

Prepared By and Return to: S. Vann Sauls, P.A.
13314 NC Hwy 210
Benson, North Carolina 27504

NORTH CAROLINA

JOHNSTON COUNTY

DECLARATION OF ANNEXATION
JORDAN RIDGE, PHASE THREE

3rd THIS DECLARATION OF ANNEXATION, made and effective as of the
day of December, 2014, by Capital Properties of Raleigh II, LLC, a North Carolina
Limited Liability Company, whose mailing address is 3818 Bland Road Raleigh, NC
27609, hereinafter called "Declarant."

WITNESSETH:

WHEREAS, Declarant recorded a Declaration of Restrictive Covenants for
Jordan Ridge Subdivision, Phase 2, in Book 2716, Page 665, of Johnston County
Registry, Declarant subsequently recorded a Declaration of Covenants, Conditions and
Restrictions for Jordan Ridge Subdivision, Phase Two, in Book 2716, Page 673, of the
Johnston County Registry (hereinafter, collectively the "Covenants"); and

WHEREAS, Son-Lan Development Co., Inc., by instrument recorded in Book
4022, Page 893, of the Johnston County Registry, assigned its rights and privileges as
Declarant to Atlas NC I SPE, LLC, who in turn assigned said rights and privileges to
Successor Declarant by instrument recorded in Book 4098, Page 338, of the aforesaid
registry, in connection with Successor Declarant's purchase acquisition of certain land in
Jordan Ridge Subdivision by deed recorded in Book 4097, Page 328, of the aforesaid
registry.

NOW, THEREFORE, Declarant hereby declares, that the real property described on Exhibit "A" attached hereto is and shall be held, transferred, sold and conveyed subject to the Covenants recorded in Book 2716, Page 665, and Book 2716, Page 673, of the Johnston County Registry.

The above-described property, hereinafter referred to as the "Annexed Property," shall be subject to all of the terms, covenants, requirements and conditions of the aforesaid Declaration, the provisions of which are specifically incorporated herein by reference, and all references therein to the Properties shall be deemed to include and encompass the Annexed Property as if the same were, and had been, described in the legal description of the Properties when the Declaration was originally recorded.

The terms of this Annexation Declaration shall control over any contradictory conflicting terms as may be contained in the Declaration for Jordan Ridge, Phase Two. Except as amended hereby, the terms of the aforesaid Declaration are hereby ratified and shall remain in full force and effect.

IN TESTIMONY WHEREOF, the Successor Declarant has executed this Annexation Declaration the day and year first above written.

SUCCESSOR DECLARANT:

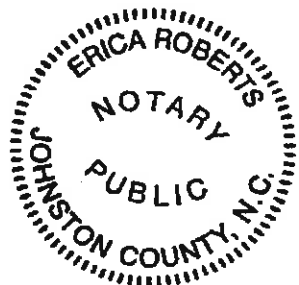
CAPITAL PROPERTIES OF RALEIGH, II, LLC
A North Carolina Limited Liability Company

By: *David M. Stallings* (SEAL)
David M. Stallings, Member/Manager

STATE OF NORTH CAROLINA
COUNTY OF JOHNSTON

I, *Erica Roberts*, a Notary Public of aforesaid County and State, do hereby certify that David M. Stallings, personally appeared before me this day and acknowledged that he is the Member/Manager of Capital Properties of Raleigh II, LLC, a North Carolina Limited Liability Company, and as the act of the company and by authority duly given the foregoing instrument was signed in its name by him as Member/Manager.

Witness my hand and notarial seal, this the *3rd* day of *December*, 2014.



Erica Roberts
Notary Public
Printed Name: *Erica Roberts*
My Commission Expires: *June 9, 2019*

EXHIBIT A

BEING ALL OF LOT 115, CONTAINING 0.344 ACRE, MORE OR LESS, JORDAN RIDGE SUBDIVISION, PHASE THREE, ACCORDING TO A SURVEY RECORDED IN PLAT BOOK 80, AT PAGE 342, JOHNSTON COUNTY REGISTER OF DEEDS, REFERENCE TO WHICH IS HEREBY MADE FOR A MORE COMPLETE AND ACCURATE DESCRIPTION.

BEING AL OF LOT 133, CONTAINING 0.344 ACRE, MORE OR LESS, JORDAN RIDGE SUBDIVISION, PHASE THREE, ACCORDING TO A SRUVEY RECORDED IN PLAT BOOK 80, AT PAGE 343, JOHNSTON COUNTY REGISTER OF DEEDS, REFERENCE TO WHICH IS HEREBY MADE FOR A MORE COMPLETE AND ACCURATE DESCRIPTION.

BEING ALL OF LOTS 154, CONTAINING 0.344 ACRE, AND LOT 157, CONTAINING 0.344 ACRE, MORE OR LESS, JORDAN RIDGE SUBDIVISION, PHASE THREE, ACCORDING TO A SUREY REOCRDED IN PLAT BOOK 80, AT PAGE 344, JOHNSTON COUNTY REGISTER OF DEEDS, REFERENCE TO WHICH IS HEREBY MADE FOR A MORE COMPLETE AND ACCURATE DESCRIPTION.

FILED
JOHNSTON COUNTY
CRAIG OLIVE
REGISTER OF DEEDS

Johnston County, North Carolina
CRAIG OLIVE Register of Deeds
The following certificate(s) of

JENNIFER L GREEN LEE

FILED Jun 24, 2004
AT 01:32:00 pm
BOOK 02716
START PAGE 0665
END PAGE 0670
INSTRUMENT # 20373

notary/notaries public.
is/are certified to be correct.

[Signature]
Deputy Assistant Register of Deeds

Return to: Son-Lan Development Co., Inc. 5160 Hwy 42 West
Garner, NC 27529

prepared by: *Beaver Green*
JORDAN RIDGE SUBDIVISION, PHASE 2
PLEASANT GROVE TOWNSHIP
JOHNSTON COUNTY
BOOK 64, PAGES 274, 275, 276
JOHNSTON COUNTY REGISTRY

DECLARATION OF RESTRICTIVE COVENANTS

KNOWN ALL MEN BY THESE PRESENTS that Son-Lan Development Co., Inc., does hereby agree and covenant with all persons, firms or corporations now owning or hereafter acquiring any property in Jordan Ridge Subdivision, Phase 2, according to a map recorded in Book 64, Pages 274, 275, 276, Johnston County Registry, are subject to the following restrictions as to the use thereof, which shall run with said property by whomsoever owned, to wit:

1. BUILDING UNIT: A building unit shall consist of each lot specifically enumerated on a map of Jordan Ridge Subdivision, Phase 2 as recorded in Book 64, Pages 274, 275, 276 Johnston County Registry. The owners of said lots or building units may vary the line of said lots, but except as might be otherwise provided herein, shall not re-subdivide the lots in such manner that the number of lots with the subdivision will be increased.

2. LAND USE AND BUILDING TYPE:

(a) No building unit shall be used except for residential purposes and no part of said property shall be used for business, manufacturing or commercial purposes with the exception referred to in Paragraph 2(b) below.

(b) Son-Lan Development Co., Inc, hereby reserves the right to convey whatever land is necessary, said land being composed of either all or a portion of one or more lots or tracts of land lying either within the subdivision boundary or outside the subdivision boundary, for the purposes of installing utilities, telephone systems and/or wiring, public water, public sewer, cable or any other system designed for the benefit of the subdivision or the surrounding area, with or without consideration, said decision to be in the sole discretion of Son-Lan Development Co., Inc.

(c) No part of any lot or building unit shall be used for street purposes except with the prior written approval of Lanny K. Clifton, his heirs or assigns, or by such person or persons as he shall in writing designate.

(d) No building shall be erected, altered, placed or permitted to remain on any building unit other than one detached single-family dwelling not to exceed two and one-half stories in height, a private garage for not more than three cars and out-building incidental to residential use provided, however, that no buildings other than the dwelling shall be allowed without the prior approval of Lanny K. Clifton, or by such person or persons as he shall designate in writing. This provision shall not apply to land conveyed pursuant to the exception described in Paragraph 2(b) above.

3. DWELLING SIZE: No dwelling shall be permitted on any building unit, which has a total finished living area of less than 1400 square feet with a garage, or 1600 square feet without a garage. Each set of house plans must be approved by the officers of Son-Lan Development Co., Inc., before construction. For purposes of these covenants, basements, porches, garages and storage area shall not be considered as a part of the finished living area.

4. BUILDING LOCATION: No building shall be located on any lot nearer to the front lot line than 25 feet, nor nearer to any side street line than 30 feet. No building or structure shall be located nearer than 10 feet to an interior lot line; provided that no side yard shall be required for a garage other permitted accessory building located 100 feet or more from the front lot line. For the purposes of this covenant, eaves, steps and open porches shall not be considered as a part of any building, but this may not be constructed to permit any portion of a building or building unit to encroach on another building unit.

5. ARCHITECTURAL APPROVAL: In order to maintain architectural beauty in this subdivision, and to guard against the erection therein of poorly placed, designed or proportioned structures, no building shall be erected, altered, or permitted to remain on any building unit until a plot plan showing the location of said building on the lot and the plans and specifications showing the type and exterior lines thereof have been submitted to and approved in writing by Lanny K. Clifton or by such person or persons as he shall in writing designate. In the event Lanny K. Clifton or the person or persons designated by him fails to approve or disapprove such design or location within ~~thirty~~ days after said plans and specifications have been submitted as herein required, such approval will not be required and this covenant shall be deemed to have been fully complied with. All dwellings must be built by a N.C. Licensed Contractor and must be complete within 8 months from the date the construction begins.

6. PROHIBITED STRUCTURES: Mobile Homes, shell homes, modular homes, precut, pre-assembled and packaged homes and all other similar type buildings are expressly prohibited on any lot in the subdivision, except that Lanny K. Clifton or such person as he shall in writing designate, may without being required to do so, approve a home or other out-building on any lot with some of its components being precut. Storage sheds, utility buildings or detached garages must be of similar architectural style, and all exterior features must be of the same color and materials as the residence. No metal buildings of any type shall be permitted. Additionally, Lanny K. Clifton or his assigns must approve all auxiliary structures and their location on the property. If homeowner is not in compliance of this ordinance, after notification by developer, homeowner has 60 days to bring structure to compliance, or to remove structure. After this time, if structure is not in compliance, developer has the authority to remove structure at homeowner's expense.

7. WAIVER OF VIOLATIONS: Lanny K. Clifton or some one designated by him in writing shall have absolute authority to waiver minor violations of Paragraph 4 of these restrictions. A minor violation of these restrictions shall be construed to mean not more than ten (10) percent.

8. EASEMENTS: Easements for installation and maintenance of utilities and drainage facility are reserved as shown on the recorded plat and over the rear 10 feet to each lot and 5 feet on each side line unless shown in excess of such distances on the recorded plat, in which case the plat shall control. Within these easements, no structure, fence, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities and drainage facilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible.

9. ROADWAYS, DITCHES, ETC.: All Builders or lot owners will be responsible for the shoulders and the ditches from the property line to the edge of the pavement, during construction of houses. Once sold to Homeowner, each Homeowner will be responsible for maintaining the shoulders and ditches from the right-of-way to the edge of the pavement. This includes mowing and any other maintenance required. All builders are responsible for sodding the ditches from the edge of the pavement back 20 feet. Lanny Clifton, or someone he has designated, must approve the grade and slope of each ditch before the builder can sod the ditch. The bottom of the driveway pipe for each lot must be exposed.

10. NUISANCES: No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No boats, campers, trucks, abandoned cars, mobile homes or trailer shall be placed or permitted on a street or in front of any dwelling constructed on the property.

11. TEMPORARY STRUCTURES: No structures of a temporary kind, trailer, mobile home, basement, tent, shack, garage, barn or other out building shall be used on any lot at any time as a residence, either temporarily or permanently.

12. PETS: No animals, livestock or poultry shall be raised, bred, kept or allowed to remain on any lot other than household pets, and household pets shall not be bred or maintained for commercial purposes. Homeowners are allowed to have pets but any pet that is not on the premises of the homeowner shall be on a leash and occupied by the owner or someone with the owner's permission.

13. TERM: These covenants shall run with the land and be binding upon all parties and persons claiming under them for a period of twenty-five years from the date these covenants are recorded. These covenants may be extended or modified by an instrument recorded prior to the termination of these covenants signed by a majority of the then owners of the lots affected by these covenants.

14. ENFORCEMENT: Enforcement of these covenants shall be proceeding at law or in equity any person or persons violating or attempting to violate any covenants, either to restrain violation or to recover damages. Furthermore, at Son-Lan's discretion, after a compliance period (Compliance period: 60 day grace period for homeowner, after Son-Lan has notified homeowner of violation, to correct his violation.) for the homeowner is up, Son-Lan may remove such violation at homeowner's expense.

15. SEVERABILITY: Invalidation of any one of these covenants or any part thereof by judgment or court order shall in no ways affect any of the other provisions, which shall remain in full force and effect, and the failure of any person or persons to take action to enforce these covenants and restrictions shall not be construed as waiver of any enforcement rights and shall not prevent the enforcement of such covenants or covenants in the future.

16. SATELLITE DISH: There shall not be any satellite dishes allowed within forty feet from the right of way of the street that the house fronts on and shall not be within forty feet to any side street.

17. DRIVEWAYS: All driveways shall be concreted fully from the street to the dwelling, save for Lot #47 which shall have the

requirement of being concreted 20-feet from the road regardless of the actual length of this driveway and shall not be mandated to be concreted all the way to the dwelling as is the case with the other lots in this phase(due to the length of this particular driveway).

18. MAILBOXES: Developer requires builder to provide white mailbox post with a black mailbox approved by Lanny K. Clifton to be placed on the lot before obtaining a Certificate of Occupancy.

19. ELECTRICITY: All electric service will be underground. The developer reserves the right to subject the real property in this subdivision to a contract with Progress Energy, Inc., 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 Progress Energy, Inc., by the owner of such building unit.

20. FENCES: No fence, wall, hedge, or mass planting shall be permitted to remain on any lot closer to the front line than the back of the dwelling erected on said lot. No metal fences, except chain link fences, shall be installed on any lot unless screened in a manner approved by Lanny Clifton, which approval may be withheld arbitrarily. Any fence over 4 feet in height, must be approved by Lanny Clifton, or his assigns. If homeowner is not in compliance of this ordinance, after notification by developer, homeowner has 60 days to bring fence to compliance, or to remove fence. After this time, if fence is not in compliance, developer has the authority to remove fence at homeowner's expense. Homeowner must maintain any fence or fencing allowed in a good aesthetically appealing condition.

21. BASKETBALL GOALS ON ROAD RIGHT-OF-WAY: No basketball goals can be buried anywhere in the 50 or 60 foot road right-of-way.

22. SWIMMING POOLS: All swimming pools must be located in the backyard. Any above ground pool must be approved by Lanny Clifton or by such person or persons, as he shall in writing designate.

23. ALL TERRAIN VEHICLES: No ATV's, dirt bikes or go-carts will be allowed off the Homeowner's property. They will not be allowed on ANY property or roads of the subdivision, or ANY adjoining property owned by the Developer.

24. FIREARMS: Discharging of firearms of any kind is strictly prohibited anywhere in the subdivision or on any adjoining property owned by the developer.

25. IMPERVIOUS MATERIAL: Any impervious material placed upon lots shall not exceed 6,915 square feet per lot. Impervious material is defined as rooftops of homes, garages, outbuildings, and paved or concrete driveways, walkways and patios.

26. HOMEOWNER'S ASSOCIATION: A Homeowner's Association shall be created and funded forthright. Declarant reserves the right to subject the aforementioned property to a maximum annual assessment of \$96.00 each year. Said assessment can be later modified pursuant to the Declaration of Homeowner's Association for Jordan Ridge Subdivision, Phase 2, which shall be recorded at a future date. All current lot owners and subsequent lot owners shall be bound by the provisions contained in the body of the Declaration of Homeowner's Association.

IN WITNESS WHEREOF, the undersigned owners have hereunto caused this instrument to be signed by themselves as owners on the 24 day of JUNE, 2004.

SON-LAN DEVELOPMENT CO., INC.

By: Penny Clifton (SEAL)
President

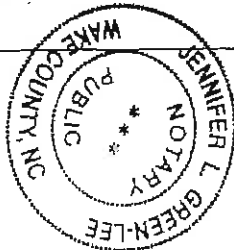
ATTEST:
J.C. Johnson Jr. (SEAL)
Secretary

NORTH CAROLINA
JOHNSTON COUNTY

I, Jennifer L Green-Lee Notary Public of ^{Wake} the ~~the~~ aforesaid county and ~~state~~ ^{Wake} ~~do~~ hereby certify that J.C. Johnson, Jr. personally appeared before me this date and acknowledged that he is the Secretary of Son-Lan Development Co., Inc., a North Carolina Corporation, and that by authority duly given and as an act of the corporation, the foregoing instrument was signed in its name by its President, and attested by him as its Secretary.

Witness my hand and notary seal/stamp this the 24 day of June, 2004.

Jennifer L Green-Lee
NOTARY PUBLIC



My Commission Expires:

9-25-01

Johnston County, North Carolina
CRAIG OLIVE Register of Deeds
The following certificate(s) of
JENNIFER L GREEN LEE

FILED
JOHNSTON COUNTY
CRAIG OLIVE
REGISTER OF DEEDS

notary/notaries public
is/are certified to be correct.
[Signature]
Deputy - Assistant - Register of Deeds

FILED Jun 24, 2004
AT 01:32:00 pm
BOOK 02716
START PAGE 0673
END PAGE 0687
INSTRUMENT # 20375

This instrument drafted by: Beaver & Green, PA
After recording, mail to: 498 NC Hwy 42 W.
Clayton, NC 27520

North Carolina
Johnston County

RECORDED VERIFIED
& INDEXED _____

**DECLARATION OF COVENANTS, CONDITION,
AND RESTRICTIONS**
JORDAN RIDGE HOMEOWNERS' ASSOCIATION, INC.
PHASE TWO

THIS DECLARATION OF COVENANTS, CONDITION AND RESTRICTIONS is entered into this 22ND day of June, 2004, between Son-Lan Development Co., Inc. (hereinafter referred to as "Declarant"), and Jordan Ridge Homeowners' Association, Inc., (hereinafter "Association") and all parties hereafter acquiring any of the described property.

WITNESSETH:

WHEREAS, Declarant is the owner of all lots within a subdivision of the County of Johnston, State of North Carolina, known as Jordan Ridge Subdivision, Phase Two, and being that certain tract or parcel more particularly described by map and survey in Plat Book 64, Pages 274-276, Johnston County Registry; and

WHEREAS, it is in the best interest of the Declarant and to the benefit, interest and advantage of every party hereafter acquiring any of the described property that certain covenants, conditions, easements, assessments, liens and restrictions governing and regulating the use and occupancy of the property be established; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities and the desirability and attractiveness of said property; and for the continued maintenance and operation of any recreational and/or common area.

NOW THEREFORE, in consideration of the premises, the Declarant agrees with all parties hereafter acquiring any of the property hereinafter described, that it shall be and is hereby subject to the following restrictions, covenants, conditions, easements, assessments and liens relating to the use and occupancy thereof, which shall be construed as covenants running with the land which shall be binding on all parties acquiring any right, title or interest in any of the properties and which shall inure to the benefit of each owner thereof.

ARTICLE I

PROPERTIES SUBJECT TO THIS DECLARATION

The property which shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in the County of Johnston, State of North Carolina, and is more particularly described as being all of that property shown on map and survey recorded in Plat Book 64, Page(s) 274-276, Johnston County Registry, plus all utility and access easements as shown on the aforesaid map. The Declarant hereby subjects the heretofore described property to this Declaration and the jurisdiction of the Association. Additional properties may be subjected to the Declarations within (10) years from the date of this instrument subject to the approval of Johnston County.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Jordan Ridge Homeowners' Association, Inc., 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 interest 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 and may hereafter be brought within the jurisdiction of the Association.

Section 4. "Permanent Common Open Space" shall consist of those areas designated on recorded plats of Jordan Ridge Subdivision as such. Such areas shall be dedicated in perpetuity to the common use and enjoyment of the owners. The Declarant will convey all Permanent Common Open Space shown on the various plats of the subdivision to the Association save for any areas that are specifically referenced as "Permanent Open Space to be Retained by Owner." All Open Space that is specifically referenced as "To Be Retained By Owner" on the face of the plat shall, in fact, be retained by Owner/Declarant. The Association shall be responsible for the repair, maintenance and repaving set forth in this Declaration.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Permanent Common Open Space.

Section 6. "Declarant" shall mean and refer to Son-Lan Development Co., Inc., its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Common Expense" shall mean and include:

- (a) All sums lawfully assessed by the Association against its members;
- (b) Expenses of the common area and administration, maintenance, repair or replacement of the Permanent Common Open Space;
- (c) Expenses declared to be common expenses by the provisions of the Declaration or the By-laws;
- (d) Hazard, liability, or such other insurance premiums as the Declaration or the By-laws, require the Association to purchase;
- (e) Ad valorem taxes and public assessment charges lawfully levied against common areas;
- (f) Expenses agreed by the members to be common expenses of the Association.

ARTICLE III

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Permanent Common Open Space and over the common open spaces for access, ingress and egress from and to public streets, walkways and parking areas and such easement shall be appurtenant to and shall pass with the title to every Lot, save for any open space heretofore referred to as being "To Be Retained by Owner," subject to the following provisions:

- (a) 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; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulation;
- (b) the right of the Association to dedicate or transfer all or any part of the Permanent Common Open Space that is not "To Be Retained By Owner" to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless and instrument agreement to such

dedication or transfer signed by two-thirds (2/3) of each class of members has been recorded and the county has agreed to such conveyance.

- (c) the right of the Association, in accordance with its Articles, By-laws, to borrow money for the purpose of improving the Permanent Common Open Space that is not designated as "To Be Retained By Owner" and facilities and in aid thereof to mortgage said property, and the rights of such mortgagee in said Properties shall be subordinated to the rights of the homeowner hereunder; and
- (d) the right of the Association to adopt, publish and enforce rules and regulation as provided in Article IX.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-laws, his right of enjoyment to the Permanent Common Opens Space and facilities to the member of his family, his tenants, or contract purchasers who reside on the property.

Section 3: Title to the Permanent Common Open Space. The Declarant hereby covenants for itself, its successors and assigns, that it shall convey fee simple title to the Permanent Common Open Space that is not designated as "To Be Retained By Owner" to the Association, free and clear of all encumbrances and liens, prior to the conveyance of the first Lot, except utility and storm drainage easements.

Section 4. Parking Rights. The Association may regulate the parking of boats, trailers and other such item on the Permanent Common Open Space.

Section 5. TV Antennas and Cablevision. The Association may prohibit the erection of satellite dishes having a diameter in excess of 24 inches on individual lots.

Section 6. Entrance Common Areas. The Association may regulate, subject to the regulations of the County of Johnston, the landscaping, maintenance and use of the Entrance Common Areas. The Association shall specifically undertake and be responsible for the maintenance of the entrance signs and that 20-foot landscaping easement as same are depicted on the recorded plat. The Association shall also be responsible for the maintenance and care of those lots designated as Lot 55SL and Lot 56SL.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot which is subject to the assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

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 in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot. Fractional voting with respect to any Lot is hereby prohibited.

Class B. The Declarant shall be a Class B member and shall be entitled to four (4) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events whichever occurs earlier:

- (a) when the total vote outstanding in the Class A membership equals the total vote outstanding in the Class B membership; or
- (b) on December 31, 2014; or
- (c) upon the surrender of all Class B membership by the holder thereof or cancellation by the Association.

ARTICLE V

COVENANT FOR MAINTENCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not is shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property 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 property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. All assessments relating to common open spaces shall be shared equally by the owners of each Lot.

Section 2. Purpose of Assessments. The assessment levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and in particular for the acquisition, improvement and maintenance of the Permanent Common Open Space, including the maintenance, repair and reconstruction of private streets, driveways, walks and parking areas situated on the Permanent Common Open Space, which maintenance is to include the cutting and removal of weeds and grass and the removal of trash and rubbish or any other maintenance or for the use and enjoyment of the Permanent Common Open Space, including but not limited to the cost of repairs, replacements an additions, the cost of labor , equipment, materials, management and supervision or the procurement and

maintenance of insurance in accordance with this Declaration, the employment of attorneys to represent the Association when necessary, the provision of adequate reserves for the replacement of capital improvements, including without limiting, the generality of the foregoing, signs, paving, grading, landscaping and other major expenses for which the Association is responsible and such other needs as may arise.

Section 3. Reserves. The Association shall establish and maintain adequate reserve funds for the periodic maintenance, repair and replacement or improvement to the common areas and those other portions of the Properties which the Association may be obligated to maintain. Such reserve fund is to be established out of regular assessments for common expenses.

Section 4. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be \$96.00 per Lot.

- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased effective January 1 of each year without a vote of membership up to five percent (5%) of the previous year's assessment.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above the increase permitted in Section 3 (a) above by vote of two-thirds (2/3) of each class of 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 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 limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation 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.

Section 5. Special Assessments for Capital Improvements. 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 Permanent Common Open Space 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,

written notice 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 for the purpose of the meeting.

Section 6. Notice and Quorum for Any Action Authorized Under Sections 4 and 5. 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 thirty (30) days or more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or 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 is not present, 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 sixty (60) days following the preceding meeting.

Section 7. Uniform Rate of Assessment. Both annual and special assessments shall, except as herein otherwise specifically provided, be fixed at a uniform rate for all Lots and shall be collect on a monthly basis, provided, however, that the assessment for Lots owned by Declarant which are not occupied as a residence, may be a lesser amount as fixed by the Board of Directors of the Association, but shall not be less than twenty five percent (25%) of the regular assessments for other Lots.

Section 8. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provide for herein shall commence as to all Lots on the first day of the moth following the conveyance of the Permanent Common Open Space. Such annual assessments shall be paid ratably on a monthly basis. 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 due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth the assessment on a specified Lot have been paid. Any certificate so given shall be conclusive evidence of payment of the assessments stated therein.

Section 9. Effect of Non-Payment of Assessment; 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 six percent (6%) per annum. The association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property in the same manner in which Deeds of Trust may be foreclosed under Power of Sale pursuant to Chapter 45 of the N.C. General Statutes, or its successors, and in either event interest, costs and reasonable attorney's fees of any such action shall be added to the assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Permanent Open Space or abandonment of his Lot. Should any deficiency remain after the foreclosure, the Association may also bring an action against the owner for said deficiency.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage and ad valorem taxes. Sale or transfer of any Lot pursuant to mortgage foreclosure of any proceeding in lieu thereof, shall extinguish the lien of such assessments as 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 11. 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 assessment created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments save for the fact that no builder shall be required to pay any assessment until such time as that Builder deeds said lot(s) to a homeowner. If a Builder decides to construct his personal residence in said subdivision then said Builder shall pay assessments upon the county's issuance of a certificate of occupancy.

Section 12. Working Capital Fund. At the time of closing of the sale of each unit a sum equal to at least two (2) months assessment for each unit shall be collected and transferred to the Association to be held as working capital fund. The purpose of said fund is to insure that the Association Board will have adequate cash available to meet unforeseen expenses, and to acquire additional equipment or services deemed necessary or desirable. Amounts paid in the fund shall not be considered advance payment for regular assessment.

ARTICLE VI

ARCHITECTURAL CONTROL

No building, fence, wall, or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the 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 by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated 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 shall require approval from the County, if necessary, and shall be required to occur within ten (10) years from the date of

this instrument, provided, however, that all annexations of additional properties to the original development described in Article I, hereof must contain a minimum of five (5) acres, be contiguous to the property described in Article I hereof or property previously annexed. Provided further, that no annexation of additional property shall have the effect of placing the original development in violation of the Johnston County Zoning Ordinances.

Section 2. Annexation of additional properties shall be accomplished by recording in the County Registry a Declaration of Annexation, duly executed, describing the lands annexed and incorporating the provisions of this Declaration, either by reference or by fully setting out said provisions of this Declaration. The additional lands shall be deemed annexed to the Properties on the date of recordation of the Declaration of Annexation, and in the case of an annexation by the Declarant, no action or consent on the part of the Association or any other person or entity shall be necessary to accomplish the annexation, except approval by the County.

Section 3. Prior to the conveyance of the first lot in any newly annexed area, the Declarant shall deliver to the Association one or more deeds conveying fee simple title to any Permanent Common Open Space within the lands annexed free and clear of all encumbrances and liens except utility, storm drainage and greenway easements.

ARTICLE VIII

INSURANCE

Section 1. Insurance coverage on the Property shall be governed by the following provisions:

- (a) Ownership of Policies. All insurance policies upon the common area shall be purchased by the Association for the benefit of the Association and the Owners.
- (b) Coverage. All buildings and improvements and all personal property included in the Permanent Common Open Space not designated as "To Be Retained By Owner" and facilities shall be insured in an amount equal to one hundred per cent (100%) insurable replacement value as determined annually by the Association with the assistance of the insurance company providing coverage. Such coverage shall provided protection against:
 - (i) Loss or damage by fire and other hazards covered by the standard coverage endorsement, and
 - (ii) Such other risks as from time to time shall be customarily covered with respect to buildings on the land, if any.
 - (iii) Such policies shall contain clauses providing for waiver of subrogation.
- (c) Liability. Public liability insurance shall be secured by the Association with limits of liability of no less than One Million and No/100 Dollars (\$1,000,000.00) per occurrence and shall include an endorsement to cover

liability of the Owners as a group to a single Owner. There shall also be obtained such other insurance coverage as the Association shall determine from time to time to be desirable and necessary.

- (d) Premiums. Premiums for insurance policies purchased by the Association shall be paid by the Association and charged to the Owners as an assessment according to the provisions of Article V above.
- (e) Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Owners and their mortgagees as their interest may appear, and shall provide that all proceeds thereof shall be payable to the Association as insurance trustees under this Declaration. The sole duty of the Association as insurance trustees shall be to receive such proceeds as are paid and to hold the same in trust for the purposes stated herein or stated in the By-Laws and for the benefit of the Owners and their mortgagees in the following shares:
 - (i) Proceeds on account of damage to Permanent Common Open Space and facilities held for the Association.
 - (ii) In the event a mortgagee endorsement has been issued for any Lot, the share of the Owner shall be held in trust for the mortgagee and the Owner as their interests may appear.

Section 2. Distribution of Insurance Proceeds. Proceeds of insurance policies received by the Association as insurance trustee shall be distributed to or for the benefit of the beneficial Owners in the following manner:

- (a) Expense of the Trust. All expenses of the insurance trustees shall be first paid or provisions made therefore.
- (b) Reconstruction or Repair. The remaining proceeds shall be paid to defray the cost of repairs. Any proceeds remaining after defraying such cost shall be distributed to the beneficial Owners as above provided.

Section 3. Fidelity Insurance or Bank. All persons responsible for or authorized to expend funds, or otherwise deal in the assets of the Association or those held in trust, shall first be bonded by a fidelity insurer to indemnify the Association for any loss or default in the performance of their duties in an amount equal to six (5) months' assessments plus reserves accumulated.

ARTICLE IX

USE RESTRICTIONS

Section 1. Rules and Regulations. The Board of Directors of the Association shall have the power to formulate, amend, publish, and enforce reasonable rules and regulations concerning the use and enjoyment of the Permanent Common Open Space.

Section 2. Use of Properties. No portion of the Properties (except for temporary offices of the Declarant and/or any model used by the Declarant) shall be used except for residential purposes and for purposes incidental or accessory thereto. Nothing in these

covenants shall be construed so as to allow the parking of multiple work vehicles anywhere on the Owner's land.

Section 3. Quiet Enjoyment. No obnoxious or offensive activity shall be carried on upon the Properties, nor shall anything be done which may be or may become a nuisance or annoyance to the neighborhood.

Section 4. Animals. No animals, livestock or poultry of any kind shall be raised, bred, or maintained on any lot except that no more than four (4) pets of the customary household variety may be kept on any lot provided that (1) they are not kept, bred, or maintained for commercial purposes, and (2) the animal shall not run at large in the subdivision or be kept in violation of applicable governmental laws and ordinances. Any pet that is not on the premises of the homeowner shall be on a leash and accompanied by the owner or someone with the owner's permission. The Owner of any pet which damages another lot owner's personal or real property shall be responsible for any such damage caused by such pet. No livestock or poultry shall be kept or maintained on said property. Adequate and attractive fencing shall be used to restrain all pets for the purpose of keeping them on the property of the Owner.

Section 5. Further Use Restrictions. The use restrictions contained in the document entitled "Declaration of Restrictive Covenants" which is recorded at Book 2716, Page 665 shall govern Jordan Ridge Subdivision, Phase Two.

ARTICLE X

EASEMENTS

Section 1. All of the properties, including Lots and Permanent Common Open Space, shall be subject to such easements for driveways, walkways, parking areas, water lines, sanitary sewers, storm drainage facilities, gas lines, telephone and electric power lines and other public utilities as shall be established by the Declarant or by its predecessors in title, prior to the subjecting of the Properties to this Declaration; and the Association shall have the power and authority to grant and establish upon, over, under, and across the Permanent Common Open Space conveyed to it, such further easements as are requisite for the convenience, use, and enjoyment of the Properties. In addition, there is hereby reserved in the Declarant and its agents and employees an easement and right of ingress, egress, and regress across all Permanent Common Open Space, now or hereafter owned by the Association, for the purpose of construction of improvements within the Properties.

Section 2. All lots shall be subject to easements for the encroachments constructed on adjacent lots by Declarant to the extent that such initial improvements actually encroach including, but not limited to, such items as overhanging eaves, gutters and downspouts and walls.

Section 3. An easement is hereby established over the Permanent Common Open Space and facilities for the benefit of applicable governmental agencies, 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.

Section 4. If any dwelling is located closer than five (5) feet from its lot line, so long as such setback complies with the applicable County Zoning Ordinances, the owner thereof shall have a perpetual access easement over the adjoining lot to the extent reasonably necessary to perform repair, maintenance or reconstruction shall be done expeditiously and, upon completion of the work, the owner shall restore the adjoining lot to as near the same condition as that which prevailed prior to the commencement of the work as is reasonable practicable.

Section 5. Water and Sewer. Declarant also reserves the right to enter into the Common Area for the purpose of carrying out any obligation that it may have, or assume, with respect to the curing of any defect in workmanship or the improvements thereon.

Section 6. For a period of ten (10) years from the date of conveyance of the first lot, the declarant reserves a blanket easement and right on, over, and under the lots and common space areas to maintain and to correct drainage of surface water in order to maintain reasonable standards of health, safety, and appearance. Such right expressly includes the right to cut any trees, bushes, or shrubbery, make any gradings of the soil or to take any other similar action reasonable necessary following which the Declarant shall restore the affected property to its original condition as near as practicable. The Declarant shall give reasonable notice of intent to take such action to the Association and all affected owners, unless in the opinion of the Declarant an emergency exists which precludes such notice.

ARTICLE XI

GENERAL PROVISIONS.

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

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions 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 not less than ninety percent (90%) of the Lot Owners, so long as any amendment is first approved by the County. Amendments shall not become effective until approved by the County or until the County, in the interest of lack of discrimination, after twenty (20) days' notice, fails to comment on the amendment.

Section 4. If any amendment to these covenants, conditions, and restrictions is executed, each such amendment shall be delivered to the Board of Directors of this Association. Thereupon, the Board of Directors shall, within thirty (30) days, do the following:

- (a) Reasonably assure itself that the amendment has been executed by the Owners of the required number of Lots. (For this purpose, the Board may rely on its roster of members and shall not be required to cause any title to any Lot to be examined.)

Attach to the amendment a certification as to its validity, which certification shall be executed by the Association in the same manner that deeds are executed. The following form of certification is suggested:

CERTIFICATION OF VALIDITY OF AMENDMENT TO COVENANTS, CONDITIONS AND RESTRICTIONS OF JORDAN RIDGE HOMEOWNERS' ASSOCIATION, INC.

JORDAN RIDGE HOMEOWNERS' ASSOCIATION, INC.

BY: _____
President

(Corporate Seal)

Attest:

Secretary

Section 5. Management and Contract Rights of Association. Declarant may enter into a contract with a Management company manager for the purposes of providing all elements of the operation, care, supervision, maintenance, and management of the property. However, no such contract shall be binding upon the Association except through express adoption, or ratification of the terms and

conditions of such contract. Any contract or lease entered into by Declarant or by the Association while Declarant is in control thereof shall contain a provision allowing the Association to terminate such contract without justification or penalty after transfer or management by Declarant to the Association.

Section 6. Rights of Noteholders. Any institutional holder of a first mortgage on a Lot will, upon request, 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 ninety (90) days following the end of its fiscal year, (c) receive written notice of all meetings of the Association and right to designate a representative to attend all such meetings, (d) receive written notice of any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage, (e) receive written notice of any sixty-day (60) delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage, (f) receive written notice of a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Owners' Association, (g) receive written notice of any proposed action that required the consent of a specified percentage of mortgage holders, and (h) be furnished with a copy of the master insurance policy.

ARTICLE XII

ELECTRICAL SERVICE

Declarants reserve the right to subject the above-described Property to a contract with CP&L for the installation of underground electrical 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 CP&L by the Owner of each Lot within said Property.

ARTICLE XIII

EMERGENCY ACCESS

In no case shall the County be responsible for failing to provide any emergency or regular fire, police, or other public service to such developments or their occupants when such failure is due to the lack of access to such areas due to inadequate design or construction, blocking of access routes, or any other factor within the control of the developer, homeowners' association, or occupants.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed, by authority of its Board of Directors, this ~~20th~~ day of ~~October~~, ~~2003~~.
24 June, 2004

Son-Lan Development Co., Inc.

BY: *Lanny Clifton*
Lanny K. Clifton
President

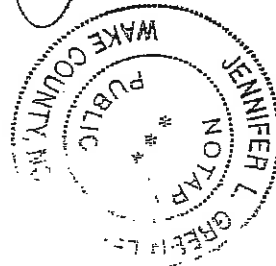
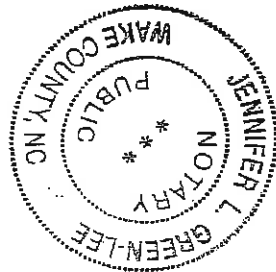
NORTH CAROLINA
COUNTY OF JOHNSTON

I, the undersigned, a Notary Public of the County ^{Wake} and State aforesaid, do hereby certify that Lanny K. Clifton personally appeared before me this date and acknowledged that he is President of Son-Lan Development Co., Inc., a North Carolina corporation, and by authority duly given and as an act of the corporation, he signed the foregoing instrument on behalf of the corporation in such capacity.

Witness my hand and official stamp or seal on this the 24 day of June, 2004.

JL
Notary Public

My Commission Expires: 9-25-08



Prepared by and return to: Law Offices of Howard S. Kohn
205 W. Millbrook Road, Suite 210
Raleigh, NC 27609

STATE OF NORTH CAROLINA

COUNTY OF JOHNSTON

DECLARATION OF ANNEXATION

This DECLARATION OF ANNEXATION, made and effective as of the 11 day of September, 2007, by Son-Lan Development Co., Inc., a North Carolina corporation, whose mailing address is 5160 NC Hwy 42 West, Garner, NC 27529, hereinafter called "Declarant".

WITNESSETH:

WHEREAS, Declarant recorded a Declaration of Restrictive Covenants for Jordan Ridge Subdivision, Phase 2, in Book 2716, Page 665, of the Johnston County Registry, Declarant subsequently recorded a Declaration of Covenants, Conditions and Restrictions for Jordan Ridge Subdivision, Phase Two, in Book 2716, Page 673, of the Johnston County Registry (hereinafter, collectively the "Covenants"); and

WHEREAS, Declarant and the undersigned builders are owners of the hereinafter described land in Jordan Ridge Subdivision, Phase Three, and desire to subject the same to said Covenants, which shall be for the benefit of and pass and run with said property, and each and every lot or parcel thereof, and shall apply to and bind the successors in interest and any owner thereof.

NOW, THEREFORE, Declarant hereby declares, and the undersigned builders hereby consent, that the real property described on Exhibit "A" attached hereto is and shall be held, transferred, sold and conveyed subject to the Covenants recorded in Book 2716, Page 665, and Book 2716, Page 673, of the Johnston County Registry.

The above-described property, hereinafter referred to as the "Annexed Property," shall be subject to all of the terms, covenants, requirements and conditions of the aforesaid Declaration, the provisions of which are specifically incorporated herein by reference, and all references therein to the Properties shall be deemed to include and encompass, the Annexed Property as if the same were, and had been, described in the legal description of the Properties when the Declaration was originally recorded.

PROVIDED, HOWEVER, that the Declarant desires to subject the Annexed Property to complementary additions and modifications to the terms of the Declaration as are necessary and desirable to reflect the different character and/or changed conditions of the Annexed Property; and certain terms, covenants, requirements and conditions of the aforesaid Declaration shall be amended, restated, or supplemented as follows:

1. **BUILDING LOCATION:** No building shall be located on any lot nearer to the front or rear lot line, or to any side lot line, than shall be permitted under the applicable subdivision ordinances of the County or any other Governmental Entity in effect at the time such building is to be constructed; provided, however, that eaves, steps and open porches shall not be considered as a part of any building for purposes of this covenant. This covenant shall not be constructed to permit any portion of a building to encroach on any other lot.
2. **IMPERVIOUS MATERIAL:** Stormwater infiltrator systems must be installed on all lots in which the total impervious area exceeds 3200 square feet per lot. Impervious material is defined as roof tops of homes, garages, outbuildings and paved or concrete driveways, walkways, and patios. If an infiltrator system is required, the homeowner is responsible for long-term maintenance of the system, including cleaning gutter guards and replacement of No. 57 washed stone.
3. **MAINTENANCE OF DRAINAGE EASEMENTS:** The assessment levied by the Association shall include the cost of providing maintenance of all drainage easements and any drainage structures therein.
4. **ARCHITECTURAL CONTROL:** The Declarant shall be the sole member of the Architectural Review Board until living units have been constructed upon all of the lots and conveyed to owners other than builders, or until such time as the Declarant shall resign, whichever shall first occur.

The terms of this Annexation Declaration shall control over any contradictory or conflicting terms as many be contained in the Declaration for Jordan Ridge, Phase Two. Except as amended hereby, the terms of the aforesaid Declaration are hereby ratified and shall remain in full force and effect.

IN TESTIMONY WHEREOF, the undersigned Declarant has executed this Declaration of Annexation the day and year first above written.

DECLARANT:

SON-LAN DEVELOPMENT CO., INC.
a North Carolina corporation

By: [Signature]
Name: Lanny K. Clifton
Title: President

CONSENTED TO:

CARROLL CONSTRUCTION HOMES, INC.
a North Carolina corporation

By: [Signature]
Name: HAROLD Glenn CARROLL, JR.
Title: President

GOLDEN PROPERTIES OF NC, INC.
a North Carolina corporation

By: [Signature]
Name: RON LEE
Title: President

LANNY K. CLIFTON BUILDER, INC.
a North Carolina corporation

By: [Signature]
Name: Lanny Clifton
Title: President

FULL SPECTRUM CUSTOM HOMES, INC.
a North Carolina corporation

By: [Signature]
Name: SEAN Strickland
Title: President

STATE OF North Carolina

COUNTY OF Johnston

I, the undersigned, a Notary Public of the County and State aforesaid, certify that Lanny K. Clifton, whose identity has been proven by satisfactory evidence, said evidence being:

- I have personal knowledge of the identity of the principal(s);
- I 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 _____;

A credible witness has sworn to the identity of the principal(s); personally came before me this day and acknowledged that (s)he is the (Vice) President of Son-Lan Development Co., Inc., and acknowledged, on behalf of the corporation, that (s)he voluntarily executed the foregoing instrument for the purposes stated therein and in the capacity indicated.

Witness my hand and seal, this the 11 day of September, 2007.

Lynn A. Watkins
Notary Public
Print Name: Lynn A. Watkins
My Commission Expires: 12-7-2011

[AFFIX NOTARY SEAL BELOW - NOTE THAT SEAL MUST BE FULLY LEGIBLE]

(Official Seal)

My commission expires: _____



STATE OF North Carolina

COUNTY OF Johnston

I, the undersigned, a Notary Public of the County and State aforesaid, certify that Harold Edwin Carroll Jr, whose identity has been proven by satisfactory evidence, said evidence being:

- I have personal knowledge of the identity of the principal(s);
- I 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 _____;

A credible witness has sworn to the identity of the principal(s); personally came before me this day and acknowledged that (s)he is the (Vice) President of Carroll Construction Homes, Inc., and acknowledged, on behalf of the corporation, that (s)he voluntarily executed the foregoing instrument for the purposes stated therein and in the capacity indicated.

Witness my hand and seal, this the 11 day of September, 2007.

Lynn A Watkins
Notary Public
Print Name: Lynn A Watkins
My Commission Expires: 12-7-2011

[AFFIX NOTARY SEAL BELOW - NOTE THAT SEAL MUST BE FULLY LEGIBLE]

(Official Seal)



STATE OF North Carolina
COUNTY OF Johnston

I, the undersigned a Notary Public of the County and State aforesaid, certify that Ron Lee, whose identity has been proven by satisfactory evidence, said evidence being:

- I have personal knowledge of the identity of the principal(s);
- I 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 _____

A credible witness has sworn to the identity of the principal(s); personally came before me this day and acknowledged that (s)he is the (Vice) President of Golden Properties of NC, Inc., and acknowledged, on behalf of the corporation, that (s)he voluntarily executed the foregoing instrument for the purposes stated therein and in the capacity indicated.

Witness my hand and seal, this the 11 day of September, 2007.

Lynn A Watkins
Notary Public
Print Name: Lynn A. Watkins
My Commission Expires: 12-7-2011

[AFFIX NOTARY SEAL BELOW - NOTE THAT SEAL MUST BE FULLY LEGIBLE]

(Official Seal)



STATE OF North Carolina

COUNTY OF Johnston

I, the undersigned, a Notary Public of the County and State aforesaid, certify that Lanny K. Clifton, whose identity has been proven by satisfactory evidence, said evidence being:

- I have personal knowledge of the identity of the principal(s);
- I 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 _____;

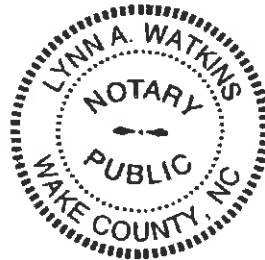
A credible witness has sworn to the identity of the principal(s); personally came before me this day and acknowledged that (s)he is the (Vice) President of Lanny K. Clifton Builders, Inc., and acknowledged, on behalf of the corporation, that (s)he voluntarily executed the foregoing instrument for the purposes stated therein and in the capacity indicated.

Witness my hand and seal, this the 11 day of September, 2007.

Lynn A Watkins
Notary Public
Print Name: Lynn A. Watkins
My Commission Expires: 12-7-2011

[AFFIX NOTARY SEAL BELOW - NOTE THAT SEAL MUST BE FULLY LEGIBLE]

(Official Seal)



STATE OF North Carolina

COUNTY OF Johnston

I, the undersigned, a Notary Public of the County and State aforesaid, certify that Sean Stiehl whose identity has been proven by satisfactory evidence, said evidence being:

- I have personal knowledge of the identity of the principal(s);
- I 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 _____;

A credible witness has sworn to the identity of the principal(s); personally came before me this day and acknowledged that (s)he is the (Vice) President of Full Spectrum Custom Homes, Inc., and acknowledged, on behalf of the corporation, that (s)he voluntarily executed the foregoing instrument for the purposes stated therein and in the capacity indicated.

Witness my hand and seal, this the 11 day of September, 2007.

Lynn A Watkins
Notary Public

Print Name: Lynn A. Watkins
My Commission Expires: 12-7-2011

[AFFIX NOTARY SEAL BELOW - NOTE THAT SEAL MUST BE FULLY LEGIBLE]

(Official Seal)



Real Estate Excise Tax: \$0.00 Deputy/Assistant Register of Deeds: Pauline Sanders

Prepared By and Return to: S. Vann Sauls, P.A.
13314 NC Hwy 210
Benson, North Carolina 27504

NORTH CAROLINA

JOHNSTON COUNTY

DECLARATION OF ANNEXATION
JORDAN RIDGE, PHASE THREE

3rd THIS DECLARATION OF ANNEXATION, made and effective as of the
day of December, 2014, by Capital Properties of Raleigh II, LLC, a North Carolina
Limited Liability Company, whose mailing address is 3818 Bland Road Raleigh, NC
27609, hereinafter called "Declarant."

WITNESSETH:

WHEREAS, Declarant recorded a Declaration of Restrictive Covenants for
Jordan Ridge Subdivision, Phase 2, in Book 2716, Page 665, of Johnston County
Registry, Declarant subsequently recorded a Declaration of Covenants, Conditions and
Restrictions for Jordan Ridge Subdivision, Phase Two, in Book 2716, Page 673, of the
Johnston County Registry (hereinafter, collectively the "Covenants"); and

WHEREAS, Son-Lan Development Co., Inc., by instrument recorded in Book
4022, Page 893, of the Johnston County Registry, assigned its rights and privileges as
Declarant to Atlas NC I SPE, LLC, who in turn assigned said rights and privileges to
Successor Declarant by instrument recorded in Book 4098, Page 338, of the aforesaid
registry, in connection with Successor Declarant's purchase acquisition of certain land in
Jordan Ridge Subdivision by deed recorded in Book 4097, Page 328, of the aforesaid
registry.

NOW, THEREFORE, Declarant hereby declares, that the real property described on Exhibit "A" attached hereto is and shall be held, transferred, sold and conveyed subject to the Covenants recorded in Book 2716, Page 665, and Book 2716, Page 673, of the Johnston County Registry.

The above-described property, hereinafter referred to as the "Annexed Property," shall be subject to all of the terms, covenants, requirements and conditions of the aforesaid Declaration, the provisions of which are specifically incorporated herein by reference, and all references therein to the Properties shall be deemed to include and encompass the Annexed Property as if the same were, and had been, described in the legal description of the Properties when the Declaration was originally recorded.

The terms of this Annexation Declaration shall control over any contradictory conflicting terms as may be contained in the Declaration for Jordan Ridge, Phase Two. Except as amended hereby, the terms of the aforesaid Declaration are hereby ratified and shall remain in full force and effect.

IN TESTIMONY WHEREOF, the Successor Declarant has executed this Annexation Declaration the day and year first above written.

SUCCESSOR DECLARANT:

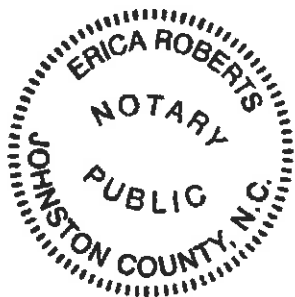
CAPITAL PROPERTIES OF RALEIGH, II, LLC
A North Carolina Limited Liability Company

By: *David M. Stallings* (SEAL)
David M. Stallings, Member/Manager

STATE OF NORTH CAROLINA
COUNTY OF JOHNSTON

I, *Erica Roberts*, a Notary Public of aforesaid County and State, do hereby certify that David M. Stallings, personally appeared before me this day and acknowledged that he is the Member/Manager of Capital Properties of Raleigh II, LLC, a North Carolina Limited Liability Company, and as the act of the company and by authority duly given the foregoing instrument was signed in its name by him as Member/Manager.

Witness my hand and notarial seal, this the *3rd* day of *December*, 2014.



Erica Roberts
Notary Public
Printed Name: *Erica Roberts*
My Commission Expires: *June 9, 2019*

EXHIBIT A

BEING ALL OF LOT 115, CONTAINING 0.344 ACRE, MORE OR LESS, JORDAN RIDGE SUBDIVISION, PHASE THREE, ACCORDING TO A SURVEY RECORDED IN PLAT BOOK 80, AT PAGE 342, JOHNSTON COUNTY REGISTER OF DEEDS, REFERENCE TO WHICH IS HEREBY MADE FOR A MORE COMPLETE AND ACCURATE DESCRIPTION.

BEING AL OF LOT 133, CONTAINING 0.344 ACRE, MORE OR LESS, JORDAN RIDGE SUBDIVISION, PHASE THREE, ACCORDING TO A SRUVEY RECORDED IN PLAT BOOK 80, AT PAGE 343, JOHNSTON COUNTY REGISTER OF DEEDS, REFERENCE TO WHICH IS HEREBY MADE FOR A MORE COMPLETE AND ACCURATE DESCRIPTION.

BEING ALL OF LOTS 154, CONTAINING 0.344 ACRE, AND LOT 157, CONTAINING 0.344 ACRE, MORE OR LESS, JORDAN RIDGE SUBDIVISION, PHASE THREE, ACCORDING TO A SUREY REOCRDED IN PLAT BOOK 80, AT PAGE 344, JOHNSTON COUNTY REGISTER OF DEEDS, REFERENCE TO WHICH IS HEREBY MADE FOR A MORE COMPLETE AND ACCURATE DESCRIPTION.