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CHATHAM COUNTY NC
LUNDAY A. RIGGSBEE
REGISTER OF DEEDS

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Return to:
Drawn by & Hold For: D. Jason Isley, Gwynn & Edwards, PA
5909 Falls of Nuese Rd., Ste. 200., Raleigh, NC 27609
North Carolina
Chatham County

**FIRST AMENDMENT TO
DECLARATION
OF PROTECTIVE COVENANTS
FOR
DUNHILL SUBDIVISION**

This FIRST AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS FOR DUNHILL SUBDIVISION, made on the date hereinafter set forth by DUNHILL INVESTORS, LLC, a North Carolina limited liability company whose address is 150 Towerview Ct., North Carolina 27513, hereinafter referred to as the "Declarant";

WITNESSETH:

WHEREAS, the Declarant is the owner of thirty-eight (38) lots in the County of Chatham,, North Carolina, which are more particularly described as Lots 1-38 located in Dunhill Subdivision, as reflected in Plat Book 2015, Page 173-177, Chatham County Registry;

AND WHEREAS, Declarant, as the owner of thirty-eight (38) lots in Dunhill Subdivision (hereinafter "Subdivision"), is the owner of ALL of the Lots in Subdivision;

AND WHEREAS, Subdivision has previously been subjected to a certain Declaration of Protective Covenants upon all of the Subdivision as set forth in Book 1818, Page 720, Wake County Registry (hereinafter "Declaration");

AND WHEREAS, Declarant wishes to amend and modify certain provisions of the above referenced Declaration in accordance with Article 15, Section 15.01 of the

Declaration which provides the Declaration may be amended during the Development Period by Declarant unilaterally without joinder or approval of the Association, any Member, or any such other Person;

NOW, THEREFORE, Declarant hereby declares that the Declaration shall hereby be amended as follows.

Article 6, Section 6.05 Budget and Annual Assessments.

(a) Beginning with the fiscal year that starts on January 1, 2015, the Board shall adopt for each fiscal year a proposed budget containing an estimate of the total amount believed to be necessary to pay the Common Expenses for that fiscal year, including such reasonable amounts as the Board deems necessary to pay for: (i) maintenance of Stormwater Control Measures for which the Association has maintenance responsibility; (ii) payment of any amounts the Association is required to pay pursuant to a Stormwater Agreement; (iii) maintenance of Common Elements other than Stormwater Control Measures; (iv) working capital (available for day-to-day operating expenses of the Association and otherwise uncommitted for specific expenses); (v) reserves for contingencies; and (vi) reserves for repair and replacement of Common Elements and other capital expenses (for example, repainting exteriors of Dwellings), and the proposed budget (and ratified budget) shall contain separate line items for each of the foregoing (but no budget shall be invalid if any one or more of such items are not shown separately). The proposed budget (and ratified budget) shall contain separate line items for all other items as required by Legal Requirements. In adopting a proposed budget and annual assessment, the Board may consider any assessment income expected to be generated from any additional Lots reasonably anticipated to become subject to assessments during the applicable fiscal year. The proposed budget shall state the amount of the annual assessment per Lot proposed by the Board as necessary to pay for the budgeted Common Expenses, which is the annual assessment that will be assessed upon ratification of the proposed budget. During any fiscal year, without any meeting or vote of the Members, the Board may assess and collect from the Owners one or more "additional assessments", not to exceed a total of 50% of the annual assessment, determined by the Board to be necessary to cover actual Common Expenses that exceed the budgeted amount therefor and new or unexpected additional Common Expenses incurred during the applicable fiscal year. The amount of the annual assessment resulting from budget ratification, plus the total amount of additional assessments permitted for that fiscal year, is referred to herein as the "maximum annual assessment" (for example, if the annual assessment is \$100.00 per Lot, the additional assessment amount that could be assessed and collected during the applicable fiscal year is \$50.00 per Lot, and the maximum annual assessment for that fiscal year is \$150.00 per Lot). The total amount of the annual assessment, including additional assessments, actually assessed against each Lot during a fiscal year is referred to herein as the "actual annual assessment" (for example, if the annual assessment resulting from budget ratification is \$100.00 per Lot and an additional \$25.00 per Lot is assessed during the fiscal year, the actual annual assessment for that fiscal year is \$125.00).

Within thirty (30) days after adoption of the proposed budget, the Board shall provide a copy or summary thereof to all Members (a copy or summary provided to any one (1) of multiple Owners of a Lot is deemed to be provided to all Owners of such Lot), together with a notice of the annual or special meeting of the Association at which ratification of such proposed budget will be considered, including a statement that the proposed budget may be ratified without a quorum for the meeting. The annual or special meeting at which ratification of the proposed budget is to be considered shall be held not less than ten (10) days nor more than sixty (60) days

after mailing of the summary and notice, and there is no quorum requirement applicable to the ratification vote on the proposed budget (although if other matters are to be considered at such meeting, applicable quorum requirements are in effect with respect to those other matters). The proposed budget is ratified unless rejected at that meeting as follows: (i) if the proposed annual assessment per Lot does not exceed the actual annual assessment for the immediately preceding fiscal year by more than 50% (for example, if the actual annual assessment for the immediately preceding fiscal year was \$100.00 per Lot, then does not exceed \$150.00 per Lot), the budget is ratified unless Members possessing ninety percent (90%) or more of the total number of votes in the Association reject it; (ii) if the proposed annual assessment per Lot exceeds the actual annual assessment per Lot for the immediately preceding fiscal year by more than 50%, the budget is ratified unless Members possessing sixty-seven percent (67%) or more of the total number of votes in the Association reject it. In the event that the proposed budget is rejected, the budget last ratified by the Members shall be ratified budget for that fiscal year until such time as a subsequent proposed budget from the Board is ratified by the Members.

(b) As the Declarant is the only Member of the Association at the time of the recording of the Declaration in the Registry, and as the fiscal year of the Association at the time of the recording of the Declaration is the calendar year, the Declarant has adopted a budget for 2015 that establishes the following assessments:

- i. For fiscal year 2015, the annual assessment is \$600.00 per Lot; and**
- ii. For fiscal year 2015, the maximum annual assessment is \$600.00 per Lot.**

(c) Beginning with the annual assessment for the fiscal year that starts on January 1, 2015, the Association shall send written notice of each annual assessment to the Members of the Association (for purposes of notice of all assessments under the Declaration, notice sent to any one (1) of multiple Owners of a Lot is deemed to be notice sent to all of such Owners), which written notice may be in the form of an invoice for the annual assessment. The failure of the Board to establish the amount of any annual assessment or send notice as required herein shall not constitute a violation, waiver or modification of the provisions of the Declaration, or a waiver of the Board's right to establish and collect the annual assessment at any time during the fiscal year to which it is applicable, or a release of any Member from the obligation to pay the annual assessment or any installment thereof for that or any subsequent fiscal year. Until an annual assessment has been established for a fiscal year, the actual annual assessment for the immediately preceding fiscal year shall continue in effect, but when the new annual assessment is established, it shall be retroactive to the first day of the applicable fiscal year, and notice of same shall be sent to the Members. If the annual assessment for any fiscal year has not been established by last day of the immediately preceding fiscal year, the Board may send a notice of assessment to the Members for the amount of the immediately preceding fiscal year's annual assessment, together with notice that a new assessment may be established for that fiscal year that may require an additional payment. Once the new annual assessment is established, any additional amount owed is due and payable by the payment due date specified in a supplemental notice to the Members.

(d) During any fiscal year, the Board may revise the budget and adjust the annual assessment (including the maximum amount of any additional annual assessment), subject to the same notice and ratification requirements as those applicable to the initial budget for that fiscal year. Upon ratification of a revised budget, it shall replace all previously ratified budgets for the applicable fiscal year.

(e) Except as otherwise provided in the Declaration, or in any Supplemental Declaration or Subdivision Declaration not in conflict with the Declaration, or by Legal Requirements (for example, additional or different assessments for Limited Common Elements, which are applicable to some but not all of the Lots, and stormwater assessments, which may be applicable to Lots in different amounts), all annual assessments shall be the same for all Lots.

Except as expressly modified above, the Restrictions shall otherwise remain in full force and effect.

(SIGNATURE PAGE TO FOLLOW)

IN WITNESS WHEREOF, the Declarant has caused this First Amendment to Declaration to be executed as of 25, September, 2015.

DUNHILL INVESTORS, LLC,
a North Carolina limited liability
company

By: [Signature]
Rodney M. Long, Manager

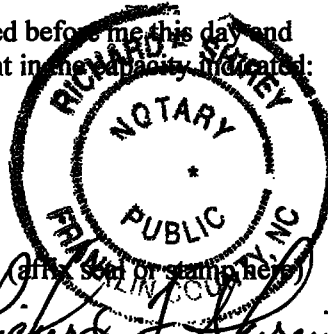
By: [Signature]
Glenn Futrell, Manager

FRANKLIN County, North Carolina

I certify that the following person personally appeared before me this day and acknowledged to me that he executed the foregoing document in the capacity indicated:

Rodney M. Long

Date: 9-25-2015



(affix seal or stamp here)
[Signature]
Notary Public
Printed/Typed Name: RICHARD F SHIREY

My Commission Expires: 10-29-2018

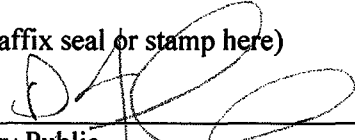
New Hanover County, North Carolina

I certify that the following person personally appeared before me this day and acknowledged to me that he executed the foregoing document in the capacity indicated:

Glenn Futrell

Date: 9/29/15

(affix seal or stamp here)



Notary Public

Printed/Typed Name: D. Jason Isley

My Commission Expires: 1/31/2017

