realty, Inc., a North Carolina Corporation, its successors and assigns.

SECTION 7 "Member" shall mean and refer to every person or entity that holds membership in the Association. Each person (s) or entity (ies) that owns fee simple title to a Lot shall automatically deemed to be a Member of the Association by virtue of his, her or its status as Owner of a Lot.

SECTION 8. "Act" shall mean the Planned Community Act, N.C.G.S. §47F-1-101 *et seq.*

SECTION 9. "Architectural Control Committee" shall mean the Architectural Control Committee appointed by the Board of Directors, pursuant to the Bylaws, or, in the absence of such Committee, the Board of Directors.

SECTION 10 "Board of Directors" or "Board" shall mean the Association's Board of Directors which is the governing body of the Association.

**ARTICLE II
PROPERTY RIGHTS**

SECTION 1. OWNERS' EASEMENTS OF ENJOYMENT. Every Owner shall have a right and easement of enjoyment in and access to, from, and over the Common Area, which right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to dedicate 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 an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer has being recorded, provided that this subsection shall not preclude the board of directors of the Association from granting easements for the installation and maintenance of sewerage, utility (including cable T.V.) and drainage facilities upon, over, under and across the Common Area without the assent of the members when, in the opinion of the Board, such easements are necessary for the convenient use and enjoyment of the properties. Notwithstanding anything herein to the contrary, 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 county of Wake or to another non-profit corporation with purposes similar to these of this association:

(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 regulation of the Association;

(c) The right of the Association, with the written assent of members entitle to at least tow-thirds (2/3) of each class of members votes, to mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the property rights of the owners as set forth herein.

(d) The right of the individual members to the exclusive use of parking spaces as provided in this article.

(e) Easements as provided in Article X hereof.

SECTION 2. DELEGATIONS OF USE. Any Owner may delegate in accordance with the By-Laws his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property

SECTION 3. CONVEYENCE OF TITLE TO THE ASSOCIATION. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Area located in Boling Town to the Association, free and clear of all encumbrances and liens, except utility and drainage easements to government authorities.

SECTION 4. PARKING RIGHTS. The Association may regulate the parking of boats, campers, trailers, and others and others such items on the common parkings and common area. No boats, campers, motor homes, trucks, tractors or trailers of owners, members or theirs tenants or guest shall be parked within the right of way of any public in or adjacent to Boling Townes

nor shall any of these be regularly parked on the properties except in the enclosed garage from time to time adopt appropriate rules for the temporary parking of these items on the properties.

SECTION 5. TV ANTENNAS AND CABLEVISION. The Association may provide one or more central television antennas for the convenience of the Members and may supply cablevision and the cost of these may be included in annual or special assessments The Association may regulate or prohibit the creation of television antennas or dishes on individual Lots.

**ARTICLE III
MEMBERSHIP AND VOTING RIGHTS**

SECTION 1. MEMBERSHIP. Every person or entity who is record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessments by the Association, including contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership per Lot. Membership in the Association is mandatory for each original purchaser and each successive Owner of a Lot. Membership in the Association is appurtenant to, and may not be separated from ownership of any Lot. Ownership of such Lot shall be the sole qualification for membership. The Board may make reasonable rules relating to the proof of ownership of a Lot.

SECTION 2. VOTING RIGHTS. The Association shall have two classes of voting membership based on Lot ownership:

(a) CLASS A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest (other than a leasehold or a 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 in no event shall more than one vote be cast with respect to any Lot. No Fractional vote shall be allowed.

(b) CLASS B. Class B Member(s) shall be the Declarant and shall be entitled to (3) votes for each Lot owned. The Class B membership shall terminate on the happening of either of the following events, whichever occurs earlier:

(1) March 1, 2020; or

(2) When 75% of the Lots have been deeded to final homeowners for use as a residence, but provided that the class B membership shall be reinstated if thereafter and before the time stated in subparagraph (1) above, such additional lands are annexed into the development as provided for in Article VII below with the assent of Class A membership.

ARTICLE IV

COVENANT FOR MAINTENACE ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. The Owner of any Lot, by virtue of his, her or its ownership of said Lot, is deemed to covenant and agree to pay to the association (1) Annual assessments or charges and (2) special assessment for capital improvements such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs of collection, including reasonable attorney's fees, shall be a continuing lien upon the property against which each such assessment is made. Each such assessment together with interest, cost of collection, and reasonable attorney's fees shall be the personal obligation who was the owner of such property at the time when the assessment falls due. Any unpaid assessments or charges shall continue to be a lien on the property against which the assessment 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 the acquisition, improvement, repair and reconstruction of all private streets, water and sewer lines situated outside public streets and public easements, any storm water Impoundment Area or other erosion control devices situated on the Common Area required by the City of Clayton to comply with its erosion and sedimentation control ordinances. Such maintenance to include the cutting and removal of weeds and grass, the removal of trash and rubbish or any other maintenance necessary to keep the impoundment Area in compliance with all applicable ordinances and statutes relative to said erosion and sedimentation control and which in the Judgment of Boling Townes Homeowners Association Inc., is desirable to keep the impoundment Area neat in appearance; provided, however this covenant to maintain said area as an Impoundment Area shall terminate at such time as maintenance and preservation of the impoundment area as a water impoundment area is not longer required by applicable local ordinances or state statutes serviced and facilities devoted to this purpose and related to the exterior maintenance of the residences situated upon the "townhome Lot" within the properties or for the use of enjoyment of the Common Area and water impoundment area, including but not limited to the cost of repairs replacements and additions, the cost of labor, equipment, materials, management, and supervision, the payment of taxes and public assessments associated against to the common area the procurement and maintenance of insurance in accordance with the By-Laws, the employment of attorneys to represent the Association when necessary, and such other needs as may arise.

SECTION 3. MAXIMUM ANNUAL ASSESSMENT. Until January 1, of the year immediately following the conveyance of the first Townhomes Lot to an owner, the maximum annual assessments shall be Nine Hundred Dollars (\$900.00) per Lot.

(a) From and after January 1, of the year immediately following the conveyance of the first Town home Lot to an owner, the maximum annual assessment may be increased effective January 1 of each year without a vote of membership by up to ten percent (10%) of the previous year's maximum annual assessment.

(b) from and after January 1 of the year immediately following the conveyance of the first Town home Lot to an Owner, other than the Declarant, the maximum annual assessment may be increased above the increase permitted in Section 3(a) above by a vote of the members for the next succeeding five years succeeding period of five years, provided that any such charge shall have the assent of two-third (2/3) of vote of each class members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all

members not less than 30 days nor more than 70 days in advance of the meeting setting forth the purpose of the meeting, The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as a inducement to a merger or consolidation in which the Association is authorized to participate under its articles of Incorporation.

(c) The board of Directors may fix the annual assessment at an amount not in excess of the maximum provided however what the ratio of the assessment established for each class B Lot shall always be one-third (1/3) of the assessment for each class A Lot. In the event that Class B Lots are converted to Class A Lots or Class A Lots are reconverted to Class B Lots, The assessment with respect to each such Lot shall be prorated and charged according to its class as to the date of each conversion and recon version.

(d) Any Class B Lot occupied during any assessment year shall be treated as a class A Lot for assessment purposes. Such Lots shall remain a Class B Lot for all other purposes.

(e) Any annual assessment established by the Board of Directors shall continue thereafter at the annual assessment until changed by the Board of by the Members.

SECTION 4. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTNS. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the common area, and in connection with exterior maintenance including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose and shall be in the ratios provided in section 3(c) of this article.

SECTION 5. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTION 3 OR 4. Written notice of any meeting called for the purpose of taking any action authorized under section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At first such meeting called, the presence of members of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No Such subsequent meeting shall be held more than 60 days following the preceding meeting.

SECTION 6. UNIFORM RATE OF ASSESSMENT. Both annual and special assessments must be fixed at a uniform rate for all Lots, and may be collected on a monthly basis. Notwithstanding any provision in this Declaration, the articles or incorporation and By-Laws to the contrary, no Lot shall be subject to the assessment until the first day of the month following the conveyance of such Lot by the Declarant, and thereafter at twenty-five percent (25%) of the regular assessment until the first day of the month following the date a certificate of occupancy is issued, or would have been issued by the city of Clayton upon application therefore.

SECTION 7. DATE OF COMMENCEMENT OF ANNUL ASSESMENTS DUE DATES. The annual assessment provided for herein shall commence as to all Lots as provided

in section 6 above. The first annual assessment for each Lot shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The Board of Director shall establish the due dates. The association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Lot have been paid.

SECTION 8. EFFECT OF NONPAYMENT OF ASSESSMENTS REMEDIES OF THE ASSOCIATION. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 10 percent (10%) per annum. The Association may bring an action at law against the owner personally obligated to pay the same and/or foreclose the lien against the property, interest; costs and reasonable attorney's fees of such action or foreclosure waive or otherwise escape liability for the assessment of his Lot. The failure of an owner to pay assessment shall not constitute a default under the terms of an owner's insured mortgage, unless specifically provided for therein.

SECTION 9. SUBORDINATION OF THE LIEN TO MORGAGES AND ADVOLOREM TAXES the lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage, first deed or trust, and ad valorem taxes. Sale or transfer of any Lot shall no affect any assessment lien. However, the sale or transfer of any Lot pursuant to the foreclosure of any such mortgage, deed of trust or tax foreclosure shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

SECTION 10. EXEMPT PROPERTY. All properties dedicated to and accepted by, a local public authority and all properties owned by a charitable or nonprofit organization exempt from taxation by the Law of the state of North Carolina shall be exempt from the assessments crated herein. However no land or improvements devoted to dwelling use shall be exempt from said assessments.

SECTION 11. RESPOSIVILITY FOR MAINTENANCE OF PRIVATE STREETS AND DRIVEWAYS. The maintenance responsibility of the private streets and driveways as shown on the aforesaid recorded map shall rest with the Association pursuant to the provisions of the Clayton City code Section 10-3074, which section provides substantially in part that in no case shall the City of Clayton be responsible for failing to provide any emergency or regular fire, police, or other public service to property and/or occupants when the failure is due to inadequate design or construction, blocking of access routes or any factor within control of the developer, the Association, occupants.

ARTICLE V PARTY WALLS

SECTION 1. GENERAL RULE OF LAW TO APPLY. Each wall which is built as a part of the original construction of the attached Townhomes upon the properties and placed on

the dividing line between the Lots and all reconstruction or extensions of such walls, shall constitute party walls, and, to the extent not inconsistent with the provisions of this article, the general ground rules of Law regarding party walls, lateral support in below-ground construction and liability for property damage due to negligence or willful acts or emissions shall apply thereto.

SECTION 2. SHARING OF REPAIR AND MAINTENANCE. The cost of reasonable repair and maintenance of a party wall shall be shared by the affected parties.

SECTION 3. DESTRUCTION BY FIRE OR OTHER CASUALTY. If a party wall is destroyed or damaged by fire or other casualty any owner who has used the wall may restore it, and if the other owner thereafter made use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right or any such owner's call for a larger contribution from the others under any rule of Law regarding liability for negligent or willful acts or emissions.

SECTION 4. PARTY WALLS. The owners of any attached town home Lot may reconstruct or repair a party wall in any direction (subject to and within the limitations of these covenants) with the right to go upon the adjoining Lot to the extent reasonably necessary to perform such construction. Such reconstruction or repair shall be done expeditiously. Upon completion of such reconstruction or repair, such owner shall restore the adjoining Lot to as near the same condition which prevailed on it before the commencement of such construction as is reasonably practicable.

SECTION 5. WEATHERPROOFING. Notwithstanding any other provision of this article, an owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

SECTION 6. RIGHT TO CONTRIBUTION RUNS WITH LAND. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such owner's successors in title.

SECTION 7. CERTIFICATION BY ADJOINING PROPERTY OWNER THAT NO CONTRIBUTION IS DUE. If any owner desires to sell his property, he may, in order to assure a prospective purchaser that no adjoining property owners has a right of contribution as provided in this Section 6, request the adjoining property Owner(s) to issue a certificate that no contribution exists, whereupon it shall be the duty of each adjoining property owner to make such certification immediately upon request without charges provided, however, that were the adjoining property owner claims a right of contribution the certification shall contain a recital of the amount claimed.

SECTION 8. ARBITRATION. In the event of any dispute arising concerning party wall, or under the provision of this article, such dispute shall be settled by arbitration as provided by the laws of North Carolina, relating to arbitration as then existing.

**ARTICLE VI
ARCHITECTURAL CONTROL**

No building, fence, signs, 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 until plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography to an Architectural Control Committee appointed by the Board of Directors and composed of three (3) or more representatives. In the event said committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this article will be deemed to have been fully complied with.

**ARTICLE VII
ANNEXATION OF ADDITIONAL PROPERTIES**

SECTION 1. Annexation of additional property, except, as provided in section 2 of this article VII shall require the assent of two-thirds (2/3) of the Class A membership and two-thirds (2/3) of the Class B membership, if any at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The presence of members or of proxies entitle to cast sixty (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting another meeting shall be called subject to the notice requirement set forth above and the required quorum at such subsequent meeting shall be one half of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. In the event that two-thirds (2/3) of the Class A membership or two-thirds (2/3) of the Class B membership are not present in person or by proxy, members not present may give their written assent to the action taken thereat.

**ARTICLE VII
MAINTENANCE**

SECTION 1. In addition to maintenance of the Common Area, the Association shall provide maintenance upon each follows: trees, shrubs, grass, mailboxes, fences installed by Declarant or the Association, exterior post lights (excluding electricity therefore), and other exterior improvements. Such exterior maintenance shall not include glass surfaces, screens awnings, and if permitted, approved additions to dwellings made after completion of the initial dwelling (unless maintenance of such addition is affirmatively assumed by the associational) or the repair or reconstruction of any improvements on any Lot, the cost of which repair or construction would be covered by casualty insurance, whether or not a policy of casualty insurance is in effect. Further, the Owner of any Lot may at his election plant trees, shrubs, flowers and grass in his rear yard and may also maintain portions or all of his rear yard provided that such maintenance by the owner does not hinder the Association in performing its maintenance of exterior house and the remaining yard spaces. No such maintenance by a Lot Owner shall reduce the assessment payable by him to the Association. If, in the opinion of the Association any such owner fails to maintain his rear yard in a neat and orderly manner, the association may revoke the owner's maintenance rights for a period not to exceed one year. The Owner shall not plant any vegetation in the front yard except with the prior written approval of

the Association, (As a matter of information to the future members of this Association, the developers wish to make it known that it is a part of the original plan of development to construct & variety of dwellings and a variety of exteriors for the good of the entire subdivision. Some dwellings will require far more maintenance than others because of the types of exterior exposures. Nevertheless, in order to avoid monotony and in order to achieve a harmony of design and textures, all of those connected with the conception, design, construction and financing of this subdivision as originally planned, are in accord in their belief that all member of the association will be benefited by the variety of exterior maintenance and make a uniform rate of change without regard to the actual cost of maintenance of each dwelling.)

In the event that the need for maintenance or repair is caused through the willful or negligent act of the owner, his family, tenants, contract purchasers, guests, or invitees, the costs of such maintenance or repairs shall be added to and become a part to the assessment to which such Lot is subject.

SECTION 2. MAINTENANCE BY OWNER. In case where maintenance or repair is required in this Declaration to be done or made by an Owner, and such maintenance or repair has not commenced within sixty (60) days or if commenced, is not completed within a reasonable time thereafter, the Association may upon thirty (30) days written notice to such Owner, make or complete such maintenance or repairs and the cost thereof shall be an additional assessment applicable only to such Lot and Owner, and shall be payable as determined by the board of directors.

ARTICLE VIII USE RESTRICTIONS

SECTION 1. RULES AND REGULATIONS, The Board of Directors of the Association shall have the power to formulate, publish, amend and enforce reasonable rules and regulations concerning the use and enjoyment of the front yard space of each Lot and the Common Areas. Such rules and regulations may provide for imposition of fines or penalties for the violation of any of the covenants and conditions contained in this Declaration.

SECTION 2. USE OF PROPERTIES. No portion of the properties shall be used except for residential purposes. Only one family may occupy a Lot as a principal residence at any one time. Declarant may maintain a sales office, models and construction office in one or more units in accordance with the Wake county Code.

SECTION 3. QUIET ENJOYMENT. No obnoxious or offensive activity shall be carried on upon the properties, nor shall annoyance to the neighborhood.

SECTION 4 ANIMALS. No animals, livestock or poultry of any kinds shall be raised, bred, kept or maintained on any Lot or in any dwelling except that indoor dogs, cats, or other household pets might be kept or maintained provided that they are not kept, bred, raised or maintained for commercial purposes.

SECTION 5. DWELLING SPECIFICATIONS. Except with prior written approval of the Architectural Committee; no dwelling shall be constructed or permitted to remain on any attached Town home Lot having an area of the main structure, exclusive of open porches and decks of less than 800 square feet for a one-story dwelling nor less than 800 square feet for a dwelling of more than one-story.

**ARTICLE IX
EASEMENTS**

All of the properties, including Lots and Common Areas, shall be subject to such easements for driveways, walkways, parking areas, water lines, sanitary sewers, storm drainage facilities, gas lines, telephone and electric power line and other public utilities as shall be established by the Declarant or by his predecessor in little prior to the subjecting to this declaration and the Association shall have the power and authority to grant and establish upon, over, under and across the Common Areas conveyed to it, subject to further easements as are requisite for the convenient use and enjoyment of the properties.

An easement is herby established over the Common Area and public utility companies and public service agencies as necessary for setting, removing and reading of meters, replacing and maintaining water, sewer and drainage facilities, electrical telephone, gas and cable antenna lines, fire fighting, garbage collection, postal delivery, emergency and rescue activities and law enforcement activities. All Lots shall be subject to easements for the encroachment of initial improvement constructed on adjacent Lots by the Declarant to the extent that such initial improvements actually encroach including, but not limited to, such items as overhanging eaves, gutters and downspouts, fences, decks, and walls.

**ARTICLE X
GENERAL PROVISIONS**

SECTION 1. ENFORCEMENT. The Association, or any owner, shall have the right to enforce, by any processing at Law or in equity, all restrictions, covenants, reservations, liens and charges now as hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver or 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 with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This declaration may be amended during the first twenty (20) year period by an instrument signed by the owners of not less than sixty seven percent (67%) of the Lots and thereafter by an instrument signed by the owners of not less than Seventy-five percent (75%) of the Lot owners. No amendment which would change or delete any provision herein required by the City of Clayton shall become effective until submitted to and approved by the City attorney of Clayton; however if the City attorney fails to approve or disapprove such amendment within thirty (30) days after the same has been submitted, such approval shall not be required and this covenant shall be deemed to have been fully complied with, any amendment must be recorded in the office of the register of deeds of Wake County, North Carolina.

SECTION 4. FHA/VA/FNMA APPROVAL. As long as there is a Class B membership, the following actions will require the prior written approval of ENMA, and the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Areas, and amendment of this Declaration of Covenants, conditions and Restrictions.

**ARTICLE XI
ELECTRICAL SERVICE**

Declarant reserve the right to subject the above described property to a contract with Carolina Power and Light Company or Town of Clayton for the installation of underground electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to Carolina Power and Light Company by the owner of each within said property.

**ARTICLE XII
RIGHT OF INSTITUTIONAL LENDERS**

SECTION 1. The prior written approval of each institutional holder of first deed of trust on units in the property will be required for the following;

(a) The abandonment or termination of the town home except for abandonment or termination provided by Law is case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain.

(b) Any material amendment of the declaration or to the By-Laws of the Association;

(c) The effectuation of any decision by the Association to terminate professional management and assume management and assume self-management of the property.

SECTION 2. No unit may be partitioned or subdivided without the prior written approval or the first lien holder of the unit.

SECTION 3. Upon written request, any institutional holder of a first lien on a unit will be entitled to:

(a) Inspect the books and records of the Association during normal business hours:

(b) Receive an annual audited financial statement of the Association within 90 days following the end of any fiscal year; and

(c) Written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

SECTION 4.

(A) In the event of substantial damage to or destruction of any unit or any part of the common Area, the institutional holder of any first mortgage on a unit will be entitled to timely written notice of any such damage or destruction.

(b) If any unit or portion thereafter or the Common Area or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by.

IN WITNESS WHEREOF, the undersigned Declarant and Unit Owner has hereunto executed this Declaration this 21st day of FEBRUARY, 2008.

AMV Realty, INC.
A North Carolina Corporation

[Signature] (NAME) (HAR)
By PRESIDENT

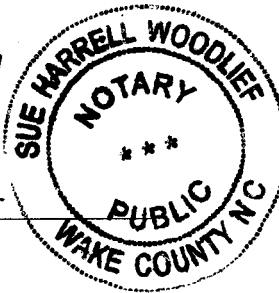
STATE OF NORTH CAROLINA

COUNTY OF WAKE

I, Sue Harrell Woodlief, A Notary Public certify that Waheed Haq, personally came before me this day and acknowledge that he/she is President of AMV Realty Inc. a corporation and that by authority dully given and as the act of the corporation, the foregoing instrument was signed in its name..

Witness my hand and seal this 21st day of February.

Sue Harrell Woodlief
Notary Public



My commission expires 09-08-08

Parcel ID: 05H03011V

Return to: _____

Prepared by: Judy A. Bruno, Esquire
Sitko Bruno, LLC
2740 Smallman Street, Suite 300
Pittsburgh, PA 15222

QUITCLAIM ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Assignment") is made this 17 day of September, 2013, by and between **PNC BANK, NATIONAL ASSOCIATION**, a national banking association, successor by merger to **RBC Bank (USA)** ("Assignor"), having an office c/o PNC Harborside, One East Pratt Street, 4th Floor, Baltimore, Maryland 21202, and **BOLING PROPERTY, LLC**, a North Carolina limited liability company ("Assignee"), having an address at 5520 McNeely Drive, Suite 305, Raleigh, North Carolina 27612.

WITNESSETH

WHEREAS, Assignor has on the date hereof conveyed unto Assignee certain real property located in Clayton, Johnston County, North Carolina, more particularly described on Exhibit A hereto and made a part hereof, attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, in connection with the conveyance of the Property, Assignor and Assignee intend that certain related rights with respect to the Property be assigned and transferred by Assignor to Assignee.

NOW, THEREFORE, in consideration of the foregoing premises, the sum of Ten and No/100 Dollars (\$10.00) in hand paid by Assignee to Assignor at and before the execution, sealing and delivery hereof, and other good and valuable consideration, the receipt and

sufficiency of which are hereby acknowledged, Assignor and Assignee do hereby agree, as follows:

1. Assignment. (a) Assignor does hereby quitclaim and assign to Assignee all rights, title, interest, privileges, benefits and obligations of Assignor, or otherwise accruing to the owner of the Property, if any, in, to and under the following (the "Intangible Property") (i) the Declaration of Covenants, Conditions and Restrictions recorded at Deed Book 3498, Page 625, Instrument #2008208162 in the Register of Deeds office of Johnston County, North Carolina (the "Declaration"), (ii) land use approvals, permits, licenses and authorizations, and applications therefor, whether approved or in process, (iii) other tangible and intangible rights related to the Land or any Improvements, whether arising under or pursuant to governmental requirements, administrative or formal action by governmental authorities, or agreement with governmental authorities or third parties; (iv) any other declarations and restrictive covenants encumbering the Property and any and all declarant rights, special or otherwise, and all plats and, plans, bylaws and other documents related thereto; (v) any and all annexation, development or other agreement with a governmental agency, utility authority or otherwise which relates to the Property, to the extent assignable. Seller makes no representation or warranty of any kind with respect to the Declaration or any related documents, including without limitation the "Association" referenced in the Declaration, or the status of Assignor's rights or obligations, if any, with respect to any of the Intangible Property.

2. Acceptance. Assignee hereby accepts the assignment of the Intangible Property, agrees to be bound by the terms of the Declaration and the Intangible Property, and assumes and agrees to perform all duties and obligations of Assignor thereunder whether prior to or subsequent to the purchase and sale of the Property by Assignee.

3. Indemnification. Assignee shall indemnify and hold harmless Assignor from and against all obligations assumed by the Assignee hereunder.

4. Further Assurances. Assignor shall do all such additional and further acts, and shall execute and deliver all such additional and further instruments and documents, as Assignee may reasonably require fully to vest in Assignee all of Assignor's right, title and interest in and to the Intangible Property.

5. Miscellaneous. This Assignment shall be binding upon and enforceable against, and shall inure to the benefit of, Assignor and Assignee and their respective legal representatives, successors and assigns. This Assignment shall be governed by, construed under and interpreted and enforced in accordance with the laws of the State of North Carolina. This Assignment may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

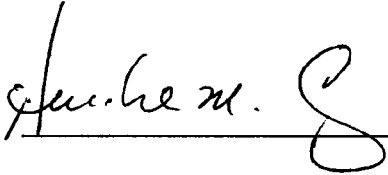
[SIGNATURES BEGIN ON NEXT PAGE]

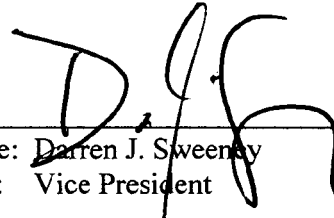
IN WITNESS WHEREOF, Assignor and Assignee have caused this Assignment to be executed under seal the day and year first above written.

WITNESS:

ASSIGNOR:

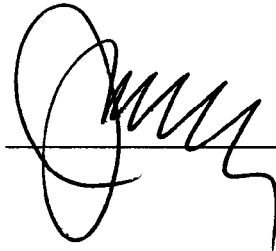
**PNC BANK, NATIONAL ASSOCIATION,
a national banking association, successor by
merger to RBC Bank (USA)**

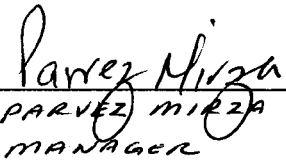


By: 
Name: Darren J. Sweeney
Title: Vice President

ASSIGNEE:

**BOLING PROPERTY, LLC, a North
Carolina limited liability company**



By: 
Name: PARVEZ MIRZA
Title: MANAGER

STATE OF MARYLAND

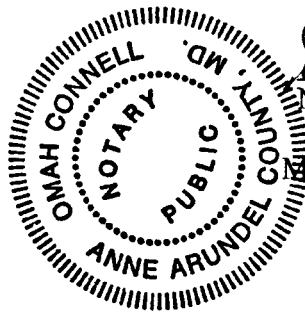
COUNTY OF Anne Arundel

)
)
)

SS:

On this the 17th day of September, 2013, before me the undersigned Notary Public, personally appeared the above named DARREN J. SWEENEY, known to me to be a Vice President of PNC BANK, NATIONAL ASSOCIATION, a national banking association, successor by merger to RBC Bank (USA), who acknowledged that he did sign said instrument for and on behalf of PNC BANK, NATIONAL ASSOCIATION, a national banking association, successor by merger to RBC Bank (USA), being thereunto duly authorized by said PNC BANK, NATIONAL ASSOCIATION, a national banking association, successor by merger to RBC Bank (USA); that the same is his free act and deed and the free act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above set forth.

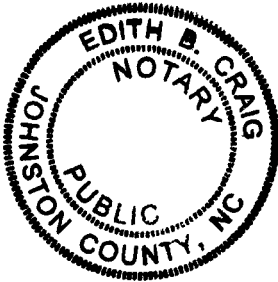


Anne Connell
Notary Public
My Commission Expires 6/8/2014

STATE OF NORTH CAROLINA)
)
COUNTY OF WAKE) SS:

On this the 19 day of September, 2013, before me the undersigned Notary Public, personally appeared the above named PARVEZ MIRZA, known to me to be the MANAGER of BOLING PROPERTY, LLC, A North Carolina limited liability company who acknowledged that he/she did sign said instrument for and on behalf of BOLING PROPERTY, LLC, being thereunto duly authorized by said BOLING PROPERTY, LLC; that the same is his/her free act and deed and the free act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above set forth.



Edith B. Craig
Notary Public

My Commission Expires 8/2/16

EXHIBIT A**LEGAL DESCRIPTION**

Being all that certain parcel or tract of land lying and being situate in Clayton Township, Johnston County, North Carolina more particularly described as follows:

BEGINNING at a point in the center line of N.C.S.R. #1963, said point being the corner with Lela Elizabeth Pounds and Mrs. O. Benson, and runs at the Benson line South 20 degrees 29 minutes East 48.20 feet; North 62 degrees 50 minutes East 84.50 feet; and South 85 degrees 47 minutes East 665.10 feet to a point in the center of Buckhorn Branch; thence runs along the center of said Branch the following courses and distances: South 03 degrees 37 minutes East 277.46 feet; thence South 18 degrees 30 minutes East 197.25 feet, said point being the center of Buckhorn Branch; thence a new line with Lela Pounds North 85 degrees 47 minutes West 817.80 feet to the center line of N.C.S.R. #1963; thence North along the center line of N.C.S.R. #1963 175.40 feet to a point in the center line; thence North 04 degrees 00 minutes West 284.60 feet to the point of BEGINNING, containing 8.0 acres, more or less, according to a survey made by Ragsdale Engineers dated 5-2-77.

Less and Except all of Units 1, 2, 3, 4, 37, 38, 39, 40, 41, 42, 43, 44, 45 and 46, Boling Townes as shown on that certain map or plat entitled Boling Townes (Phase 1) recorded in Book of Maps 72, Page 173, Johnston County, North Carolina Registry.

**BY LAWS
BOLING PARK TOWNES
HOMEOWNERS ASSOCIATION**

**BY LAWS
OF
BOLING TOWNES
HOMEOWNERS ASSOCIATION**

ARTICLE I

NAME AND LOCATION. The name of the corporation is Boling Townes Homeowners Association, Inc., hereinafter referred to as the “Association”. The principal office of the corporation shall be located in Johnston County, North Carolina. Meetings of the members and directors may be held at such places within the state of North Carolina, County of Johnston, as may be designated by the board of directors.

ARTICLE II

Section 1. “Association” shall mean and refer to Boling Townes Homeowners Association, Inc, its successors and assigns.

Section 2. “Properties” shall mean and refer to that certain real property referred to as Boling Townes and described in the Declaration of Covenants, Conditions and Restrictions affecting property now within the jurisdiction of the Association and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. “Common Area” shall mean all real property and amenities located thereon and all private streets owned by the Association for the common use and enjoyment of members of the Association. Common Area shall also include any waterlines and sewer lines that may be located within the Common Area and not within the Town of Clayton sanitary sewer easements.

Section 4. “Lot” shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the Common Area and areas designated as Open Space.

Section 5. “Member” shall mean and refer to every person or entity who holds a membership in the Association.

Section 6. “Owner” shall mean an refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the properties, including contract sellers but excluding those having such interest merely for the performance of an obligation.

Section 7. “Declarant” shall mean an refer to Boling Towns. and its successors and assigns to whom the rights of Declarant are expressly transferred, in whole or in part, as set forth in the Declarations.

Section 8. “Declaration” shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded in the office of the Register of Deeds of Johnston County, North Carolina.

ARTICLE III **MEMBERSHIP**

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenant of record to assessment by the Association, including contract sellers, shall by a member of the association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall by appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of

such Lot shall be the sole qualification for membership. The Board of Directors may make reasonable rules relating to the proof of ownership of a lot in this subdivision.

Section 2. Suspension of Membership. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association the voting rights and rights to use the Common Areas of such member may be suspended by the Board of Directors until such assessment has been paid. Such right of a member may also be suspended, after notice and hearing, for a period not to exceed 30 days, for violation of any rules and regulations established by the Board of directors governing the use of the Common Area.

**ARTICLE IV
PROPERTY RIGHTS: RIGHTS OF ENJOYMENT**

Section 1. Each member shall be entitled to the use and enjoyment of the Common Area, including the rights of ingress and egress, as provided in the Declaration. Any member of his family, his tenants or contract purchasers, who reside in a townhome Lot shall be entitled to the use and enjoyment of the Common Area. Such member shall notify the secretary in writing of the name of any such delegee. The rights and privileges of such delegee are subject to suspension to the same extent as those of the member.

**ARTICLE V
BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE**

Section 1. Number. The affairs of this Association shall be managed by a Board of not less than three (3), nor more than nine (9) directors, who need not be Members of the Association.

Section 2. Election. At the first annual meeting the members shall elect one-third of the directors for a term of one year, one-third of the directors for a term of two years and one-third of the directors for a term of three years; and at each annual meeting thereafter the members shall

elect one-third of the directors for a term of three years, and thereafter until their successors are elected and qualified.

Section 3. Death, Resignation or Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessors.

Section 4. Compensation. Director shall receive compensation for any services he may render to the Association in the capacity of director. Any director may be reimbursed for his actual expenses incurred in the performance of his duties. Approved by all board members.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting, which they could take a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VI
NOMINATION, ELECTION AND MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of directors shall be held annually, without notice, after the annual meeting of members as provided in Article X, Section 1. In addition, the board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings. Should said meetings fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2 Special Meetings. Special meetings of the Board of shall be held when called by the President of the Association, or by any two directors, after not less than three (3) day notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the board.

Section 4. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting.

The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting for the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among member or non-members.

Section 5. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VIII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power:

(a) To adopt and amend and publish rules and regulations governing the use of the Common Area and personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) To exercise for the Association all powers, duties and authority vested in or delegated to this Association not reserved the membership by other provision of these Bylaws, the Articles of Incorporation of the Declaration;

(c) To enforce the rules and regulations of the Association and the Bylaws and Declaration through means deemed appropriate by the Board, including without limitation, by the use of fines under N.C.G.S. §47F-3-107.1.

(d) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) To employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors:

(a) To cause to be kept a complete record of all its acts (report of the Association) and corporate affairs (Annual Financial Statement) and to present said statements thereof to the members at the annual meeting of the members. Also, to present such statements at any special meeting, when such statements are requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

- (b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) As more fully provide herein and in the Declaration;
 - (1) To fix the amount of the annual assessment against each Lot at least thirty (30) days in advance to each annual assessment period, as hereinafter provided in Article IV of the Declaration, and
 - (2) To send written notices of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period;
- (d) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment had been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid;
- (e) To procure and maintain adequate liability insurance, and to procure adequate hazard insurance on property owned by the Association;
- (f) To cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) To cause the Common Area, and the improvements on the Common Area to be maintained;
- (h) To cause the payment of ad valorem taxes and public assessments levied against the property of the Association, and
- (i) To direct and supervise the affairs of the Association and require the Association to fulfill all of its obligations and duties as set forth in the Declaration.

ARTICLE IX
COMMITTEES

Section 1. The Association may appoint as Architectural Control Committee as provided in the Declaration and a Nominating Committee as provided in these Bylaws. In addition, the Board of Directors may, but shall not be required to, appoint other committees as deemed appropriate in carrying out its purpose, such as:

1. A Recreation Committee, which shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines;

2. A Maintenance Committee, which shall advise the board of directors on all matters pertaining to the maintenance, repair or improvement of the properties, and shall perform such other functions as the Board, in its discretion, determines;

3. A Publicity Committee which shall inform the members of all activities and functions of the Association and shall after consulting with the board of Directors, make such public releases and announcements as are in the best interests of the Association;

4. An Audit Committee which shall supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular meeting as provided in Article XI, Section 8(d) of these Bylaws. The Treasurer shall be an ex-officio member of the committee.

ARTICLE X
MEETINGS OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the members shall be held at such time and at such place as is fixed by the Board of directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-four (1/4) of all of the votes of the entire membership or who are entitled to vote one-fourth (1/4) of the votes of the class A membership.

Section 3. Notice of meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, (unless the meeting is to make assessments for capital improvements, or to increase annual assessments, in which case a 30-day notice shall be given) addressed to the member's address last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. Except where otherwise noted in the Declaration, the presence at the meeting of members entitled to cast, or of proxies entitled to cast, one tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles or Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

ARTICLE XI
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified sot serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the board may, from time to time, determine.

Section 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7 Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President The president shall preside at all meetings of the Board of Directors and all meetings of the members; shall see that orders and resolutions of the

Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all promissory notes.

(b) Vice-President. The Vice-President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and members of the Association; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with addresses, and shall perform such other duties as required by the board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made by an independent certified public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE XII
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member or his designated agent. The Declaration, the Article of Incorporation and the Bylaws of the Association shall available for inspection by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XIII
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words “Boling Townes Homeowners Association, Inc.” and in its center the words, “Corporate Seal”

ARTICLE XIV
AMENDMENTS

Section 1. These Bylaws may be amended at a regular or special meeting of the members, by the affirmative vote of at least 50% of all eligible members of the Association.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XV
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end of the 31st day of December of every year, except that the first fiscal year shall begin on the date official transfer of the Association by the Builder to the homeowners.

The insurance company covering the hazard insurance policy for each homeowner must pay for the construction of the damaged unit. Homeowner must not receive any payment from their respective insurance company for any damage caused to their units.

IN WITNESS WHEREOF, we being all of the directors of BOLING TOWNES HOMEOWNERS ASSOCIATION, INC., have hereunto set our hands this the _____ day of _____, 2016 to officially adopt these bylaws.

Director

Director

Director

<p>SOSID: 1030069 Date Filed: 2/27/2008 12:14:00 PM Elaine F. Marshall North Carolina Secretary of State C200805200999</p>

**State of North Carolina
Department of the Secretary of State**

**ARTICLES OF INCORPORATION
OF
BOLING TOWNES HOMEOWNERS ASSOCIATION, INC.
A NORTH CAROLINA NONPROFIT CORPORATION**

Pursuant to § 55A-2-02 of the General Statutes of North Carolina, the undersigned corporation does hereby submit these Articles of Incorporation for the purpose of forming a nonprofit corporation.

**ARTICLE I
NAME**

The name of the Corporation is BOLING TOWNES HOMEOWNERS ASSOCIATION, INC., hereinafter called the "Association."

**ARTICLE II
NONPROFIT CORPORATION**

The Association is a nonprofit corporation duly incorporated and organized pursuant to Chapter 55A of the General Statutes of North Carolina.

**ARTICLE III
INITIAL REGISTERED OFFICE**

The street address, mailing address and county of the initial registered office of the Association is: 5520 McNeeley Drive, #303, Raleigh, NC 27612, Wake County.

**ARTICLE IV
INITIAL REGISTERED AGENT**

The name of the initial registered agent is Waheed Haq.

ARTICLE V
PRINCIPAL OFFICE

The street address and mailing address of the principal office of the Association is 5520 McNeeley Drive, #303, Raleigh, NC 27612, Wake County.

ARTICLE VI
INCORPORATOR

The name and address of the incorporator is Waheed Haq, 4109 Henry J. Menninger Wynd, Raleigh, NC 27612.

ARTICLE VII
PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation, beautification and harmony of properties within that certain tract of property described as the Boling Townes Subdivision, and as depicted in the plat thereof recorded in Plat Book 70 Page 392-393 of the Johnston County Registry, and as more particularly described in the Declaration of Covenants, Conditions and Restrictions for Boling Townhomes, recorded in the Johnston County Registry and to promote the health, safety, and welfare of the occupants within the above described property and; accordingly to perform each of the following:

(a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions for Boling Townes Community, recorded in the Johnston County Registry in the Office of the Register of Deeds (hereinafter, "Declaration"), and as the same may be amended from time to time as therein provided, said Declaration being incorporated as if fully set forth herein;

(b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments; to pay all expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) Have and to exercise any and all powers, rights, and privileges which a corporation organized under the Nonprofit Corporation Act of the State of North Carolina by law may now or hereafter have or exercise.

This corporation is organized and shall be operated exclusively as a property owners association and not for profit. No part of the earnings of this corporation or the funds contributed by any person or corporation shall inure to the benefit of any director, officer, or Member of the corporation, or any private individual (other than by acquiring, constructing, or providing management, maintenance, and care of the Association property, and other than by a rebate of excess membership dues, fees, or assessments), except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes.

In order to properly prosecute the objects and purposes set forth herein, this corporation shall have all the powers vested in corporations by the laws of the State of North Carolina, Chapter 55A, and other laws relating to corporations which may appear in the General Statutes of North Carolina, together with all amendments thereto, past and future, which powers shall include, but shall not be limited by nor shall such powers be deemed as exclusive of other powers vested in the corporation, the foregoing powers stated above.

ARTICLE VIII **MEMBERSHIP**

The Association shall have members as provided in Article III of the Declaration. Concurrently with and as an incident to ownership of a Lot, each owner automatically shall become a "Member" of the Association, and by accepting a deed conveying to such Owner title to a Lot, each Lot Owner consents to becoming a Member of the Association. Membership in the Association shall be appurtenant to ownership and no incidence of such membership may be severed from such ownership or otherwise held separately therefrom. Immediately and automatically upon any person ceasing to be a Lot Owner, the membership of such Person in the Association shall also immediately and automatically terminate. Provided, however, such

termination shall not, to any extent, extinguish, relieve or reduce any accrued liabilities or obligations of the former Member to the Association, or impair any rights, remedies or recourse which the Association or any other Member has with respect to the former Member.

ARTICLE IX
VOTING RIGHTS

Voting rights in the Association shall be governed by Article III of the Declaration. When a Lot is owned by more than one Member, all such Members collectively shall be considered as a single member for purposes of voting, and they may cast one vote per Lot in such manner as they may determine between or among themselves, except that in no event shall such votes with respect to such jointly owned Lot be split or cast separately.

ARTICLE X
BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of Directors. The initial Board of Directors shall be comprised of Waheed Haq and Siraj Chohan. Following the initial term of such aforesaid directors, the number of members of the first Board of Directors of the Association shall be not less than three (3), nor more than nine (9) who do not necessarily need to be members of the Association all as provided in Article V of the Bylaws.

ARTICLE XI
DURATION AND DISOLUTION

The corporation shall exist perpetually. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted,

conveyed and assigned to any non-profit corporation, association, trust, or other organization to be devoted to such similar purposes.

ARTICLE XII
AMENDMENTS

Amendment to these Articles shall require the assent of sixty seven percent (67%) of the total Lots entitled to vote at a duly called meeting of the Association at which a quorum is present and approves the change.

This the 21st day of February, 2008.



Waheed Haq, INCORPORATOR