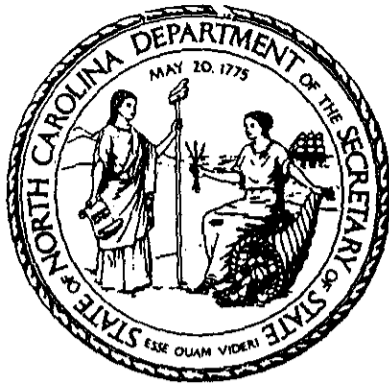


State of North Carolina



Department
of the
Secretary of State

To all to whom these presents shall come, Greeting:

I, Thad Eure, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached (4 sheets) to be a true copy of

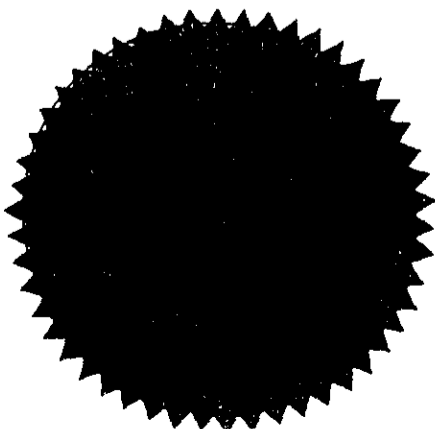
ARTICLES OF INCORPORATION
OF
WESTGROVE TOWER ASSOCIATION, INC.

MAR 14 10 34 AM '86
PRESENTED
FOR
REGISTRATION
KENNETH O. WILKINS
REGISTER OF DEEDS
WAKE COUNTY, NC

and the probates thereon, the original of which was filed in this office on the 7th day of March 19 86 , after having been found to conform to law.

In Witness Whereof, I have hereunto set my hand and affixed my official seal.

Done in Office, at Raleigh, this 7th day of March in the year of our Lord 19 86.



Thad Eure
Secretary of State
By *[Signature]*
Deputy Secretary of State

Prepared by Charles H. Montgomery of
Sanford, Adams, McCullough & Beard

NORTH CAROLINA
COUNTY OF WAKE

AMENDED DECLARATION OF CONDOMINIUM
FOR
WESTGROVE TOWER

PRESENTED
FOR
REGISTRATION
MAR 6 12 30 PM '86
KENNETH D. WILKINS,
REGISTER OF DEEDS
WAKE COUNTY, NC

THIS DECLARATION, made this 4th day of February, 1986, by Westgrove Tower, a North Carolina partnership, having an office at 1201 Front Street, Raleigh, Wake County, North Carolina (hereinafter referred to as the "Declarant").

WITNESSETH:

WHEREAS, Declarant has filed Declaration of Condominium, recorded in Deed Book 3652, Page 705 and hereby amends said Declaration by substituting this Amended Declaration of Condominium for Westgrove Tower in the place thereof.

WHEREAS, the Declarant is the fee simple owner of all that tract or parcel of land (hereinafter referred to as the "Property"), described in Exhibit "A" attached hereto and by this reference made a part hereof and the improvements situated thereon, and desires to submit the Property and the improvements to the provisions of the North Carolina Unit Ownership Act (North Carolina General Statutes Chapter 47A) (hereinafter sometimes referred to as the "Act"); and

WHEREAS, the Property is shown on that certain plat of survey entitled "Westgrove Towers Condominiums," prepared by Kenneth D. Close, Engineers and Surveyors, dated October 17, 1985, (hereinafter referred to as the "Plat"), of record in Map Book 1985, Page 1899, in the office of the Register of Deeds of Wake County, North Carolina; and

WHEREAS, said improvements are shown on those certain drawings entitled "Plans for Westgrove Tower" as certified by James G. Hite, Architect, on September 16, 1985, (hereinafter referred to as the "Plans"), to be recorded simultaneously with the recording of this Declaration, in the office of the Register of Deeds of Wake County, North Carolina, and which Plans are hereby incorporated herein by reference. The building shall be principally constructed of the materials set forth in Exhibit "F" attached hereto and by this reference made a part hereof. The building shall contain eleven (11) stories, a basement, two hundred forty (240) living units and their supporting facilities, including a lobby-reception area, office, elevators, a laundry room and other appurtenant improvements.

NOW, THEREFORE, Declarant hereby declares that the Property described in Exhibit "A" hereto, including the improvements thereon, is hereby submitted and made subject to the form of ownership set forth in the Act, and is hereby made subject to this Declaration. The Property shall be owned, held, transferred, sold, conveyed, used, occupied and mortgaged or otherwise encumbered subject to the provisions of the Act and this Declaration, and every grantee of any interest in the Property by acceptance of a deed or other conveyance of such interest, whether or not such deed or other conveyance of such interest shall reference the Act, and this Declaration and shall be signed by such person, and whether or not such person shall otherwise consent in writing, shall take subject to the provisions of the Act and this Declaration and shall be deemed to have assented to the same.

ARTICLE I
STATUTORY REFERENCE

1.01 North Carolina Unit Ownership Act. This Declaration is made pursuant to Chapter 47A of the General Statutes of North Carolina.

1.02 Definitions. The terms used in this Declaration, unless otherwise specified or unless the context otherwise requires, shall have the meanings

specified in Section 47A-3 of the Act. In addition, when used in this Declaration (unless the context otherwise requires), the following words shall have the following meanings:

- (a) "Association" shall mean and refer to Westgrove Tower Association, a nonprofit North Carolina corporation, its successors and assigns.
- (b) "Property" shall mean and refer to the real property described in Exhibit "A" hereto, which is hereby submitted to the form of ownership prescribed in the Act and to the provisions of this Declaration.
- (c) "By-Laws" shall mean the By-Laws of the Association.
- (d) "Declaration" shall mean the "Amended Declaration of Condominium for Westgrove Tower."

ARTICLE II PROPERTY RIGHTS

2.01 Name and General Description. The name of the Condominium which is located at 4700 Westgrove Street, Raleigh, North Carolina, shall be Westgrove Tower. The Condominium consists of the Property, described by metes and bounds in Exhibit "A" hereto, together with the improvements situated thereon. The improvements, as evidenced by the Plans, include, but are not limited to one (1) building which contains a total of two hundred forty (240) residential units and their supporting facilities.

2.02 Description of Residential Units. Each Unit (including its undivided interest in the Common Areas and Facilities in the percentages hereinafter established and delineated) shall for all purposes constitute real property which may be owned in fee simple and which, subject to the provisions of the Act and this Declaration, may be transferred, conveyed, and encumbered in the same manner as any other real property. Such undivided interest in the Common Areas and Facilities shall not be separated from the Unit to which it appertains and shall be deemed to be conveyed or encumbered with the Unit even though such interest is not expressly stated or referred to in the conveyancing instrument. The boundaries to all improvements of each Unit shall be deemed to be: (1) the subflooring material of the floors; (2) beneath the interior surfacing material (sheetrock) of all perimeter walls, interior bearing walls and/or bearing partitions; (3) above the interior surfacing material (sheetrock) of the ceiling; and further excluding all pipes, ducts, wires, conduits, and other facilities for the furnishing of utilities and other services to Condominium units and Common Areas and Facilities up to and including the point of entry of such pipes, ducts, wires, and conduits through the interior surfacing material for floors, ceilings and/or walls. All such pipes, ducts, wires, conduits and other such facilities shall become a part of the respective units at such point of entry thereof, as more particularly described in Exhibit "B" attached hereto and by this reference made a part hereof. The location and dimensions of the boundaries of each Unit, to the extent that such boundaries lie within or coincide with the boundaries of any structure which contains or constitutes all or part of any Unit, are depicted on the Plat and Plans. Prior to the first conveyance of any Unit by the Declarant, the Declarant will cause a certificate in the form of Exhibit "C" hereto, which is by this reference made a part hereof, to be recorded in accordance with the provisions of North Carolina General Statutes Section 47A-15. The Units are identified in the Plans by the Unit identifying numbers shown on Exhibit "D" attached hereto and by this reference made a part hereof, which Exhibit also serves to set forth (i) the approximate area of each Unit, and (ii) the allocation of interest in the Common Areas and Facilities, voting rights in the Association and liabilities for Common Expenses to each Unit.

2.03 Description of Common Areas and Facilities; Use Charges.

Ownership of each Unit shall entitle the owner thereof to the exclusive use of those portions of the Common Areas and Facilities consisting of (a) any heating and/or air conditioning compressors, units, components or other apparatus serving such Unit which may be located beyond the boundaries

thereof, (b) any entranceways, and appurtenant fixtures providing direct access to the Units, and (c) any owned or leased parking spaces or storage facilities designated for the use of a particular Unit or Units, and include, without limitation, plumbing, heating and air conditioning compressors and facilities, laundry room and equipment, the Property as hereinabove described, outside parking areas, storage areas, the halls, lobbies, elevators, and stairwells. The Association is hereby granted the right at any time and from time to time to impose charges for the use of certain of the Common Areas and Facilities.

2.04 Easements. The following easements from each Unit Owner to the other Unit Owners, the Association and the Declarant are hereby reserved and established:

- (a) Use and Enjoyment. Every Unit Owner, his successors, legal representatives, heirs and assigns, family, tenants and guests, shall have a right and easement of use and enjoyment in and to the Common Areas and Facilities (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 and such easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions: The right of the Association to control the use and enjoyment thereof as provided in Articles VIII and IX hereof.
- (b) Maintenance and Repair. There shall be an easement through the Units and the Common Areas and Facilities for the installation, maintenance, repair and replacement of Units and the Common Areas and Facilities. Use of this easement shall be only during normal business hours, except that access may be had at any time in the case of emergency.
- (c) Structural Support. Every portion of a Unit which contributes to the structural support of another Unit shall be burdened with an easement of structural support.
- (d) Utilities. The Association shall have the power to grant and accept easements over, through and across the Condominium for the installation, maintenance and replacement of utilities and other purposes, and as otherwise provided in the Act.
- (e) General. (i) There shall be a general easement to the Association, its directors, officers, agents and employees (including, but not limited to, any manager employed by the Association) to enter upon the Condominium or any portion thereof in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with the permission of the Unit Owner(s) directly affected thereby; (ii) the Declarant and his duly authorized agents, representatives and employees shall have an easement for the maintenance of sales offices and/or Model Units in the Condominium for so long as the Declarant and his duly authorized agents, representatives and employees shall have an easement on and over the Common Areas and Facilities for the purpose of making improvements in and to the Condominium and for the purpose of doing any and all things reasonably necessary and proper in connection therewith.

2.05 Allocation of Undivided Interest in Common Areas and Facilities. Pursuant to the provisions of North Carolina General Statutes, Sections 47A-6 and 47A-13(4), the undivided interest in the Common Areas and Facilities allocated to each Unit is that percentage set forth in Exhibit "D" attached hereto. The undivided interest in the Common Areas and Facilities hereby allocated to each Unit shall not be altered except to the extent otherwise expressly provided by the Act or permitted by this Declaration, and any purported transfer, encumbrance, or other disposition of that interest without the Unit to which it appertains shall be void.

2.06 Limitation Upon Right of Owners to Alter and Modify Condominium Units: No Right to Alter Common Property.

No Owner of a Condominium Unit shall permit any structural modification or alteration to be made to such Condominium Unit without first obtaining the written consent of the Association, which consent may be withheld in the event that a majority of the Board of Directors of the Association shall determine, in their sole discretion, that such structural modifications or alterations would adversely affect or in any manner endanger the Condominium in part or in its entirety. No Owner shall cause any improvements or changes to be made on the exterior of the Condominium (including painting or other decorations, or the installation of electrical wiring, television or radio antennae or any other objects, machines or air conditioning units which may protrude through the walls or roof of the Condominium) or in any manner alter the appearance of the exterior portion of any building without the written consent of the Association being first had and obtained. No Unit Owner shall cause any object to be fixed to the Common Property or to any Limited Common Area (including the location or construction of fences, athletic equipment, the planting or growing of flowers, trees, shrubs or any other vegetation) or in any manner change the appearance of the Common Property or Limited Common Area without the written consent of the Association being first had and obtained.

ARTICLE III
MAINTENANCE AND REPAIRS

3.01 Association. Except as may be otherwise specifically provided for herein, the responsibility of the Association with respect to the maintenance and repair of the Condominium shall be as follows:

- (a) To maintain in good working order and condition, repair and replace the Common Areas and Facilities, provided, however, that the Association may with the consent of Unit Owners to which Seventy-five percent (75%) of the voting rights of the Association appertain, alter the use or form of the Common Areas and Facilities including, without limitation, construction of improvements thereon, or elect not to repair or replace any portion of the Common Areas and Facilities, and,
- (b) To provide exterior maintenance of the buildings containing the Units, all as more particularly provided for in the By-Laws of the Association.

3.02 Unit Owner(s). The responsibility of a Unit Owner with respect to the maintenance and repair of his Unit, and the Common Area and Facilities appurtenant thereto, shall be as follows:

- (a) To maintain, repair and replace all portions of his Unit, and the Common Areas and Facilities appurtenant thereto, except those portions which are to be maintained, repaired or replaced by the Association. The responsibility of the Unit Owner shall include the maintenance, repair and replacement of all fixtures and equipment installed in his Unit as well as the maintenance, repair and replacement of the wiring, plumbing, heating ducts and components, the windows, screens and exterior lights, if any, serving his Unit except any such items that are Common Areas and Facilities under the description of unit boundaries set forth in Exhibit "B" attached hereto.
- (b) To keep in a neat, clean and sanitary condition his Unit and any Common Areas and Facilities serving his Unit.
- (c) To perform his responsibility in such manner so as not to unreasonably disturb other persons in other Units.
- (d) Not to paint or otherwise decorate or change the outside appearance of his Unit, any appurtenances thereto, or any Common Areas and Facilities serving his Unit unless the written consent of the Board of Directors of the Association, or any architectural committee appointed by the Board, is first obtained. Further, the design, type, location, size, color and intensity of all exterior lights shall be subject to control by the Board of

Directors of the Association.

- (e) To promptly report to the Association or its agents any defect or need for repairs, for which the Association is responsible.
- (f) Not to make any alteration in the portions of the Unit and the Common Areas and Facilities appurtenant thereto which are to be maintained by the Association, or to remove any portion thereof, or to make any additions thereto, or do anything with respect to the exterior or interior of the Unit which would or might jeopardize or impair the safety or soundness of any Unit without first obtaining the written consent of the Board of Directors of the Association and all Unit Owners and mortgagees of the Units affected, nor shall any Unit Owner impair any easement without first obtaining written consent of the Association and of the Unit Owner or Owners and their mortgagees for whose benefit such easement exists.
- (g) To pay for the cost of repairing, replacing or cleaning up any item which is the responsibility of the Unit Owner, but which responsibility such Owner fails or refuses to discharge (which the Association shall have the right, but not the obligation, to do), or to pay for the cost of repairing, replacing or cleaning up any item which, although the responsibility of the Association, is necessitated by reason of the willful or negligent act of the Unit Owner, his family tenants or guests, with the costs thereof to be specifically assessed against such Unit Owner in accordance with Section 4.20 of Article IV hereof and the By-Laws of the Association.

ARTICLE IV ASSESSMENTS

4.01 General Obligation. Each Unit Owner shall be responsible for and hereby covenants and agrees to pay to the Association all sums lawfully assessed by the Association against that Unit Owner or Unit, whether for the share of the Common Expenses appertaining to that Unit or otherwise, including those special assessments described in Section 4.02 hereinbelow, which assessments are to be fixed, established and collected from time to time by the Board of Directors of the Association in accordance with this Declaration and the By-Laws of the Association. Pursuant to North Carolina General Statutes Section 47A-22, such assessments shall constitute a lien in favor of the Association on the Unit or Units against which each such assessment is levied. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within sixty (60) days after the due date, the assessment shall bear interest from the date of delinquency 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, with interest, costs and reasonable attorney's fees of any such action, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Unit.

4.02 Maximum Annual Assessments. Until January 1 of the year immediately following the conveyance of the first Lot, or Living Unit to an Owner, the maximum monthly assessment shall be Ninety and No/100 Dollars (\$90.00) per Lot.

- (a) From and after January 1 of the year immediately following the conveyance of the first Lot, or Living Unit to an Owner, the maximum annual assessment may be increased by Five Percent (5%) without a vote of membership, effective January 1 of each year.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 5%, as specified above, by a vote of the members provided that any such increase above the maximum 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. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Corporation is authorized to participate under its Articles of Incorporation.

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

4.03 Special Assessments. In addition to the annual assessment authorized above, each owner of a Unit shall be liable for and shall pay special assessments for Common Expenses of an extraordinary nature or in extraordinary amounts incurred by the Association, as follows: (a) any Common Expenses benefiting less than all of the Units shall be specifically assessed equitably among all of the Units so benefited; (b) any Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Units or by the licensees or invitees of any such Unit or Units, the conduct of any occupant, licensee or invitee of which occasioned any such Common Expenses; and (c) any other Common Expenses significantly benefiting all of the Units shall be assessed equitably among such Units. In addition to the special assessment for reconstruction or repair of casualty damage, the Board of Directors of the Association may levy special assessments for the purpose of defraying, in whole or in part, the cost of any capital addition to or capital improvement of the Common Areas and Facilities (including the necessary fixtures and personal property related thereto), which is for the benefit of all Unit Owners in the Condominium as a whole. The Association shall endeavor to anticipate and budget for special assessments, and to collect such assessments in monthly installments over a reasonable period of time; provided, however, nothing herein shall prevent the Association from requiring payment of a special assessment if a lump sum payment is in the best interest of the Association.

4.04 Allocation of Liability for Common Expenses. The amount of all Common Expenses, except for expenses specifically assessed pursuant to Section 4.02 above, shall be assessed against the Units in accordance with the respective percentage allocations of liability for Common Expenses attributable to each Unit as provided for in Exhibit "D" attached hereto.

4.05 Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust and ad valorem taxes. Sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to mortgage or tax 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 Unit from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V INSURANCE

5.01 General Obligation and Authority. The Association shall obtain and maintain at all times (a) insurance for all of the insurable improvements on the Property (with the exception of improvements and betterments made by the respective Unit Owners or occupants) against loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief, in an amount consistent with the full replacement value of such insurable improvements, (b) fidelity coverage against dishonest acts on the part of its directors, officers, employees, agents and volunteers responsible for handling funds belonging to or administered by the Association in an amount equal to not less than one and one-half times the Association's estimated public liability insurance, in amounts established by the Board of Directors of the Association from time to time, but in no event shall such amounts be less than \$500,000.00 for injury, including death, to a single person, \$1,000,000.00 for injury or injuries, including death arising out of a single occurrence and \$50,000.00 property damage, and (d) such other types of insurance either required by law or authorized by the Board of Directors from time to time, including flood hazard insurance, if necessary. All insurance policies obtained by the Association shall be for the benefit of the Association, the owners and their mortgagees as their interests may appear. The Unit Owners

may, at their option and own expense, obtain insurance coverage upon their personal property and such other coverage as they may desire.

5.02 Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit 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 elsewhere stated herein or stated in the Bylaws and for the benefit of the Unit Owners and their mortgagees in the following shares:

- (a) Proceeds on account of damage to common areas and facilities shall be held for the Association.
- (b) Proceeds on account of damage to Unit shall be held in undivided shares for the Owners of damaged Units in proportion to the cost of repairing the damage suffered by each Unit Owner, which cost shall be determined by the Association.
- (c) In the event a mortgagee endorsement has been issued to a Condominium, the share of the Owner shall be held in trust for the mortgagee and the Owner as their interest may appear.

5.03 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) Reconstruction or Repair, as provided above,
- (b) Expense of loss settlement incurred by the Trustee,
- (c) Any proceeds remaining after defraying such cost shall be retained by the Association.

ARTICLE VI CASUALTY LOSSES

6.01 Damage and Destruction. Immediately after the damage or destruction by fire or other casualty to all or any part of the Condominium covered by insurance purchased by the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance with respect to property losses of Unit Owners other than Declarant pursuant to the terms of the By-Laws of the Association.

ARTICLE VII EMINENT DOMAIN

7.01 Notice to Mortgagees. The Association, immediately upon having any knowledge of the institution or threat of any proceedings or other action with respect to the taking of Units, the Common Areas and Facilities, or any portion of any Unit or Common Areas and Facilities in condemnation, eminent domain, or other proceedings or actions involving any unit of government or any other person having the power of eminent domain and shall notify all Unit Owners and all mortgagees having an interest therein whose names and addresses have previously been furnished to the Association together with a written request for such notice. Any such mortgagee may, if permitted by law, participate in any such proceedings or actions or, in any event, may participate in negotiations in connection therewith, but shall not have the obligation to do so.

ARTICLE VIII USE RESTRICTIONS

8.01 Residential Purposes. All Units shall be, and the same hereby are, restricted exclusively to residential use. No structures of a temporary character, trailers, or tents shall be used as a residence on any portion of the property at any time either temporarily or permanently.

8.02 Use Restrictions; Units Subject to Declaration, Bylaws and Rules and Regulations.

To assure the harmony of the Unit Owners and protect the value of the Units, the Property, including all improvements thereon, shall be subject to the use restrictions set forth in Exhibit "E" attached hereto and by this reference made a part hereof. The Board of Directors of the Association is hereby empowered to promulgate Rules and Regulations governing occupancy and use of the Condominium and to amend the same from time to time, which Rules and Regulations shall supplement and be in addition to the use restrictions set forth in Exhibit "E" hereto. All present and future owners, tenants and occupants of Units shall be subject to, and shall comply with the provisions of this Declaration, the Bylaws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the Bylaws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenants, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

**ARTICLE IX
THE CONDOMINIUM ASSOCIATION AND ADMINISTRATION**

9.01 General. The Association has been incorporated as a North Carolina nonprofit membership corporation under the North Carolina Nonprofit Corporation Act. The organization of the Association has been duly effectuated including appointment of the first Board of Directors and election of its initial officers. The Declarant shall have the right to appoint or remove any member or members of the Board of Directors or any officer or officers of the Association until such time as the first of the following events occur: (a) the expiration of three (3) years after the recording of this Declaration; (b) the date as of which Units to which three-fourths (3/4) of the undivided interests in the Common Areas and Facilities appertain shall have been conveyed by the Declarant to Unit Owners other than a person or persons constituting the Declarant; (c) the surrender by the Declarant of the authority to appoint and remove members of the Board of Directors and officers of the Association by an express amendment to this Declaration executed and recorded by the Declarant. Except for certain greater than majority voting requirements provided herein and in the Bylaws of the Association, no limitations or restrictions on the powers of the Association or its Board of Directors are provided herein, however, so long as the Declarant owns Units representing undivided ownership in the Common Areas and Facilities of ten percent (10%) or more, the Association may not, without the consent of the Declarant (i) make any addition, alteration or improvement to the Common Areas and Facilities or any Unit, (ii) assess any Common Expenses for the creation of, addition to or replacement of all or part of any reserve, contingency or surplus funds, (iii) enter into any service or maintenance contract for work covered by contracts in existence on the date the Declaration is recorded, or (iv) borrow money for any purpose.

9.02 Allocation of Votes in the Association. Each Unit Owner shall automatically be a member of the Association, which membership shall continue as long as the Unit Owner maintains ownership of the Unit. The number of votes in the Association hereby allocated to each Unit is set forth in Exhibit "D" attached hereto. Said votes shall be cast under such rules and procedures as may be prescribed in the Bylaws of the Association, as amended, or by law.

9.03 Meetings. Meetings of the members of the Association shall be held in accordance with the provisions of the Association's Bylaws, and in any event at least once annually. At the annual meeting, reports of the affairs, finances and budget projections of the Association shall be made to the Unit Owners.

9.04 Rules and Regulations. Reasonable regulations concerning the use of the units, appurtenances thereto, and the Common Areas and Facilities may be made and amended from time to time by the Board of Directors of the Association; provided, however, that copies of such regulations and amendments thereto shall be promptly furnished by the Association to all Unit

Owners. Failure to abide by any regulation, rule or requirement shall be grounds for action by the Association or any aggrieved Unit Owner to recover damages, or obtain injunctive and equitable relief or both.

9.05 Liability. To the extent obtainable, the Association shall maintain public liability insurance coverage for the directors and officers of the Association. Further, each director and each officer of the Association shall be held harmless by the Unit Owners from expense, loss or liability by reason of having served as such director or as such officer and shall be indemnified by all the Unit Owners (as a Common Expense) against all expenses and liabilities, including reasonable attorney's fees, incurred by or imposed upon him in connection with any proceeding to which he may be a part, or have become involved by reason of being such director or such officer, whether or not he is a director or officer at the time such expenses and liability arise from a proceeding in which such director or such officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, however, that in the event of a settlement or the acceptance of a plea nolo contendere, the indemnification shall apply only when the Board of Directors approves such settlement or plea and reimbursement as being in the best interests of the Association.

9.06 Compensation. No director or officer of the Association shall receive any fee or compensation for services performed by him unless such a fee or compensation is first fixed by a resolution adopted by a majority vote of the Unit Owners present in person or by proxy at a meeting duly called and held for such purposes.

ARTICLE X
GENERAL PROVISIONS

10.01 Status of Declarant. Notwithstanding anything to the contrary in this Declaration or in the Articles of Incorporation or the Bylaws of the Association, Declarant hereby retains the right to appoint and remove any member or members of the Board of Directors of the Association and any officer or officers of the Association, as provided for in Section 9.01 of Article IX of this Declaration. Every grantee of any interest in the Condominium, by acceptance of a deed or other conveyance of such interest, agrees that the Declarant shall have such authority to appoint and remove members of the Board of Directors and officers of the Association.

Upon the expiration of the period of the Declarant's right to control the Association pursuant to said Section 9.01 of Article IX, such right to control shall automatically pass to the Unit Owners (including the Declarant if the Declarant then owns one (1) or more Units). During the period of Declarant's control, the Declarant shall be jointly responsible and liable with the members of the Board of Directors and officers to the Unit Owners for the books, records and accounts of the Association being in proper order, the Association being in good standing under the laws of the State of North Carolina, and the affairs of the Association having been conducted in a prudent and businesslike manner. Nothing herein contained shall make any successor to the Declarant responsible or subject to liability by operation of law or through purchase of the Declarant's interest in the Property (or any part thereof) at foreclosure or any proceeding in lieu thereof for any act, omission or matter occurring, or arising from any act, omission or matter occurring, prior to the time such successor succeeded to the interest of the Declarant.

Any management contract or lease of recreational areas or facilities, if any, or any other contract or lease executed by or on behalf of the Association during the period of the Declarant's right to control the Association, shall be subject to cancellation and termination, without cause and without penalty, at any time during the twelve (12) months next immediately following the expiration of such control period by an affirmative vote of a majority of the votes cast by members qualified to vote, unless the Unit Owners by a like majority shall have theretofore, following the expiration of such control period, expressly ratified and approved the same.

10.02 Amendment. So long as the same shall not (a) adversely affect the title to any Unit Owner's Unit, (b) change the percentage or fraction of undivided ownership interest in and to the Common Areas and Facilities of the

Condominium appurtenant to any Unit Owner's Unit, (c) materially alter or change any Unit Owner's right to the use and enjoyment of his Unit or the Common Areas and Facilities as set forth in this Declaration, or (d) otherwise make any material change in this Declaration, each Unit Owner agrees that, if requested to do so by Declarant, such Unit Owner will consent to the amendment of this Declaration (i) if such amendment is necessary to bring any provisions hereof into compliance with any applicable governmental statute, rule, regulation or judicial determination which shall be in conflict therewith, (ii) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Units subject to this Declaration, (iii) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the FHLMC or FHMA to enable such lender or purchaser to make or purchase mortgage loans on the Unit subject to this Declaration, or (iv) if any such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Unit subject to this Declaration. Further, this Declaration may also be amended at any time and from time to time by the assent of Unit Owners having at least two-thirds (2/3) of the total vote of the Association, provided, however, that during such time that the Declarant has the right to control the Association pursuant to Section 9.01, of the said Article IX, such amendment shall require the agreement of Declarant and the assent of Unit Owners who together hold at least two-thirds (2/3) of the votes of the Association, exclusive of any votes held by the Declarant. Also, any provision in this Section to the contrary notwithstanding, no amendment to this Declaration shall alter, modify, change or rescind any right, title, interest or privilege herein granted or afforded to the holder of any mortgage or deed of trust affecting any of the Units in the Condominium, unless such holder shall consent thereto in writing. Amendments to this Declaration may be proposed by the Declarant, the Board of Directors of the Association, or by petition signed by Unit Owners who together hold at least thirty percent (30%) of the total votes of the Association. Agreement of the required majority of Unit Owners to any amendment of this Declaration shall be evidenced by their execution of the amendment, or, in the alternative and provided that the Declarant does not then have the right to control the Association pursuant to said Section 9.01 of Article IX, the sworn statement of the President or any Vice President and acknowledged by the Secretary of the Association attached to or incorporated in an amendment executed by the Association, in which sworn statement it is unequivocally stated that agreement of the required majority of Unit Owners was otherwise lawfully obtained. Any such amendment of this Declaration shall become effective only when recorded, or at such later date as may be specified in the amendment itself. The written consent of any mortgagee required with respect to such amendment shall also be recorded with and at the same time such amendment is recorded.

10.03 Rights of Third Parties. This Declaration shall be recorded pursuant to the provisions of the Act for the benefit of Declarant, the Unit Owners and their mortgagees as herein provided. No adjoining property owner or third party shall have any right, title or interest whatsoever in the Condominium or in the operation or continuation thereof or in the enforcement of any of the provisions hereof arising from the recordation of the Declaration. Subject to the rights of the Declarant and their mortgagees as herein provided, the Unit Owners shall have the right to cancel, extend, modify, amend or otherwise change the provisions of this Declaration without the consent, permission or approval of any adjoining owner or third party.

10.04 Termination. The Condominium shall be terminated, if at all, in the following manner: (1) The termination of the Condominium may be effected only by the unanimous agreement of all Condominium Unit Owners expressed in a duly recorded instrument; and, provided that the holders of all liens affecting any of the Condominium Units consent thereto, or agree, by instrument duly recorded, that their liens be transferred to the percentage of the undivided interest of the Condominium Unit Owner in the Property as provided in subparagraph "2" below. The termination shall become effective when such agreement has been recorded in the public records of Wake County, North Carolina. (2) Upon the effective date of a termination agreement, all of the property constituting the Condominium shall be owned by the Unit Owners as tenants-in-common in proportion to their respective undivided interest in the Common Areas and Facilities immediately

prior to such effective date. As long as such tenancy-in-common lasts, each Unit Owner and his heirs, representatives, successors and assigns, shall have the same right of occupancy and use of that portion of such property which formerly constituted his Unit and the Common Areas and Facilities appurtenant thereto, if any, as existed immediately prior to termination, and a non-exclusive right to use that portion of said property which formerly constituted Common Areas and Facilities. Upon the effective date of a termination agreement, any rights the Unit Owners may have to the assets of the Association shall be in proportion to their respective undivided interest in the Common Areas and Facilities immediately prior to such effective date, and any distribution thereof to the Unit Owners shall be to such owners and their mortgagees as their interest may appear. Upon the effective date of a termination agreement, mortgages and liens affecting each Unit shall be deemed to be transferred in accordance with their existing priorities to the undivided interest of the Unit Owner in the property which formerly constituted the Condominium. After the effective date of a termination agreement, and except as otherwise expressly provided in the Act, the property which formerly constituted the Condominium and the rights and obligations of the former Unit Owners with respect thereto shall be subject to and governed by the laws of the State of North Carolina pertaining to tenancies-in-common as long as such tenancy-in-common lasts. (3) The members of the Board of Directors acting collectively as agent for all Condominium Unit Owners, shall continue to have such powers as granted herein, even though the Association may be dissolved upon a termination.

10.05 Enforcement. Each Unit Owner shall comply strictly with the By-Laws and with the administrative rules and regulations adopted pursuant thereto, as they may be lawfully amended from time to time and with the covenants, conditions and restrictions set forth in this Declaration or in the deed to his Unit. In the event of a violation or breach, or threatened violation or breach, of any of the same, Declarant, the Association or any aggrieved Unit Owner, jointly and severally, shall have the right to proceed at law or in equity to compel compliance therewith or to prevent a threatened violation or breach thereof. Should the Declarant or the Association employ legal counsel to enforce any of the foregoing, all costs incurred in connection with such enforcement, including a reasonable fee for counsel, shall be paid by the violating Unit Owner. Inasmuch as the enforcement of the provisions of this Declaration and the By-Laws and such administrative rules and regulations is essential for the effectuation of the general plan of development contemplated hereby and for the protection of present and future Unit Owners, it is hereby declared that if any breach thereof cannot be adequately compensated by recovery of damages, that the Declarant, the Association, or any aggrieved Unit Owner, in addition to all other remedies, shall be entitled to injunctive relief to restrain any such violation or breach or threatened violation or breach. Further, in any case of flagrant or repeated violation by a Unit Owner, then, in addition to the foregoing remedies, the Board of Directors of the Association may levy summary charges against the Unit Owner for such violation provided that no summary charges may be levied for more than \$25.00 for any one violation; but each day or time a violation is continued or repeated after written notice is given to the Unit Owner to cease and desist, it shall be considered a separate violation. Collection of summary charges may be enforced against a Unit Owner as if such charges were a Common Expense owed by the Unit Owner involved. No delay, failure or omission on the part of Declarant, the Association or any aggrieved Unit Owner in exercising any right, power or remedy herein provided shall be construed as an acquiescence therein nor shall be deemed a waiver of the right to do so thereafter as to the same violation or breach, nor as to a violation or breach occurring prior to or subsequent thereto, and shall not bar or affect its enforcement. No right of action shall accrue nor shall any action be brought or maintained by anyone whatsoever against Declarant or the Association for or on account of any failure to bring any action on account of any violation or breach, or threatened violation or breach, of the provisions and regulations, however long continued, nor for the imposing of provisions which may be unenforceable.

10.06 Duration. Unless the Condominium is terminated as herein provided, the provisions of this Declaration shall run with and bind the Property and shall be and remain in effect perpetually to the extent permitted by North Carolina law; provided, however, so long as North Carolina law limits the period during which covenants restricting lands to certain uses may

run, any provisions of this Declaration affected thereby shall run with and bind the Property so long as permitted by such law, and it shall be the duty of the Board of Directors of the association to cause this Declaration to be amended of record when necessary by filing a document bearing the signatures of Unit Owners having a majority of the voting interest in the Condominium reaffirming and newly adopting such provisions in order that the same may continue to be covenants running with the land of the Condominium. Such adoption by a majority shall be binding on all. Every purchaser or grantee of any interest in any property made subject to this Declaration, by acceptance of a deed or other conveyance therefor, thereby agrees that the provisions of this Declaration shall run with and bind the Property as provided hereby.

10.07 Limitations. Anything herein to the contrary notwithstanding, unless all the first mortgagees and all Unit Owners (other than the Declarant) have given their prior written approval, the Association shall not be entitled to:

- (a) by act or omission, seek to abandon or terminate the Condominium;
- (b) change the pro-rata interest or obligations of any Unit for the purpose of: (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro-rata share of ownership of each Unit in the Common Areas and Facilities;
- (c) partition or subdivide any Unit;
- (d) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas and Facilities; provided, however, that the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Areas and Facilities by the Condominium shall not be deemed a transfer within the meaning of this provision; and
- (e) use hazard insurance proceeds for losses to any Condominium property (whether to Units or to Common Areas and Facilities) for other than repair, replacement or reconstruction of such property, except as provided by statute, in case of substantial loss to the Units and/or Common Areas and Facilities of the Condominium.

Anything herein to the contrary notwithstanding, this Declaration shall not be deemed to give any Unit Owner or any other party priority over any rights of the first mortgagee of a Unit pursuant to its mortgage in the case of a distribution to such Unit Owner of insurance proceeds or condemnation awards for losses to or taking of any portion of any Unit or the Common Areas and Facilities.

10.08 Service of Process. The following named individual is designated as the person to receive service of process for the Association:

Westgrove Tower
c/o Robert L. Jones
1201 Front Street
Raleigh, North Carolina 27619

10.09 Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

10.10 Captions. The captions of each Article and Section hereof as to the contents of each Article and Section are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Article or Section to which they refer.

10.11 Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provisions of this Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.

10.12 Interpretation. In all cases, the provisions set forth or provided for in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of Declarant, so long as the Declarant maintains control of the Association under the provisions of Section 9.01, or the Association will best effect the intent of the general plan of development. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective.

10.13 Controlling Law. The terms and conditions of this Declaration shall be governed by the laws of the State of North Carolina.

10.14 Recordation. This Declaration is to be recorded in the office of the Register of Deeds of Wake County, North Carolina, pursuant to North Carolina General Statutes Section 47A-2.

10.15 Rights of First Mortgagees. All first mortgagees shall be entitled, upon written request to the Association, to receive the financial statement of the Association for the immediately preceding fiscal year.

10.16 Rights of Lenders. Upon written request to the Association, identifying the name and address of the lender and the Unit number or address for which information is required, any lender will be entitled to receive timely written notice of:

i) Any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing any such individual lender's security interest (including, but not limited to, a deed of trust to secure debt or a mortgage) in such Unit;

ii) Any sixty (60) day delinquency in the payment of assessments or charges owed by the Owner of any Unit securing such individual lender's security interest (including, but not limited to, a deed of trust to secure debt or a mortgage) in such Unit.

iii) A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

iv) Any proposed action which requires the consent of a specified percentage of lenders.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be properly executed and sealed the day, month, and year first above written.

WESTGROVE TOWER, A North Carolina Partnership

BY: RINGGOLD DEVELOPMENT COMPANY, INC.,
A North Carolina Corporation, General Partner



BY: James W. Ward
James W. Ward, President

ATTEST:

Alfred P. Carlton, Jr.
Alfred P. Carlton, Jr.
Assistant Secretary

EXHIBIT "A
TO
DECLARATION OF CONDOMINIUM
FOR
WESTGROVE TOWER

BEGINNING at a concrete monument having North Carolina Grid Coordinates N=741,307.819 and E=2,089,017.540, said monument being located in the northern line of property known as the Western Boulevard K-Mart property; runs thence North 88° 39' 21" West 979.78 feet to an iron pipe in the eastern right of way line of Sneed Drive; runs thence with said right of way of the extension of Sneed Drive North 01° 03' 37" West 60 feet to an iron pipe; thence leaving Sneed Drive runs North 53° 52' 59" East 614.54 feet to an iron pipe; runs thence North 15° 51' 35" East 71.69 feet to an iron pipe; runs thence South 88° 44' 53 " East 459.72 feet to an iron pipe; runs thence South 00° 33' 58" East 504.15 feet to the point and place of Beginning, and containing 8.367 acres, all according to a plat of survey entitled "Westgrove Towers Condominiums" dated October 17, 1985, prepared by Kenneth Close, Inc., Registered Land Surveyors.

EXHIBIT "B" TO
DECLARATION OF CONDOMINIUM
FOR WESTGROVE TOWER

UNIT BOUNDARIES

Each Unit shall have as a lower horizontal boundary either the land subjacent thereto or in the alternative the horizontal plane of the upper surface of the concrete slab which serves as the floor of that Unit. The upper horizontal boundary of a Unit shall be the horizontal plane of the lower surface of the concrete slab which supports the floor or roof above. (Said floor and roof slabs being Common Areas and Facilities). The perimetrical or vertical boundaries of a Unit shall be the plane formed by the interior surface of the metal or wood members which are a part of the outside walls of the Unit, provided that any exterior door, window, or glass partition contained in a Unit shall be considered the perimetrical boundary thereof. With respect to common walls between Units, the perimetrical or vertical boundary of the Unit served thereby shall be the vertical boundary of the Unit served thereby shall be the vertical plane formed by the interior surface of the walls. (Said common walls between Units being Common Areas and Facilities). In interpreting deeds and plans, the existing physical boundaries of a Unit as originally constructed or of a Unit reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be its boundaries, rather than the metes and bounds expressed in any deed or plan, regardless of settling or lateral boundaries, shown on the plan or in a deed and those of the Unit. Exterior doors and exterior glass surface, such as windows serving a Unit, shall be included within the boundaries of the Unit. Also, heating and air-conditioning systems serving a Unit, such as the compressor and condenser for an air-conditioner, and appliances and plumbing fixtures within a Unit shall be construed to be a part of the Unit. If any chutes, flues, ducts, conduits, wires, pipes, bearing walls, bearing columns, or any other apparatus lie partially within and partially outside of the designated boundaries of a Unit, any portions thereof serving only that Unit shall be deemed a part of that Unit, while any portions thereof serving more than one Unit or any part of the Common Areas and Facilities shall be deemed a part of the Common Areas and Facilities.

In the event that any Unit shall have an enclosed protrusion which extends beyond the vertical boundaries of the Unit or the vertical boundaries of the floor above or below, said enclosed protrusion shall be deemed a part of the Unit and the boundaries of the Unit shall be extended to include same.

EXHIBIT "C"
TO
DECLARATION OF CONDOMINIUM
FOR
WESTGROVE TOWER

ARCHITECT'S CERTIFICATION

BEFORE me came in person, James G. Hite, of James G. Hite, ARCHITECT, who, having been duly sworn, on oath says as follows:

THAT he is a registered architect and has visited the site at 4700 Westgrove Street, Raleigh, Wake County, North Carolina, and viewed the property known or to be known as Westgrove Tower and that, to the best of his knowledge, information and belief: (a) the foundation, structural members, exterior walls and roof of each structure which contain or constitute all or any part of said property are substantially complete and in place as shown on plans therefor entitled "Plans for Westgrove Tower" (hereinafter referred to as the "Plans"), which Plans are to be filed in the Office of the Register of Deeds, of Wake County, North Carolina simultaneously with the filing of the Declaration for Westgrove Tower to which this Certification shall be attached and, by reference, made a part thereof: (b) the walls, partitions, floors and ceilings, to the extent shown on said Plans as constituting or coinciding with the vertical and/or horizontal boundaries of each Unit within each such structure, are sufficiently complete and in place to clearly establish the physical boundaries of each such Unit, and that such physical boundaries are substantially as shown on said Plans, (c) each such structure is constructed substantially in accordance with such plans, and (d) that the attached Plans fully and accurately depict the layout, location, ceiling and floor elevations, unit numbers and dimensions of the units, as built; (e) said Plans as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings.

James G. Hite, ARCHITECT

BY: _____
 James G. Hite

SWORN TO AND SUBSCRIBED
 before me this ____ day
 of _____, 1986.

 Notary Public

My Commission Expires: _____

EXHIBIT "E"
TO
DECLARATION OF CONDOMINIUM
FOR
WESTGROVE TOWER
USE RESTRICTIONS FOR RESIDENTIAL
PORTIONS OF THE PROPERTY

1. Business Activities. No business activities shall be conducted on the portions of the Property designated for residential use; provided, however, the foregoing restriction shall not apply to the business activities, signs and billboards of the Declarant, its agent or assigns, during the sale period in which the Declarant holds any Unit primarily for sale to third parties.

2. Signs. Except as may be required by legal proceedings, no "For Sale" or "For Rent" signs or advertising posters of any kind shall be maintained or permitted on any portion of the Property without the express written permission of the Board of Directors of the Association first having been obtained. The approval of signs and posters shall be upon such conditions as may from time to time be determined by the Board of Directors; provided, however, that this provision shall not apply to the Declarant.

3. Pets. No animals or birds, other than a reasonable number of generally recognized house pets, shall be kept or maintained on any portion of the Property and then only if they are kept or maintained solely as domestic pets and not for commercial purposes. No animal or bird shall be allowed to make an unreasonable amount of noise or to become a nuisance. No structure for the care, housing or confinement of any animal or bird shall be constructed or maintained outside any area serving a Unit. Pets shall be under leash when walked or exercised in the Common Areas. Upon the written request of any Unit Owner, the Board of Directors of the Association shall conclusively determine, in its sole and absolute discretion, whether for the purposes of this section, a particular animal or bird is a generally recognized house pet, or a nuisance, or whether the number of animals or birds in any Unit is unreasonable. Further, notwithstanding the foregoing provisions hereof, no structure for the care, housing or confinement of any animal or bird shall be constructed or maintained within any area which is not fully enclosed unless the same shall be approved in writing by the Board of Directors of the Association.

4. Use of Common Areas and Facilities. The use and enjoyment of the Common Areas and Facilities by the Unit Owners, their families, visitors, guests, servants and agents, shall be subject to such reasonable rules and regulations as may be made and amended from time to time in accordance with the Declaration and By-Laws of the Association. It is expressly acknowledged and agreed by all parties concerned that this section is for the mutual benefit of all Unit Owners in the Condominium and is necessary for the protection of the Unit Owners.

5. Antennas. No antenna or other device for the transmission or reception of television signals, radio signals, or any form of electromagnetic radiation shall be erected, used, or maintained outdoors on any portion of the Property, whether attached to a building or structure or otherwise provided, however, Declarant and the Association shall have the right to erect, construct and maintain such devices.

6. Outside Clothes Drying Facilities. Outside clothes lines or outside facilities for drying or airing clothes are specifically prohibited and shall not be erected, placed or maintained on any portion of the Property.

7. Exterior Appearance. To provide a neat, attractive and harmonious appearance through the Condominium, no awnings, shades or screens shall be attached to, hung or used on the exterior of any window or door of a Unit without the prior written consent of the Board of Directors of the Association. Also, no foil or other reflective material shall be used on any windows for sun screens, blinds or any other purpose.

8. Nuisances. No rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any portion of the Property, and no odors shall be permitted to arise therefrom, so as to render any portion thereof unsanitary, unsightly, or offensive to persons using or occupying other portions of the Property. No nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to persons using or occupying other portions of the Property. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes, shall be

located, used or placed on the Property. Any Unit Owner (or his family, servants, agents or guests) who shall dump or place any trash or debris upon any portion of the Property shall be liable to the Association for the actual cost of the removal thereof or the sum of \$25.00 whichever is greater, and the same shall be added to and become part of that portion of any assessment next coming due to which the Unit Owner is subject.

9. Prohibited Activities. Noxious or offensive activities shall not be carried on in any Unit or in the Common Areas and Facilities. Each Unit Owner, his family, visitors, guests, servants and agents shall refrain from any act or use of his Unit or the Common Areas and Facilities which could reasonably cause embarrassment, discomfort, annoyance or nuisance to the occupants of the Units, or which could result in the cancellation of insurance on any Unit or any portion of the Common Areas and Facilities, or which would be in violation of any law or governmental code or regulation.

Without limiting the generality of the foregoing, it is hereby specifically provided that the following uses shall be prohibited in the portions of condominium property designated for residential use: (1) game rooms, (2) dance halls, (3) distribution or sale of literature or any other activity which may be considered lewd, indecent, pornographic or designed primarily for adult entertainment.

10. Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly or unkempt conditions, shall not be pursued or undertaken on any portion of the Property.

11. No Discrimination. No action shall at any time be taken by the Association or its Board of Directors which in any manner would discriminate against any Unit Owner or Unit Owners in favor of any other Unit Owner or Unit Owners.

12. Governmental Regulations. All governmental building codes, health regulations, zoning restrictions and the like applicable to the Property shall be observed. In the event of any conflict between any provision of any such governmental code, regulation or restriction and any provision of this Declaration, the more restrictive provision shall apply.

13. Sale Period. Notwithstanding any provisions contained in the Declaration to the contrary, it shall be expressly permissible for Declarant and its duly authorized agents, representatives and employees to maintain and carry on, during the period of the sale of the Units by the Declarant, upon such portion of the Property as Declarant may deem necessary, such facilities and activities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the renovation and sale of said Units, including, but without limitation, offices, signs and model units. The right to maintain and carry on such facilities and activities shall include specifically the right to use a model unit and parking facilities adjacent thereto for such purposes.

RULES AND REGULATIONS

The following Rules and Regulations are provided to ensure the peaceful enjoyment, maintenance of value, and security of your condominium and the Common Areas and Facilities of WESTGROVE TOWER. Although some rules and regulations may appear to be an inconvenience to some, they will be more acceptable if consideration is given to the benefits of the entire WESTGROVE TOWER.

INTERIOR MAINTENANCE:

1. Maintenance and repair of elevators and of the central entrance doors and locks, if any, is the responsibility of the Association.

2. Maintenance and repair of the entrance door and locks and windows and latches of each Unit is the responsibility of the Unit Owner; however, the painting of the hall side of the entrance door and the outside of the windows is the responsibility of the Association.

3. A Unit Owner shall be responsible and shall pay for any damage or waste resulting from stoppage in the plumbing pipes as a result of misuse or neglect and shall reimburse the Association on demand for the expense incurred in the repair or replacement of any such equipment due to such damage or waste.

EXTERIOR ALTERATIONS:

4. Attaching awnings or anything that will affect the exterior appearance of the building and any attachments, alterations or modifications to any of the Common Areas and Facilities, whether inside or outside the building, must have the prior written approval of the Board of Directors.

5. No radio aerial, television antenna or other radio installation shall be installed on the exterior of the building without the prior written consent of the Board of Directors.

6. No Unit Owner, his employees, agents or guests shall mark, paint, drill or in any way deface any exterior wall nor shall any unit owner, his employer, agents or guests in any way damage or deface the grounds or other facilities including any shrubbery on the grounds.

COMMON AREAS AND FACILITIES:

1. Trash receptacles are provided on the premises and should be used exclusively for the deposit of trash.

2. Unit Owners shall not allow furniture, packages or articles of any kind to remain in corridors except for short periods incidental to moving same in or out of the building or to cleaning and rearranging.

3. The sidewalks, entrances, halls, passages, elevators and stairways shall not be obstructed by the Unit Owners or used by them for any other purpose than for ingress and egress. The sidewalks, parking areas, entrances, porches, floors and other Common Areas and Facilities shall be kept free from rubbish and no bicycles, lawn chairs or other articles of like kind shall be permitted to remain on the grounds except when in use.

4. Janitors, maids and gardeners may be employed by the Association to maintain the Common Areas and Facilities of Westgrove Tower. Unit Owners are prohibited from employing or in any way using Association personnel for personal tasks during their normal working hours. Violation of this rule will result in the immediate dismissal of the employee.

SECURITY:

The Board of Directors shall retain a pass key to each Unit. No Unit Owner shall alter any lock or install a new lock without the written consent of the Board of Directors, and if permission is granted, a key to the new lock must be given to the Board of Directors. This key will be used only in the event of an emergency or to service Common Areas and Facilities and equipment.

DISTURBING NOISES AND NUISANCES:

1. No Unit Owner shall make or permit any disturbing noises in the building by himself, his family, servants, employees, agents, visitors or licensees, nor do or permit anything that will interfere with the rights, comfort or convenience of another Unit Owner.

2. No motorcycles, motorbikes, motor scooters, minibikes, go-carts or any other motorized vehicle which generates excessive or objectionable noises shall be permitted.

3. No signs, ads or solicitations are permitted in or about the Property without the prior consent of the Association. The Declarant shall be exempt from this regulation.

CHANGES IN RULES AND REGULATIONS:

The Association may, in accordance with the By-Laws, alter, amend, revoke or add to these Rules and Regulations for the preservation of safety and order in the Condominium, for its care and cleanliness or for protection of the reputation thereof. When notice of any such alteration, amendment, revocation or addition is given to any resident, it shall have the same force and effect as if originally made a part of these Rules and Regulations.

AUTOMOBILE REGULATIONS:

1. No automobile shall be parked at any place on the condominium property except in the spaces provided and said spaces are to be used for parking of automobiles only. The parking of trailers and boats and other recreational equipment is prohibited with the exception of bicycle parking in the permitted space.

2. No automobile, moving van or delivery truck shall be parked, driven across or driven onto the lawn or walkways. Any damage resulting from the violation of this regulation shall be at the direct expense of the Unit Owner.

EXHIBIT "F" TO
DECLARATION OF CONDOMINIUM
FOR WESTGROVE TOWER

BUILDING MATERIALS

GENERAL

11-story with basement, approximately 138,963.640 square feet. Construction is Type II, unsprinklered.

FOUNDATION

Reinforced concrete grade beams and pile caps on timber piles.

FLOOR

Reinforced concrete slabs. Finish floor materials are carpet, vinyl, tile, ceramic tile, and brick.

EXTERIOR WALLS

Non load bearing lightgauge metal framed units clad with an exterior insulation and finish system.

ROOF STRUCTURE

Reinforced concrete slab.

INTERIOR WALLS

Walls dividing condominium units are one hour fire rated, constructed of 3 5/8" metal studs with fire rated gypsum wall board each side.

INSULATION

Perimeter foundation insulation is one inch extruded polystyrene. Exterior wall cavity insulation is R-11 mineral fiber batts. Roof insulation is 2-inch average thickness expanded polystyrene foam.

ROOFING

Ballasted 45 mil ethylene propylene diene monomer membrane, loosely laid and secured at parapet walls and penetrations through roof.

DOORS

Exterior doors are aluminum with tempered glass or steel. Interior doors are solid core flush birch or aluminum with tempered glass.

WINDOWS

Windows are aluminum frames with insulating glass.

CEILINGS

Ceilings spray-texture concrete, smooth finished gypboard, or textured gypboard.

PLUMBING

Each condominium unit is served by a central water and sewer system. Water piping is copper; sewer service is cast iron pipe. A 30-gallon electric hot water heater is provided for each unit. Kitchen sinks are single bowl stainless steel, laboratories are enamelled china, water closets are enamelled china, tub/showers are molded fiberglass.

HEATING, VENTILATING AND AIR CONDITIONING

Each individual condominium unit is served by a separate through-wall unit. Unit type is combination electric air conditioning and resistance heat.

ELECTRIC SYSTEM

Each condominium unit is metered separately. Electrical panels are 100 amp. All branch circuit wiring is cooper, run in metal conduit.