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Rowan, NC
Harry L. Welch Jr. Register of Deeds
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2-32-08
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**CERTIFICATION OF AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE GREENS AT CRESCENT**

This CERTIFICATION OF AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE GREENS AT CRESCENT is made pursuant to Section 7 of Article XIII of the Declaration of Covenants, Conditions and Restrictions for The Greens at Crescent, recorded on July 23, 1999, in Book 858 at Page 166 of the Rowan County Public Registry, as previously supplemented and as further described in the text of the Amendment set forth (the "Declaration") and is effective upon recordation in the Rowan County Public Registry. All capitalized terms not defined herein shall have the meanings given to them in the Declaration.

Background Statement

The Declaration provides in Section 7 of Article XIII for amendment by the affirmative vote of at least seventy-five percent (75%) of the Owners in order for such amendment to become effective. In accordance with the requirements of the Declaration, N.C.G.S. § 47F-2-117(a) and N.C.G.S. § 55A-7-08, the following amendments were approved by the affirmative vote of the required percentage of the Owners. Accordingly, the due and proper adoption of the following amendments are hereby certified by the President and Secretary, respectively, of the Association for recordation.

NOW, THEREFORE, with the affirmative vote of not less than seventy-five percent (75%) of the Owners, the Declaration of Covenants, Conditions and Restrictions for The Greens at Crescent is amended as follows:

- 1. The title to Article I, Section 6 is amended to read as follows:**

Section 6. "Common Area" or "Common Properties"

- 2. Article I, Section 9 is deleted in its entirety and amended to read as follows:**

Section 9. "Lot" shall mean and refer to any plot of land with delineated boundary lines shown upon any recorded subdivision map of the properties on which such plot appears (provided said map has been approved by Declarant) and shall include all improvements thereon, with the exception of the Common Areas and Limited Common Areas, if any. It is recognized that Common Areas and Limited Common Areas and easements may be a portion of a Lot.

- 3. Article I is amended by adding the following new Section 16:**

Section 16. "Limited Common Area" Shall mean those portions of the Common Area allocated by this Declaration, or the terms of the Planned Community Act, for the exclusive use and benefit of one or more, but fewer than all, of the townhome units.

- 4. Article II, Section 8(a) is deleted in its entirety and amended to read as follows:**

(a) The right of the Association, in accordance with its Articles of Incorporation, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties. The right to borrow money must be subordinated to the Declaration. The Association may not use easement property as security for any loan.

- 5. Article IV, Section 2 is deleted in its entirety and amended to read as follows:**

Section 2. Voting Right Suspension. The right of any Member to vote may be suspended by the Board of Directors of the Association (i) for just cause pursuant to its rules and regulations or (ii) for any period during which any assessment of a Member remains unpaid, all according to the Bylaws.

- 6. The first sentence of Article VI, Section 3 is deleted in its entirety and amended to read as follows:**

In addition to maintenance of the Common Areas, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: paint, repair, replace and care of roofs, gutters, downspouts, exterior building surfaces, screen porch frames and exterior walls inside screen porches, pergolas located in the front of a townhome unit, trees, shrubs, grass, walks, mailboxes, fences installed by Declarant or the Association, exterior post lights (excluding electricity therefor), and other exterior improvements.

7. The second paragraph of Article VI, Section 3 is deleted in its entirety and amended to read as follows:

In addition to those items excluded from maintenance and repairs by the Association hereinabove described, the maintenance responsibility of the Association shall not include garage doors, and all other doors of whatever nature and wherever located, windows, window screens, decks, stairs, screen porch screens, pergolas located in the rear of a townhome unit, and driveways, sidewalks and patios which serve only one townhome unit.

8. Article VI, Section 5 is deleted in its entirety and amended to read as follows:

Section 5. Special Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment (i) for the purpose of defraying, in whole or in part, the costs of construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, or (ii) any Common Expense or reserve therefor, provided that any such assessment shall have the assent of no less than two-thirds (2/3) of the votes of each class of Members represented in person or by proxy at a meeting duly called for this purpose, written notice of which, setting forth the purpose of the meeting, shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. The amount of the proposed assessment need not be stated.

9. Article XIII, Section 7 is deleted in its entirety and amended to read as follows:

Section 7. Amendment. The covenants, conditions and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended upon affirmative vote of, or written agreement signed by, Owners to which at least sixty-seven percent (67%) of the votes of the Association are allocated; provided, however, that the Board may amend this Declaration to correct minor and clerical errors, as determined by the Board, without approval of the Owners. Any such amendment shall not be effective until an instrument evidencing such change has been filed of record in the Rowan County Public Registry.

10. A new Article XIV is added as follows:

**ARTICLE XIV
INSURANCE**

Section 1. Property Insurance.

A. The Association shall obtain and maintain at all times a policy of property insurance on the Common Areas, and any Limited Common Areas (as required by N.C.G.S. § 47F-3-113) and on all structures and improvements originally constructed on the Lots in an amount not less than one hundred percent

(100%) of the replacement cost of the insured property at the time such insurance is purchased and at the time of each renewal thereof. Property Insurance obtained by the Association shall not cover land, foundations and other items normally excluded from such policies or interior portions of structures and improvements which Owners are required to insure under Section 7 below. The amount of coverage shall be determined annually by the Board with the assistance of the insurance company. The policy may include a commercially reasonable deductible not to exceed Ten Thousand and 00/100 Dollars (\$10,000.00).

B. The policy shall be issued by an insurance company properly licensed to do business in the State of North Carolina, with a general policyholder's rating of at least "A" in the most recent edition of the Best's Key Rating Guide.

C. The policy shall:

(i) contain all provisions specified in and required by N.C.G.S. § 47F-3-113(c);

(ii) contain an inflation guard endorsement and a construction code endorsement, if available;

(iii) provide that it may not be canceled or substantially modified without at least thirty (30) days' proper written notice to the Association and all insureds, including all Owners and Mortgagees to whom Certificates or Memoranda of Insurance have been issued at their respective last known addresses as required by N.C.G.S. § 47F-3-113(f);

(iv) provide that adjustment of loss shall be made by the Association as insurance trustee; and

(v) provide for the issuance of certificates or Mortgagee endorsements to Mortgagees and issuance of certificates to the Association and each Owner.

D. In the event any loss or damage to property insured under this Section 1 is not fully covered by the insurance maintained by the Association by reason of deductibles, coinsurance or otherwise, the deficiency shall be allocated to and paid by the Association and/or the Owner(s) in accordance with the maintenance, repair, and replacement responsibilities set forth in Article VI.

Section 2. Liability Insurance. The Association shall obtain and maintain a policy of commercial general liability insurance (current ISO form or its equivalent) in such limits as the Board may, from time to time, determine, covering each member of the Board, the managing agent, if any, and each Owner with respect to liability arising out of or in connection with the use, ownership, maintenance, or repair of the Common Areas and other portions of the Property as the Board may determine; provided, however, that in no event shall the limits of such policy ever be less than \$1,000,000.00 per occurrence. The liability insurance policy shall include endorsements covering cross liability claims of one insured against another, including the liability of the Owners as a group to a

single Owner, and shall provide that it may not be canceled or substantially modified without at least thirty (30) days' prior written notice to the Association and to all named insureds, including all Owners and Mortgagees to whom Certificates or Memoranda of Insurance have been issued at their respective last known address as required by N.C.G.S. § 47F-3-113(f).

Section 3. Fidelity Coverage: D&O Insurance. The Association shall obtain such fidelity coverage against dishonest acts on the part of all officers, directors and employees and all persons responsible for handling funds belonging to or administered by the Association as the Board may deem necessary. Any such fidelity insurance policy must name the Association as the named insured and shall be written in an amount as may be determined by the Board. Coverage must comply with all requirements of HUD and FHA. The minimum amount must be not less than three months aggregate assessments on all Lots plus reserve funds. The Association shall also obtain directors and officers insurance with coverage of at least \$1,000,000.00 per occurrence or claim.

Section 4. Other Association Insurance Policies. The Association shall be authorized to obtain such other insurance coverage, including, without limitation, worker's compensation or employee liability insurance, as the Association shall determine from time to time desirable or necessary.

Section 5. Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense.

Section 6. Distribution of Insurance Proceeds. All insurance policies procured by the Association shall provide that all losses shall be adjusted with and all proceeds shall be payable to the Association as insurance trustee. The sole duty of the Association as insurance trustee shall be to receive such proceeds as are paid and to apply or hold the proceeds as provided in N.C.G.S. § 47C-3 113(h).

Section 7. Insurance Obtained by Owners. Each Owner shall obtain and keep continuously in force a fire and casualty and extended coverage insurance policy upon all portions of the structures and improvements originally constructed on his or her Lot bounded by the interior surfaces of the perimeter stud walls, the ceiling joists of the uppermost floor and the interior surface of the subflooring on the lowest floor (i.e., floor slab) but not including exterior windows and doors. Each Owner shall also obtain and maintain public liability insurance coverage in the amount of at least \$300,000.00 for bodily injury, including deaths of persons and property damage, arising out of a single occurrence, and shall require every tenant or lessee to obtain public liability insurance in the same amount. Each Owner shall file a copy of each such individual policy (including liability policies obtained by tenant and lessees as required herein) with the Association within thirty (30) days after purchase. Failure to obtain or provide such insurance or to provide evidence of insurance upon request shall be a violation of this Declaration and subject to specific enforcement and other remedies as set forth herein or provided by law. Each Owner may obtain insurance covering personal property or

improvements and betterments made since the original construction as the Owner deems appropriate.

Section 8. Insurance Deductibles and Deficiencies. In the event a loss or damage to the Common Areas is not fully covered by any insurance maintained by the Association by reason of deductibles, coinsurance or otherwise, the deficiency shall be allocated to and paid by the Association and/or the Owner(s) in accordance with the maintenance, repair, and replacement responsibilities set forth in Article VI.

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IN WITNESS WHEREOF, the undersigned officers of The Greens at Crescent Townhome Association, Inc. certify the proper adoption of these amendments, and do hereby certify that approval of these amendments was obtained as required by the Declaration and in accordance with North Carolina law, and that this Amendment to the Declaration has been duly adopted to be effective upon recordation.

THE GREENS AT CRESCENT TOWNHOME ASSOCIATION, INC.

By: [Signature]
Name: James M. Freeman, President
Title: President

By: Jill O. Nelson
Name: Jill O. Nelson
Title: Secretary

STATE OF NORTH CAROLINA
COUNTY OF ROWAN

I, Karen C. Owen, a Notary Public of the County and State aforesaid, certify that James M. Freeman, either being personally known to me or proven by satisfactory evidence, personally appeared before me this day and acknowledged that (s)he is President of **The Greens at Crescent Townhome Association, Inc.**, a North Carolina corporation, and that (s)he, as President, being duly authorized to do so, voluntarily executed the foregoing instrument on behalf of the corporation for the purposes stated therein.

WITNESS my hand and official stamp or seal this 17th day of June, 2011.

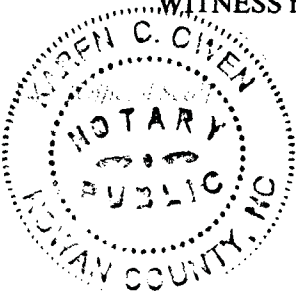


Karen C. Owen, Notary Public
Commission Expires: 4-6-16

STATE OF NORTH CAROLINA
COUNTY OF ROWAN

I, Karen C. Owen, a Notary Public of the County and State aforesaid, certify that Jill O. Nelson, either being personally known to me or proven by satisfactory evidence, personally appeared before me this day and acknowledged that (s)he is Secretary of **The Greens at Crescent Townhome Association, Inc.**, a North Carolina corporation, and that (s)he, as Secretary, being duly authorized to do so, voluntarily executed the foregoing instrument on behalf of the corporation for the purposes stated therein.

WITNESS my hand and official stamp or seal this 17th day of June, 2011.



Karen C. Owen, Notary Public
Commission Expires: 4-6-16