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Bk:RB5875 Pg:533  
11/26/2014 02:13:36 PM 1/8

FILED Deborah B. Brooks  
Register of Deeds, Orange Co., NC  
Recording Fee: \$26.00  
NC Real Estate TX: \$.00

ND

Prepared by and return to:  
Michael F. King, Esq.  
K&L Gates LLP  
Post Office Box 17047  
Raleigh, North Carolina 27619-7047

**FOR MULTIPLE PIN SHEET**  
**SEE BOOK 5825 PAGE 525**

See Exhibit A for PIN's

**SECOND AMENDMENT TO DECLARATION OF  
PROTECTIVE COVENANTS AND EASEMENTS  
FOR  
WATERSTONE RESIDENTIAL**

THIS SECOND AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND EASEMENTS FOR WATERSTONE RESIDENTIAL (this "Amendment") is made and entered into as of the day and year below provided by Ashton Raleigh Residential L.L.C., a North Carolina limited liability company ("Declarant").

**WITNESSETH:**

WHEREAS, Declarant submitted certain real property located in Orange County, North Carolina to that certain Declaration of Protective Covenants And Easements For Waterstone Residential dated November 19, 2013, recorded in the Orange County Register of Deeds (the "ROD"), in Book 5721, Page 1, as supplemented by that certain First Supplementary Declaration to Declaration of Protective Covenants and Easements for Waterstone Residential recorded in the ROD in Book 5825, Page 133, and as amended by that certain First Amendment to Declaration of Protective Covenants and Easements for Waterstone Residential recorded in the ROD in Book 5825, Page 150 (as amended and supplemented from time to time, the "Declaration");

WHEREAS, Article XV, Section 4 (entitled "Amendment") of the Declaration provides in pertinent part that, at any time during the Declarant Control Period, Declarant shall have the right, in its sole and absolute discretion, to make any amendments or modifications to this Declaration that Declarant deems necessary or desirable, including, without limitation, amendments or modifications to procedural, administrative or substantive provisions of this Declaration, without obtaining the approval of any Owner; and

WHEREAS, the "Declarant Control Period," as defined in the Declaration, has not expired.



NOW, THEREFORE, the undersigned Declarant hereby declares as follows:

1. Defined Terms. Capitalized words and terms used herein shall have the meanings ascribed to them in the Declaration unless otherwise provided herein.
2. Capitalization of Association. As of the date of this Amendment, the capital contribution currently charged by the Association is \$750.00 for each Single Family Unit and \$300.00 for each Townhouse Unit. In accordance with Article IV, Section 12 of the Declaration, the amount of the capital contribution shall be the amount from time to time established by the Board of Directors.
3. Signs. The phrase “Error! Reference source not found” in Article IX, Section 1.b. of the Declaration is hereby deleted and replaced in its entirety with the phrase “Section 3”.
4. Insurance by Owners. Article X, Section 5 of the Declaration is hereby deleted in its entirety and replaced by the following:

**Section 5. Insurance By Owners.**

Each Owner shall procure and maintain fire and extended coverage insurance as follows:

- (a) Coverage. Each Unit and the improvements upon a Unit shall be insured in an amount equal to one hundred percent (100%) insurable replacement value. Such coverage shall provide protection against:
  - (i) Loss or damage by fire and other hazards, including extended coverage, vandalism and malicious mischief;
  - (ii) Such other risks as from time to time shall be customarily covered with respect to buildings on the land; and
  - (iii) Such policies shall contain clauses providing form waiver of subrogation.
- (b) Liability. Public liability insurance shall be secured by each Owner with limits of liability of no less than Three Hundred Thousand and No/100 Dollars (\$300,000.00) per occurrence.

All such policies shall name the Declarant and the Association as additional insureds as their interests appear and copies of said policies and renewals thereof shall be furnished to the Declarant and the Association. Upon failure by any Owner to promptly obtain the required coverage, naming the Declarant and the Association as additional insureds, or to pay the premiums due on such policy, the Association may, but is not required to, obtain the required coverage, naming the Declarant and the Association as additional insureds, and add the cost of the premium and all other costs of obtaining such coverage to the annual assessment against the subject Unit. Such cost shall be due and payable on or before the first day of the calendar month following payment of same by the Association.





Owners may, at their option, obtain insurance coverage at their own expense upon their own personal property and for their personal liability and living expense and such other coverage as they may desire.

5. Authority. The undersigned Declarant does hereby declare that it has executed this Amendment in accordance with its power and authority set forth in Article XV, Section 4 of the Declaration.

6. Completeness. Except as herein provided, the Declaration shall remain in full force and effect, without modification, the said Declaration, as previously amended and as supplemented hereby, being the complete text of said instrument as of the date hereof. This Amendment shall be effective upon filing in the ROD.

[Remainder of Page Purposely Blank]



IN WITNESS WHEREOF, the undersigned, Declarant herein, has hereby caused this Amendment to be executed as of this 20<sup>th</sup> day of NOVEMBER, 2014.

DECLARANT:

**ASHTON RALEIGH RESIDENTIAL L.L.C.,**  
a North Carolina limited liability company

By: [Signature]  
Name: RYAN B. LEWIS  
Title: DIVISION PRESIDENT

Wake County, North Carolina

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Ryan Lewis, Division President.  
[print name of signatory in space above]

Date: 11/20/14

My Commission Expires:  
9/24/2016

[Signature]  
Notary Public  
Print Name: Mary Hill Herold

[Affix Notary Stamp or Seal below]



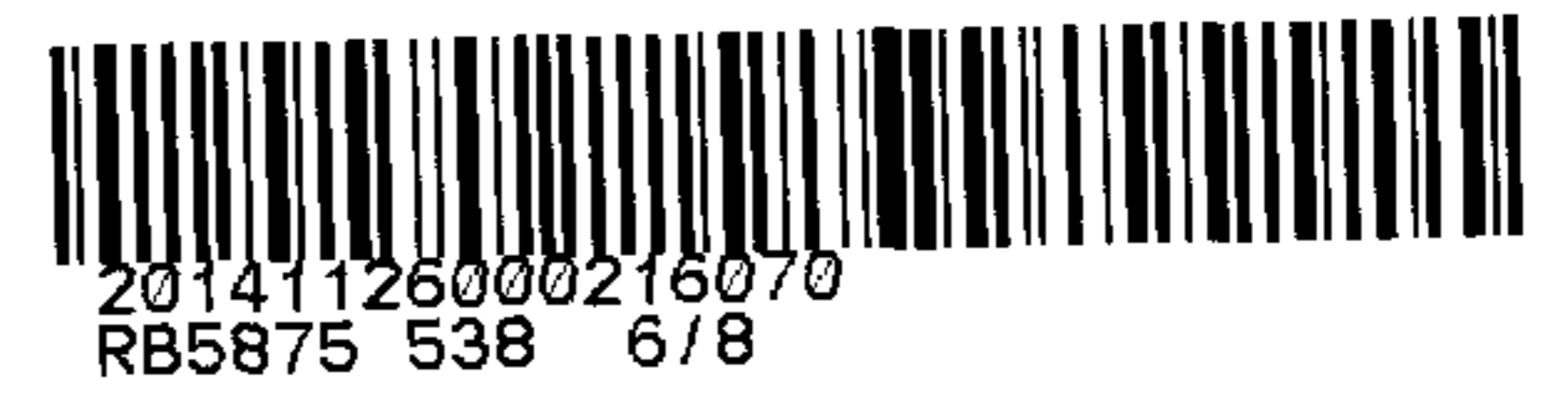


**Exhibit A**  
**to**  
**Second Amendment to**  
**Declaration of Protective Covenants and Easements for Waterstone Residential**

GREAT WATERSTONE, LP PROPERTIES

- 9873268805 [Lot 2 Waterstone Estates]
- 9873268874 [Lot 3 Waterstone Estates]
- 9873373749 [Lot 45 Waterstone Estates]
- 9873382090 [Lot 48 Waterstone Estates]
- 9873382142 [Lot 50 Waterstone Estates]
- 9873382118 [Lot 51 Waterstone Estates]
- 9873288276 [Lot 57 Waterstone Estates]
- 9873287096 [Lot 60 Waterstone Estates]
- 9873380108 [Lot 61 Waterstone Estates]
- 9873381001 [Lot 64 Waterstone Estates]
- 9873370836 [Lot 70 Waterstone Estates]
- 9873279751 [Lot 73 Waterstone Estates]
- 9873259462 [New Lot 3, PB104-169, 1.15 ac.]
- 9873365881 [Future Development - 24.5 acres]
- 9873267838 [Lot 1 Waterstone Estates]
- 9873373856 [Lot 46 Waterstone Estates]
- 9873382076 [Lot 49 Waterstone Estates]
- 9873289311 [Lot 56 Waterstone Estates]
- 9873288221 [Lot 58 Waterstone Estates]
- 9873288104 [Lot 59 Waterstone Estates]
- 9873371925 [Lot 65 Waterstone Estates]
- 9873371869 [Lot 66 Waterstone Estates]
- 9873289056 [Lot 67 Waterstone Estates]
- 9873279989 [Lot 68 Waterstone Estates]
- 9873370913 [Lot 69 Waterstone Estates]
- 9873370891 [Lot 71 Waterstone Estates]
- 9873371779 [Lot 72 Waterstone Estates]
- 9873371630 [Lot 76 Waterstone Estates]
- 9873371331 [Lot 85 Waterstone Estates]
- 9873370306 [Lot 87 Waterstone Estates]
- 9873279404 [Lot 89 Waterstone Estates]
- 9873276314 [Lot 90 Waterstone Estates]
- 9873275261 [Lot 92 Waterstone Estates]
- 9873277117 [Lot 93 Waterstone Estates]
- 9873277255 [Lot 94 Waterstone Estates]
- 9873278243 [Lot 96 Waterstone Estates]
- 9873370192 [Lot 100 Waterstone Estates]
- 9873371161 [Lot 101 Waterstone Estates]
- 9873370606 [Lot 74 Waterstone Estates]





- 9873370673 [Lot 75 Waterstone Estates]
- 9873371597 [Lot 77 Waterstone Estates]
- 9873371299 [Lot 84 Waterstone Estates]
- 9873370373 [Lot 86 Waterstone Estates]
- 9873279450 [Lot 88 Waterstone Estates]
- 9873277380 [Lot 95 Waterstone Estates]
- 9873279109 [Lot 97 Waterstone Estates]
- 9873370134 [Lot 99 Waterstone Estates]
- 9873361931 [Lot 114 Waterstone Estates]
- 9873279052 [Lot 117 Waterstone Estates]
- 9873265984 [Common Space Waterstone Estates]
- 9873360866 [Phase 1 Roads Waterstone Estates]
- 9873279872 [Phase 4 Roads Waterstone Estates]
- 9873372130 [Lot 102 Waterstone Estates]
- 9873371090 [Common Space Waterstone Estates]
- 9873278627 [Common Space Waterstone Estates]
- 9873382318 [Common Space Waterstone Estates]
- 9873352723 [Phase 2 Terraces Future Development - 9.22 acres]
- 9873360322 [Lot 13 Waterstone Terraces]
- 9873360267 [Lot 16 Waterstone Terraces]
- 9873360275 [Lot 17 Waterstone Terraces]
- 9873269181 [Lot 61 Waterstone Terraces]
- 9873360340 [Lot 14 Waterstone Terraces]
- 9873360258 [Lot 15 Waterstone Terraces]
- 9873360283 [Lot 18 Waterstone Terraces]
- 9873361107 [Lot 19 Waterstone Terraces]
- 9873361115 [Lot 20 Waterstone Terraces]
- 9873361123 [Lot 21 Waterstone Terraces]
- 9873361121 [Lot 22 Waterstone Terraces]
- 9873361039 [Lot 23 Waterstone Terraces]
- 9873269174 [Lot 62 Waterstone Terraces]
- 9873269165 [Lot 63 Waterstone Terraces]
- 9873269158 [Lot 64 Waterstone Terraces]
- 9873268132 [Lot 65 Waterstone Terraces]
- 9873268140 [Lot 66 Waterstone Terraces]
- 9873268048 [Lot 67 Waterstone Terraces]
- 9873268056 [Lot 68 Waterstone Terraces]
- 9873267006 [Lot 92 Waterstone Terraces]
- 9873267008 [Lot 93 Waterstone Terraces]
- 9873266175 [Lot 95 Waterstone Terraces]
- 9873268214 [Lot 100 Waterstone Terraces]
- 9873268256 [Lot 102 Waterstone Terraces]
- 9873268277 [Lot 103 Waterstone Terraces]
- 9873268298 [Lot 104 Waterstone Terraces]
- 9873268064 [Lot 69 Waterstone Terraces]
- 9873267014 [Lot 91 Waterstone Terraces]



9873266190 [Lot 94 Waterstone Terraces]  
9873266158 [Lot 96 Waterstone Terraces]  
9873266159 [Lot 97 Waterstone Terraces]  
9873266241 [Lot 98 Waterstone Terraces]  
9873266233 [Lot 99 Waterstone Terraces]  
9873268245 [Lot 101 Waterstone Terraces]  
9873266345 [Lot 110 Waterstone Terraces]  
9873266324 [Lot 111 Waterstone Terraces]  
9873265361 [Lot 114 Waterstone Terraces]  
9873264484 [Amenity Center Waterstone Terraces]  
9873268661 [Open Space Waterstone Terraces]  
9873269104 [Open Space Waterstone Terraces]  
9873266303 [Lot 112 Waterstone Terraces]  
9873265382 [Lot 113 Waterstone Terraces]  
9873268335 [Open Space Waterstone Terraces]  
9873266433 [Roads Phase 1 Waterstone Terraces]

ASHTON RALEIGH RESIDENTIAL L.L.C. PROPETIES

9873269843 [Lot 4 Waterstone Estates]  
9873278094 [Lot 118 Waterstone Estates]  
9873278027 [Lot 119 Waterstone Estates]  
9873277182 [Lot 120 Waterstone Estates]  
9873381350 [Lot 53 Waterstone Estates]  
9873267580 [Lot 2 Waterstone Terraces]  
9873370020 [Lot 116 Waterstone Estates]  
9873268500 [Lot 3 Waterstone Terraces]  
9873268468 [Lot 6 Waterstone Terraces]  
9873267561 [Lot 1 Waterstone Terraces]  
9873268429 [Lot 4 Waterstone Terraces]  
9873268439 [Lot 5 Waterstone Terraces]  
9873267386 [Lot 106 Waterstone Terraces]  
9873267366 [Lot 107 Waterstone Terraces]  
9873267347 [Lot 108 Waterstone Terraces]  
9873267317 [Lot 109 Waterstone Terraces]  
9873268305 [Lot 105 Waterstone Terraces]  
9873381284 [Lot 52 Waterstone Estates]  
9873360986 [Lot 115 Waterstone Estates]  
9873380440 [Lot 55 Waterstone Estates]  
9873373702 [Lot 44 Waterstone Estates]  
9873380133 [Lot 62 Waterstone Estates]  
9873380077 [Lot 63 Waterstone Estates]  
9873360718 [Lot 5 Waterstone Estates]  
9873275288 [Lot 91 Waterstone Estates]  
9873279176 [Lot 98 Waterstone Estates]



9873373923 [Lot 47 Waterstone Estates]  
9873381317 [Lot 54 Waterstone Estates]  
9873269414 [Lot 7 Waterstone Terraces]  
9873269433 [Lot 8 Waterstone Terraces]  
9873269451 [Lot 9 Waterstone Terraces]  
9873269460 [Lot 10 Waterstone Terraces]  
9873269379 [Lot 11 Waterstone Terraces]  
9873269397 [Lot 12 Waterstone Terraces]

COMMUNITY HOME TRUST PROPERTY

9873257526 [New Tract 3B, PB111-112, 2.12 ac.]



EX  
JAA



20170510000088480 S/INS  
**Bk:RB6301 Pg:519**  
05/10/2017 04:31:59 PM 1/9

FILED Mark Chilton  
Register of Deeds, Orange Co, NC  
Recording Fee: \$26.00  
NC Real Estate TX: \$.00

aw

Prepared by and return to:  
Michael R. Ganley, Attorney at Law  
Bagwell Holt Smith P.A.  
111 Cloister Court, Ste. 200  
Chapel Hill, NC 27514

**FOR MULTIPLE PIN SHEET**  
**SEE BOOK 6301 PAGE 512**

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**FOURTH AMENDMENT TO DECLARATION OF  
PROTECTIVE COVENANTS AND EASEMENTS  
FOR  
WATERSTONE RESIDENTIAL**

THIS FOURTH AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND EASEMENTS FOR WATERSTONE RESIDENTIAL (this "Amendment") is made and entered into as of the day and year below provided by Ashton Raleigh Residential L.L.C., a North Carolina limited liability company ("Declarant").

**WITNESSETH:**

WHEREAS, Declarant submitted certain real property located in Orange County, North Carolina to that certain Declaration of Protective Covenants And Easements For Waterstone Residential dated November 19, 2013, recorded in the Orange County Register of Deeds (the "ROD"), in Book 5721, Page 1, *et seq.*, as amended by that certain First Amendment to Declaration of Protective Covenants And Easements For Waterstone Residential dated July 28, 2014, recorded in the ROD at Book 5825, Page 150, *et seq.*, and as supplemented by that certain First Supplementary Declaration to Declaration of Protective Covenants And Easements For Waterstone Residential dated July 18, 2014, recorded in the ROD at Book 5825, Page 133, *et seq.*, and as amended by that certain Second Amendment to Declaration of Protective Covenants And Easements For Waterstone Residential dated November 20, 2014, recorded in the ROD at Book 5875, Page 533, *et seq.*, and as amended by that certain Third Amendment to Declaration of Protective Covenants And Easements For Waterstone Residential dated August 17, 2015, recorded in the ROD at Book 6007, Page 274, *et seq.*, (as amended and supplemented, the "Declaration");



WHEREAS, Article XV, Section 4 (entitled "Amendment") of the Declaration provides in pertinent part that at any time during the Declarant Control Period, Declarant shall have the right, in its sole and absolute discretion, to make any amendments or modifications to this Declaration which Declarant deems necessary or desirable, including, without limitation, amendments or modifications to procedural, administrative or substantive provisions of this Declaration, without obtaining the approval of any Owner; and

WHEREAS, the "Declarant Control Period," as defined in the Declaration, has not expired; and

WHEREAS, Habitat for Humanity, Orange County, N.C., Inc., a North Carolina non-profit corporation, ("Habitat") is the owner of a certain tract of land subject to the Declaration as described on Exhibit A, attached hereto and incorporated herein (the "Habitat Property"); and

WHEREAS, in accordance with its mission to provide affordable housing for senior citizens in Orange County, Habitat has requested certain amendments to the Declaration in order to provide for affordable Assessments to the Habitat Property, and Declarant has agreed to consent to such amendments; and

WHEREAS, Declarant additionally desires to form a Neighborhood composed of the Habitat Property to be operated and administered in accordance with The Fair Housing Amendments Act of 1988, The Housing for Older Persons Act of 1995, and Department of Housing and Urban Development 24 CFR Part 100, Subpart E (collectively, the "HUD Regulations"). The Waterstone Residential Neighborhood Association, Inc. (the "Association") will incur administrative costs and expenses to confirm compliance with the HUD Regulations, specifically and not by way of limitation, conducting, at least once each two (2) years, a survey of the Occupants of all Habitat Lots to determine whether the community is in compliance with the provisions of Article III, Section 8(a) and Article III, Section 8(b) of the Declaration.

NOW, THEREFORE, the undersigned Declarant hereby declares as follows:

1. Defined Terms. Capitalized words and terms used herein shall have the meanings ascribed to them in the Declaration unless otherwise provided herein.
2. Amendment of Article I, Section (t). The following is added as an additional sentence at the end of Article I, Section (t) of the Declaration.

However, notwithstanding the foregoing, Habitat Lot Owners may be prohibited from accessing certain facilities and improvements located on the Common Property at the discretion of the Board, although the Board nor the Association may restrict Habitat Lot Owners from accessing the Habitat Property or the Habitat Units.

3. Amendment of Article XIV, Section 2. The following is added at the end of Article XIV, Section 2 of the Declaration.





However, notwithstanding the foregoing, Habitat Lot Owners may be prohibited from accessing certain facilities and improvements located on the Common Property at the discretion of the Board, although the Board nor the Association may restrict Habitat Lot Owners from accessing the Habitat Property or the Habitat Units.

4. Addition of Article I, Section (vvv). The following is added as an additional section (vvv) to Article I of the Declaration:

(vvv) "**Habitat Property**" shall mean and refer to that tract of land shown and described as all of New Tract 3B as shown on that certain plat appearing of record in Plat Book 111 Page 112, Orange County, North Carolina Registry, to which reference is made for a more particular description. The Habitat Property shall be part of the Townhouse Neighborhood.

5. Addition of Article I, Section (www). The following is added as an additional section (www) to Article I of the Declaration:

(www) "**Habitat Unit**" shall mean and refer to a Townhouse Unit which is located within the Habitat Property.

6. Addition of Article I, Section (xxx). The following is added as an additional section (xxx) to Article I of the Declaration:

(xxx) "**Habitat Unit Owner**" shall mean the Owner of a Habitat Unit.

7. Addition of Article I, Section (yyy). The following is added as an additional section (yyy) to Article I of the Declaration:

(yyy) "**Age Qualified Occupant**" shall mean and refer to a person of not less than fifty-five (55) years of age.

8. Addition of Article I, Section (zzz). The following is added as an additional section (yyy) to Article I of the Declaration:

(zzz) "**Disregarded Resident**" shall mean and refer to any Occupant, as designated by Habitat, who is necessary to provide reasonable accommodation to disabled Occupants. The Association shall not be permitted to make determinations as to an Occupant's designation as a Disregarded Resident.

9. Amendment of Article III, Section 8. Section 8 of Article III of the Declaration is hereby deleted in its entirety and replaced with the following:

**Section 8. Age Restrictions.**



(a) Each Habitat Lot shall be occupied by either (a) Disregarded Residents, or (b) a single family unit, defined as a group of individuals related by blood, marriage, adoption, or guardianship, or not more than three (3) persons not so related, living together as a single housekeeping unit, at least one (1) of which shall be an Age Qualified Occupant. The number of Occupants on each Habitat Lot shall also be reasonably limited by the Habitat Lot's size and facilities and by a policy against disproportionate use of the Common Property.

(b) Notwithstanding the provisions of Article III, Section 8(a) to the contrary, a Habitat Lot may be occupied by any of the persons set forth below; provided, however, that, in any event, no person may occupy a Habitat Lot if occupancy by such person would result in fewer than eighty percent (80%) of all occupied Habitat Lots being occupied by at least one (1) Age Qualified Occupant.

i. Persons nineteen (19) years of age or under, provided that any such persons do not occupy the Habitat Lot for more than a maximum period of ninety (90) days within any twelve (12) month period.

ii. Any person who takes title to a Habitat Lot through a conveyance or change of interest by reason of death of the prior Owner of the Habitat Lot, whether provided for in a will, trust or decree of distribution.

iii. Any person granted an exception by Habitat, in its sole discretion. The Association, nor its Board of Directors, does not have the discretion to grant exceptions under this Article.

For purposes of calculating the number of occupied Habitat Lots, Habitat Lots occupied solely by Disregarded Residents shall be excluded by such calculation.

(c) Each Owner shall be responsible for including the statement that Habitat Lots are intended for occupancy by Age Qualified Occupants, as set forth above, in conspicuous type in any purchase and sale agreement or transfer documents relating to such Owner's Habitat Lot, which agreements or contracts shall be in writing and signed by the purchaser.

(d) In the event of any proposed change in occupancy of any Habitat Lot, as a result of transfer, sale, gift, assignment, death, birth, marriage, separation, divorce or otherwise, the Owner of such Habitat Lot shall immediately notify the Board in writing and provide to the Board the names and ages of all current and proposed Occupants of the Habitat Lot and such other information as the Board may reasonably require to verify the age of each Occupant. No voluntary change in occupancy shall occur unless such change complies with the provisions of this Article III, Section 8. Persons purporting to acquire title or a right of possession to a Habitat Lot by sale, gift or other transfer that do not comply with the restrictions set forth in this Article III, Section 8 shall not be entitled to occupy the Habitat Lot in question. The Board shall be entitled to bring an action to evict any disapproved Occupant and such person shall be liable for the Board's legal fees and



costs, at trial and upon appeal, in connection with any and all legal action taken to enforce the provisions of this Article III, Section 8. Each Habitat Unit Owner hereby appoints the Association, which may act through the Board, as its attorney in fact for the purpose of taking legal or equitable action to dispossess, evict or otherwise remove the Occupants of his or her Habitat Unit as necessary to enforce compliance with this Article.

(e) The Board will maintain age records of all Occupants. The Board shall publish and adhere to policies, procedures and rules to monitor and maintain compliance with Article III, Section 8(a) and Article III, Section 8(b), and all applicable laws and ordinances of governmental authorities, including policies regarding verification of compliance with all applicable laws and ordinances of governmental authorities. The Association shall develop procedures for verifying the occupancy of each Habitat Lot. The Association may require Occupants to produce copies of birth certificates, driver's licenses, passports, immigration cards, military identifications and other official documents containing birth date of comparable reliability. In furtherance of the foregoing, at least once each two (2) years, the Association shall conduct a survey of the Occupants of all Habitat Lots to determine whether the Habitat Lots are in compliance with the provisions of Article III, Section 8(a) and Article III, Section 8(b) and all applicable laws and ordinances of governmental authorities. The Association's records regarding individual Occupants shall be maintained on a regular basis and shall not be disclosed except as legally required and then only to governing authorities having jurisdiction and seeking to enforce state and federal laws. Each Occupant shall fully and truthfully respond to any request from the Association or Board for information regarding the occupancy of his or her Habitat Unit which, in the Board's judgment, is reasonably necessary to monitor compliance with this Article.

(f) The Association shall provide, or contract for the provision of those facilities and services designed to meet the physical and social needs of the Habitat Unit Owners as may be required under such laws.

10. Amendment of the First Sentence of the Third Paragraph of Article IV, Section 2. The first sentence of the third paragraph of Article IV, Section 2 of the Declaration is hereby deleted in its entirety and replaced with the following:

Unless provided otherwise in this Declaration, assessments shall be paid at a uniform rate per Unit in such manner and on such dates as may be fixed by the Board of Directors (although Habitat Units shall be billed at a lower rate of assessment), which may be billed on a monthly, quarterly or annual basis as may reasonably be determined by the Board of Directors, from time to time, and which may include, without limitation, acceleration, upon ten (10) days' written notice, of assessments for delinquents; provided however, that (a) notwithstanding any provision in this Declaration to the contrary, assessments to pay a judgment against the Association may be made only against the Units in the Community at the time the judgment was entered and (b) if any Common Expense is caused by the negligence or misconduct of any Unit Owner or Occupant, the Association may assess the expenses exclusively against the Unit Owner or Occupant's Unit.





11. Amendment of the Second-to-Last Sentence of the Third Paragraph of Article IV, Section 2. The second-to-last sentence of the third paragraph of Article IV, Section 2 of the Declaration is hereby deleted in its entirety and replaced with the following:

Unless otherwise provided by the Board, assessments shall be paid in quarterly installments; however, notwithstanding the foregoing, the Habitat Unit Owners shall be permitted to pay assessments on a monthly basis.

12. Addition to Article IV, Section 3. The following is added as an additional paragraph at the end of Article IV, Section 3 of the Declaration:

Notwithstanding the foregoing, until December 31<sup>st</sup>, 2020, the maximum annual assessment shall be One Thousand Four Hundred Four and No/100<sup>th</sup> Dollars (\$1,404.00) per year, payable monthly, for each Habitat Unit. From and after December 31<sup>st</sup>, 2020, the maximum annual assessment for each Habitat Unit established in this Article IV, Section 3 may be increased in an amount not to exceed five percent (5%) of the prior year's assessment.

Notwithstanding the foregoing, the maximum annual assessment may be increased proportionally in order to cover annual increases in the following items as shown on the budget: (a) electric, (b) regular landscaping, (c) mulch, (d) routine maintenance, (e) termite warranty, (f) gutter cleaning, (g) trash pick-up, (h) management contract, (i) insurance, (j) taxes, (k) legal, (l) master association dues, (m) printing, and (n) postage. Said increase may not be greater than the increase in costs for the above items.

The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

13. Addition to Article IV, Section 4. The following is added as an additional sentence at the end of Article IV, Section 4 of the Declaration:

Notwithstanding the foregoing, any special assessments approved by a Majority of the Total Association Vote shall not be imposed against any Habitat Units unless approved by a Majority of the Habitat Units.

14. Authority. The undersigned Declarant does hereby declare that it has executed this Amendment in accordance with its power and authority set forth in Article XV, Section 4 of the Declaration.

15. Completeness. Except as herein provided, the Declaration shall remain in full force and effect, without modification, the said Declaration, as previously amended and as supplemented hereby, being the complete text of said instrument as of the date hereof. This Amendment shall be effective upon filing in the ROD.





IN WITNESS WHEREOF, the undersigned, Declarant herein, has hereby caused this Amendment to be executed as of this 25 day of April, 2017.

DECLARANT:

**ASHTON RALEIGH RESIDENTIAL L.L.C.,**  
a North Carolina limited liability company

By: [Signature]  
Name: WILLIAM J. McSHEA, JR.  
Title: V.P. OF FINANCE

Wake County, North Carolina

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: William J. McShea Jr.  
[print name of signatory in space above]

Date: April 25, 2017

My Commission Expires:

August 27, 2020

[Signature]  
Notary Public  
Print Name: Haley Brown

[Affix Notary Stamp or Seal below]

**Haley Brown  
Notary Public  
Wake County, NC**



IN WITNESS WHEREOF, the undersigned, Habitat herein, has hereby caused this Amendment to be executed as of this 24 day of April, 2017 to evidence its consent to this Amendment.

HABITAT:

**HABITAT FOR HUMANITY, ORANGE COUNTY, N.C., INC.**

a North Carolina nonprofit corporation

By: *Susan Levy*  
Name: SUSAN LEVY  
Title: Executive Director

Orange County, North Carolina

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Susan Levy

[print name of signatory in space above]

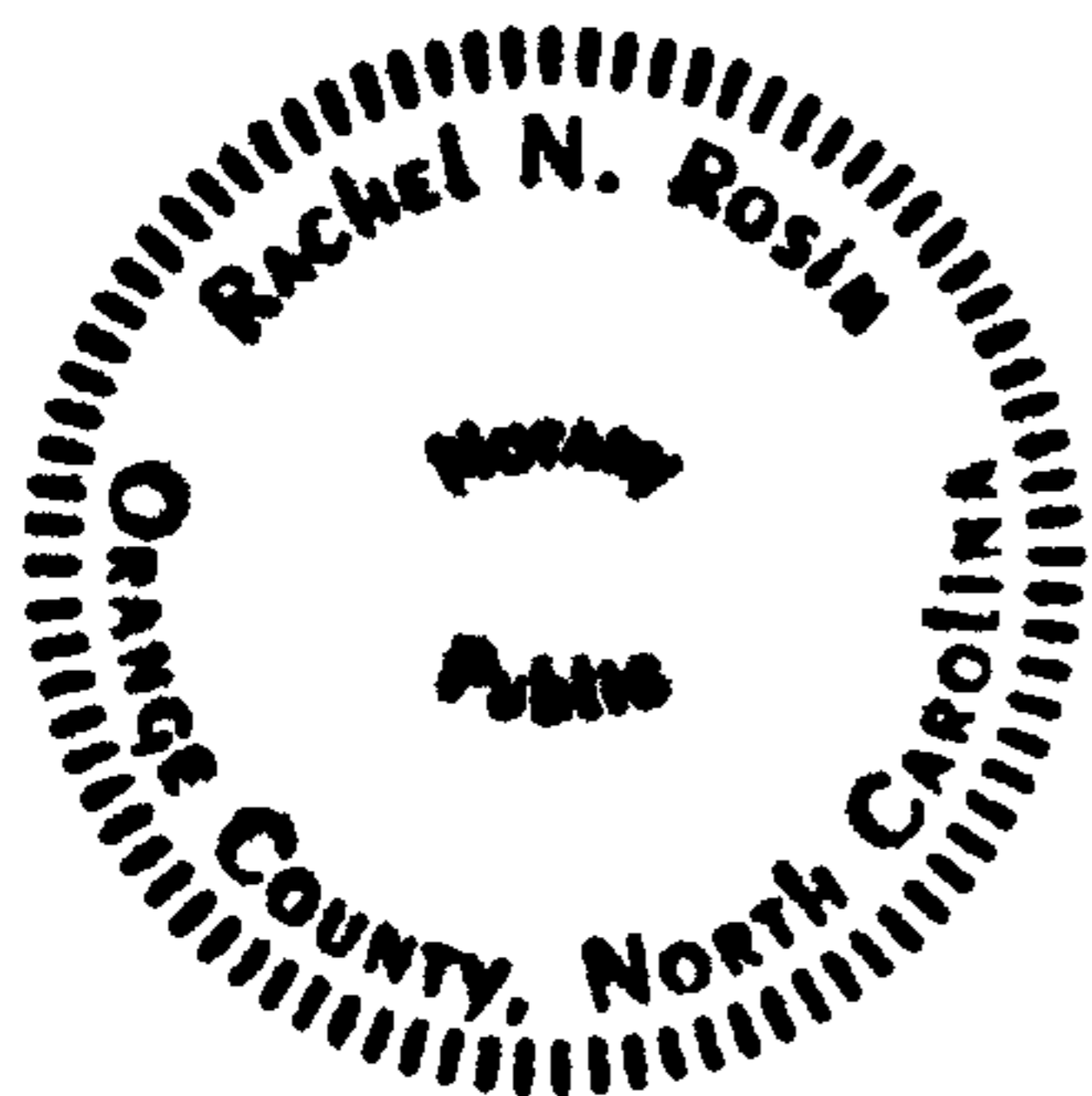
Date: 4/24/2017

My Commission Expires:

10/14/2020

*Rachel N. Rosin*  
Notary Public  
Print Name: Rachel N. Rosin

[Affix Notary Stamp or Seal below]



TX  
aw  
TX  
m



20180601000102050 S/INS  
**Bk:RB6473 Pg:309**  
06/01/2018 03:16:44 PM 1/5

FILED Mark Chilton  
Register of Deeds, Orange Co., NC  
Recording Fee: \$26.00  
NC Real Estate TX: \$.00

NH

Prepared by and return to:  
Michael R. Ganley, Attorney at Law  
Bagwell Holt Smith P.A.  
111 Cloister Court, Ste. 200  
Chapel Hill, NC 27514

**FOR MULTIPLE PIN SHEET**

**SEE BOOK 6473 PAGE 295**

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**FIFTH AMENDMENT TO DECLARATION OF  
PROTECTIVE COVENANTS AND EASEMENTS  
FOR  
WATERSTONE RESIDENTIAL**

THIS FIFTH AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS AND EASEMENTS FOR WATERSTONE RESIDENTIAL (this "Amendment") is made and entered into as of the day and year below provided by Ashton Raleigh Residential L.L.C., a North Carolina limited liability company ("Declarant").

**WITNESSETH:**

WHEREAS, Declarant submitted certain real property located in Orange County, North Carolina to that certain Declaration of Protective Covenants And Easements For Waterstone Residential dated November 19, 2013, recorded in the Orange County Register of Deeds (the "ROD"), in Book 5721, Page 1, *et seq.*, as amended by that certain First Amendment to Declaration of Protective Covenants And Easements For Waterstone Residential dated July 28, 2014, recorded in the ROD at Book 5825, Page 150, *et seq.*, and as supplemented by that certain First Supplementary Declaration to Declaration of Protective Covenants And Easements For Waterstone Residential dated July 18, 2014, recorded in the ROD at Book 5825, Page 133, *et seq.*, and as amended by that certain Second Amendment to Declaration of Protective Covenants And Easements For Waterstone Residential dated November 20, 2014, recorded in the ROD at Book 5875, Page 533, *et seq.*, and as amended by that certain Third Amendment to Declaration of Protective Covenants And Easements For Waterstone Residential dated August 17, 2015, recorded in the ROD at Book 6007, Page 274, *et seq.*, and as amended by that certain Fourth Amendment to Declaration of Protective Covenants And Easements For Waterstone Residential dated April 25, 2017, recorded in the ROD at Book 6301, Page 519, *et seq.* (as amended and supplemented, the "Declaration");





WHEREAS, Article XV, Section 4 (entitled "Amendment") of the Declaration provides in pertinent part that at any time during the Declarant Control Period, Declarant shall have the right, in its sole and absolute discretion, to make any amendments or modifications to this Declaration which Declarant deems necessary or desirable, including, without limitation, amendments or modifications to procedural, administrative or substantive provisions of this Declaration, without obtaining the approval of any Owner; and

WHEREAS, the "Declarant Control Period," as defined in the Declaration, has not expired; and

WHEREAS, Habitat for Humanity, Orange County, N.C., Inc., a North Carolina non-profit corporation, ("Habitat") is the owner of a certain tract of land subject to the Declaration described as the Habitat Property in the Declaration; and

WHEREAS, Declarant, with the consent of Habitat as owner of the Habitat Property, desires to amend the Declaration in order to incorporate certain provisions required by Orange County.

NOW, THEREFORE, the undersigned Declarant hereby declares as follows:

1. Defined Terms. Capitalized words and terms used herein shall have the meanings ascribed to them in the Declaration unless otherwise provided herein.
2. Amendment of Article III, Section 8. The following is added as an additional subsection (g) under Section 8 of Article III of the Declaration:

(g) Solid Waste Management Provisions:

- (i) Recycling service will be provided to the Habitat Units by Orange County solid waste. Recycling containers will be individual tote-bins that will be kept in, or on the rear patio of, each Habitat Unit except as needed for collection purposes.
- (ii) Each Habitat Unit Owner shall be responsible for bringing their recycling container to the designated staging area depicted on the approved plans for the Affordable Senior Housing at Waterstone (aka Crescent Magnolia) project on file in the Town of Hillsborough Planning Department (the "Plans") by 7:00 A.M. on collection day; and each Habitat Unit Owner will be responsible for retrieving empty containers after collection.
- (iii) Garbage collection will be provided by private contractor retained by the Association. Garbage containers will be approximately ninety-five (95) gallon roll-carts that will be kept in the designated cart corrals located at one end of each building of Habitat Units, except as needed for collection purposes.

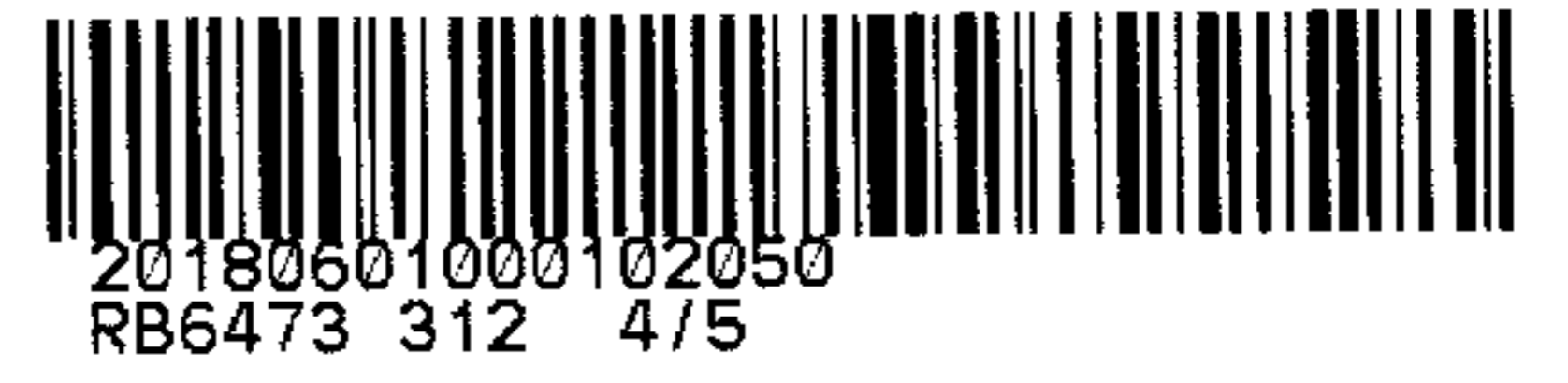


- (iv) Each Habitat Unit Owner shall be responsible for bringing their garbage container to the designated staging area depicted on the Plans, or as otherwise agreed by all Habitat Unit Owners, by the designated time on collection day; and each Habitat Unit Owner will be responsible for retrieving empty containers after collection.

3. Authority. The undersigned Declarant does hereby declare that it has executed this Amendment in accordance with its power and authority set forth in Article XV, Section 4 of the Declaration.

4. Completeness. Except as herein provided, the Declaration shall remain in full force and effect, without modification, the said Declaration, as previously amended and as supplemented hereby, being the complete text of said instrument as of the date hereof. This Amendment shall be effective upon filing in the ROD.

[Remainder of Page Purposely Blank]



IN WITNESS WHEREOF, the undersigned, Habitat herein, has hereby caused this Amendment to be executed as of this 2 day of MAY, 2018 to evidence its consent to this Amendment.

HABITAT:

**HABITAT FOR HUMANITY, ORANGE COUNTY, N.C., INC.**

a North Carolina nonprofit corporation

By: Susan M. Levy  
Name: Susan M. Levy  
Title: Executive Director

ORANGE County, NORTH CAROLINA

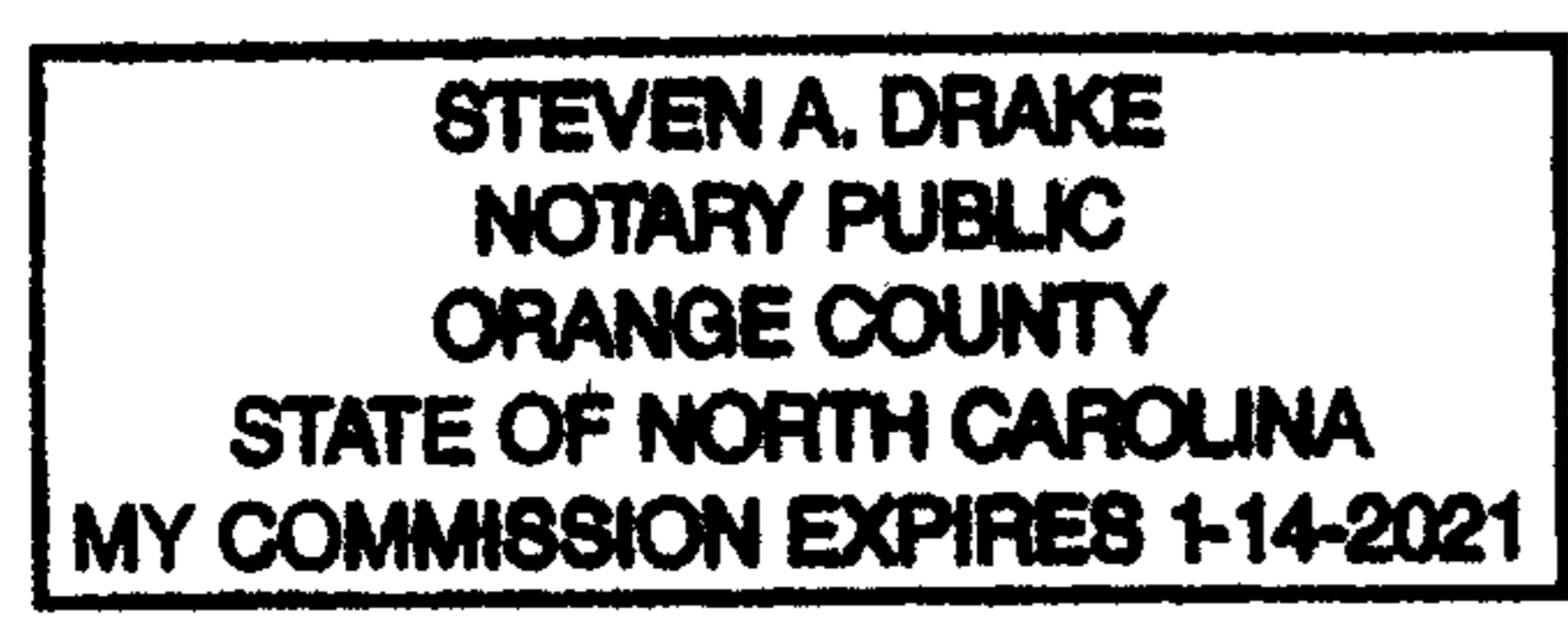
I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: SUSAN M. LEVY  
[print name of signatory in space above]

Date: 5/2/2018

My Commission Expires:  
1/14/2021

[Signature]  
Notary Public  
Print Name: STEVEN A. DRAKE

[Affix Notary Stamp or Seal below]







IN WITNESS WHEREOF, the undersigned, Declarant herein, has hereby caused this Amendment to be executed as of this 10 day of MAY, 2018.

DECLARANT:

**ASHTON RALEIGH RESIDENTIAL L.L.C.,**  
a North Carolina limited liability company

By: [Signature]  
Name: Raymond Rinker  
Title: VP of Land Development

Wake County, North Carolina

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: VP of Land Development.  
[print name of signatory in space above]

Date: May 10, 2018

My Commission Expires:  
August 27, 2020

[Signature]  
Notary Public  
Print Name: Haley Brown

[Affix Notary Stamp or Seal below]

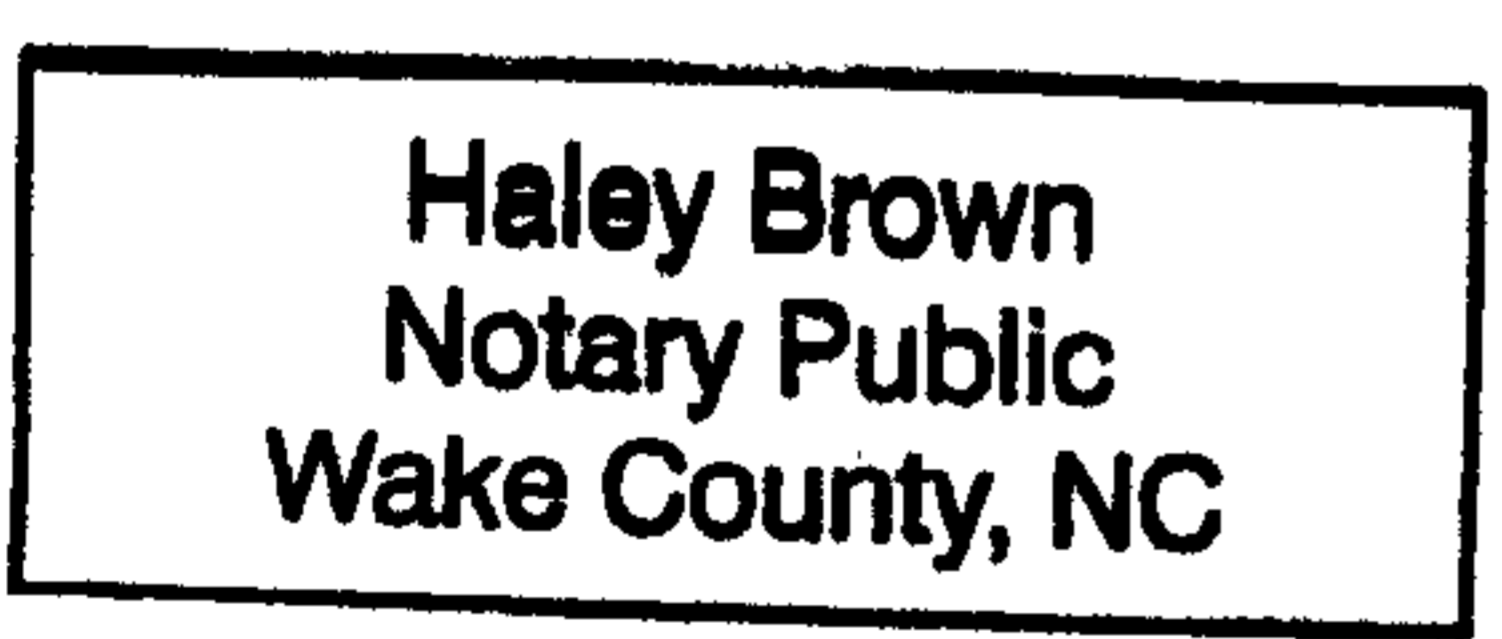




Exhibit A

BEING all of New Tract 3B as shown on that certain plat appearing of record in Plat Book 111 Page 112, Orange County, North Carolina Registry to which reference is made for a more particular description.