

INDEX

Declaration of Bolinwood Condominium
Index to Provisions and Schedules

Provisions

1. Recitals
2. Definitions
3. Description of the Condominium
4. Unit Number and Percentages of Undivided Interest in Common Areas and Facilities
5. Purpose of Property and Use Restrictions Thereon
6. Model Units and Sales Office
7. Reservation of Easement to Facilitate Creation of Improvements on Land Within Project
8. Board of Directors
9. Maintenance, Alteration and Improvement
10. Destruction or Damage
11. Insurance
12. Termination
13. Eminent Domain
14. Mortgage Protection
15. Conveyances, Easements
16. Assessments
17. Amendment
18. Enforcement
19. Unit Boundaries and Area
20. Severability
21. Captions
22. Law Controlling
23. Service of Process
24. Effective Date

Exhibits

- A. Condominium Plat and Plans
- B. Unit Number and Percent of Undivided Interest in Common Areas and Facilities
- C. Articles of Incorporation of Bolinwood Owners Association, a Nonprofit Corporation
- D. Bylaws of Bolinwood Owners Association, a Nonprofit Corporation
- E. Description of Property

FOR MULTIPLE PIN SHEET
SEE BOOK 498 PAGE 301-311

RECORDED
JUN 16 9 11 AM '02
CLERK

Prepared by/
Return to:
ROBERT L. GRUBB
ATTORNEY AT LAW
P. O. BOX 1420
LEXINGTON, NC
27293-1420

DECLARATION

THIS DECLARATION is made and executed by Grubb Properties, Inc., a North Carolina corporation with its principal office in Lexington, North Carolina ("declarant"), pursuant to the Provisions of the Unit Ownership Act, North Carolina General Statutes, Chapter 47A, hereinafter referred to as the "Act".

1. Recitals

1.1 Declarant and the persons joining in this declaration are the owners of the real property and improvements ("property") located in Chapel Hill, North Carolina, hereinafter more particularly described.

1.2 Declarant, by recording this declaration, submits the property to the provisions of the Act.

1.3 The covenants, conditions and restrictions contained in this declaration and in the Exhibits hereto shall be enforceable equitable servitudes and shall run with the land.

1.4 Declarant has filed simultaneously herewith a plat of survey depicting the location and dimensions of the submitted land, and plans of every structure which contains all or part of any unit or units.

1.5 The property shall be known as Bolinwood Condominium. The address of the property is Buildings A, B, C, D, E and F, 500 Umstead Drive, Chapel Hill, North Carolina, 27514. The unit numbers are listed on Exhibit B attached hereto.

2. Definitions

The terms used herein shall have the same meaning set forth in the Act and as follows, unless the context otherwise requires:

a. "association of unit owners" All of the unit owners acting as a group in accordance with the bylaws and declaration to govern the affairs of the Bolinwood Condominium through the Bolinwood Owners Association, a nonprofit corporation.

b. "building" A structure containing one or more units that has been constructed on the land.

c. "common areas and facilities" The land within the condominium project; the foundation, columns, girders, beams, supports, main walls, roofs, and entrances and exits of the buildings; the walkways, stairways, yards, gardens, and parking areas; all limited common areas and facilities as hereinafter described; installation such as power, light, gas, hot and cold water, existing for common use; basements, recreational and other community facilities; and all other parts of the property necessary or convenient to its existence, maintenance, and safety, or normally in common use, and all areas and facilities designated as common areas and facilities in the act.

d. "common expenses" All expenditures lawfully made

or incurred by or on behalf of the unit owners association, together with all funds lawfully assessed for the creation and/or maintenance of reserves.

e. "common profits" All income collected or accrued by or on behalf of the unit owners association, other than income derived from assessments.

f. "condominium unit" A unit together with the undivided interest in the common areas and facilities appertaining to that unit.

g. "declarant" All persons who execute the declaration or The Partnership on whose behalf the declaration is executed. Any successors of the partnership referred to in this subsection who come to stand in the same relation to the condominium as their predecessors did shall also come within this definition.

h. "declaration" The instrument by which the property is submitted to the provisions of the Unit Ownership Act and its lawful amendments.

i. "limited common areas and facilities" Common areas and facilities designated in the declaration as reserved for use of certain units to the exclusion of the others.

j. "majority" or "majority of unit owners" The majority of voting unit owners determined by their interest in the common property.

k. "property" The land, the buildings, improvements, and structures, all easements, servitudes, rights and appurtenances belonging thereto, and all chattels intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the Unit Ownership Act.

l. "unit" A portion of the condominium designed and intended for individual ownership and use.

3. Description of the Condominium

3.1 Description of Land

The land on which the buildings and other improvements are located is in Chapel Hill, a municipal corporation, Orange County, North Carolina, and is more particularly described on Exhibit E attached hereto.

3.2. Description of the Buildings and Other Improvements

The Bolinwood Condominium project consists of six buildings containing one hundred twenty (120) units. The buildings are twelve and twenty-four plex structures constructed of brick and wood siding. The buildings are three story buildings. The interior partitions between units consist of double stud walls faced with sheet rock. The interior floors are of concrete, wood and plywood construction with carpet, vinyl, and tile floor coverings. The buildings are supplied with electricity, water, sewage and garbage collection service. There is also a clubhouse with an office and laundry and a maintenance shop. The buildings are more fully depicted in the condominium plat and floor plans, which are annexed hereto and made a part hereof as Exhibit A.

Other significant improvements in the Bolinwood Condominium project include roadways, walkways, landscaping, swimming pool and tennis court.

Limited common areas include the patios or balconies connected to each unit. The owner of each unit is entitled to exclusive use of the patios or balconies connected to his unit.

4. Unit Number and Undivided Interest in Common Areas and Facilities

4.1 Each condominium unit shall be conveyed and treated as an individual property capable of independent use and fee simple ownership, and the Owner of each unit shall also own, as an appurtenance to the ownership of each said condominium unit, an undivided interest in the common property. The unit number and undivided interest in the common areas and facilities appurtenant to each unit and its owner for all purposes, including voting, is set forth in Exhibit B. The undivided interest in the common areas and facilities appurtenant to any unit shall not be changed except with the unanimous consent of all of the unit owners in the condominium project expressed in an amendment to this declaration duly executed by all such owners and recorded.

4.2 The location, area, and number of rooms of each unit and the immediate common area to which it has access are set forth on Exhibit A.

5. Purpose of Property and Use Restrictions Thereon

5.1 The purpose of the property is to provide residential housing, parking and recreational facilities for unit owners, their respective families, tenants, guests, and servants.

5.2 The units and common areas and facilities shall be occupied and used as follows:

5.2.1 No commercial business shall be permitted within the property other than the renting or leasing of residential units.

5.2.2 There shall be no obstruction of the common areas and facilities. Nothing shall be stored in the common areas and facilities without the prior written consent of the Board of Directors.

5.2.3 Nothing shall be done or kept in any unit or in the general or limited common areas and facilities which shall increase the rate of insurance on the general or limited common areas and facilities without the prior written consent of the Board of Directors. No owner shall permit anything to be done or kept in his unit or in the general or limited common areas and facilities which will result in the cancellation of insurance of any unit or which would be in violation of any law. No waste will be committed of the general common areas and facilities or limited common areas and facilities.

5.2.4 No sign of any kind shall be displayed to the public view or from any unit or from the general or limited common areas and facilities without the prior written consent of the Board of Directors.

5.2.5 No animals, livestock, or poultry of any kind shall be raised, bred, or kept in any unit or in the general or limited common areas and facilities; except that dogs, cats or other household pets may be kept in units, subject to rules and regulations adopted by the Board of Directors.

5.2.6 No noxious, dangerous, or offensive activity shall be carried on in any unit or in the general or limited common areas and facilities, nor shall anything be done therein which may be or become an annoyance or nuisance to other owners.

5.2.7 Nothing shall be altered or constructed in or removed from the general or limited common areas and facilities, except upon the prior written consent of the Board of Directors.

5.2.8 The Board of Directors is authorized to adopt rules for the use of the general or limited common areas and facilities, including the right to assign parking spaces, and prescribe penalties for any violation thereof, and shall furnish such rules in writing to the owners, who shall be bound thereby.

5.2.9. None of the rights and obligations of the owners created herein, or by the deeds conveying the condominiums, shall be altered in any way by encroachments due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of an owner or owners if said encroachment occurred due to willful conduct of said owner or owners.

5.2.10 Declarant, and persons it may select, shall have the right of ingress and egress over, upon and across the general and limited common areas and facilities and the right to store materials thereon and make such other use thereof as may be reasonably necessary incident to construction, development, and sales of the condominiums and operation of the units and common areas and facilities in connection with the Bolinwood Project and the overall development of which the property is a part. Declarant and its agents shall retain the right to use of the sales office and model units and the general and limited common areas and facilities in connection therewith during the period of development and sale of the Bolinwood Project.

6. Model Units and Sales Office

Declarant and declarant's duly authorized agents, representatives, and employees shall have the right to maintain model units and a sales office on land within the project, and to use the model units and sales office during the period that units remain unsold. No more than two model units and one sales office will be maintained by Declarant.

7. Reservation of Easement to Facilitate Creation of Improvements On Land Within Project

Declarant, and persons it may select, shall have the