

Prepared by and Hold for: Kristoff Law Offices, P.A.

STATE OF NORTH CAROLINA
COUNTY OF JOHNSTON

**AMENDMENT TO DECLARATION OF
RESTRICTIVE COVENANTS FOR COOPER FARMS SUBDIVISION**

THIS AMENDMENT is made on the date hereinafter set forth by THE CARDINAL GROUP, and lot owners in Cooper Farms Subdivision, Phases 1 and 2, hereinafter jointly set forth as "Declarant."

WITNESSETH:

WHEREAS, The Cardinal Group, as the original Developer of Cooper Farms Subdivision, originally subjected certain property located in Johnston County to that certain Declaration of Restrictive Covenants for Cooper Farms Subdivision, Phases 1 and 2 ("Declaration") recorded in Book 1445, Page 699 and Book 1846, Page 1, Johnston County Registry, which Declaration is incorporated herein by reference and reaffirmed, except as hereinafter amended; and

WHEREAS, lots have been sold to the above corporations and individuals who join in signing these amendments as "Declarant." and

WHEREAS, subsequent to the recordation of the Declaration, Declarant has determined that it would be desirable to the lot owners in Cooper Farms Subdivision to form a Homeowner's Association for Cooper Farms Subdivision in order to maintain and protect the common areas and entrance for said subdivision; and

WHEREAS, this amendment has been approved by The Cardinal Group and by the undersigned Lot Owners in existence at Cooper Farms as of the date hereof.

WHEREAS, Declarant declares and agrees, that the lots owned by the undersigned Lot Owners and all remaining undeveloped property in Cooper Farms Subdivision now owned by The Cardinal Group, as shown in Plat Book 45, Pages 139 and 141 and Plat Book 54, Page 267, Johnston County Registry, shall be held, sold, and conveyed subject to these amendments to the Declaration, which property is as follows:

Declarant is the owner of certain property in Wilders Township, Johnston County, State of North Carolina, which is more particularly described as follows:

BEING the lots in Cooper Farms Subdivision, Phase 1, according to a plat recorded in Plat Book 45, Pages 139 and 141, Johnston County Registry and Cooper Farms Subdivision, Phase 2, according to a plat recorded in Plat Book 54, Page 267, Johnston County Registry, Johnston County Registry.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold, and conveyed 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, and shall inure to the benefit of each owner thereof.

ARTICLE I DEFINITIONS

Section 1. The "Homeowners Association" shall mean and refer to Cooper Farms Homeowners Association, Inc., its successors and assigns.

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

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereinafter be brought within the jurisdiction of the Homeowners Association.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Homeowners Association for the common use and enjoyment of the owners in Cooper Farms Subdivision. Further, Common Area shall also mean the entrance sign area that now presently exists at the entrance of Cooper Farms Subdivision. However, such entrance sign area is not owned by the Homeowners Association and is located in the public right-of-way. Such entrance sign area may be removed at the request and direction of the appropriate governmental agency or entity.

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 Common Area and the Horse Barn Property.

Section 6. "Declarant" shall mean and refer to The Cardinal Group and all the undersigned lot owners, their successors, and assigns.

Section 7. "Resident Homeowner" shall mean and refer to any Owner of a Lot in Cooper Farms Subdivision whereby such Lot Owner resides in a home built on any such Lot owned.

Section 8. "Horse Barn Property" shall mean and refer to the horse barn and the real property upon which it is located and the additional vacant lot that are located at the entrance of Cooper Farms Subdivision. The Horse Barn Property, as of the signing of this document, shall not be the property of the Cooper Farms Homeowners Association and therefore Cooper Farms Homeowners Association shall have no jurisdiction over uses and management of this subject property.

ARTICLE II
PROPERTY RIGHTS

Section 1. Owner's Membership and Easements of Enjoyment.

The undersigned Lot Owners in Phases 1 and 2 of Cooper Farms Subdivision shall be part of the Homeowner's Association and shall be subject to the provisions set forth in Section 2 of this Article.

Section 2. Any Lot Owner who executes this document shall be a member of the Homeowner's Association and shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to such Lot, subject to the following provisions:

(a) the right of the Homeowner's Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Homeowner's Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his or her 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 Homeowner's Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members.

No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by three-fourths (3/4) of each class of members has been recorded.

Section 3. Declaration of Use.

Any Owner, who is a member of the Homeowner's Association may delegate, in accordance with the By-Laws, his or her right of enjoyment to the Common Area and related facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Lot Owner who declares its intent to be part of the Homeowner's Association shall be subject to an assessment. The original Developer, The Cardinal Group, shall be a member of the Homeowner's Association as long as they own a lot in Cooper Farms Subdivision. Membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot which is subject to such assessment.

Section 2. Homeowners Association. The Homeowners Association shall have one class of voting membership:

Class A. Class A member(s) shall be all the undersigned Lot Owners, including The Cardinal Group, the original Developer, 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.

ARTICLE IV COVENANT FOR ASSESSMENTS FOR THE HOMEOWNERS ASSOCIATION

Section 1. Creation of the Lien and Personal Obligations of Assessments for the Homeowner's Association.

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 Homeowner's 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. However, in the event that any Resident Homeowner shall own more than one lot in Cooper Farms Subdivision, such Resident Homeowner shall only be responsible for one assessment for as many lots as may be owned by such Resident Homeowner and shall not be liable for an assessment for each lot owned.

Section 2. Purpose of Assessments.

The assessments levied by the Homeowner's Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area and any related indebtedness associated with the Common Area.

Section 3. Maximum Annual Assessment.

Until January 1, 2003, the maximum annual assessment shall be **One Hundred and 00/100 Dollars (\$100.00)** per Lot.

(a) From and after January 1, 2003, the maximum annual assessment may be increased each year not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the membership of the Homeowners Association.

(b) From and after January 1, 2003, the maximum annual assessment may be increased above ten percent (10%) by a vote of three-fourths (3/4) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

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

Section 4. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized above, the Homeowners Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of three-fourths (3/4) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. By-Laws for Homeowners Association. The Homeowners Association shall have the right to draft and adopt By-Laws that shall govern the operation of the Homeowners Association. Such By-Laws for the Homeowners Association shall be adopted in accordance with the voting requirements set forth in Section 6 of this Article.

Section 6. Notice and Quorum for Any Action Authorized Under Sections 3, 4 and 5.

Written notice of any meeting called for the purpose of taking any action authorized under Sections 3, 4 or 5 shall be sent to all members not less than fifteen (15) days nor more than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast seventy-five percent (75%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Uniform Rate of Assessment.

Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 8. Date of Commencement of Annual Assessments; Due Dates.

The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area or recordation of this Amendment, whichever first occurs. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Homeowners Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Homeowners Association setting forth whether the assessments on a specified Lot

have been paid. A properly executed certificate of the Homeowners Association as to the status of assessments on a Lot is binding upon the Homeowners Association as of the date of its issuance.

Section 9. Effect of Nonpayment of Assessments; Remedies of the Homeowners Association.

Any assessment not paid within sixty (60) days after the due date shall bear interest from the due date at the rate of six percent (6%) per annum. The Homeowners Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provide for herein by non-use of the Common Area or abandonment of his or her Lot.

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. Sale or transfer of any Lot shall not affect the assessment lien. However, the 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.

ARTICLE V
ARCHITECTURAL CONTROL

The Board of Directors of the Homeowners Association shall establish an architectural committee composed of three (3) or more representatives appointed by the Board. Under the Restrictive Covenants for Cooper Farms Subdivision recorded in Book 1445, Page 699 and Book 1846, Page 1, Johnston County Registry, The Cardinal Group may appoint members to the Architectural Committee as long as The Cardinal Group owns lots in said subdivision. Upon an architectural committee being established by the Board of Directors of the Homeowners Association, The Cardinal Group hereby appoints the members, and their successors, of the architectural committee of the Homeowners Association as the Architectural Committee for Cooper Farms Subdivision as provided under the provisions of the Restrictive Covenants referred to in this Article. However, The Cardinal Group shall retain all control regarding the Architectural Committee with regards to new home construction on any remaining unimproved lots in Phase 1, Phase 2 or any phases of Cooper Farms Subdivision that may be annexed in the future per Article VII below. Once a home is completed and sold, then all power granted to the Architectural Committee under the Restrictive Covenants for Cooper Farms Subdivision shall belong to the architectural committee appointed by the Homeowners Association. Further, all power granted to the Architectural Committee under said Restrictive Covenants shall belong to the architectural committee appointed by the Homeowners Association with regards to all existing homes located in Cooper Farms Subdivision as of the date this amendment is recorded. The Cardinal Group further agrees not to allow any more the 10% of the new homes that may be built in any future phases annexed into Cooper Farms Subdivision to be constructed with a vinyl siding exterior.

ARTICLE VI
ANNEXATION

The Homeowners Association shall have the right to annex any property to this Declaration and the Restrictive Covenants recorded in Book 1445, Page 699 and Book 1846, Page 1, Johnston County Registry, provided such property is adjoining to, or in reasonably close proximity to (e.g., across the street), the original property (Phases 1 and 2 of Cooper Farms Subdivision) subjected to this Declaration and the Restrictive Covenants recorded in Book 1445, Page 699 and Book 1846, Page 1, Johnston County Registry. Annexation of property shall require the assent of seventy-five percent (75%) of the members of the Homeowners Association present at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than fifteen (15) days, nor more than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast seventy-five (75%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

ARTICLE VII
USE RESTRICTIONS

Section 1. Rules and Regulations. The Board of Directors of the Homeowners Association shall have the power to formulate, publish and enforce reasonable rules and regulations concerning the use and enjoyment of the Common Area. Such rules and regulations may provide for imposition of fines or penalties for the violation thereof, or for the violation of any of the covenants and conditions contained in this Declaration.

ARTICLE VIII
GENERAL PROVISIONS

Section 1. Enforcement.

The Homeowners Association or any Lot Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration and the Restrictive Covenants for Cooper Farms Subdivision that are recorded in Book 1445, Page 699 and Book 1846, Page 1, Johnston County Registry. Failure by the Homeowners Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability.

Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provision which shall remain in full force and effect.

Section 3. Amendment.

The covenants and restrictions of this Amendment shall run with and bind the land, for a term of twenty (20) years from the date this Amendment is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Amendment may be amended during the first twenty (20) year period by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals, this _____ day of _____, 2002.

The Cardinal Group, a North Carolina General Partnership

By: _____ (SEAL)
General Partner

By: _____ (SEAL)
General Partner

By: _____ (SEAL)
General Partner

Lot ____:

by: _____ (SEAL)

Lot ____:

by: _____ (SEAL)

Lot ____:

by: _____ (SEAL)

STATE OF NORTH CAROLINA
COUNTY OF _____

I, the undersigned notary public, in and for the County and State aforesaid, do hereby certify that _____ personally appeared before me this day and acknowledged the due execution of the foregoing instrument. Witness my hand and notarial stamp or seal on this the ___ of _____, 2002.

NOTARY PUBLIC

My commission expires: _____