

Brief Legal: Kyndal S/d

Mail to and Prepared By: Son-Lan Lee Shipwash, LLC
96 Shipwash Drive
Garner, NC 27529

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
KYNDAL SUBDIVISION
(A PLANNED COMMUNITY)

THIS DECLARATION, made and entered into this 20th day of January, 2010, by Son-Lan Lee Shipwash, LLC, a North Carolina limited liability company, with its principal office located at 96 Shipwash Drive; Garner, North Carolina 27529, hereinafter referred to as "Declarant";

WITNESSETH:

THAT WHEREAS, Declarant is the owner of certain Properties in Johnston County, North Carolina which are more particularly described on Exhibit "A" attached hereto; and

AND WHEREAS, it is the desire and intention of Declarant (as defined herein) to impose on the Properties described on Exhibit "A" attached hereto restrictions, conditions, easements, covenants and agreements under a general plan or scheme of improvement for the benefit of all Properties herein described and the future owners thereof; and

WHEREAS, the Declarant's general plan is to create a planned community that provides for the phased development of the Properties, and future sections or phases of the Properties, the first of which shall be known as Kyndal Subdivision, Phase One, to be

followed by subsequent phases/sections of Kyndal Subdivision which may be annexed into the Properties and made subject to this Declaration;

NOW, THEREFORE, Declarant does hereby declare that all of the properties referred to above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties, or any part thereof, their heirs, successors and assigns, for the term of these covenants as set forth below, and shall inure to the benefit of each holder thereof.

ARTICLE I **DEFINITIONS**

Section 1. "Association" shall mean and refer to that non-profit corporation organized and existing under the laws of the State of North Carolina as the property Owners association for the Properties, 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 as 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 Kyndal 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. The Association shall be responsible for the repair, maintenance and repaving as 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, Common Area, dedicated street rights-of-way, greenway or park lands owned in fee simple by the County.

Section 6. "Declarant" shall mean and refer to Son-Lan Lee Shipwash, LLC, 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 this Declaration or the By-Laws;
- (d) Hazard, liability, or such other insurance premiums as the Declaration or the By-Laws may require the Association to purchase;
- (e) Ad valorem taxes and public assessment charges lawfully levied against common areas;
- (f) Fees or charges for utilities used in connection with the Common Area;
- (g) Fees for services engaged by the Association;
- (h) Expenses declared to be Common Expenses by the provisions of this Declaration, including but not limited to, the expenses of operating, Maintaining and repairing swimming pool, bath house, open play area and other amenities located upon the Property.
- (i) Expenses agreed by the members to be common expenses of the Association.

Section 8. "Stormwater Control Measures or Stormwater Control Facilities", such terms being used interchangeably herein is defined as one or more of the following devices and measures, together with associated private stormwater drainage easements (however identified on a plat or in a document) that serves the Properties: conduits, inlets, channels, pipes, level spreaders, ditches, grassed swales, sand filters, wetponds, dry detention basins, wetlands, permanently protected undisturbed open space areas, bio-retention areas, retention or detention ponds, and other devices and measures, necessary to collect, convey, store, and control stormwater runoff and pollutants for more than one (1) lot in the Properties, however identified on a recorded plat or in a recorded document, are deemed to be dedicated to the Association for the benefit of the Properties or applicable portion thereof. All stormwater control measures are Common Area or Limited Common Area, as applicable and are the responsibility of the Association.

ARTICLE II COVENANT FOR MAINTENANCE 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 therefor, whether or not it 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, such maintenance 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 and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes and public assessments assessed against the Permanent Common Open Space, 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 any other major expense for which the Association is responsible, and such other needs as may arise.

Section 3. Reserves. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the common area 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 expense.

Section 4. Budgets; Amount of Assessments. The Association is at all times empowered to levy assessments against the Lots and the Owners of Lots within the Properties for the payment of common expenses.

For calendar year 2010, the annual assessment is \$240.00. The maximum annual assessment for each subsequent fiscal year for purposes of voting percentages to ratify the budget is 110% of the amount of the annual assessment for the immediately preceding Fiscal Year. Both annual and special assessments must be fixed at a uniform rate for all Lots, on a per Lot basis, and may be collected on a monthly basis or other periodic basis. Additionally, upon the closing of each residence, the builder shall pay a one-time pool fee equal to \$2,000 which shall be deposited by Declarant in an interest-bearing account for purposes of construction of the pool. Declarant covenants and agrees that pool construction will begin as soon as practicable after the one hundredth house has closed.

Notwithstanding the foregoing, once the amenities planned for the recreational area are completed and the recreation area as designated on the plat or map of the Properties is conveyed to the Association, the maximum annual assessment per Lot shall be \$480 for the First Fiscal Year following said conveyance.

The Board of Directors shall adopt a proposed budget for the Association at least annually. Within thirty (30) days after the adoption of the proposed budget, the Board of Directors shall send a copy of the proposed budget to the Members and shall give written notice to the members of a meeting of the members to consider ratification of the budget, such meeting to be held not sooner than ten (10) days nor more than sixty (60) days after the mailing of such notice. Such meeting may, but need not be, combined with the annual meeting of the Members. There shall be requirement that a quorum be present to vote on ratification of the budget (although a quorum must be present to vote on other matters). The budget shall be deemed ratified unless at that meeting Members having a majority of the votes of the entire membership vote to reject the budget; provided, however, if the budget provides for an annual assessment per lot not in excess of the maximum annual assessment in effect for that fiscal year of the Association, such budget shall be deemed ratified unless Members having at least eighty (80%) of the votes of the entire membership vote to reject the budget. If any proposed budget is rejected by the Members, the budget last ratified by the Members shall be continued until such time as the Members ratify a subsequent budget proposed by the Board.

The provisions of this subsection shall not apply to, nor shall they be a limitation upon, any change in the annual assessment or the maximum annual assessment incident to a merger or consolidation as provided in 47F-2-121 of the Act.

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 of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting.

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 at the subsequent meeting shall be one-half (½) 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 collected 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 provided for herein shall commence on the day of conveyance of the Lot from the Declarant to any Builder/Owner.

Section 9. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 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 Common 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 or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. 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 laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 12. Working Capital Fund. At the time of closing of the sale of each lot a sum equal to at least two (2) months assessment for each lot shall be collected and transferred to the Association to be used as a 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 into the fund shall not be considered advance payment of regular assessments.

ARTICLE III ANNEXATION OF ADDITIONAL PROPERTIES

Real property which was not part of the County-approved development, or real property that was part of the County-approved development but which was not subjected to this Declaration at the time of its initial recording, may be annexed to this Declaration and made part of the Properties as Annexed Property, provided that all of the following conditions are met with respect to the real property to be annexed:

- (a) the Annexed Property is contiguous to the Properties or directly across a street from the Properties;
- (b) any development of the Annexed Property is first approved by the County;
- (c) annexation of such Annexed Property meets any other applicable requirements of this Declaration; and
- (d) Contemporaneously with either the development of the Annexed Property or the recording of the plat of the Annexed Property, whichever first occurs, an Annexation Declaration shall be recorded in the Registry.

Annexation of the Annexed Property shall be effective upon the later of the recording of the Annexation Declaration in the Registry or such later date as specified in the Annexation Declaration, and the Annexed property described therein shall be subject to all of the provisions of this Declaration to the extent made applicable by the Annexation Declaration, and to the jurisdiction of the Association pursuant to the terms of this Declaration and other governing documents of the Association. Each Owner of a lot in annexed property shall be a Member of the Association, and the annexed property and each Owner of any portion thereof shall be subject to assessment by the Association in accordance with the terms of this Declaration, the Annexation Declaration, other governing documents and the Code, as applicable. The Association shall have the duties, responsibilities and powers set forth in this Declaration and other governing documents with respect to Annexed Property. Except as may otherwise be expressly provided in this Declaration or any annexation declaration, the Properties, including the Annexed Property, shall be managed and governed by the Association as an entirety. Assessments for Common Expenses collected from Owners in the Annexed Property may be expended by the Association for common expenses anywhere in the Properties without regard to the particular phase, section or area of the subdivision from which such assessments came.

ARTICLE IV
PROPERTY DEVELOPMENT REQUIREMENTS
AND PROPERTY RIGHTS

Section 1. Property development Requirements. The property shall be developed in accordance with a plan that complies with the applicable governmental zoning regulations and the Johnston County Subdivision Regulations in effect at the time of the initial development of the property and the following items:

Each owner or builder, by acceptance of a deed conveying title to a Lot for the purpose of constructing a house thereon, shall be responsible for and agrees to:

- (a) Maintain the shoulders and the ditches from any property line adjacent to a street to the edge of pavement, including mowing and other required maintenance;
- (b) To install and maintain grass sod in the ditches of each lot from the edge of the pavement back a minimum distance of twenty (20) feet. The Owner/Builder is required to obtain the approval of Declarant or its designee of the grade and slope of each ditch before sodding.
- (c) Maintain the lot in a neat and orderly condition by properly disposing of debris and storing building materials;
- (d) Install or construct sidewalk as shown on the Declarant's final development construction plans;
- (e) Maintain any lot during construction activities until a Certificate of Occupancy has been issued and house is made ready for occupancy as a residence; and
- (f) Maintain all storm-water drains, ditches and easements located within or on his/her Property;

Section 2. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of use and enjoyment in and to the Common Areas together with and including the right of access, ingress, and egress, both pedestrian and vehicular, on and over the drives, walkways, and parking areas of the Common Areas, all of which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) the right of the Association to charge reasonable admission and other fees for the use of any recreational or other similar facility situated upon the Common Areas;
- (b) the right of the Association to suspend the voting rights and the right to use the recreational or other Common Area facilities, if any, by 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 regulations;
- (c) The right of the Association to dedicate, sell lease, or transfer all or any part of the Common Areas, or any interest therein, to any public agency, authority

or utility for such purposes and subject to such conditions as may be agreed upon by the Members. Conveyances for general utility purposes, as specified herein, may be made by the Association without consent of the members. Notwithstanding the foregoing, the Association shall have a right to participate in an equal exchange of open space as permitted by local government ordinances.

- (d) The right of the Association to limit the number of guests of members;
- (e) The right of the Association in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Areas and facilities and in aid thereof to mortgage the Common Areas, and the rights of such mortgage in the Common Areas shall be subordinate to the rights of the members hereunder;
- (f) The right of the Association in accordance with its Articles of Incorporation or By-Laws to impose rules and regulations for the use and enjoyment of the Common Areas and improvements thereon, which rules and regulations may further restrict the use of the Common Area;

Section 3. Delegation of Use. Any owner may delegate, in accordance with the Bylaws, his right of use and enjoyment to the Common Areas and facilities to the members of his family, his tenants or contract purchasers who reside on the Property.

Section 4. Conveyance or Dedication of Common Areas. Common areas shall either be conveyed to the Association in fee simple without any encumbrances except this Declaration, drainage, greenway, utility and conservation easements of record at the time of conveyance, and the lien of real property taxes not yet due and payable, or conveyed to the County as allowed or required under the Code. Common Areas may be conveyed to the County free or of part or all of the provisions of this Declaration, as determined by the Declarant and the County. Title to common areas shall be conveyed to the Association or to the County no later than the time of the conveyance of the first lot within the applicable phase of the Properties. The Association shall accept all common areas, including the improvements installed thereon by the Declarant, deeded to it and/or dedicated to it on any recorded plat of the Properties, whether or not the conveyance or dedication occurs prior to the time of the conveyance of the first lot within the applicable phase/section of the Properties.

Section 5. Private Utility Lines. Any water or sewer line that serves more than one Lot and which is either located outside of any public street right-of-way or outside of any County utility easement shall be owned and maintained by the Association as Common Area. In no case shall the County or the State of North Carolina be responsible for maintaining any such private utility line or be responsible for the consequences for any blockage, backflow, break or leak in said utility line. Such responsibility shall rest with the Association and Owners of Lots within the Properties.

The provisions of this Section shall be incorporated into all conveyances of any part or all of the Properties, which incorporation may be by reference to this Declaration. Provided, however, the provisions of this Section and all other provisions of this Declaration are applicable to the portions of the Properties conveyed and the Owners

thereof, whether or not any such provisions are incorporated into the conveying documents.

ARTICLE V **MEMBERSHIP AND VOTING RIGHTS**

Section 1. Every owner of a lot which is subject to 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, 2035; or
- (c) upon the surrender of all Class B membership by the holder thereof or cancellation by the Association.

Until such time as Class B ownership ceases to exist, Declarant will make all decisions for the subdivision.

ARTICLE VI **ARCHITECTURAL CONTROL**

Section 1. Purpose. The primary purpose of these covenants and restrictions and the foremost consideration in the origin of same has been the creation of a community which is aesthetically pleasing and functionally convenient. The establishment of certain objective standards relating to design, size, and location of dwellings and other structures makes it impossible to take full advantage of the individual characteristics of each parcel of Properties and of technological advances and environmental values. In order to implement the purposes of these covenants, the Declarant shall establish and amend from time to time objective standards and guidelines, including, but not limited to, Architectural Standards and Construction Specifications, Uniform Sign Regulations, Uniform Mailbox Regulations, Landscape Guidelines, and Environmental Rules and

Regulations as defined hereinafter, and which shall be binding on all Owners within the Properties.

These standards and guidelines shall be administered by the Declarant or its designee(s) until such time as dwellings have been constructed upon all of the Lots and conveyed to Owners other than Builders, or until such time as the Declarant shall delegate such responsibility to an architectural standards committee (hereinafter referred to as the "Architectural Review Board") composed of not less than three (3) Members of the Association.

Section 2. Controls

- (a) No building, fence or other structure shall be erected, placed or altered nor shall a building permit application for such improvement be made on any Lot in Properties until the proposed building location, specification, exterior materials and color or finish, plot plan (showing the proposed location of such building or structure, drives, and parking areas, exterior shape, size and height) shall have been approved in writing by the Declarant, or by the Architectural Review Board of the Association if such review responsibility has been delegated to the Association by the Declarant. In addition, the Declarant may require prior written approval of a landscape plan. The Declarant further reserves the right to promulgate and amend from time to time architectural standards and construction specifications (hereinafter referred to as "Architectural Standards and Construction Specifications") for specific neighborhoods and areas or for all Properties within the Properties and such Architectural Standards and Construction Specifications shall establish, define, and expressly limit those standards and specifications which will be approved in said neighborhoods and areas or within the Properties, including, but not limited to, architectural style, exterior color or finish, roofing material, siding material, driveway material, landscape design and construction technique. Refusal or approval of plans, location, exterior color or finish, or specifications may be based by the Declarant upon any ground including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Declarant shall seem sufficient. No alteration in the exterior appearance of any building or structure, including exterior color or finish, shall be made without like prior written approval by the Declarant. One (1) copy of all plans and related data shall be furnished to the Declarant for its records. In the event approval of such plans is neither granted nor denied within sixty (60) days following receipt by the Declarant of written demand for approval, the provisions of this paragraph shall be thereby waived.
- (b) In order to assure that buildings and other structures will be located and staggered so that the maximum view, privacy, sunlight and breeze will be available to each building or structure within the confines of the Lot, and to assure that structures will be located with regard to the topography of the Properties, taking into consideration the location of large trees and other aesthetic and environmental considerations, the Declarant reserves the right to control absolutely and solely to decide (subject to the Land Development Code of Johnston County, North Carolina) the precise site and location of any

building or structure on any Lot in the Properties for reasons which may be in the sole and uncontrolled discretion and judgment of the Declarant seem sufficient. Such location shall be determined only after reasonable opportunity is afforded the Owner to recommend a specific site. The provisions of this paragraph shall in no way be construed as a guarantee that the view, privacy, sunlight or breeze available to a building or structure on a given Lot shall not be affected by the location of a building or structure on an adjacent Lot.

- (c) It shall be the responsibility of each Owner, tenant, contractor, or subcontractor to prevent the development of any unclear, unsightly, unkempt, unhealthy, or unsafe conditions of buildings or grounds on any Lot which shall tend to substantially decrease the beauty or safety of the Properties, the neighborhood as a whole, or the specific area. The Declarant and its agents shall have the right to enter upon any Lot for the purpose of correcting such conditions, including, but not limited to the removal of trash which has collected on the Lot, and the cost of such corrective action shall be paid by the Owner. Such entry shall not be made until thirty (30) days after the Owner of the Lot has been notified in writing of the need to take corrective action and unless such Owner fails to perform the corrective action within said thirty (30) day period; provided, however, that should such conditions pose a health or safety hazard, such entry shall not be made until the Owner has been notified in writing of the need to take immediate corrective action and unless such owner fails to perform the corrective action immediately. The provisions of this paragraph shall not create any obligation on the part of the Declarant to take any such corrective action.

ARTICLE VII **USE RESTRICTIONS**

Section 1. Land Use and Building Type. No lot shall be used except for single-family residential purposes, except that nothing herein shall preclude the use of any lot for a utility purpose for the benefit of this subdivision or access by the Declarant or its successors in interest, except that if any lot is purchased from the developer by an individual lot owner or builder, then said lot must be used for residential purposes only. No building shall be erected, altered, placed or permitted to remain on any lot other than one (1) detached single-family dwelling not to exceed two and one-half (2 1/2) stories in height, exclusive of basement, and a private garage for not more than three (3) cars and (with the approval of the Architectural Control Committee) an accessory building or structure for storage or other appropriate use.

Section 2. Dwelling Specifications. Except with prior written approval of the Declarant or the Architectural Review Board, as the case may be, no dwelling shall be erected or allowed to remain on a Lot having an area of the main structure, exclusive of open or screened porches, carports, garages and decks, of less than 1,800 square feet.

Section 3. Nuisance. No noxious or offensive trade or 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.

Section 4. Outside Antennas. No outside radio or television antennas or satellite dishes exceeding eighteen (18) inches in diameter and no free standing transmission or receiving towers or satellite dishes or discs shall be erected on the Common Area or on any Lot or dwelling within the Properties.

Section 5. Building Set-backs. Any house, garage or other approved building constructed on any Lot in said Subdivision shall be constructed with the set-back requirements set forth in the Johnston County Code in effect at the time that said house, garage or other approved building is constructed on a Lot.

Section 6. Mobile Homes, manufactured Homes, etc. No mobile home, manufactured home, modular home, trailer, or other like structure shall be located or installed on any Lot.

Section 7. Waiver of Minor Violations. Both the Declarant and the Board of Directors of the Association shall have the right to waive a minor violation of, and allow a minor variance from, the restrictions, contained herein, whether the same resulted unintentionally or without gross carelessness on the part of any Owner (including, without limitation, Declarant) and/or is not materially harmful to the Properties. For the purposes of this section, a minor variance shall be deemed to be any variance of ten (10) per cent or less. If such waiver is granted in writing, then hereafter any matter so waived shall no longer be deemed a violation of these covenants.

Section 8. Parking. Adequate off-street parking shall be provided by the owner of each lot for the parking of automobiles owned by such owner, and owners of lots shall not be permitted to park their automobiles on the streets in the subdivision. Owners of lots shall not be permitted to park boats, trailers, campers, and all other similar property on the streets in the development, and such property shall not be permitted to be parked in front of the main dwelling.

Section 9. Swimming Pools. All swimming pools must be in ground and located in the back yard. Any pool installation must be approved in writing by Declarant or Architectural Committee. No above ground pools are allowed.

Section 10. 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 thereon. All fences are to be made of wood, which must be painted or stained; white vinyl or wrought-iron. No metal fences, stockade fences and or chain link fences shall be installed on any lot. No fences shall be permitted that exceed a height of six (6) feet. All fences must be approved in writing by Declarant or their assigns. Any fencing erected for use as a dog or animal pen shall be located behind the dwelling located on the Lot and shall be located at least twenty (20) feet from the rear property line and at least twenty (20) feet from

either side property line. If a homeowner is found to be in non-compliance with this provision then said homeowner shall have sixty (60) days to either bring his/her fence into compliance or remove said fence upon notification by either Declarant or Architectural Committee. After sixty (60) days, if fence is still not in compliance then Declarant or Architectural Committee has the authority to remove fence at homeowner's expense.

Section 11. Accessory Buildings. No accessory building of any nature whatsoever (including, but not limited to, detached garages, storage buildings, dog houses, and green houses) shall be placed on any Lot without the prior written approval of the Declarant or the Architectural review Board, either of which shall have sole discretion relating to the location and type of accessory building which shall be permitted on any Lot.

Section 12. Animals. No animals, livestock or poultry shall be raised, bred, kept or allowed to remain on any lot other than two (2) household pets with the following exception: two (2) dogs, cats or other household pets may be kept provided that they are not kept, bred, or maintained for any commercial purposes. The household pets must be kept and contained on owner's property within a fence enclosure. Said enclosure cannot be constructed until approved in writing by Declarant or their assigns. No animal shall be kept chained or tied to a stake of any kind. No "runs" shall be erected or permitted in the subdivision. No person shall keep, permit and/or cause the keeping of any animal otherwise allowed which habitually or frequently makes such sounds, cries, or other utterances as may disturb the quiet, comfort, or repose of any person within the subdivision. The keeping of any pet which by reason of its noisiness or other factor is a nuisance or annoyance to the neighborhood is expressly prohibited. 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.

Section 13. Drives and Walks. All drives and walks must be paved with concrete, stone, and concrete mixture, brick pavers or such other material as may be approved in writing by the Declarant or the Architectural Review Board, as the case may be.

Section 14. Golf carts and All-Terrain Vehicles. Golf carts licensed for public highway use may be operated within the subdivision by persons having a valid drivers license. The operation of all other motorized off road recreational vehicles, including without limitation, all-terrain vehicles, four-wheelers, three-wheelers, dirt bikes or go-carts, or the like is strictly prohibited at all times and in any locations within the subdivision.

Section 15. Impervious Area. "Impervious Area" is defined as garages, approved buildings, and paved or concrete driveways, walkways, and patios. Storm water infiltrator systems must be installed on all Lots in which the total impervious area exceeds 3500 square feet per Lot.

Section 16. Mailboxes. No mailbox (which term shall be deemed to include the post) shall be erected or maintained on any Lot until the proposed mailbox design, color and location have been approved in writing by the Declarant or the Architectural Review

Board. Refusal or approval of design, color, or location may be based by the Declarant or the Architectural review Board upon any ground, including purely aesthetic considerations, which in the sole and uncontrolled discretion of Declarant or Architectural Review Board seems sufficient. No alteration in the exterior appearance of any mailbox shall be made without like prior written approval by the Declarant or the Architectural Review Board. The Declarant further reserves the right to establish uniform mailbox regulations (the "Uniform Mailbox Regulations") which shall define standard design criteria for all mailboxes erected upon any Lot in the Properties. Once approved, a mailbox must be erected on the Lot prior to obtaining a Certificate of Occupancy for any building or structure on any Lot.

ARTICLE VIII **STORMWATER MANAGEMENT RESTRICTIONS**

In accordance with the Johnston County Stormwater plan approval the following restrictions and conditions shall apply:

- (a) No lot owner shall amend, alter, modify or change the Stormwater Control Measures or other drainage flow or Stormwater Facilities, which are located on such Owner's lot without prior written approval from Declarant, the Board, and/or the proper governmental agency, if applicable.
- (b) Each lot owner shall bear the costs and be responsible for all Stormwater Control Measures or other drainage flow or stormwater facilities, which are located on such Owner's Lot. The Declarant, the Board, and/or proper government agency, if applicable, must first approve any proposed or necessary corrective actions which are necessary or requested.

ARTICLE IX **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 all the Association and the Owners.
- (b) Coverage. All buildings and improvements and all personal property included in the Permanent Common Open Space and facilities shall be insured in an amount equal to one hundred percent (100%) insurable replacement value as determined annually by the Association with the assistance of the insurance company providing coverage. Such coverage shall provide 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 therefor.

(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 Bond. 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 (6) months assessments plus reserves accumulated.

ARTICLE X
AMENDMENT OF DECLARATION

This Declaration may be amended by Declarant, with no other consent, until such time as Declarant no longer owns at least one Lot within the subdivision. After Declarant has sold his last Lot, this Declaration may only be amended by a majority vote of the Lot owners. Amendments to this declaration are valid from the later of the time of recording in the Registry or such later date specified in the amendment.

ARTICLE XI
DURATION OF DECLARATION

The Covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

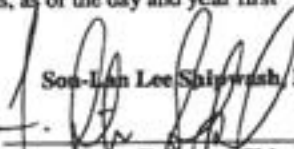
ARTICLE XII
SEVERABILITY

Invalidation of any of these covenants or any portion thereof by any court shall in no way affect the validity of the others, which shall remain in full force and effect.

ARTICLE XIII
ATTORNEYS FEES

In the event of litigation to enforce the provisions of these covenants, the party or parties determined to be in violation of these covenants shall pay the reasonable attorneys fees of Declarant or the Homeowners Association.

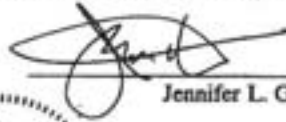
IN TESTIMONY WHEREOF, the Declarant has caused this instrument to be executed in its corporate name by its President, attested by its Secretary, and sealed with its corporate seal, by authority of its Board of Directors, as of the day and year first above-written.

Son-Lan Lee Shipwash, LLC
BY: 
F. Steven Shipwash
Member-Manager

State of North Carolina
County of Jackson

I, the undersigned, a Notary Public of Wake County, North Carolina, certify that the following person personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: F Steven Shipwash, Member-Manager of Son-Lan Lee Shipwash, LLC, a North Carolina limited liability company.

Witness my hand and official stamp or seal this the 20 day of January, 2010.



Jennifer L. Green-Lee

My Commission Expires: 9-23-12



EXHIBIT "A"

BEING all of that area designated as Kyndal Subdivision, Phase 1A, as same is depicted on that plat which is recorded at Plat Book 74, Page(s) 412-413, of the Johnston County Registry.

Prepared by and return to:
Son-Lan Lee Shipwash, LLC
96 Shipwash Drive
Garner, NC 27529

STATE OF NORTH CAROLINA

COUNTY OF JOHNSTON

FIRST AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR KYNDAL SUBDIVISION

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR KYNDAL SUBDIVISION (hereinafter, the "First Amendment") made this 17th day of May, 2010, by Son-Lan Lee Shipwash, LLC, a North Carolina limited liability company (hereinafter, the "Declarant"), and BLS, Inc., a North Carolina corporation (hereinafter, the "Builder").

WITNESSETH:

WHEREAS, Declarant recorded a Declaration of Covenants, Conditions And Restrictions for Kyndal Subdivision, A Planned Community, on January 26, 2010, in Book 3806, Page 663, Johnston County Registry (hereinafter, the "Declaration"); and

WHEREAS, Kyndal Subdivision (hereinafter, the "Planned Community") is a development of more than 20 residential lots created within this State on or after January 1, 1999, and contains real estate with respect to which the Lot Owners, by virtue of their Lot ownership, are obligated to maintain, and is therefore a "planned community" as that term is defined in Chapter 47F of the North Carolina General Statutes, commonly known as the "North Carolina Planned Community Act" (hereinafter, the "Planned Community Act" or the "Act"); and

WHEREAS, the Declaration contemplates, and the Act requires, that the Declarant organize a property owners' association as a non-profit corporation, no later than the date the first lot in the planned community is conveyed, and such an association has now been incorporated under the name of Kyndal Community Association, Inc. (hereinafter, the "Association"); and

WHEREAS, the Declarant and the Builder wish to amend the Declaration (and, to the extent necessary to accomplish the same results, the Association's Bylaws, in the following respects: (1) to change the date of commencement of annual assessments with regard to all Lots; (2) to allow different levels of annual assessments to be imposed for Lots owned by the Declarant or the Builder and Improved Lots owned by persons who are neither a Declarant nor the Builder; and (3) to exempt the first Lot sold to the Builder for construction of a model home from annual assessments in consideration of the extra landscaping done and landscaping maintenance to be done to said Lot; and

WHEREAS, Article X of the Declaration provides that the Declaration may be amended by Declarant, with the consent of Builder, until such time as Declarant no longer owns at least one Lot within the subdivision; and

WHEREAS, Section 47F-2-1117(a) of the Act provides that provides that the Declaration may be amended by affirmative vote or written agreement signed by lot owners of lots to which at least sixty-seven percent (67%) of the votes in the Association are allocated; and

WHEREAS, at the time of recording of this instrument, Declarant and Builder are the Owners of Lots to which at least sixty-seven percent (67%) of the votes in the Association are allocated; and

WHEREAS, the Association's Board of Directors has attached hereto a Certificate of Validity of Amendment by the Association, signed by the President of the Association;

NOW, THEREFORE, the Declarant and the Builder, upon the written agreement of not less than sixty-seven percent (67%) of the lot owners, do hereby jointly declare that the following amendments shall be binding upon all parties having or acquiring any right, title or interest in the real property subject to the Declaration or any part thereof, and shall inure to the benefit of each lot owner or successor in interest or assignee thereof:

1. Article II, Section 8, of the Declaration is hereby amended to make clear that, notwithstanding anything to the contrary contained therein, the annual assessments provided for therein shall commence as to any Lot upon the recording of the approved subdivision map showing such Lot; however, any such Lot owned by the Declarant or the Builder shall be assessed at the rate of twenty-five percent (25%) of the annual assessment for Improved Lots, which is \$240.00 for calendar year 2010; provided, that the Lot owned by Builder upon which Builder shall construct a model home shall be exempt from any annual assessments until it becomes an Improved Lot, as defined by the Declaration.

2. This Amendment shall be effective from the date of recordation in the Johnston County Registry.

3. Except as specifically amended hereinabove, the remaining provisions of the Declaration are ratified and affirmed and shall remain in full force and effect in all respects and applicable to all Lots, Improved Lots, Owners and Properties within Kyndal Subdivision.

IN WITNESS WHEREOF, the Declarant and the Builder have caused this instrument to be executed by authority duly given, and the Association has attached hereto its "Certificate of Validity of Amendment", in accordance with the provisions of the Act, all as of the date and year first above written.

SON-LAN LEE SHIPWASH, LLC

By: [Signature]

Name: F. Steven Shipwash

Title: Member Manager

BLS, INC.

By: [Signature]

Name: F. Steven Shipwash

Title: President

STATE OF NORTH CAROLINA

COUNTY OF Wake

I, Jennifer L. Greenlee, the undersigned Notary Public of the State and County aforesaid, do hereby certify that F. Steven Shipwash, Member Manager personally appeared before me this day and acknowledged that he/she is Member Manager of Son-Lan Lee Shipwash, LLC, a North Carolina limited liability company (the "Company") and that by authority duly given and as the act of the Company, the foregoing instrument was signed in its name by him/her as its Member Manager.

WITNESS my hand and notarial stamp/seal, this the 17 day of May, 2010.

[Signature]
Official Signature of Notary Public

[SEAL]

Jennifer L. Greenlee
Typed or Printed Name of Notary Public

My Commission Expires: 9-25-12



STATE OF NORTH CAROLINA

COUNTY OF Johnston

I, Jennifer L. Green-Lee, the undersigned Notary Public of the State and County aforesaid, do hereby certify that F. Steven Shipwash personally appeared before me this day and acknowledged that he/she is President of BLS, Inc., a North Carolina corporation (the "Corporation") and that by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its name by him/her as its President.

WITNESS my hand and notarial stamp/seal, this the 17 day of May, 2010.

[Signature]
Official Signature of Notary Public

Jennifer L. Green-Lee
Typed or Printed Name of Notary Public

My Commission Expires: 9-23-13

CERTIFICATE OF VALIDITY OF AMENDMENT TO DECLARATION FOR KYNDAL SUBDIVISION

By authority of its Board of Directors, the Kyndal Community Association, Inc. does hereby certify that it has reasonably assured itself that this Amendment has in fact been duly approved and adopted by a vote and/or written agreement of not less than sixty-seven percent (67%) of the Voting Members and owners of lots subject to the Declaration, and that the foregoing Amendment is therefore a valid amendment to the Declaration.

KYNDAL COMMUNITY ASSOCIATION, INC.

By: [Signature]
Name: F. Steven Shipwash
Title: President

STATE OF NORTH CAROLINA

COUNTY OF Johnston

I, Jennifer L. Green-Lee, the undersigned Notary Public of the State and County aforesaid, do hereby certify that F. Steven Shipwash personally appeared before me this day and acknowledged that he/she is President of Kyndal Community Association, Inc., a North Carolina non-profit corporation (the "Corporation") and that by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its name by him/her as its President.

WITNESS my hand and notarial stamp/seal, this the 17th day of May, 2010.

[Signature]
Official Signature of Notary Public

Jennifer L. Green-Lee
Typed or Printed Name of Notary Public

My Commission Expires: 9-23-13

Prepared by and return to:
Son-Lan Lee Shipwash, LLC
96 Shipwash Drive
Garner, NC 27529

STATE OF NORTH CAROLINA

COUNTY OF JOHNSTON

SECOND AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR KYNDAL SUBDIVISION

THIS SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR KYNDAL SUBDIVISION (hereinafter, the "Second Amendment") made this 21 day of July, 2010, by Son-Lan Lee Shipwash, LLC, a North Carolina limited liability company (hereinafter, the "Declarant"), BLS, Inc., a North Carolina corporation (hereinafter, the "Builder"), and Golden Properties and Development, Inc., a North Carolina corporation (hereinafter, the "Builder").

WITNESSETH:

WHEREAS, Declarant recorded a Declaration of Covenants, Conditions And Restrictions for Kyndal Subdivision, A Planned Community, on January 26, 2010, in Book 3806, Page 663, Johnston County Registry (hereinafter, the "Declaration"), and a First Amendment to Declaration of Covenants, Conditions And Restrictions for Kyndal Subdivision, on May 19, 2010, in Book 3847, Page 334; and

WHEREAS, Kyndal Subdivision (hereinafter, the "Planned Community") is a development of more than 20 residential lots created within this State on or after January 1, 1999, and contains real estate with respect to which the Lot Owners, by virtue of their Lot ownership, are obligated to maintain, and is therefore a "planned community" as that term is defined in Chapter 47F of the North Carolina General Statutes, commonly known as the "North Carolina Planned Community Act" (hereinafter, the "Planned Community Act" or the "Act"); and

WHEREAS, the Declaration contemplates, and the Act requires, that the Declarant organize a property owners' association as a non-profit corporation, no later than the date the first lot in the planned community is conveyed, and such an association has now been incorporated under the name of Kyndal Community Association, Inc. (hereinafter, the "Association"); and

WHEREAS, the Declarant and the Builder wish to amend the Declaration and First Amendment (and, to the extent necessary to accomplish the same results, the Association's Bylaws, in the following respects: (1) to delete the one-time pool fee in Section 4. Budgets: Amount of Assessments of the Declaration of Covenants, Conditions and Restrictions for Kyndal Subdivision which reads "the builder shall pay a one-time pool fee equal to \$2,000 which shall be deposited by Declarant in an interest-bearing account for purposes of construction of the pool"; and

WHEREAS, Article X of the Declaration provides that the Declaration may be amended by Declarant, with the consent of Builder, until such time as Declarant no longer owns at least one Lot within the subdivision; and

WHEREAS, Section 47F-2-1117(a) of the Act provides that provides that the Declaration may be amended by affirmative vote or written agreement signed by lot owners of lots to which at least sixty-seven percent (67%) of the votes in the Association are allocated; and

WHEREAS, at the time of recording of this instrument, Declarant and Builder are the Owners of Lots to which at least sixty-seven percent (67%) of the votes in the Association are allocated; and

WHEREAS, the Association's Board of Directors has attached hereto a Certificate of Validity of Amendment by the Association, signed by the President of the Association;

NOW, THEREFORE, the Declarant and the Builder, upon the written agreement of not less than sixty-seven percent (67%) of the lot owners, do hereby jointly declare that the following amendments shall be binding upon all parties having or acquiring any right, title or interest in the real property subject to the Declaration or any part thereof, and shall inure to the benefit of each lot owner or successor in interest or assignee thereof:

1. Article II, Section 4, of the Declaration is hereby amended to make clear that, notwithstanding anything to the contrary contained therein; the Builder nor Declarant nor Developer shall be responsible for any one-time pool fee of \$2,000. The designated pool lot will remain as on the master map, but there are no plans to build a pool by Declarant or Developer at this time.
2. This Amendment shall be effective from the date of recordation in the Johnston County Registry.
3. Except as specifically amended hereinabove, the remaining provisions of the Declaration are ratified and affirmed and shall remain in full force and effect in all respects and applicable to all Lots, Improved Lots, Owners and Properties within Kyndal Subdivision.

IN WITNESS WHEREOF, the Declarant and the Builder have caused this instrument to be executed by authority duly given, and the Association has attached hereto its "Certificate of Validity of Amendment", in accordance with the provisions of the Act, all as of the date and year first above written.

SON-LAN LEE SHIPWASH, LLC

By: [Signature]
Name: F. Steven Shipwash
Title: Member Manager

BLS, INC.

By: [Signature]
Name: F. Steven Shipwash
Title: President

GOLDEN PROPERTIES AND DEVELOPMENT, INC.

By: [Signature]
Name: Ron Lee
Title: President

STATE OF NORTH CAROLINA

COUNTY OF Schuyler

I, Jennifer L. Greenlee, the undersigned Notary Public of the State and County aforesaid, do hereby certify that F. Steven Shipwash personally appeared before me this day and acknowledged that he/she is Member Manager of Son-Lan Lee Shipwash, LLC, a North Carolina limited liability company (the "Company") and that by authority duly given and as the act of the Company, the foregoing instrument was signed in its name by him/her as its Member Manager.

WITNESS my hand and notarial stamp/seal, this the 21 day of July, 2010.



My Commission Expires: 9/2013

[Signature]
Official Signature of Notary Public

Jennifer L. Greenlee
Typed or Printed Name of Notary Public

STATE OF NORTH CAROLINA

COUNTY OF Johnston

I, Jennifer L Greenlee, the undersigned Notary Public of the State and County aforesaid, do hereby certify that F. Steven Stiparak personally appeared before me this day and acknowledged that he/she is President of BLS, Inc., a North Carolina corporation (the "Corporation") and that by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its name by him/her as its President.

WITNESS my hand and notarial stamp/seal, this the 21 day of July, 2010.



[Signature]
Official Signature of Notary Public

Jennifer L Greenlee
Typed or Printed Name of Notary Public

My Commission Expires: 9-25-13

STATE OF NORTH CAROLINA

COUNTY OF Johnston

I, Jennifer L Greenlee, the undersigned Notary Public of the State and County aforesaid, do hereby certify that Ra Lee personally appeared before me this day and acknowledged that he/she is President of Golden Properties and Development, Inc., a North Carolina corporation (the "Corporation") and that by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its name by him/her as its President.

WITNESS my hand and notarial stamp/seal, this the 21 day of July, 2010.



[Signature]
Official Signature of Notary Public

Jennifer L Greenlee
Typed or Printed Name of Notary Public

My Commission Expires: 9-25-13

CERTIFICATE OF VALIDITY OF AMENDMENT TO DECLARATION FOR
KYNDAL SUBDIVISION

By authority of its Board of Directors, the Kyndal Community Association, Inc. does hereby certify that it has reasonably assured itself that this Amendment has in fact been duly approved and adopted by a vote and/or written agreement of not less than sixty-seven percent (67%) of the Voting Members and owners of lots subject to the Declaration, and that the foregoing Amendment is therefore a valid amendment to the Declaration.

KYNDAL COMMUNITY ASSOCIATION, INC.

By: [Signature]
Name: F. Steven Stiparak
Title: President

STATE OF NORTH CAROLINA

COUNTY OF Johnston

I, Jennifer L Green-lee, the undersigned Notary Public of the State and County aforesaid, do hereby certify that P. Shumshin personally appeared before me this day and acknowledged that he/she is President of Kyndal Community Association, Inc., a North Carolina non-profit corporation (the "Corporation") and that by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its name by him/her as its President.

WITNESS my hand and notarial stamp/seal, this the 21 day of July, 2010.


Official Signature of Notary Public

[SEAL]

Jennifer L Green-lee
Typed or Printed Name of Notary Public

My Commission Expires: 7-25-13

