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MASTER DECLARATION OF COVENANTS, CONDITIONS  
AND RESTRICTIONS  
FOR PARK PLACE SUBDIVISION  
(Master Development)

Prepared by/return to:  
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THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Declaration") is made the this the 13th day of December, 2012, by CAVINESS & CATES BUILDING AND DEVELOPMENT COMPANY, a North Carolina corporation, hereinafter referred to as "Declarant" joined by THE SHOPPES AT PARK PLACE, LLC, a North Carolina limited liability company (hereinafter reverred to as "The Shoppes"), and THE GROVE AT PARK PLACE, LLC, a North Carolina limited liability company (hereinafter referred to as "The Grove").

WITNESSETH:

Declarant is the owner of certain property in the City of Fayetteville, Cumberland County, North Carolina described in deed recorded in Book 8826, Page 880, of the Cumberland County Registry. Declarant's property is intended for development as a single family home residential subdivision.

The Shoppes is the owner of certain property in the City of Fayetteville, Cumberland County, North Carolina, described in deed recorded in Book 8834, Page 776, of the aforesaid Registry. The Shoppes' property is intended for development for commercial uses.

The Grove is the owner of certain property in the City of Fayetteville, Cumberland County, North Carolina, described in deed recorded in Book 8834, Page 771, of the aforesaid Registry. The Groves' property is intended for development as a multi-family project.

Declarant, The Shoppes and The Grove desire to develop their adjoining properties so that they share certain amenities as common area for the beneficial use of the three properties and the responsibility for the maintenance of this common area under a general plan or scheme of improvement. The parties desire to subject their properties to the covenants, restrictions, easements, affirmative obligations, charges and liens hereinafter act forth, hereinafter referred to as the "Covenants" or the "Declaration", all of which is hereby declared to be for the benefit of said property and each and every owner of any and all parts thereof. Declarant contemplates that additional easements, covenants and restrictions may be imposed in the future by Declarant or other parties with respect to the single family development and that a separate owners association will be established in connection therewith.

The parties hereto have caused to be incorporated under the laws of the State of North Carolina, a non-profit corporation, PARK PLACE MASTER OWNERS ASSOCIATION, INC., for the purpose of exercising the functions aforesaid, which functions are hereinafter more fully set forth.

NOW THEREFORE, the Declarant, The Shoppes, and The Grove declare that the real property described above shall be held, transferred, sold, conveyed, given, donated, leased, occupied and used subject to the covenants, restrictions, conditions, easements, changes, assessments, affirmative obligations, and liens hereinafter set forth. This Declaration and the affirmative and negative burdens of these covenants, shall touch and concern and run with the land, collectively herein referred to as the "Property." All rights and easements reserved by the Declarant hereunder shall also be reserved to the assignees and successors in interest of the Declarant.

ARTICLE I  
DEFINITIONS

(a) "Board" or "Board of Directors" shall mean those persons elected or appointed and acting collectively as the Board of Directors of the Master Association.

(b) "Commercial Tract" shall refer to the property of The Shoppes recorded in Book 8834, Page 776, of the Cumberland County, NC, Registry.

(c) "Common Properties" or "Common Areas" shall mean and refer to the "sign & landscape easement" as shown on the Plat, the entrance signage, and the entrance landscaping, and all personal property acquired by the Master Association. All Common Area is to be devoted to and intended for the common use and enjoyment of the Owners, persons occupying dwelling places or accommodations of Owners on a guest or tenant basis, and visiting members (to the extent permitted by the Board of Directors of the Master Association) subject to the fee schedules and operating rules adopted by the Master Association; provided, however, that any lands which are leased by the Master Association for use as Common Properties shall lose their character as Common Properties upon the expiration of such Lease. Reference to Common Properties in these covenants does not imply or guarantee that the Property affected by these covenants or any future

section(s) of Park Place will have any Common Properties.

(d) "Common Expenses" shall mean and include:

- (1) All sums lawfully assessed by the Master Association against its members;
- (2) Expenses of administration, maintenance, repair, or replacement of the Common Properties, including, without limitation, all labor, services, common utilities, materials, supplies, equipment, costs incurred in acquiring a Lot pursuant to a judicial sale, legal, accounting or managerial fees affecting the Property;
- (3) Expenses declared to be common expenses by the provisions of this Declaration or the Bylaws;
- (4) Hazard, liability, or such other insurance premiums as the Declaration or the Bylaws may require the Master Association to purchase or as the Master Association may deem appropriate to purchase;
- (5) Ad valorem taxes and public assessment charges lawfully levied against Common Properties;
- (6) The expense of maintenance of any roads, streets, easements, landscaping, amenities, taxes or any other expense item associated with any Common Property not located on the Property but permitted to be used by the members of this Master Association by any adjoining landowner, association or other entity pursuant to any cross-easement, cross-access or other agreement by the Master Association with the adjoining land owner;
- (7) Any other expenses determined by the Board or approved by the members to be common expenses of the Master Association.

(e) "Declarant" shall mean Caviness & Cates Building and Development Company, a North Carolina corporation, and its successors and assigns.

(f) "Covenants" or "Declaration" shall mean this instrument as it may be from time to time amended, supplemented, modified or incorporated by reference.

(g) "Limited Common Area" shall mean and refer to the 2.34 ac. "Open Space/Common Area"; the 2.54 ac. "Open Space/Common Area"; and the 1.30 Open Space Common Area (including Drainage, Access & Stormwater Management Easement" shown on the Plat which shall be owned by the Sub-Association for the Single Family Tract, will serve only the Single Family Tract, and will be maintained at the expense of the Sub-Association for the Single Family Tract

(h) "Lot" shall mean and refer to the Commercial Tract, the Multi-Family Tract or the Single Family Tract.

(i) "Master Association" shall mean and refer to the Park Place Master Owners Association, Inc., a North Carolina non-profit corporation, its successors and assigns.

(j) "Multi-Family Tract" shall mean and refer to the property of The Grove recorded in Book 8834, Page 771 of the Cumberland County, NC, Registry.

(j) "Owner" shall mean and refer to the owner as shown by the records in the Register of Deeds of Cumberland County, North Carolina, whether it be one or more persons, firms, associations, corporations, or other legal entities, including the Declarant, of fee title to any Lot (or any portion of any Lot), but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee or holder of a security deed, its successors or assigns, unless and until such mortgagee or holder of a security deed has acquired title pursuant to foreclosure or a proceeding or deed in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner.

(k) "Plat" shall mean the plat entitled "Phase One PARK PLACE" and recorded in Plat Book 131, Page 184, of the Cumberland County, North Carolina, Registry.

(l) "Period of Declarant Control" means the period commencing on the date hereof and continuing until the earlier of (i) fifteen (15) years after the date of the first conveyance of a Lot to an owner other than Declarant; or (ii) when Declarant has voluntarily relinquished its Declarant Rights hereunder in writing.

(m) "Property" shall mean and refer collectively to the Commercial Tract, the Multi-Family Tract and the Single Family Tract.

(n) "Single Family Tract" shall mean and refer to the property of Declarant recorded in Book 8882, Page 880, of the Cumberland County, NC, Registry.

(o) "Sub-Association" shall mean and refer to the owners' association formed or to be formed to oversee development, maintenance, and other aspects of the Single Family Tract, and/or the Multi-Family Tract and/or the Commercial Tract.

ARTICLE II  
PROPERTY, UTILITIES, AND DECLARANT RIGHTS

Section 1. Property. The real property which is and shall be held, transferred, sold, conveyed, given, donated, leased and occupied subject to these covenants is defined as the Property above.

Section 2. Utilities. Declarant, The Shoppes and/or The Grove reserves the right to subject the Property to a contract with public utility provider(s) for the installation of overhead and/or 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 such public utility provider by the owner of each Lot. The parties or any one of them, as appropriate, may devote any Lot or portion thereof, not already sold, for any construction and uses which it, in its discretion, deems necessary in order to provide the subdivision with utilities.

Section 3. Utility Easements. Easements for installation and maintenance for utilities

and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction or flow of drainage, or which may obstruct or retard the flow of water. All areas indicated as streets and easements on the recorded plat are hereby dedicated to public use for such uses forever except stormwater ponds, open space, and side yard easements which are for the use and benefit of those persons and Lots as described herein.

Section 4. Special Declarant Rights. The Grove and The Shoppes do hereby grant and convey to Declarant and Declarant hereby reserves the following special declarant rights for the entire Property during the period of Declarant control:

- (a) To complete any and all improvements indicated on the plats and plans;
- (b) To exercise any development right reserved in this Declaration;
- (c) To construct and maintain any signs advertising the Single Family Tract, the Commercial Tract, or the Multi-Family Tract within the Common Area;
- (d) To appoint or remove any officer or member of the Master Association Board during the period of Declarant control;
- (e) To approve any supplemental declaration or any other declaration of covenants, conditions and restrictions or similar instrument affecting the Property, or any amendments thereto;
- (f) To approve any structure, residence, building or accessory building on the Property; which said construction or improvement shall not commence without the advance written approval of Declarant, which may be withheld in its sole discretion; and
- (g) To have a right of access and use and easement over and upon all paved streets within the Common Area for the purpose of constructing improvements to the Common Area.

### ARTICLE III PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Owners' Easement of Enjoyment in Common Properties. Subject to the provisions of these Covenants, the rules and regulations of the Master Association, and any fees or charges established by the Master Association, every Owner and every tenant and guest of such Owner shall have a right of easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of every Lot or any portion thereof.

Section 2. Access Easement. Appurtenant to each Lot is an easement over any portion of the Common Area which is intended for access, ingress and egress (if any) from and to public streets and walkways and easements for enjoyment of the common areas and for parking areas. Any such easement shall be upon such walkways, driveways or other ways as are designated by the Declarant and/or the Master Association and shall be subject to the terms of this Declaration.

Section 3. Title to Common Properties. The parties hereto covenant for themselves, their successors or assigns, that they will convey to the Master Association, or Sub-Association, as appropriate, by limited warranty deed the "Common Properties" or "Common Area" or "Limited

Common Area” prior to the end of the period of Declarant control. All said parcels of land may be conveyed to the Master Association or Sub-Association, as appropriate, subject to: all restrictive covenants of record at that time, including but by no means limited to this Declaration; and easements conveyed to and reserved by the Declarant herein for special declarant rights.

Section 4. Management of Common Area. The Master Association shall be responsible for the management, operation and control of the Common Area at such time as the same is conveyed to the Master Association. Until such time as the Common Area is conveyed, the Declarant shall be responsible for maintaining the Common Area and all improvements located thereon until such areas have been conveyed to the Master Association. The Sub-Association formed or to be formed in connection with the Single Family Tract shall be solely responsible for the maintenance, repair and replacement of the Limited Common Areas located within the Single Family Tract and as described in the restrictive covenants for the Single Family Tract. The Shoppes, The Grove and Declarant hereby grant to the Master Association easements over the Park Place development as necessary to enable the Master Association to fulfill its maintenance responsibilities with respect to the Common Area; to exercise any right to conduct maintenance or other repair to an Common Area, and to exercise any and all other enforcement rights as set forth in this Declaration. The Shoppes, The Grove and Declarant hereby grant to the Single-Family Sub-Association easements over the Park Place development as necessary to enable the Single-Family Sub-Association to fulfill its maintenance responsibilities with respect to the Limited Common Area; to exercise any right to conduct maintenance or other repair to an Limited Common Area, and to exercise any and all other enforcement rights as set forth in this Declaration.

Section 5. Extent of Owners' Easement. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) the right of the Master Association, in accordance with its Bylaws, to borrow money from the Declarant or any other lender for the purpose of improving and/or maintaining the Common Properties and providing services authorized herein and in aid thereof to mortgage said properties;

(b) the right of the Master Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure;

(c) the right of the Master Association, as provided in its By-laws to suspend the rights and easements of enjoyment of any Owner, or any tenant or guest of any Owner, for any period during which the payment of any assessment against any Lot owned by such Owner remains delinquent, and for any period not to exceed sixty (60) days for any infraction of its published rules and regulations, it being understood that any suspension for either nonpayment of any assessment or a breach of the rules and regulations of the Master Association shall not constitute a waiver or discharge of the Owner's obligation to pay the assessment; and

(d) the right of the Master Association to charge reasonable admission and other fees for the use of the Common Properties and any facilities included therein;

(e) the right of the Declarant or the Master Association by its Board of Directors to dedicate or transfer to any public or private utility, utility easements on any part of the Common Properties; and

(f) the right of the Master Association to give or sell all or any part of the Common Properties, including leasehold interests, to any public agency, authority, public service district, or private concern for such other purposes and subject to such conditions as may be agreed to by the Owners, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such dedication, transfer and determination as to purposes and conditions shall be authorized by (i) the Declarant as long as it owns any portion of the Property and (ii) the affirmative vote of two-thirds (2/3) of the votes cast at a duly called meeting of the Master Association, subject to the quorum requirements established herein and unless written notice of the meeting and of the proposed agreement and action thereunder is sent to every Owner of the Master Association at least thirty (30) days prior to such meeting. A true copy of such resolution together with a certificate of the results of the vote taken thereon shall be made and acknowledged by an officer of the Master Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the Common Properties prior to the recording thereof. Such certificates shall be conclusive evidence of authorization by the membership and shall not apply to roads, water, sewer and storm drainage dedicated or deeded to the City of Fayetteville or County of Cumberland by the Declarant. The Declarant may make such dedications or conveyances without the members' consent;

(g) the right of Declarant to use Common Properties for promotional, sales, and similar purposes during the Period of Declarant Control; and

(h) the special Declarant rights as conveyed/reserved herein.

Section 6. The Master Association shall have the right to override any action taken or contemplated to be taken by an Sub-Association (but not including any Sub-Association's substantive vote as a Member of the Master Association) or Owner, as the case may be, which the Master Association reasonably determines to be inconsistent with the Master Declaration, adverse to the interest of the Master Association, or adverse to the interest of the Park Place development as a whole; however, notwithstanding the above, the Master Association may not take any action that would abrogate any Sub-Association's rights, or any Owner's right, in the Common Area. The Master Association shall also have the power to require specific action to be taken by any Sub-Association, or any Owner, as the case may be, in connection with its obligations and responsibilities as required by this Declaration, such as requiring specific maintenance or repairs or aesthetic changes to be effectuated and requiring that a proposed Sub-Association budget include certain items and that expenditures be made therefore.

A Sub-Association, or an Owner, as the case may be, shall take any appropriate action required by the Master Association within a reasonable time-frame as specified by the Master Association. If the Sub-Association or Owner fails to comply, the Master Association shall have the right (but not the obligation) to effect such action on behalf of the Sub-Association or Owner (including, but not limited to, conducting Limited Common Area or other maintenance

obligations) and to levy special assessments against the Sub-Association and the Sub-Association's members, or the Owner, as the case may be, to cover the costs, as well as to cover administrative charges, attorneys' fees, and sanctions as authorized in this Declaration.

ARTICLE IV  
MEMBERSHIP AND VOTING RIGHTS IN THE MASTER ASSOCIATION

Section 1. Membership. Whenever a Sub-Association shall have been established with respect to any portion of the Park Place development, each and every owner of a lot shall be a member of the Sub-Association which has jurisdiction over the phase or section of the Park Place development in which such Owner's Lot is located. The foregoing does not include a person or entity which holds in interest merely as security for the performance of any obligation. Membership shall be appurtenant to and shall not be separated from any Lot which is subject to assessment by the Master Association or any Sub-Association.

Each and every Sub-Association shall become a member of the Master Association upon the first conveyance to an Owner of a Lot within the sub-section or phase of the Park Place development over which such Sub-Association has jurisdiction. In addition, the Owner of any Lot that comprises a portion of any part of the Park Place development which is not part of a Sub-Association shall be a member (until a Sub-Association has been formed and is operational for any such development). The Declarant acting through its designated officers, employees and agents shall be a member of the Master Association. In the case of multiple ownership of any Lot, each Owner shall be a member, subject to such limitations and fees established by the Declarant from time to time.

Section 2. Voting Rights. The Master Association shall have two (2) classes of voting membership:

Class A. Each Sub-Association Member or Owner Member, as specifically set forth above, shall be a "Class A" Member of the Master Association. The vote for each Class A Member shall be exercised as that Member's representative among themselves determine, but in no event shall more votes be cast with respect to any Class A Member than otherwise provided below, and no fractional vote may be cast with respect to same. The Class A Members shall be entitled to the number of votes as follows:

There shall be attributed to each Lot one vote. Thus, the Class A Sub-Association Member for the Single Family Tract shall be entitled to one vote. The Class A Owner or Sub-Association Member for the Multi-Family Tract shall be entitled to one vote. The Class A Owner or Sub-Association Member for Commercial Tract shall be entitled to one vote. If a Lot is owned by more than one (1) Owner, whether fiduciaries, joint tenants, tenants-in-common, tenants-in-partnership or in any other manner of joint or common ownership, then the vote for such 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.



Class B. The Declarant shall be a "Class B" Member of the Master Association. The Class B Member shall be entitled to the greater of four (4) votes or the minimum number of votes required to comprise a majority and controlling vote of the Master Association; provided, however that the Class B membership shall cease and be converted to Class A membership upon the expiration of the Period of Declarant Control.

Section 3. Composition of Board. The Master Association shall be governed by a Board of Directors consisting initially of three (3) persons, with the number in subsequent years to be determined as provided for in the By-Laws of the Master Association. The Declarant shall have the right to appoint and remove all three (3) persons on the Board and to appoint and remove all officers of the Master Association during the period of Declarant control.

Section 4. Cumulative Voting Prohibited. Cumulative voting is prohibited.

ARTICLE V  
COVENANTS FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The parties hereto, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Master Association: (1) annual assessments or charges which are Common Expenses; (2) special assessments for extraordinary maintenance and capital improvements; (3) special assessments for purchase, construction or reconstruction of improvements; and (4) to the appropriate governmental taxing authority, a pro rata share of assessments for public improvement to the Common Properties if the Master Association shall default in payment thereof. The annual and special assessments, together with interest and costs, and reasonable attorney's fees for collection, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for the delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

The Master Association shall also have the authority, through the Board of Directors, to establish, fix and levy a special assessment on any Lot to secure the liability of the Owner thereof to the Master Association arising from breach by such Owner of any of the provisions of this Declaration which breach shall require the expenditure of time and money or both, by the Master Association for repair or remedy.

Each Owner covenants, for himself, his heirs, successors and assigns, to pay each assessment levied by the Master Association on the Lot described in such conveyance to him within ten (10) days of the due date as established by the Board, and further covenants that if said assessment shall not be paid within thirty (30) days of the due date, the payment of such assessment shall be in default and the amount thereof become a lien upon said Owner's Lot as provided herein and shall continue to be such lien until fully paid. Unless specifically provided

otherwise in this Declaration, all Owners shall remit payment for assessments directly to the appropriate Sub-Association, if any, with that Sub-Association remitting payment to the Master Association for all Master Association assessments charged against it in accordance herewith.

Section 2. Purpose of Assessments. The assessments levied by the Master Association shall be used exclusively for the paying of Common Expenses to promote the beautification and value of the Lots and welfare of the Owners of Lots; and, in particular, but not limited to, for the acquisition, improvement and maintenance of services, amenities and facilities, and for the use and enjoyment of the Common Properties, 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 assessed against the Common Properties, the procurement and maintenance of insurance in accordance with the Bylaws or as deemed appropriate by the Board, the employment of counsel, accountants, managers, engineers, and other professionals for the Master Association when necessary; and such other needs as may arise.

Section 3. Amount of Assessment.

(a) Criteria for establishing Annual Assessment. In establishing the annual assessment for any assessment year, the Board of Directors shall consider all current cost and expenses of the Master Association, any accrued debts, and reserves for future needs. The Commercial Tract shall be responsible for one-third ( $1/3^{\text{rd}}$ ) of the annual assessments; the Multi-Family Tract shall be responsible for one-third ( $1/3^{\text{rd}}$ ) of the annual assessments; and the Single Family Tract shall be responsible for one-third ( $1/3^{\text{rd}}$ ) of the annual assessments.

(b) Regular Assessments; Initial Contributions. Until such time as the Board affirmatively establishes an initial assessment, the regular assessment shall be payable annually in the amount set forth below. Thereafter, the Board of Directors shall fix the annual assessment. In addition to the regular assessment, each Owner or Sub-Association, as the case may be, shall contribute to the Master Association an amount for an "initial contribution". The amount of the regular assessment, initial contribution, and the commencement date for both are as follows:

(i) For the Single Family Tract, the initial regular annual assessment shall be \$4,285.00 (prorated on a calendar basis), the initial contribution shall be \$25.00 per lot (as that term is defined in the Declaration of Covenants, Conditions and Restrictions upon the Single Family Tract) and both shall commence at the time of the conveyance of any said lot;

(ii) For the Commercial Tract, the initial regular annual assessment shall be \$4,285.00 (prorated on a calendar basis), the initial contribution shall be \$1,800.00 (which is not prorated) and both shall commence at the time of the conveyance or lease of all or any portion thereof by The Shoppes; or

(iii) For the Multi-Family Tract, the initial regular annual assessment shall be \$4,285.00 (prorated on a calendar basis), the initial contribution shall be \$1,800.00 (which is not prorated) and both shall commence at the time of the conveyance or lease of all or any portion thereof by The Grove or the issuance of a certificate of occupancy for any building constructed thereon, whichever comes first.

Any "initial contribution" as described herein shall not be considered to be advance payment of annual or special assessments. In addition, any "initial contribution" as described herein, shall not be payable by second or subsequent purchaser of a Lot or any portion of same, it being the intention of the Declarant to collect such payments one time only; provided, however, the Board of Directors may charge a transfer fee upon the sale of any of the Property to defray the administrative cost attributed to same.

The Board of Directors, or any adjudicatory panel established by the Board, may levy a reasonable Fine Assessment as a fine or penalty for violation of this Declaration. In addition, the Board may enact additional fees for late payments, fees for providing written assessment certificates setting forth all current and delinquent assessment charges, and fees to transfer ownership of a Lot upon the Master Association's records.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Board may levy, in any assessment, year, a special assessment for the purpose of defraying, in whole or in part the cost of any construction, reconstruction, restoration, repair or replacement of a capital improvement upon the Common Properties, any extraordinary maintenance, including fixtures and personal property related thereto and any property for which the Master Association is responsible provided that any such assessment shall have the assent of (i) two-thirds (2/3) of the votes of the Owners who are voting in person or by proxy at a meeting duly called for this purpose; and (ii) Declarant, as long as Declarant owns a Lot. Any special assessment shall be assessed against the Property in the same manner and according to the same allocation formula as the regular assessments.

Section 5. Replacement Reserve. Out of the Common Expenses assessment, the Board may create and maintain a reserve fund for the periodic maintenance, repair, and replacement of improvements to the Common Properties which the Master Association may be obligated to maintain.

Section 6. Individual Assessment. In the event that the need for maintenance, repair or replacement of any improvement on the Property, for which the Master Association has the maintenance, repair and/or replacement obligation, is caused through the willful or negligent act of an Owner, his family, his pet(s), or tenant, the cost of such maintenance, repairs or replacements shall be paid by such Owner. The Board shall have the maintenance, repair, or replacement done, and the cost thereof shall be provided by the Board to said Owner and shall be paid by said Owner within thirty (30) days thereafter, unless an earlier date is otherwise set forth therein.

Section 7. Notice and Quorum For Any Action Authorized Under Section 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 shall be sent to all Sub-Associations or Owners if there is no Sub-Association not less than 10 days or more than 60 days in advance of the meeting. At the first such meeting called, the presence of Owners or of proxies entitled to cast fifty-one percent (51%) 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 twenty-five (25%) percent of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding

meeting.

Section 8. Date of Commencement of Annual Assessments; Due Dates. The Board of Directors shall fix the amount of the annual assessment against each Lot. Written notice of the annual assessment shall be sent to every Owner or Sub-Association as the case may be. The due dates shall be established by the Board of Directors.

Section 9. Effect of Nonpayment of Assessments; Remedies of the Master Association. Any assessment not paid within thirty (30) days after the due date shall be delinquent, in default and shall bear interest from the due date at the rate of ten percent (10%) per annum or at such other reasonable rate set by the Master Association in its minutes, not to exceed the highest rate then permitted by North Carolina law. The Master Association may bring an action at law against the Owner personally obligated to pay the same plus interest, costs, late payment charges and reasonable attorneys' fees, or foreclose the lien against the Lot. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Properties or abandonment of his Lot.

The lien herein granted unto the Master Association shall be enforceable pursuant to Chapter 47F of the Planned Community Act of North Carolina ("PCA") from and after the time of recording a Claim of Lien in the Office of the Clerk of Superior Court in the County in which the Property is located in the manner provided therefore by the PCA, which claim shall state the description of the Lot encumbered thereby, the name of the record owner, the amount due and date when due. The claim of lien shall be recordable any time after thirty (30) days after the due date of the assessment or any installment thereof and the lien shall continue in effect until all sums secured by said lien as herein provided shall have been fully paid. Such claims of lien shall include all assessments which are due and payable when the claim of lien is recorded, plus interest, costs, attorneys' fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided. Such claims of lien shall be signed by an officer or agent of the Master Association. In any foreclosure action, the Master Association shall be entitled to become a purchaser at the foreclosure sale. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record.

Section 11. Subordination of the Lien to Mortgages and Ad Valorem Taxes. The lien of the assessments provided for herein shall be subordinate to the lien of any institutional first mortgage and ad valorem taxes on said Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage or tax foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer, but shall not abate the personal obligation of the prior owner. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 12. Exempt Property. Any portion of the Property dedicated to, and accepted by, a local public authority shall be exempt from the assessments created herein.

ARTICLE VI  
FUNCTIONS OF MASTER ASSOCIATION

Section 1. Authorized Services. The Master Association shall be required to provide the following services:

- (a) maintenance of the Common Properties;
- (b) performance of the services necessary or desirable in the judgment of the Board of Directors of the Master Association to carry out the Master Association's obligations and business under the terms of this document;
- (c) taking any and all actions necessary to enforce all covenants and restrictions affecting the Property, and to perform any of the functions or services delegated to the Master Association in any covenants or restrictions applicable to the Property, including but not limited to fining Owners for violating same or for not properly maintaining their property;
- (d) constructing improvements on Common Properties for use for any of the purposes or as may be required to provide the services as authorized in this ARTICLE;
- (e) provision of administrative services including but not limited to insurance, legal, accounting and financial, and communication services informing Owners of activities, notice of meetings, referendums, etc., incident to the above-listed services, and payment of taxes and other expenses;
- (f) any other services necessary to perform its obligations hereunder.

The powers of the Master Association shall be construed liberally and shall include, without limitation, all of the powers set forth in Section 47F-3-102 of the Planned Community Act.

In the event the Master Association is unable or unwilling to perform any of the services listed above in a manner satisfactory to the Declarant, the Declarant shall be and hereby is authorized to perform such services, at the Master Association's expense, as long as such expenses are reasonable and necessary to carry out the Declarant's obligations under this Declaration.

The Master Association shall be responsible for the provision of liability insurance, any taxes, maintenance of landscaping and hardscaping, signage and other facilities located on the Common Properties, and payment of assessments for public and private capital improvements made to or for the benefit of the Common Properties located within the development. Upon default by the Master Association in the payment to the governmental authority entitled thereto of any *ad valorem* taxes levied against the Common Properties or assessments for public improvements to the Common Properties, which default shall continue for a period of six (6) months, each Owner of a Lot in the development shall become personally obligated to pay to the tax assessing governmental authority a portion of such taxes or assessments in an amount determined by dividing the total taxes and/or assessments due by the total number of building sites in the development. If such sum is not paid by the Owner within thirty (30) days following receipt of

notice of the amount due, then such sum shall become a continuing lien on the Lot of the then Owner, his heirs, devisees, personal representatives and assigns, and the taxing or assessing governmental authority may either bring an action at law against the Owner personally obligated to pay the same or may elect to foreclose the lien against the property of the Owner.

Section 2. Mortgage and Pledge. The Board of Directors of the Master Association shall have the power and authority, to borrow money for use by the Master Association and to mortgage the property of the Master Association and to pledge the revenues of the Master Association as security for such loans made to the Master Association which loans shall be used by the Master Association in performing its authorized functions. The Declarant may, but shall not be obligated to, make loans to the Master Association, subject to approval by the Declarant of the use to which such loan proceeds will be put and the method by which such loans will be repaid and subject to a maximum of loan amount approved by the Declarant, at interest rates acceptable to the Declarant. Notwithstanding anything in this Declaration to the contrary, the Master Association shall not be allowed to reduce the limits of the minimum regular annual assessment at any time there is outstanding any amounts due the Declarant as repayment of any loans made by the Declarant to the Master Association.

Section 3. Maintenance Obligation of Owners. The responsibilities of each Lot Owner shall include the following:

- (a) To clean, maintain, keep in good order and reasonable repair, at his or her expense, all portions of his or her Lot;
- (b) To perform his or her responsibilities in such manner so as not unreasonably to disturb other Owners.

#### ARTICLE VII DURATION

The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Master Association, the Declarant or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a period of twenty-five (25) years from the date this Declaration is recorded. Upon the expiration of said twenty-five-year period this Declaration shall be automatically renewed and extended for successive ten-year periods.

#### ARTICLE VIII AMENDMENTS

Declarant reserves the right to alter or amend this Declaration during the period of Declarant control. Otherwise, this Declaration may be amended as set forth in N.C.G.S. §47F-2-117 except that neither the Master Association nor the Owners may amend this Article IX to diminish or remove Declarant's powers hereunder.

ARTICLE IX  
NOTICES

Section 1. How Notice Given. Any notice required to be sent to any Owner under the provisions of the Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper postage affixed, to the last known address of the person or entity who appears as Owner on the Master Association's books, on the first day of the calendar month in which said notice is mailed.

Section 2. Notice to Co-Owners. Notice to one (1) of two (2) or more co-owners of a Lot shall constitute notice to all co-owners.

Section 3. Notice Where Address or Ownership Changed. It shall be the obligation of every Owner to immediately notify the Secretary of the Master Association in writing of any change of address. Any person who becomes an Owner following the first day in the calendar month in which said notice is mailed shall be deemed to have been given notice if notice was given to his predecessor-in-title.

ARTICLE X  
ENFORCEMENT, SEVERABILITY AND INTERPRETATION

Section 1 Means of Enforcement. Enforcement of these Covenants shall be by any proceeding at law or in equity, whether it be to restrain violation or to recover damages or to create any lien created by these Covenants.

Section 2. Severability. Should any covenants and restrictions herein contained, or any ARTICLE, Section, paragraph, sentence, clause, phrase or term in this Declaration be declared to be void, invalid, illegal, or unenforceable for any reason by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no wise affect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

Section 3. Interpretation. In all cases, the provisions of this Declaration shall be given that interpretation of construction which will best result in the consummation of the general plan of development of the Property. The provisions of these Covenants shall be given full force and effect notwithstanding the existence of any zoning or similar ordinance which allows a less restricted use of the Property.

Section 4. Authorized Action. All action which the Master Association is allowed to take under this instrument shall be authorized actions of the Master Association if approved by the Board of Directors of the Master Association in the manner provided for in the By-Laws of the Master Association, unless the terms of this instrument provide otherwise.

Section 5. Trespass. Whenever the Master Association, and/or the Declarant are permitted by these Covenants to correct, repair, clean, preserve, clear out or do any action on any property or on the easement areas adjacent thereto, entering the property and taking such action

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shall not be deemed a trespass.

Section 6. Conflict. In the event of any conflict between the provisions of this Declaration and any applicable provisions of the City of Fayetteville Ordinances, the provisions of the City of Fayetteville Ordinances shall control.


IN WITNESS WHEREOF, Declarant, The Shoppes and The Grove have caused this instrument to be executed the day and year first above written.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

[SIGNATURES CONTINUED ON NEXT PAGE(S)]



CAVINESS & CATES BUILDING AND  
DEVELOPMENT COMPANY

By:   
Name: WATSON G. CAVINESS  
Title: PRESIDENT


STATE OF NORTH CAROLINA

COUNTY OF CUMBERLAND

I certify that the following person(s) personally appeared before me this day and I have personal knowledge of the identity of the principal(s) or have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a driver's license or a credible witness has sworn to the identity of the principal(s); each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Name of Principal:

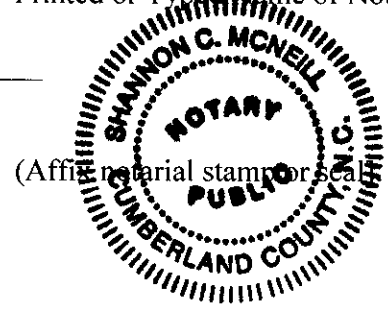
Watson G. Caviness

Date: 12/4/12

  
Notary Public

Shannon C McNeill  
Printed or Typed Name of Notary Public

My commission expires: 6/9/2015



(N.P. SEAL)

THE SHOPPES AT PARK PLACE, LLC

By: [Signature]  
Name: WATSON G. CAVINESS  
Title: Manager

STATE OF NORTH CAROLINA

COUNTY OF CUMBERLAND

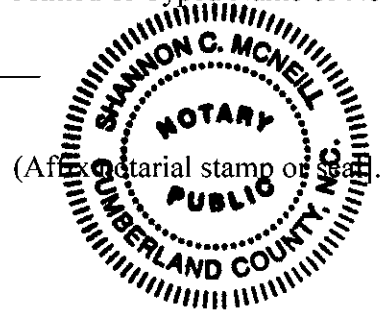
I certify that the following person(s) personally appeared before me this day and I have personal knowledge of the identity of the principal(s) or have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a driver's license or a credible witness has sworn to the identity of the principal(s); each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Name of Principal:  
Watson G. Caviness

Date: 12/4/12

[Signature]  
Notary Public

Shannon C McNeill  
Printed or Typed Name of Notary Public

My commission expires: 6/9/2015



(Affix notarial stamp or seal.)

(N.P. SEAL)

By: [Signature]  
Name: WATSON G. CAVINESS  
Title: Manager

STATE OF NORTH CAROLINA

COUNTY OF CUMBERLAND

I certify that the following person(s) personally appeared before me this day and I have personal knowledge of the identity of the principal(s) or have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a driver's license or a credible witness has sworn to the identity of the principal(s); each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Name of Principal:

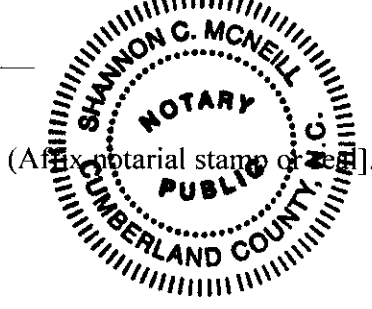
Watson G. Caviness

Date: 12/4/12

[Signature]  
Notary Public

Shannon C McNeill  
Printed or Typed Name of Notary Public

My commission expires: 6/9/2015



(Affix notarial stamp of seal).

(N.P. SEAL)