

MAY 19 3 58 PM '93

MRS. JUDITH M. ...
REGISTERED DEEDS
MOORE COUNTY, NC

DECLARATION OF RESTRICTIONS, CONDITIONS, EASEMENTS,
COVENANTS, AGREEMENTS, LIENS AND CHARGES

TALAMORE

THIS DECLARATION, made this 6th day of May, 1993, by
TALAMORE PARTNERS LIMITED PARTNERSHIP, a Pennsylvania Limited
Partnership hereafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of that certain real
property located in Moore County, North Carolina, as set forth
on that certain plat entitled:

Plat of Talamore, Phase I

consisting of 1 sheets (hereinafter sometimes referred to as
"map") which map or plat is recorded in Plat Cabinet S,
Slides 406, in the Office of the Register of Deeds of
Moore County, North Carolina, said property being more
particularly described on said map or plat; and

WHEREAS, Declarant owns additional property more
specifically described in Exhibit A attached hereto and
incorporated by reference, and it is the intention of Declarant
to submit the remainder of said property not subject to this
Declaration to said Restrictive Covenants at a future time
pursuant to Article IV of this Declaration; and

WHEREAS, it is the desire and intention of Declarant to
sell the above described real property and to impose upon it
mutual, beneficial restrictions, conditions, easements,
covenants, agreements, liens and charges under a general plan or
scheme of improvement for the benefit of all the said lands and
future owners of said lands.

NOW THEREFORE, Declarant hereby declares that all of the
property described above and such additions thereto as may
hereafter be made pursuant to Article IV hereof, is held and
shall be held, conveyed, hypothecated or encumbered, leased,
rented, used, occupied and improved subject to the following
provisions, restrictions, conditions, easements, covenants,
agreements, liens and charges, all of which are declared and
agreed to be in furtherance of a plan for the development,
improvement and sale of the said real property and are
established and agreed upon for the purpose of enhancing and
protecting the value, desirability and attractiveness of said
real property and all of which shall run with the land and shall
be binding on all parties having or acquiring any right, title
or interest in the described lands or any part thereof.

ARTICLE I
DEFINITIONS

A. "Association" shall mean and refer to Talamore
Homeowners Association, Inc., a North Carolina nonprofit
corporation, its successors and assigns.

Book 1120 P 309
See Supplemental Declaration in Book 920 P 429
See Modification in Book 1038 P 286
\$130.00 pd.

POLLOCK, FULLENWIDER,
PATTERSON &
THOMPSON, P.A.
ATTORNEYS AT LAW
235 E. PENNSYLVANIA AVE.
SOUTHERN PINES, N. C.

16-2065

B. "Board" shall mean and refer to a Board of natural individuals of the number stated in the By-laws of the Talamore Homeowners Association, Inc. which constitutes the Board of Directors of Talamore Homeowners Association, Inc., and who shall manage the business, operation and affairs of the Association.

C. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of Owners of Lots on the Property. The Common Area shall include the areas shown on filed plats as "Common Area" and any streets and roads which are not dedicated and accepted by to governmental units for maintenance and repair.

D. "Declarant" shall mean and refer to Talamore Partners Limited Partnership, a Pennsylvania Limited Partnership, its heirs, successors and assigns. Declarant shall include any successor to whom Declarant transfers all of the rights, title and interest in the Property then owned by Declarant and to whom the Declarant shall expressly transfer and assign all of its rights, title and interest under this Declaration or any Amendment or modifications thereof.

E. "Declarant Control Period" shall mean that period of time until the earlier of (i) 120 days after conveyance of 75% of the Lots (including Lots created by reason of the Expansion Right) to Owners other than the Declarant; (ii) two (2) years after Declarant has ceased to offer Lots (including Lots created by reason of the Expansion Right) for sale in the ordinary course of business; or (iii) the date Declarant voluntarily terminates the Declarant Control Period pursuant to an instrument recorded in the office where this Declaration is recorded provided, however, the Declarant Control Period shall, in all events, terminate on that date which is ten (10) years from the date hereof; and provided further in the event that the Expansion Right is exercised to add additional Lots to the Property, the Declarant Control Period shall be adjusted and extended (or revived as the case may be) to reflect the addition of such additional Lots.

F. "Expansion Right" shall have the meaning ascribed to such term in Article IV hereafter.

G. "Lot" shall mean and refer to any numbered lot of land, with delineated boundary lines, appearing on any recorded subdivision map of the Properties with the exception of the Common Areas.

H. "Member" shall mean and refer to every person or entity who holds a membership in the Association.

I. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property. Owner shall not include those having an interest merely as security for the performance of an obligation.

J. "Properties" or "Property" shall mean and refer to the "existing property" described in Article IV hereof. The Property shall not include any property shown as Golf Course, Clubhouse, or property used for ancillary purposes and shall not include the Hotel/Inn Site as described in Exhibit E.

ARTICLE II
TERM

All of the provisions, restrictions, conditions, easements, covenants, agreements, liens and charges set forth herein shall affect each and all of the above described Lots delineated on

said map, shall run with the land and shall exist and be binding upon all parties and all persons claiming under them for a period of thirty (30) years from the date of recordation hereof, after which they shall be automatically extended for successive ten (10) year periods, unless sooner annulled, amended or modified pursuant to the provisions of Article XVIII hereof.

ARTICLE III
MUTUALITY OF BENEFIT AND OBLIGATION

All of said restrictions, conditions, easements, covenants, provisions, agreements, liens and charges set forth herein are made for the mutual and reciprocal benefit of each and every Lot of the Property and are intended to create mutual, equitable servitudes upon each of said Lots in favor of each and all other Lots of the Property; to create reciprocal rights between the respective Owners of all the Lots in the development; to create a privity of contract and estate between the grantees of said Lots, and their heirs, successors and assigns; and as to the Owner of each Lot in said development, his heirs, successors or assigns, shall operate as covenants running with the land for the benefit of each and all other Lots in said development and their respective Owners.

ARTICLE IV
PROPERTY SUBJECT TO THIS DECLARATION AND WITHIN THE JURISDICTION OF THE TALAMORE HOMEOWNERS ASSOCIATION

A. **Existing Property:** The existing property is located in McNeill Township, Moore County, North Carolina, and is more particularly described on that certain plat of Talamore Phase I, which is shown on a plat filed in Plat Cabinet S, Slide 406 to . No property shown as "golf course" or any part of the golf course, clubhouse, or related golf course improvements shall be brought within the scheme of this Declaration or within the jurisdiction of the Association unless such property shall be conveyed to the Association. In the event that such property is conveyed to the Association, then it shall be considered Common Area for the purpose of this Declaration.

B. **Additions to Existing Property:** Additional land may be brought within the scheme of this Declaration and the jurisdiction of the Association in the following manner (hereinafter referred to as the "Expansion Right":

1. Additional land owned by the Declarant or by Talamore Golf Partners Limited Partnership and being more specifically described in Exhibit A attached hereto and incorporated by reference or a part of the property conveyed to Talamore Golf Partners Limited Partnership by Deed filed in Book 773, Page 061 of the Moore County, North Carolina, Registry, may be annexed to the existing property by the Declarant, in future phases of development, provided that said annexations must occur within fifteen (15) years after the filing of this instrument. Upon annexation, said additional land shall be considered Existing Property. The additions authorized by this section shall not require the approval of the Association

2. The additions authorized under subsection (1) above shall be made by filing of record a plat of the next phase or portion of a phase of Talamore in the Office of the Register of Deeds of Moore County, North Carolina, with respect to the additional properties which shall extend the scheme of this Declaration and the jurisdiction of the Association for such properties and thereby subject such additions to the benefits, agreements, restrictions, and obligations set forth herein, including, but not limited to, assessments as herein determined to pay for the Association expenses.

C. Hotel/Inn Site: The Hotel/Inn Site described in Exhibit D attached hereto is specifically excluded from this Declaration. However, nothing herein shall preclude the inclusion of the Hotel/Inn Site described in Exhibit D as an addition to the existing property pursuant to this Article IV by the filing of a Supplement to this Declaration specifically stating that the Hotel/Inn Site will be brought within the scheme of this Declaration and within the jurisdiction of the Association. Upon said filing, if made, the property or any portion of it shall be considered existing property.

ARTICLE V
APPEARANCE OF LOTS

A. Each Lot, at all times, shall be kept in a clean, sightly and wholesome condition. No trash, litter, junk, boxes, containers, bottles, cans, implements, machinery, lumber or other building materials shall be permitted to remain exposed upon any Lot so they are visible from any neighboring Lot, golf course, or road, except as necessary during a period of construction.

B. All service yards, woodpiles and storage piles shall be walled in or kept screened by adequate solid fencing or walls in such manner as to conceal them from neighboring Lots, golf courses and roadways.

C. No Lot shall be used in whole or in part for the storage of any property or thing that will cause such Lot to appear in an unclean, disorderly or untidy condition or that will be otherwise obnoxious. No obnoxious or offensive activity shall be carried on upon any Lot nor shall anything be done, placed or stored thereon which may be or become an annoyance or nuisance to the neighborhood or occasion any noise or odor which will, or might, disturb the peace, quiet, comfort or serenity of the occupants of nearby Lots.

D. The Owner of each Lot shall keep the Lot and the buildings and other improvements thereon in good order, and free of debris. The lawn shall be seeded and mowed, the shrubbery trimmed and painted exterior surfaces repainted, all in a manner and with such frequency as is consistent with good property management. In the event the Owner of a Lot shall fail to maintain the Lot and the buildings and other improvements thereon as provided herein, the Association, after notice to the Owner and with the approval of the Board of Directors, shall have the right to enter upon the Lot to perform such work as is reasonably required to restore the Lot and the buildings and other improvements thereon to a condition of good order and repair. All costs incurred by the Association in connection with the restoration shall be reimbursed to the Association by the Owner of the Lot, upon demand. All unreimbursed costs shall be a lien upon the Lot as more particularly set forth in Article X of this Declaration until reimbursements is made.

ARTICLE VI
CONSTRUCTION AND IMPROVEMENT

Each of the Lots of the development described above shall be improved, constructed upon, occupied, and used for the respective purposes and permitted uses as follows:

A. Single Family Residence: The improvements made on each Lot shall be one single family attached or detached residence and related structures.

B. Architectural Review Committee: The following architectural control shall be in effect for the improvement of the property at Talamore:

1. No building, fence, wall, obstruction, outside or exterior wiring, balcony, screen, patio, patio cover, tent, awning, carport, carport cover, improvement, or structure of any kind shall be commenced, installed, erected, painted, repainted, or maintained upon the property, nor shall any alteration or improvement of any kind be made to the property until the same has been approved in writing by the Board of Directors, or by the Architectural Review Committee appointed by the Board of Directors.

2. Plans and specifications showing the nature, kind, shape, color, size, materials, and location of such improvements, alterations, and the like, shall be submitted to the Board of Directors or to the Architectural Review Committee for approval as to quality and design and harmony of external design with existing structures, and as to location to surrounding structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with a color scheme previously approved by the Board of Directors or the Architectural Review Committee, or to rebuild in accordance with plans and specifications previously approved by the Board of Directors or by the Architectural Review Committee. Nothing contained herein shall be construed to limit the right of an Owner to paint the interior of his or her unit any color desired.

3. No landscaping of patios or yards visible from the street, the common areas or the golf course not involving the use of natural plants, grass, trees, or shrubs, and which does involve the use of synthetic materials, or concrete, rock, or similar materials, shall be undertaken by any Owner until plans and specifications showing the nature, kind, shape, and location of the materials shall have been submitted to and approved in writing by the Board of Directors or by an Architectural Review Committee appointed by the Board of Directors.

4. The Architectural Review Committee shall consist of five (5) members. Declarant shall appoint all the original members of the Committee and all replacements until twenty-five percent (25%) of the Lots in the Master Plan for the development have been sold, at which time the members of the Association shall appoint one (1) member of the Architectural Review Committee. When fifty percent (50%) of the Lots shown on the Master Plan for the development have been sold, the members of the Association shall appoint two (2) members to the Committee. After the termination of the Declarant's Control Period, the Board of Directors of the Association shall appoint all the members of the Architectural Review Committee. Members of the Architectural Review Committee need not be members of the Association. A majority of the members of the Architectural Review Committee may designate a representative to act for the Committee. In the event of death or resignation of any member of the Committee, the successor shall be appointed by the person, entity, or group that appointed such member until Declarant no longer has the right to appoint any members to the Committee. Thereafter the Board of Directors shall appoint such successor. Neither the members of the Committee nor any designated representatives shall be entitled to any compensation for services performed on behalf of such Committee. The Architectural Review Committee shall meet to consider plans submitted to it within 14 days of submission of a plan and shall respond to the Owner within 14 days after such meeting. In the event the Committee fails to approve or disapprove plans and specifications submitted to it by an Owner pursuant to this Article, within forty-five (45) days after such plans and specifications have been submitted to it, the plans submitted will be deemed approved by the Committee.

5. The members of the Architectural Review Committee shall be appointed on an annual basis. The Board of the Association may hire consultants to assist the Architectural Review Committee in its duties.

6. Guidelines for the Architectural Review Committee are attached to this Declaration as Exhibit B and are incorporated herein by reference. The Architectural Review Committee shall apply such guidelines and standards to review of the plans as provided hereunder.

7. The Architectural Review Committee shall have no affirmative obligation to assure that all the elements of the design comply with the restrictions contained in this Declaration or that the improvements are constructed in accordance with the approved plans.

8. No member of the Architectural Review Committee shall have any liability, responsibility, or obligation, whatsoever for any decision or lack thereof in the carrying out of duties as a member of such Committee. Such Committee and its members shall have only a review and approval function and the sole responsibility for compliance with all the terms of this Declaration shall rest with the Owner. Each Owner agrees to save, defend and hold harmless the Architectural Review Committee and each of its members on account of any activities of the Architectural Review Committee relating to such Owner's property or buildings to be constructed on his or her property.

9. In the event that the improvements made on any Lot do not comply with the provisions of this Article or the plans approved by the Architectural Review Committee, the Board of Directors of the Association shall have the right to injunctive relief against the Owner until the improvements are approved by the Architectural Review Committee or until the deviation is corrected.

10. The above provisions requiring architectural review and approval shall not apply to Declarant if the Declarant builds the residence and sells the lot and residence together to an Owner.

C. Residence Size: Any home constructed on a building site shall have a minimum main floor area of the main structure, exclusive of one story open porches and garages, of fully enclosed heated floor space devoted to living purposes as shown on the filed plat. Said floor area shall be exclusive of roofed or unroofed porches, terraces, garages, carports and other out buildings and shall be computed from faces of exterior walls.

D. Building Setback: Building setbacks shall be determined by the building envelope as shown on the filed plat. All structures constructed on the Lot shall be constructed within the building envelope as shown on the filed plat. Setbacks will be measured to building foundation.

E. Buffers on Talamore Boundary Lines: On each exterior boundary line of the Talamore Property, there shall be a fifty (50) foot buffer which shall be retained in its natural condition. In the event that the fifty (50) foot natural vegetation buffer is disturbed during the construction period accidentally, the Owner shall replace the vegetation removed with substantially similar vegetation to retain the natural appearance of the buffer. Declarant may grant an easement to other Lot Owners for the use and enjoyment of the buffer.

F. Construction: The work of constructing, altering, or remodeling any building on any Lot or Lots shall be pursued diligently from the commencement until the completion thereof.

G. Lot Clearing, Grading and Filling: All planned Lot clearing, grading and filling shall be approved in advance by the Architectural Review Committee. No Lot may be filled to a point higher than the highest point on the Lot in its natural state.

H. Setback from Southern Pines Reservoir: No building shall be placed closer than 150 feet to the shoreline of the Southern Pines Reservoir. Underground utilities lines shall not be closer than 100 feet to the shoreline.

I. Further Subdivision: No Lot shall be subdivided or its boundary lines changed except with the written consent of the Declarant. However, Declarant hereby expressly reserves the right to replat any of the Lots shown on the filed plat prior to its sale in order to create a modified building Lot or Lots. The provisions of this Declaration shall apply to each newly created or modified Lot as if it had been a platted Lot at the time of the filing of this Declaration.

Changes to filed plats shall comply with the development standards for Talamore set by the Southern Pines Town Council and shall require administrative approval of the Southern Pines Zoning Administrator pursuant to the Southern Pines Unified Development Ordinance.

J. Combination Into Single Curtilage: In the event that the Owner of two or more adjoining Lots decides to build a residential structure on the two or more Lots with the structure crossing the boundary line between the Lots, then the Lots shall be considered a single curtilage for the purpose of the building restrictions and setbacks and the building envelope line for the two adjoining Lots shall be extended to join the building envelopes on the adjoining Lots. The Lots will then become a single curtilage however subject to two (2) assessments (and 2 votes in the Association) as provided hereinafter within this Declaration. The home built on the single curtilage must be built across the common boundary line of the two Lots.

K. Landscaping: All Lots shall be landscaped in accordance with the Architectural Review Committee guidelines attached hereto as Exhibit B. Initial landscaping for each Lot must be approved by the Architectural Review Committee. Any plants approved for landscaping by the Architectural Review Committee must be cared for by the Lot Owner.

L. Variances: Variances from the setbacks on the filed plat may be granted by the Board of Directors of the Association upon recommendation of the Architectural Review Committee in the following situations: (1) when the setbacks shown on the plat render the Lot unbuildable due to topographical features; and (2) for minor encroachments due to an inadvertent error in construction. However, no variance shall be granted which causes encroachment on the Boundary Line Buffers (paragraph E) or Reservoir Buffer (paragraph H)

ARTICLE VII USE OF TALAMORE PROPERTY

The use of the Property, Lots, and Common Areas shall be in accordance with the following provisions as long as this Declaration remains in effect:

A. Single Family Use: Each of the Lots shall be occupied only by the Owner (or Owners), his family, his servants and guests, or lessees and shall be used only as a residence and for no other purpose. No Lot may be divided or subdivided by any Owner, other than Declarant, into a smaller Lot nor any portion thereof separately sold or otherwise transferred. Lease or rental of a Lot to one or more tenants for single family residential purposes, subject to the other provisions of this Declaration, shall not be considered a violation of this covenant. No structures of a temporary character, trailer, recreational vehicle, tent, shack, carport, barn or other out building shall be erected or used as a residence on any portion of the Property at any time.

B. Nuisances: No nuisances shall be allowed upon the Property, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Property by its residents. All parts of the Property and the Common Areas shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate, nor any fire hazard allowed to exist. No damage to or waste of the Common Areas or any part thereof shall be committed by any Owner or his family, visitors, guests, servants, lessees, agents, invitees and each Owner shall indemnify and hold the Association and the other Owners harmless against all losses resulting from any such damage or waste.

C. Lawful Use: No immoral, improper, offensive, or unlawful use shall be made of any part of the Property, and all applicable laws, zoning ordinances and regulations of all governmental bodies shall be observed. The expense of complying with any such laws, ordinances or regulations which compliance requires maintenance, modification or repair of the Common Areas shall be borne by the Association unless necessitated by the misuse, misconduct, or neglect of an Owner, or his family, visitors, guests, servants, lessees, agents, or invitees, in which case such expense shall be assessed against such Owner.

D. Rules and Regulations: Rules and regulations adopted by the Board shall be binding upon the Owners, their families, visitors, guests, servants, lessees, agents, invitees, successors and assigns.

E. Pets and Other Animals: No livestock of any description may be kept or permitted on any Lot with the exception of dogs, cats and other animals which are bona fide household pets, and which do not make objectionable noise or constitute a nuisance or inconvenience to Owners of other Lots. No raising, breeding, training or dealing in dogs, cats or any other animals shall be permitted on or from any Lot.

F. Fences and Walls: No fences or walls shall be erected or maintained on the perimeter of a Lot or outside the building envelope. Retaining walls and fences for screening may be erected as allowed by the Architectural Review Committee. Fences shall be allowed around swimming pools as approved by the Architectural Review Committee or as required by Town Ordinance.

G. Parking Areas: No Owner of a Lot shall park, store or keep any motor vehicle, boat, trailer, recreational vehicle or other vehicle upon the Property except in accordance with rules and regulations adopted by the Association. The parking spaces located within the Common Areas shall be for the sole and exclusive use of all of the Owners. No person shall repair or restore any motor vehicle, boat, trailer, recreational vehicle or other vehicle upon any portion of the Common Area except for emergency repairs thereto and then only to the extent necessary to enable movement thereof to a proper facility.

H. Waste Material Containers: No rubbish, trash, garbage or other waste material shall be kept or permitted upon the Common Areas except in sanitary containers located in appropriate areas and otherwise in accordance with rules and regulations adopted by the Association from time to time.

I. Signs: Unless prior written approval is obtained from Declarant or the Architectural Review Committee, no sign shall be posted on the Common Areas or Lots. Signs showing property available for sale or rent are prohibited.

J. Refuse: No Lot shall be used or maintained as a dumping ground for rubbish, refuse or garbage. Garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the disposal or storage of

such matters shall be kept in a clean and sanitary condition, and all incinerators shall be approved by the Architectural Review Committee before installation or use.

K. Boat and Trailer Storage: No boat, boat trailer, travel trailer, camp trailer, recreational vehicle, house trailer, or other similar property shall be stored on any of the Lots or streets except in enclosed areas.

L. Rights to Water and Operation of Boats: No vehicle or boat shall be anchored in any waters within the Property. Regardless of whether any waters on the Property cover any Lot, Declarant reserves all rights to the use and enjoyment of said water covered areas.

M. Sales Offices: Declarant shall have the right to maintain and use one or more improved Lots within the Property for sales offices.

N. Antennas and Satellite Dishes: No exterior antennas shall be used on the property unless approved by the Architectural Review Committee. Television antennas approved by the Architectural Review Committee may be used only until cable service becomes available. Satellite dish antennas are prohibited.

O. Clothes Lines: No clothes lines or drying of clothes outside the home shall be allowed on the Property.

ARTICLE VIII
TALAMORE HOMEOWNERS ASSOCIATION, INC.

Declarant has incorporated under North Carolina law a North Carolina nonprofit corporation, Talamore Homeowners Association, Inc., for the purpose of owning and maintaining the Common Areas and streets and roads not dedicated to a municipality, administering the Architectural Review Committee, collecting dues and assessments necessary to achieve its purposes, enforcing these covenants and restrictions, and any other purposes properly adopted by the Association Board. The Association shall be governed by this Declaration and the By-laws attached hereto as Exhibit C and made a part hereof.

ARTICLE IX
MEMBERSHIP AND VOTING RIGHTS

A. Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from the ownership of a Lot. An Owner of a Lot may not withdraw from the Association.

B. The Association shall have one (1) class of voting membership. The members shall be all of the Owners of the Lots. Each member shall be entitled to one (1) vote per Lot for each Lot owned by it, in a proceeding in which action shall be taken by members of the Association. The vote of any member comprised of two or more persons, or legal entities, or any other combination thereof shall be cast in a manner provided for in the Articles of Incorporation or By-laws of the Association, or as the several constituents may determine, but in no event shall all such constituents cast more than one (1) vote per Lot for each Lot owned by them. During the Declarant Control Period, the Declarant shall be entitled to appoint and remove the members of the Board of Directors of the Association; provided, however, (a) not later than sixty (60) days following conveyance of twenty-five percent (25%) of the Lots to Owners other than

the Declarant, one (1) member of the Board of Directors shall be elected by Owners other than Declarant, and (b) not later than sixty (60) days after conveyance of fifty percent (50%) of the Lots to Owners other than Declarant, not less than thirty-three percent (33%) of the members of the Board of Directors shall be elected by Owners other than Declarant. Following the expiration of the Declarant Control Period the Board of Directors shall be elected by Owners in the manner set forth in the Articles of Incorporation and the By-laws of the Association.

**ARTICLE X
COVENANT FOR ASSOCIATION ASSESSMENTS**

A. Creation of the Lien and Personal Obligation of Assessments: The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. Any such assessment or charge, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment or charge, together with interest, costs and reasonable attorneys fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments or charges shall not pass to his successors in title unless expressly assumed by them.

B. Purpose of Assessments: The assessments or charges levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Properties and more particularly for the maintenance, repair and reconstruction of the Common Area roads not dedicated to the municipality, access easements, parking areas as shown on the filed plats of Talamore, and any other property owned by the Association, and for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas, including, but not limited to, the cost of repair, replacement and additions thereto, the cost of labor, equipment, materials, management and supervision thereof, the payment of taxes assessed against the Common Areas, administration of the Association and the Architectural Review Committee, the procurement and maintenance of insurance in accordance with the By-laws, the employment of attorneys to represent the Association when necessary, and such other needs as may arise. The Association may at its option maintain the unpaved area of municipal rights of way and irrigate Lots within the development.

In the event that the need for maintenance, repair, or replacement is caused through the willful or negligent act of the Owner, his family, guests, or invitees, the cost of such maintenance, replacement, or repairs incurred by the Association, shall be added to and become a part of the assessment to which such Lot is subject.

Various neighborhoods within Talamore may have a neighborhood association with additional duties and responsibilities related to the specific neighborhood. The Association may contract with the neighborhood association for collection of the neighborhood association's dues. The duties of such neighborhood associations shall be defined in Supplemental Restrictive Covenants filed by the Declarant.

C. Amount of Annual Assessment: Until December 31st of the year in which the first Lot is conveyed to an Owner, the annual assessment shall be \$250.00 per Lot which shall be the maximum annual assessment for that year. Thereafter, the maximum permissible annual assessment increase each year without the necessity of a vote of the membership of the Association shall be the greater of five percent (5%) of the annual assessment for the previous year or the "Consumer Price Index for Urban Wage Earners and Clerical Workers" as published by the Bureau of Labor Statistics, U. S. Department of Labor. The maximum permissible annual assessment may be increased above the five percent (5%)/CPI limitation specified in the preceding sentence only by a vote of 2/3 of the Members of the Association voting in person or by proxy at a meeting called for such purpose. The Board of Directors of the Association may fix the annual assessment against each Lot in any amount not in excess of the maximum permissible annual assessment applicable to that year without the necessity of a vote of the membership of the Association. The Lots of the Declarant shall not be subject to assessment until such time as the Lot is conveyed by the Declarant to an Owner.

D. Special Assessments for Capital Improvements: In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the streets, roads, access easements, or Common Areas, including fixtures and personal property related thereto, provided that any such assessment shall have the consent of Members entitled to no less than 3/4 of the votes represented in person or by proxy at a meeting called for this purpose.

E. Procedure to Setting Annual and Special Assessments: The Board of Directors of the Association shall annually adopt a proposed budget and annual assessment for each Lot for the following year. The annual assessment must be fixed in a uniform rate for all Lots and each Owner shall be assessed his pro rata share of the proposed budget. Written notice of any meetings of members of the Association called for the purpose of taking any action on annual or special assessments in the sections above shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At such meeting, the presence or proxies of ten percent (10%) of the votes of members which are entitled to be cast at the meeting shall be necessary and sufficient to constitute a quorum. In the event that the necessary majority for consent to any budget is unavailable or fails to pass said budget, then the Board of Directors shall prepare a new budget and assessment as provided above within thirty (30) days and submit said budget as required.

F. Nonpayment of Assessments of the Association: Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum and shall constitute a continuing lien in favor of the Association on the Lot when notice of said lien is filed of record in the office of the Clerk of Court of Moore County, North Carolina. In addition to such interest charge, the delinquent Owner shall also pay such late charge as may have been theretofore established by the Board of Directors of the Association to defray the cost of late payment. The Association may bring an action at law against the person personally obligated to pay the assessment, or foreclose the lien against the property, and interest, late payment fees, fines, costs and reasonable attorneys fees of such action of foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the streets, roads, or Common Areas of the development or abandonment of his Lot.

The Association's lien may be foreclosed in the same manner as deeds of trust on real estate under power of sale under Article 2A of Chapter 45 of the General Statutes of North Carolina, as the same may be in effect at the time the foreclosure is commenced and each Owner hereby grants to the Association a power of sale under said statutes. Each Owner of a Lot agrees that the Association may appoint a trustee for such purpose, and upon request by the Association, it shall be lawful and the duty of the trustee so appointed to sell the tract subject to the lien at public auction for cash, after having first given such notice of hearing as to commencement of foreclosure proceedings and obtaining such findings or leave of court as may then be required by law and by giving such notice and advertising the time and place of such sale in the manner as then provided by law. Any sale or resale shall be according to the law for foreclosure proceedings under power of sale to convey title to the purchaser in as full and ample manner as the trustee is hereby empowered. The trustee shall be authorized to retain an attorney to represent the trustee in such proceedings and the cost of any such attorney shall be an expense of the trustee which shall be chargeable against the proceeds from the sale or resale of the Lot. A proceeding to enforce the lien for unpaid assessments or charges or repair or maintenance costs must be commenced within three (3) years after the delivery of notice of the assessments or charges or repair or maintenance costs to the Owner. Each assessment or charge together with the interest, costs, and reasonable attorneys fees incurred or expended by the Association in collection thereof, shall also be the personal obligation of the Owner of the Lot. The personal obligation for any delinquent assessment or charge, together with interest, costs and reasonable attorneys fees, however, shall not pass to the Owner's successors in title unless expressly assumed by them.

The proceeds of the sale after the trustee retains a commission, together with any reasonable attorney's fees incurred by the trustee in such proceeding, shall be applied to the costs of sale, including, but not limited to, cost of collection, taxes, assessments, cost of recording, service fees and incidental expenditures, the amount due on the assessment and any accrued interest thereof which the lien secures and any advancements and other sums expended by the Association according to the provisions hereof and otherwise as required by the then existing law relating to foreclosures under power of sale. The trustee's commission shall be five percent (5%) of the gross proceeds of sale or the minimum of Five Hundred Dollars (\$500.00), whichever is greater, for completed foreclosure. In the event foreclosure of the lien is commenced but not completed, the Lot Owner shall pay all expenses incurred by the trustee, including reasonable attorney's fees and a partial commission computed on five percent (5%) of the outstanding indebtedness or the above stated minimum sum, whichever is greater, in accordance with the following schedule: one fourth (1/4) thereof before the trustee issues a Notice of Hearing on the Right to Foreclosure; one half (1/2) thereof after issuance of said Notice; three quarters (3/4) thereof after such hearing; and the greater of the full commission or minimum after the initial sale.

Each Lot Owner and any trustee appointed hereunder, covenant and agree that in case the appointed trustee or any successor trustee shall die, become incapable of acting, renounce his trust, or for any reason the Association desires to replace such trustee, then the Association may appoint, in writing, a trustee to take the place of the trustee; and upon the probate and registration of any initial or subsequent appointment of trustee, the trustee thus appointed shall be vested with or succeed to all rights, powers, and duties of the trustee herein described.

In the event the trustee is named as a party to any civil action as trustee in foreclosing the Association's lien rights, the trustee shall be entitled to employ an attorney at law, including the trustee if a licensed attorney, to represent the trustee in said action and the reasonable attorney's fee of the trustee in such action shall be paid by the Association and added to the outstanding indebtedness which the Association's lien secures and bear interest at the rate provided by the Amendment for unpaid assessments.

Each Owner of any Lot by acceptance of a deed therefor or by incorporation of Property under this Declaration, whether or not it shall be so expressed in such deed or by request to join the Association, is deemed to bargain, sell, grant, give and convey to any such appointed trustee for the benefit of the Association a real property interest in said Lot to secure the Association's lien TO HAVE AND TO HOLD said interest with all privileges and appurtenances thereto belonging to said trustee, his heirs, successors and assigns forever, upon the trust, terms and conditions and for the use as herein set forth.

G. Subordination of the Lien to Mortgages: The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage granted to a bank, trust company, insurance company or other recognized lending institution, or deed of trust on a Lot or any mortgage or deed of trust to the Declarant. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any mortgage or deed of trust as above provided.

**ARTICLE XI
PROPERTY RIGHTS**

A. Owners' Easements of Enjoyment: Every Owner shall have a right and easement of enjoyment in and to the Common Area, including an easement and full and mutual right of use for the purpose of access, ingress and egress, over such portions of the Common Area designated for such purposes, all of which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

1. the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
2. the right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty days for any infraction of its published rules and regulations; and
3. the right of the Association to grant utility, drainage and other easements across the Common Area.

B. Delegation of Use: Any Owner may delegate, in accordance with the By-laws of the Association (a copy of which is attached as Exhibit C), his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE XII
SUPPLEMENTAL RESTRICTIVE COVENANTS

The restrictive covenants contained herein are intended to apply to all Lots at Talamore. In addition to these Restrictions, Conditions, Easements, Covenants, Agreements, Liens and Charges, phases of development within Talamore may be subjected to additional or Supplemental Covenants by filing at or near the time of platting of such phase and before Lots within the phase are sold, a Supplemental Declaration in the Moore County Registry of Deeds. Said Supplemental Declaration will affect the property as stated in the Supplemental Declaration and shall not affect other property within the Development.

ARTICLE XIII
TRAFFIC REGULATION ON UNDEDICATED STREETS

On streets and roads within the development which have not been dedicated to the Town of Southern Pines, the Association shall have the right, power, and option to establish and enforce rules and regulations governing the operation of vehicles and conveyances, motor powered or otherwise, on the streets and roads of the subdivision. Such rule and regulation making power and option shall include, but is in no way limited to, the establishment and enforcement of speed limits, stop signs, yield signs, no parking zones, traffic control signals, safety zones and other traffic control and safety devices, rules and regulations together with reasonable remedies, including fines for violations of such rules and regulations. The right, power and option given to the Association in this paragraph may be assigned to any appropriate governmental body or authority.

ARTICLE XIV
UTILITY AND DRAINAGE EASEMENTS

A. Until such time as the streets and roads of the development are dedicated to and accepted by the Town of Southern Pines, the Declarant shall have the following rights: to construct and maintain public utilities on the streets and roads of the subdivision, including the removal of such trees or bushes as Declarant deems necessary to accomplish same, either above or below ground and to make all necessary slopes for cuts or fills upon the Lots shown on the map in the original grading of said streets and roads; and Declarant reserves perpetual, alienable and releasable utility easements and easements for ingress and egress in connection with all utility easements under, over and across all areas shown as utility easements on the filed plat for the purpose of placing, laying, erecting, constructing, maintaining and operating, or of authorizing the placement, laying, erection, construction, maintenance and operation of utilities including, without limitation, sewage, water, electricity, gas, telephone, irrigation, telegraph, and drainage systems. No change in the natural drainage shall be made by any Lot Owner without prior written approval from the Architectural Review Committee.

B. The interest conveyed by Declarant in any Lot by contract, deed or other conveyance, shall not in any event be held or construed to include the title to the water, gas, sewer, storm sewer, electric light, power, irrigation, telephone and telegraph lines, poles or conduits, or any other utility or appurtenances thereto constructed by Declarant, or its agents, or by any utility company along or upon said Lots, or any part thereof to serve said property. The right to sell, convey or lease water and sewer lines and their appurtenances erected by or on behalf of Declarant is hereby expressly reserved to Declarant.

C. The Declarant reserves a perpetual, alienable and releasable utility easement over and across a strip ten feet (10') on either side of the side lot lines and twenty feet (20') along each rear lot line as shown on the filed plat for the purpose of placing, laying, erecting, constructing, maintaining and operating utilities, drainage systems, and irrigation systems on the Lots.

ARTICLE XV
EASEMENT FOR USE OF STREETS, ROADS
AND ACCESS EASEMENTS

A. Declarant reserves the right to dedicate the streets and roads of Talamore to the Town of Southern Pines at time of platting or such other time as it should deem appropriate. It is the intention of the Declarant that the streets and roads of Talamore shall be public and maintained by the Town of Southern Pines at the earliest time practicable.

B. Declarant hereby grants, conveys, assigns and sets over unto the Owners of all Lots of the Property or of any future phases of the Property, a perpetual nonexclusive easement and full and mutual right of use of, for the purpose of access, ingress, egress, and regress, all of the areas designated as access easements, streets, and roads upon the Property and any additions thereto. Access easements on a Lot Owner's property shall remain the property of the respective Lot Owner, subject to the easement herein to the Declarant and other Owners.

C. Declarant reserves for the use and benefit of nonresident members, staff, employees, and invitees of Talamore Golf Course, and users of the golf course facilities within the Talamore development, a perpetual assignable nonexclusive easement over the streets, roads, access easement and cart paths within the Property for the purpose of access, ingress, egress and regress to the golf club, golf course, and related areas and facilities.

ARTICLE XVI
TESTING WELLS AND MAINTENANCE OF STORM
DRAIN FACILITIES

Due to the proximity of Talamore to the Southern Pines Town reservoir, continual testing of underground water sources is necessary to assure there will be no contamination of the reservoir resulting from the use of the Property. The Association shall be responsible for testing the underground water supply through testing wells provided by Declarant at intervals required by the Town of Southern Pines. The expense of such tests shall be borne by the Association. The Association also shall be responsible for the maintenance of all storm drainage and water quality structures located on Common Areas, streets, roads or Lots.

ARTICLE XVII
GENERAL PROVISIONS

A. **Enforcement:** The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

B. **Severability:** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

C. Amendment by Declarant: This Declaration may be amended by an instrument signed by Declarant and the Owners of not less than seventy-five percent (75%) of the Lots. Any and all such amendments shall be recorded in the Office of the Register of Deeds of Moore County, North Carolina, and upon recording the same shall become effective with respect to the matter to which such amendment pertains.

D. Amendments by Owners: At any time after Declarant relinquishes control of the Association as provided above, this Declaration shall be amended in the following manner:

1. Proposed Amendments: Any member of the Association may propose an amendment to this Declaration. Such proposed amendment must be submitted in writing to the Secretary of the Association at least twenty (20) days prior to the date of the special or regular Association meeting at which the proposal is to be considered.

2. Notice: A statement of the subject matter of the proposed amendment or amendments shall be included in the notice of any Association meeting at which the proposes amendment(s) is to be considered.

3. Resolution: A resolution for the adoption of a proposed amendment may be proposed by any member of the Association. The resolution for adoption must be approved by the Owners entitled to cast not less than eighty percent (80%) of the total authorized votes of the Association.

4. Absentee Vote: Members not present at any meeting may vote by proxy or by written vote as provided in the By-laws.

5. Execution and Recording: A copy of each amendment adopted pursuant to this Article shall be attached to an affidavit certifying that the amendment was duly adopted, which affidavit shall be executed in recordable form by the President and Secretary of the Association. The amendment shall be effective when such affidavit and a copy of the amendment are filed for record in the office of the Register of Deeds of Moore County, North Carolina.

E. Anything set forth in this Article to the contrary notwithstanding, but subject to the conditions provided in this paragraph, the Declarant shall have the absolute unilateral right, power, and authority to modify, revise, amend, or change any of the terms or provisions of this Declaration, all as from time to time amended or supplemented, which may be exercised only if the Veterans Administration (VA), the Federal Housing Administration (FHA), the Federal Home Loan Mortgage Corporation (Freddie Mac), the Federal National Mortgage Association (Fannie Mae), or the Government National Mortgage Association (Ginnie Mae), or any successor agencies or entities thereto or any agencies or entities providing similar programs shall require such action as a condition precedent to the approval by such agency or entity of the Property or any part thereof or any Lots thereon, for approved mortgage financing purposes under applicable VA, FHA, Freddie Mac, Fannie Mae, Ginnie Mae, or similar programs. If the VA or the FHA or any successor agencies approve the Property or any parts thereof or any Lots thereon for federally approved mortgage financing purposes, any further amendments to the Declaration shall also require the prior consent of the agency giving such approval unless such amendment is approved by all of the Owners. Any amendments made pursuant to this paragraph shall not affect the residential character of the Property or the common plan or scheme for

residential development. All Owners and/or the Association shall continue to have the right to fully enforce the terms and provisions of this Declaration, as amended pursuant to this paragraph.

F. Red-Cockaded Woodpecker Management Plan: The Developer has agreed on a Red-Cockaded Woodpecker Management Plan for Talamore which was prepared by J. H. Carter III, Consulting Biologist, dated March 5, 1989. A copy of the this Plan is attached as Exhibit E hereto and incorporated by reference.

IN WITNESS WHEREOF, the Declarant has executed this Declaration this 6th day of May, 1993.

TALAMORE PARTNERS LIMITED PARTNERSHIP, a Pennsylvania Limited Partnership

By its Sole General partner
Talamore Acquisition Corp., a Pennsylvania corporation

(CORPORATE SEAL)

ATTEST: [Signature]
Secretary

By: [Signature]
Robert P. Levy, Jr. / President

STATE OF PENNSYLVANIA
COUNTY OF Philadelphia

I, a Notary Public of the County and State aforesaid, certify that Stanley S. Cohen, personally came before me this day and acknowledged that he is Assistant Secretary of TALAMORE ACQUISITION CORP., a Pennsylvania corporation, Sole General Partner of Talamore Partners Limited Partnership, a Pennsylvania Limited Partnership, and that by authority duly given and as the act of the corporation, the annexed instrument was signed in its name by its President, sealed with its corporate seal and attested by him as its Assistant Secretary.

Witness my hand and official stamp or seal, this 6th day of May, 1993.

[Signature]
Notary Public

My Commission Expires:
July 18, 1994

NOTARIAL SEAL
ANITA N. CERRATO, Notary Public
City of Philadelphia, Phila. County
My Commission Expires July 18, 1994

North Carolina--Moore County
The foregoing certificate of Anita N. Cerrato, Notary Public, is certified to be correct. This 19th day of May, 1993.

Judith M. Adams, Register of Deeds
[Signature] Assistant

POLLOCK, FULLENWIDER,
PATTERSON &
THOMPSON, P.A.
ATTORNEYS AT LAW
125 E. PENNSYLVANIA AVE.
SOUTHERN PINES, N. C.

NORTH CAROLINA
MOORE COUNTY

JOINDER BY MORTGAGEE

THIS JOINDER BY MORTGAGEE, made and entered into this 6th
day of MAY, 1993, by and between STEPHEN M.
GUALBERTI, hereinafter Trustee, and CONTINENTAL BANK, a
Pennsylvania banking corporation, hereinafter Lender, and
TALAMORE PARTNERS LIMITED PARTNERSHIP, a Pennsylvania Limited
Partnership, hereinafter Borrower.

WITNESSETH:

WHEREAS, Lender is the owner and holder of a Promissory
Note in the amount of \$4,000,000.00, secured by two Deeds of
Trust dated April 30, 1991, to Stephen M. Gualberti, Trustee,
for the benefit of Continental Bank, beneficiary; and filed for
record in Book 773, Page 108 and Book 773, Page 075 of the Moore
County, North Carolina, Registry; and

WHEREAS, Borrower has requested that the Trustee and
Beneficiary join herein for the purpose of ratifying,
confirming, and approving the attached Declaration of
Restrictions, Conditions, Easements, Covenants, Agreements,
Liens and Charges for Talamore executed the 6th day of
MAY, 1993, by Talamore Partners Limited Partnership
as Declarant.

NOW THEREFORE, Trustee and Lender do hereby ratify, confirm
and approve the Declaration of Restrictions, Conditions,
Easements, Covenants, Agreements, Liens and Charges for Talamore
and do hereby fully subordinate the said lien in all respects to
the terms and provisions of said Restrictions, Covenants and
Easements, attached hereto, as fully and to the same extent as
if said Declaration of Restrictions, Conditions, Easements,
Covenants, Agreements, Liens and Charges for Talamore had been
executed, delivered, and filed for record in the Office of the
Register of Deeds for Moore County, North Carolina, prior to the
execution, delivery and recordation of said Deeds of Trust.

IN WITNESS WHEREOF, the said Trustee and Lender have
hereunto set their hands and seals the day and year first above
written.

Stephen M. Gualberti (SEAL)
Stephen M. Gualberti, Trustee

CONTINENTAL BANK, Lender

(CORPORATE SEAL)

By: Stephen M. Gualberti
VICE President

ATTEST:

Edy N. Lahanas
~~Secretary~~
Real Estate Loan Officer

STATE OF PENNSYLVANIA
COUNTY OF PHILADELPHIA

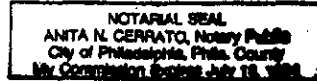
I, a Notary Public of the County and State aforesaid, certify that STEPHEN M. GUALBERTI, Trustee, personally came before me this day and acknowledged the execution of the annexed Joinder by Mortgagee.

Witness my hand and notarial seal, this 6th day of May, 1993.

Anita N. Cerrato
Notary Public

My Commission Expires:

July 18, 1994



STATE OF PENNSYLVANIA
COUNTY OF PHILADELPHIA

I, a Notary Public of the County and State aforesaid, certify that Edyth N. Lahanas, personally came before me this day and acknowledged that she is a Real Estate Loan Officer ~~Secretary~~ of CONTINENTAL BANK, a Pennsylvania corporation, and that by authority duly given and as the act of the corporation, the annexed instrument was signed in its name by its Vice President, sealed with its corporate seal and attested by her as its Real Estate Loan Officer ~~Secretary~~.

Witness my hand and official stamp or seal, this 6th day of May, 1993.

Anita N. Cerrato
Notary Public

My Commission Expires:

July 18, 1994

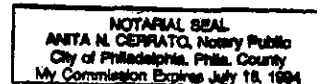


EXHIBIT "A"

Being a parcel of land lying in McNeill Township, Moore county, North Carolina bounded on the south by Midland Road; on the west by lands of Maples Properties, Longleaf, and Pinegrove Village, on the north by the Town of Southern Pines, and on the east by lands of David Drexel and Beatrice Martin and being more particularly described as:

Beginning at a iron pipe on the northern right-of-way (120') of Midland Road, said pipe being the southeast corner of Lot 82 as shown on a plat in the Moore county Registry at Map Book 2 Page 1 entitled "Midland Farms Finshurst, NC arrangement of lots along Midland Road" dated August 13, 1920; thence with said right-of-way N 73° 03' 59" W 599.81' to an iron pipe, Marchetti's south east corner, thence with Marchetti and Garner's lines N 16° 54' 10" E 1001.12' to an iron pipe, Garner's northeast corner; thence with the lands of Garner, J & R Partners, Burns, Hodges and Van Camp N 73° 04' 17" W 2260.44' crossing the Dixie Pipeline's 35' right-of-way to a railroad spike set in an asphalt cart path, a corner with Van Camp and Maples Properties; thence with the Maples Properties line N 23° 45' 44" E 1459.51' to a concrete monument in the southern line of Longleaf, thence with Longleaf's lines S 73° 23' 42" E 83.23' to a concrete monument; thence N 83° 40' 27" E 268.85' to an iron pipe; thence N 58° 43' 40" E 269.94' to an iron pipe; thence S 89° 52' 43" E 299.77' to an iron pipe; thence S 70° 06' 19" E 289.89' to an iron pipe; thence N 72° 40' 24" E 292.45' to an iron pipe; thence N 30° 53' 42" E 203.86' crossing a woods road to a concrete monument; thence N 31° 36' 25" W 333.62' to an iron pipe; thence N 00° 04' 39" W 159.19' to an iron pipe; thence N 29° 53' 00" E 292.42' to an iron pipe; thence N 62° 20' 02" W 161.43' to an iron pipe, a corner common with Longleaf and Pinegrove Village; thence with the Pinegrove Village lines N 34° 20' 41" W 351.88' to a concrete monument; thence N 64° 09' 16" E 597.10' to a concrete monument, a corner common with Pinegrove Village and the Town of Southern Pines; thence with the lines of the Town of Southern Pines S 84° 35' 30" E 199.85' to a concrete monument; thence S 65° 00' 35" E 227.75' to an iron pipe; thence N 77° 01' 25" E 318.50' to a point in the Old Town Reservoir; thence S 24° 06' 19" E 148.71' to a point in The Old Town Reservoir; thence S 60° 33' 56" W 227.00' to an iron pipe; thence S 14° 17' 04" E 134.28' crossing Horse Branch to an iron pipe; thence N 74° 40' 14" E 230.73' to an iron pipe; thence N 66° 56' 35" E 472.54' to an iron pipe; thence S 34° 27' 22" E 490.00' to an iron pipe; thence N 54° 38' 52" E 107.12' crossing Horse Pen Branch to an iron pipe; thence N 09° 21' 28" E 249.02' to an iron pipe; thence S 80° 07' 53" E 1458.52' Crossing the Dixie Pipeline's 35' right-of-way to a concrete monument on the west side of a woods road a corner common with Town of Southern Pines and Drexel thence with Drexel S 09° 58' 33" W 62.94' to a concrete monument; thence crossing said road S 84° 45' 54" E 378.15' to a concrete monument; thence S 14° 06' 37" W 1566.02' crossing a woods road to an iron pipe in the center line of Indian Trail; thence S 40° 14' 03" E 192.21' to a concrete monument in the center line of Indian Trail; a corner common with Drexel and Martin; thence with Martin N 63° 29' 39" W 1076.23' to a concrete monument; thence N 43° 51' 05" W 34.63' to a concrete monument; S 20° 48' 21" W 2632.31' to a concrete monument, a corner common with Martin and Middleton Place; thence with Middleton Place N 70° 23' 43" W 400.08' to a concrete monument, a corner common with Middleton Place and Andrews; thence with Andrews lines N 20° 46' 17" E 127.39' to a concrete monument; thence N 73° 00' 47" W 515.93' to an iron pipe; thence S 17° 00' 24" W 1000.41' more or less to the point or place of beginning containing 310.66 acres more or less as shown on a survey prepared by Ballentine Associates dated 5 October 90 entitled "Boundary Survey Property of M. S. Savin" to which reference is made for encroachments shown.

Less and excepting Tracts 5, 7, 9 and 14, as follows and also excepting the Hotel Site described in Exhibit D of the Declaration.



**BALLENTINE
& RILEY
SURVEYORS**

221 Providence Road
Eastowne Office Park
Chapel Hill, NC 27514

TALAMORE PARTNERS LIMITED PARTNERSHIP

TRACT # 5

919/929-0481 Chapel Hill
919/489-4789 Durham
704/332-0181 Charlotte

Being all of a certain parcel of land lying in McNeill Township, Moore county, North Carolina designated as Lot 5 on a plat prepared by Ballentine & Riley Surveyors entitled "Conveyance Plat Prepared for Talamore Partners Limited Partnership" date April 24, 1991 and being more particularly described as:

Beginning at an existing concrete monument at David Drexel's most easterly corner with Talamore Partners Limited Partnership as shown on said plat; thence with Drexel's lines S 14° 06' 37" W 682.49' to a new iron pipe; thence a new line S 59° 21' 51" W 680.11' to a new iron pipe; thence S 89° 00' 20" W 299.16' to a new iron pipe; thence N 82° 25' 27" W 605.47' to a new iron pipe in the eastern right-of-way of Road B; thence with the right-of-way of said road and the arc of a circle with a radius of 275.00' (chord N 47° 19' 08" E 112.27') and a length of 113.06' to a new iron pipe; thence N 59° 05' 49" E 203.25' to a new iron pipe; thence with the arc of a circle having a radius of 400.07' (chord N 15° 08' 08" E 555.43') and a length of 613.92' to a new iron pipe; thence with the arc of a circle having a radius of 347.71' (chord N 33° 06' 13" W 51.87') and a length of 51.92' to a new iron pipe; thence leaving said right-of-way N 49° 10' 34" E 159.22' to a new iron pipe; thence N 73° 50' 32" E 189.02' to a new iron pipe; thence N 81° 03' 04" E 214.36' to a new iron pipe; thence N 87° 18' 21" E 387.28 to a concrete monument, a corner common to Drexel, the Town of Southern Pines and Talamore Partners Limited Partnership;

thence crossing an old road S 84° 45' 54" E 378.15' to the Point of Beginning containing 18.537 acres more or less.

EXCEPTING, however, that certain parcel described as follows:

BEGINNING at a point, said point being South 31 degrees 27 minutes 18 seconds West 251.57 feet from the northeast corner of the 310 acre Talamore parcel and being the northeast corner of Parcel #5 described above; thence from said beginning point South 83 degrees 37 minutes 22 seconds West 612.23 feet to a point; thence South 80 degrees 44 minutes 16 seconds West 190.47 feet to a point; thence South 73 degrees 29 minutes 34 seconds West 220.06 feet to a point; thence South 8 degrees 44 minutes 14 seconds West 159.42 feet to a point; thence South 20 degrees 20 minutes 49 seconds West 40 feet to a point; thence South 20 degrees 42 minutes 13 seconds West 178.27 feet to a point; thence North 81 degrees 36 minutes 51 seconds East 207.28 feet to a point; thence North 84 degrees 32 minutes 34 seconds East 282.33 feet to a point; thence North 55 degrees 50 minutes 44 seconds East 736.21 feet to a point; thence North 14 degrees 6 minutes 37 seconds East 54.25 feet to the point of beginning and containing 6.777 acres and being Parcel #6 as shown on the Talamore Conveyance Plat dated April 24, 1991, by Ballentine & Riley Surveyors.


**BALLENTINE
& RILEY
SURVEYORS**

 221 Providence Road
 Eastwood Office Park
 Chapel Hill, NC 27514

TALAMORE PARTNERS LIMITED PARTNERSHIP 919/929-0481 Chapel Hill
 919/489-4789 Durham
 704/332-0181 Charlotte
TRACT # 7

Being all of a certain parcel of land lying in McNeill Township, Moore County, North Carolina designated as Lot 7 on a plat prepared by Ballentine & Riley Surveyors entitled "Conveyance Plat Prepared for Talamore Partners Limited Partnership" dated April 24, 1991 and being more particularly described as:

Beginning at a new iron pipe on the southern right-of-way of Road A being located by measuring S 61° 22' 24" W 1,249.06 from a concrete monument at the common corner of the Town of Southern Pines, David Drexel and Talamore Partners Limited Partnership as shown on said plat; thence with the arc of a circle having a radius of 297.71' (chord S 63° 57' 43" E 342.67') and a length of 365.13' to a new iron pipe; thence with the arc of a circle having a radius of 350.07' (chord S 11° 57' 11" E 203.21') and a length of 206.18' to a new iron pipe, a corner common with Lot 3; thence with said lot S 87° 37' 39" W 119.19' to a new iron pipe; thence S 43° 40' 21" W 50.00' to a new iron pipe; thence S 59° 08' 20" W 620.00' to a new iron pipe; thence S 06° 07' 51" E 1,196.88' to a new iron pipe; thence S 22° 28' 30" W 215.74' to a new iron pipe; thence N 69° 07' 57" W 87.30' to a new iron pipe; thence S 74° 06' 11" W 160.08' to a new iron pipe; thence S 0° 37' 02" E 127.44' to a new iron pipe; thence S 54° 16' 49" W 275.00' to a new iron pipe; thence N 16° 59' 35" W 85.00' to a new iron pipe; thence N 68° 56' 22" W 288.37' to a new iron pipe; thence N 78° 14' 55" W 135.08' to a new iron pipe; thence S 9° 16' 43" E 208.89' to a new iron pipe; thence S 21° 15' 46" E 91.81' to a new iron pipe; thence S 30° 59' 43" E 180.99' to a new iron pipe; thence S 56° 47' 51" E 616.27' to a new iron pipe in the western right-of-way of Road A; ; thence with said right-of-way S 20° 48' 21" W 178.95' to a new iron pipe; thence with the arc of a circle having a radius of 225.00' (chord S 71° 00' 40" W 343.75') and a length of 394.31' to a new iron pipe; thence with the arc of a circle having a radius of 275.00' (chord N 65° 53' 54" W 68.12') and a length of 68.30' to a new iron pipe; thence N 73° 00' 47" W 202.30' to a new iron pipe; thence N 59° 46' 34" W 581.05' to a new iron pipe; thence N 11° 06' 40" W 367.93' to a new iron pipe; thence N 3° 22' 28" W 299.05' to a new iron pipe; thence N 17° 28' 54" E 197.43' to a new iron pipe; thence N 33° 49' 28" E 177.34' to a new iron pipe; thence N 46° 25' 18" E 347.53' to a new iron pipe; thence N 09° 07' 01" E 513.02' to a new iron pipe in the eastern right-of-way of Road A; thence with said right-of-way N 15° 57' 44" E 77.17' to a new iron pipe; thence with the arc of a circle having a radius of 230.00' (chord N 22° 14' 34" E 50.32') and a length of 50.42' to a new iron pipe; thence N 28° 31'

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TALAMORE PARTNERS LIMITED PARTNERSHIP
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24° E 110.00' to a new iron pipe; thence with the arc of a circle having a radius of 290.00' (chord N 02° 44' 24" E 252.28') and a length of 261.00' to a new iron pipe; thence N 23° 02' 35" W 95.05' to a new iron pipe; thence with the arc of a circle having a radius of 270.00' (chord N 23° 53' 23" E 394.30') and a length of 442.33' to a new iron pipe; thence N 69° 39' 53" E 247.45' to a new iron pipe; thence with the arc of a circle having a radius of 273.00' (chord N 82° 35' 10" E 112.13') and a length of 112.92' to a new iron pipe; thence with the arc of a circle having a radius of 1,081.73' (chord N 87° 37' 33" E 253.31') and a length of 253.89' to a new iron pipe; thence N 80° 54' 07" E 377.52' to the Point of Beginning containing 70.997 acres more or less.


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& RILEY
SURVEYORS**

 221 Providence Road
 Eastowne Office Park
 Chapel Hill, NC 27514

TALAMORE PARTNERS LIMITED PARTNERSHIP

 919/929-0481 Chapel Hill
 919/489-4789 Durham
 704/532-0181 Charlotte

TRACT # 9

Being all of a certain parcel of land lying in McNeill Township, Moore County, North Carolina designated as Lot 9 on a plat prepared by Ballentine & Riley Surveyors entitled "Conveyance Plat Prepared for Talamore Partners Limited Partnership" dated April 24, 1991 and being more particularly described as:

Beginning at an existing concrete monument, said monument being a corner common to Maples Properties, Longleaf and Talamore Partners Limited Partnership as shown on said plat; thence with Longleaf the following courses and distances S 73° 23' 42" E 83.23' to an existing concrete monument; thence N 83° 40' 27" E 268.85' to an existing iron pipe; thence N 58° 43' 40" E 269.94' to an existing iron pipe; thence S 89° 52' 43" E 299.77' to an existing iron pipe; thence S 70° 06' 19" E 172.67' to a new iron pipe; thence, leaving Longleaf, a new line S 07° 30' 48" W 138.15' to a new iron pipe; thence S 57° 16' 47" W 55.56' to a new iron pipe; thence S 15° 59' 57" E 36.03' to a new iron pipe; thence S 43° 59' 57" E 51.96' to a new iron pipe; thence S 15° 59' 57" E 48.99' to a new iron pipe; thence S 28° 58' 46" E 50.53' to a new iron pipe; thence S 23° 42' 34" E 48.29' to a new iron pipe; thence S 06° 17' 26" W 51.96' to a new iron pipe; thence S 23° 42' 34" E 51.08' to a new iron pipe; thence N 69° 41' 01" E 101.51' to a new iron pipe; thence N 57° 41' 45" E 192.95' to a new iron pipe; thence N 42° 08' 44" E 360.13' to a new iron pipe; thence N 26° 14' 11" W 71.91' to a new iron pipe; thence N 59° 07' 11" W 65.61' to a new iron pipe; thence with the arc of a circle having a radius of 925.00 (chord N 31° 55' 05" E 33.51') and a length 33.51' to a new iron pipe; thence N 30° 52' 49" E 142.62' to a new iron pipe; thence N 07° 32' 00" E 626.93' to a new iron pipe; thence N 14° 46' 19" W 350.00' to a new iron pipe; thence N 02° 39' 41" E 79.56' to a new iron pipe; thence N 50° 11' 56" E 150.02' to a new iron pipe; thence N 74° 24' 16" E 216.06' to a new iron pipe; thence N 81° 42' 16" E 45.68' to a new iron pipe; thence S 30° 59' 49" E 52.65' to a new iron pipe; thence S 23° 07' 15" E 912.87' to a new iron pipe on the western right-of-way of Road A; thence with said right-of-way and the arc of a circle having a radius of 330.00' (chord S 06° 46' 37" E 184.86') and a length of 187.37' to a new iron pipe; thence S 23° 02' 35" E 95.05' to a new iron pipe; thence with the arc of a circle having a radius of 230.00' (chord S 02° 44' 24" W 200.08') and a length of 207.00' to a new iron pipe; thence S 28° 31' 24" W 110.00'; thence with the arc of a circle having a radius of 290.00' (chord S 22° 14' 34" W 63.45') and a length of 63.58' to a new iron pipe; thence S 15° 57' 44" W 77.17' to a new iron pipe; thence with the arc of a circle having a radius of 970.00 (chord S 24° 12' 36" W 278.30') and a length of 279.26' to a

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 TALAHORE PARTNERS LIMITED PARTNERSHIP
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new iron pipe at the intersection of the western right-of-way of Road A and the northern right-of-way of the Dixie Gas pipeline right-of-way; thence with the northern right-of-way line of Dixie Gas S 59° 07' 47" W 631.50'; thence leaving said northern right-of-way S 31° 13' 26" W 34.81' to a new iron pipe; thence crossing the northern right-of-way line of Dixie Gas S 78° 51' 53" W 598.26' to a new iron pipe; thence N 82° 56' 12" W 441.69' to a new iron pipe; thence S 60° 12' 55" W 273.29' to a new iron pipe on the northern right-of-way of Road B; thence with said right-of-way and the arc of a circle having a radius of 570.00' (chord N 69° 45' 02" W 252.65') and a length of 254.76' to a new iron pipe; thence leaving said right-of-way N 26° 34' 45" E 160.84' to a new iron pipe; thence with the arc of a circle having a radius of 544.12' (chord N 30° 50' 57" E 43.11') and a length of 43.12' to a new iron pipe; thence N 67° 51' 45" E 501.91' to a new iron pipe; thence N 80° 01' 06" E 347.30' to a new iron pipe; thence N 13° 22' 52" W 46.94' to a new iron pipe; thence N 16° 37' 08" E 51.96' to a new iron pipe; thence N 13° 22' 52" W 55.58' to a new iron pipe; thence N 51° 40' 32" W 60.51' to a new iron pipe; thence N 15° 59' 57" W 48.99' to a new iron pipe; thence N 45° 59' 57" W 51.96' to a new iron pipe; thence N 15° 59' 57" W 26.81' to a new iron pipe; thence S 78° 02' 54" W 215.26' to a new iron pipe; thence S 72° 07' 51" W 218.00' to a new iron pipe; thence S 62° 20' 19" W 197.46' to a new iron pipe; thence S 47° 59' 56" W 189.95' to a new iron pipe; thence S 44° 06' 53" W 158.90' to a new iron pipe; thence S 38° 18' 55" W 182.63' to a new iron pipe on the northern right-of-way of Road B; thence with said right-of-way and the arc of a circle having a radius of 547.76' (chord N 31° 28' 54" W 172.25') and a length of 172.97' to a new iron pipe; thence with the arc of a circle having a radius of 280.00' (chord N 34° 47' 08" W 119.77') and a length of 120.71' to a new iron pipe where said right-of-way intersects Maples Properties west line; thence with Maples Properties said line N 23° 45' 44" E 493.43' to the Point of Beginning containing 52.556 acres more or less.



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221 Providence Road
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Chapel Hill, NC 27514

TALAMORE PARTNERS LIMITED PARTNERSHIP

TRACT # 14

919/929-0481 Chapel Hill
919/489-4789 Durham
704/332-0181 Charlotte

Being all of a certain parcel of land lying in McNeill Township, Moore County, North Carolina designated as Lot 14 on a plat prepared by Ballentine & Riley Surveyors entitled "Conveyance Plat Prepared for Talamore Partners Limited Partnership" dated April 24, 1991 and being more particularly described as:

Beginning at an existing iron pipe, said pipe being Cranford and Peggy Garner's most northeast property corner in Talamore Partners Limited Partnership's line as shown on said plat; thence with the lines of Garner, J & R Partners, Burns, Hodges and Cowherd N 73° 04' 17" W 2,260.44' to an existing railroad spike in an asphalt cart path, a corner with Maples' Properties; thence with Maples' Properties line N 23° 45' 44" E 901.51' to a new iron pipe; thence a new line with the arc of a circle having a radius of 220.00' (chord S 32° 01' 46" E 73.33') and a length of 73.68' to a new iron pipe; thence with the arc of a circle having a radius of 607.76' (chord S 37° 56' 38" E 325.01') and a length of 329.01' to a new iron pipe; thence S 36° 32' 51" W 240.00' to a new iron pipe; thence S 38° 41' 29" W 402.57' to a new iron pipe; thence S 73° 04' 17" E 435'.00' to a new iron pipe; thence N 23° 10' 36" E 359.10' to a new iron pipe; thence N 18° 29' 43" E 190.00' to a new iron pipe; thence with the arc of a circle having a radius of 630.00' (chord S 72° 52' 09" E 30.00') and a length of 30.00' to a new iron pipe; thence S 10° 40' 56" W 167.28' to a new iron pipe; thence S 81° 47' 17" E 954.88' to a new iron pipe; thence S 66° 11' 37" E 449.84' to a new iron pipe; thence with the arc of a circle having a radius of 1,030.00' (chord S 13° 43' 04" E 447.02') and a length of 450.60' to a new iron pipe; thence S 26° 15' 02" E 34.82' to a new iron pipe; thence with the arc of a circle having a radius of 872.29' (chord S 27° 52' 51" E 49.64') and a length of 49.64' to a new iron pipe; thence S 29° 30' 41" E 19.19' to a new iron pipe; thence S 66° 49' 41" W 113.22' to a new iron pipe; thence N 73° 04' 17" W 70.00' to the Point of Beginning containing 24.902 acres more or less.

BOOK PAGE

EXHIBIT B

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TALAMORE
AT • PINEHURST

MASTER GUIDELINES

Architectural Review Committee
Guidelines & Procedures

ARC.MG.4.93

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PHILOSOPHY

With the objective of assuring an attractive, compatible, and aesthetically pleasing community, Talamore has established an on-going committee designated as the Architectural Review Committee (ARC). The purpose of the ARC is to guide residential development in such a way so as to maximize compatibility of construction and landscaping with the natural beauty and topography of the land at Talamore.

The ARC seeks to assure that exterior features and materials are natural. Brick or stone foundations are preferred and should blend the house with the ground. If concrete block is desired, it must be stuccoed and colored to blend the house with the surrounding grounds. The lay of the ground should dictate what is built on it. Cutting of level areas into hillsides or sloping terrains shall be limited to providing a quality house site without compromising the natural topography.

Landscaping should address the retention of natural spaces. The ARC will discourage any landscaping plans where substantial lawns are prominent.

POLICY

The policy of the ARC is that construction and landscaping drawings must be submitted for design approval prior to proceeding. The ARC will meet as necessary to review all applications within 14 days of receipt. Those contemplating the initiation of construction and/or landscaping (or any alterations thereto), are encouraged to be in contact with the ARC and to obtain a copy of the Talamore manual(s) on this topic.

Meetings:

The ARC shall meet as necessary to review Applications within 14 days of receipt.

Responsibilities:

On behalf of the Talamore Property Owners Association, the Architectural Review Committee is empowered to perform the following services:

1. To establish architectural criteria and exterior design themes for the community.
2. To establish design review criteria for the protection of enduring property values and to provide the best possible safeguards for continuing property value appreciation.
3. To review all Design Review Applications for compliance with design review criteria and with the Declaration of Covenants and Restrictions for Talamore.
4. To assure compatible architectural designs and harmonious relationships with neighboring building sites and the golf course.
5. To require high standards of design and quality construction.
6. To monitor construction for violations of design review criteria and notify the Board of Directors of the Association for appropriate action.
7. To amend design review criteria as may be required from time to time.
8. To contact Applicants whose drawings and specifications have been approved or disapproved and to provide reasonable assistance and recommendations for adjustments to bring disapproved Applications into compliance with design review criteria.
9. To maintain copies of Applications, design documents, and related records.
10. To inform members of the Association regarding activities of the Architectural Review Committee and changes in criteria as they may occur.

DESIGN APPROVAL PROCESS

The following is an outline of the steps involved in the design approval process from preliminary architectural review to final inspection and Certificate of Compliance execution.

Step One: Preliminary Architectural Review:

The Owner or his representative shall submit the application form, application fee, if any, and preliminary drawings (two sets) consisting of the following:

- A. Letter of Application (Exhibit A).
- B. Site Plan.
- C. Floor Plans.
- D. Exterior Elevations (all sides).
- E. Exterior Materials, Colors, and Finishes.

The ARC will review the application and design documents within fourteen (14) days and return one set of drawings to the Owner with the appropriate comments.

Step Two: Final Architectural Review:

The Owner or his representative shall submit the final construction drawings, material samples, product photos, and color chip as follows:

- A. Letter of Application. (Exhibit A).
- B. Site Plan, Topography, Tree Survey.
- C. Floor Plans.
- D. Building Sections.
- E. Exterior Elevations.
- F. Roofs: structure, materials, manufacturer, color chips.
- G. Walls: structure, materials, color chips.
- H. Facia and Trim: construction, materials, color chips.
- I. Window Specifications: manufacturer, type, finish, color chips.
- J. Doors/Garage Doors: materials, finish, color chips.
- K. Patio/Decks: materials, finish, color chips.
- L. Fences/Walls: structure, materials, color chips.
- M. Screen Enclosures: structure, materials, colors.
- N. Mechanical Equipment: location and screening details.
- O. Exterior Lighting Details.
- P. Driveways: materials, finish, color chips.
- Q. Final Stakeout.
- R. Landscape Plans as detailed on page 6.

The ARC will review all design documents, sample materials, color chips and return one set of drawings to the Owner within fourteen (14) days with the appropriate comments.

Step Three: Submission of Drawings to Appropriate Building Department:

The Owner or his representative submits approved drawings to the Town of Southern Pines Building Inspector and any other such agencies having jurisdiction for required permits.

Step Four: Final Landscaping Review:

The Owner or his representative shall submit the following items within sixty (60) days of commencement of construction:

- A. Landscape Plan.
- B. Irrigation Plan.
- C. Exterior Lighting Plan.

Step Five: Revisions and Changes/Final Inspection:

The Owner or his representative will notify the ARC prior to making any exterior changes to approved drawings and obtain ARC approval. Upon completion of construction, the following will be submitted to the ARC:

- A. As-Built Survey.
- B. Copy of Certificate of Occupancy.
- C. Certificate of Compliance (Exhibit B).

Once construction or alteration of the improvements is complete, the property owner shall cause a Certificate of Compliance, in the form of Exhibit B attached to these guidelines, to be executed and filed with the ARC. The Certificate of Compliance shall be signed by the property owner as well as the designer or builder, or both, as applicable, employed in connection with the construction or alteration of the improvements. The property owner shall not occupy the improvements or that portion being altered, as applicable, until the Certificate of Compliance has been filed with and accepted by the ARC.

Design Document Changes:

The Owner or his representative must notify the ARC prior to making any exterior changes to the approved drawings. A letter with applicable support data (as required) must be submitted to the ARC for the file. Any major deviations (as determined solely by the ARC) may require full ARC approval prior to commencement of changes.

Periodic Inspections:

The ARC reserves the right to inspect construction in progress for conformance with approved design documents and Applicants agree to cooperate fully with members of the ARC. Such inspection shall be for ARC enforcement purposes only and the ARC shall have no affirmative obligation to assure that the design complies with the restrictions contained in the Declaration or that the improvements are constructed in accordance with the approved drawings. Inspection by the ARC does not imply the construction is in compliance with these guidelines.

DESIGN DOCUMENTS (ARCHITECTURAL/LANDSCAPING PLANS)

In order to provide a systematic and uniform review of the proposed construction, the design documents will adhere to the criteria outlined below.

Design Review Application:

(See separate exhibit in latter portions of this manual.)

Site Plan (also see landscaping plan):

Scale: 1" = 20' or larger.
Property Lines.
Building Setback Lines.
Easements.
Right-of-Ways.
Driveways.
Patio/Decks.
Walkways.
Pools.
Culverts.
Drainage Plan.
Dwelling Perimeters (1st/2nd floor).
Roof Line/Overhang.
Trees.
Topography (finish and existing grades).

Floor Plans:

Scale 1/4" = 1'-0".

Exterior Elevations:

Scale 1/4" = 1'-0".
Existing Grade and Fill or Cut Shown.
All exterior views of all structures including materials, textures, and colors.

Building Sections:

Scale 3/4" = 1' (min).
Wall/Roof Section.
Roof Pitch/Materials/Colors.

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Exterior Colors, Finishes, Materials:

Specifications.
Manufacturers.
Materials/Finishes/Models.
Samples/Product Photos/Color Chips.

Final Stakeout:

Lot Corners.
Dwelling Corners.
Driveways.
Patios/Decks.
Walkways.
Fences/Walks.

Engineering Plans:

Utilities and Connections.
Roads.
Drainage/Drainage Calculations.

Landscape Plans (Also see site plan):

Scale: 1" = 20' or larger.
Topography.
Drainage Patterns.
Easements.
Right-of-ways.
Existing Trees (4" diameter at 3' above grade).
Plant Material.
Surface Material.
Irrigation System.
Time Clock Location.
Exterior Lighting Details.

ARCHITECTURAL REVIEW COMMITTEE POLICIES

Applicant's Responsibilities:

The ARC assumes no liability for Applicant's responsibilities which include but are not limited to the following:

1. Performance or quality of work of any contractor or subcontractor.
2. Compliance with all laws, codes, and ordinances of any governmental agency or body.
3. Determination of environmental restrictions, drainage and grading requirements and all surface and subsurface soil conditions.
4. Determination of structural, mechanical, electrical, and all other technical aspects of a proposed design that can only be determined by competent architects, engineers, contractors, and other similar professionals.
5. Compliance with Covenants and Restrictions of Talamore and ARC criteria.
6. Accuracy of all stakeouts and surveys.

Design Review Approvals:

All new construction and changes, modifications, alterations, and improvements of existing homes must receive Final Architectural Review approval prior to obtaining building permits or commencing work.

Design Review Decisions:

Upon receipt of a properly completed Application, the ARC will review Applicant's drawings and specifications and render one of three types of decisions in writing:

- A. APPROVED.
- B. APPROVED SUBJECT TO LIMITING CONDITIONS.
- C. DISAPPROVED.

If Applications are APPROVED (with or without comments), Applicants may submit documents and specifications for Final Architectural Review (if this step has not been completed) or for building permits. "Comments" regarding any specific Application may be rendered to encourage changes that the ARC deems desirable, but such "comments" are not binding upon Applicants.

If Applicants are APPROVED SUBJECT TO LIMITING CONDITIONS, then Applicants must make changes prior to submitting drawings and specifications for Final Architectural Review or for building permits, whichever is the case. "Limiting Conditions" are binding upon Applicants.

In the event Applications are DISAPPROVED at the time of Preliminary Architectural Review, Final Architectural Review or Final Landscaping Review, Applicants must make appropriate changes and resubmit for the same step for which the plans and specifications were disapproved.

Appeal:

If an Application has been denied, or the approval is subject to limiting conditions which the Applicant feels are unfair, the Applicant may request a hearing before the full ARC to justify his position. After the hearing, the ARC will review their decision and notify the Applicant of their final decision within ten (10) days of the hearing.

Variances:

All requests for variances from the requirements in this manual shall be made in writing. Any variance granted shall be considered unique and will not set any precedent for future decisions.

Written Approvals/Oral Statements:

Applications for Preliminary and Final Architectural Review or Final Landscape Review will be returned with the ARC's decision, comments, and limiting conditions signed by a member of the ARC along with one set of design documents.

The foregoing items shall be the sole source of reference regarding ARC approval and oral statements shall not be relied upon unless incorporated into written approvals or noted on design documents and signed by a member of the ARC.

Approval Expiration:

Applicants must begin construction within ninety (90) days of the Final Architectural Review approval by the ARC. Failure to do so will automatically revoke approval without prior notice from the ARC. Time extensions may be granted by the ARC if written requests are received prior to or within ninety (90) days of Final Architectural Review.

Additions/Remodelling/Improvements:

Applicants for changes, modifications, alterations, and improvements to existing homes shall consult with the ARC to determine the design documents required for approval. No work shall commence without approval of the ARC. This includes repainting of a home if a color other than the originally approved color is used.

Construction Changes:

All construction must be completed in accordance with the Application and Design Documents as approved. Exterior changes to the subject property shall receive prior approval from the ARC. Applicants requesting design change approvals should consult with the ARC to determine Design Documents required, if any, for approval.

Construction Inspections:

Periodic inspections may be made by the Committee while construction is in progress to determine compliance with the approved Design Documents. The ARC is empowered to enforce its policy, as set forth in the Declaration and this Manual, by any action at law or equity to insure compliance including injunctive relief.

KEY MASTER DESIGN GUIDELINES

The following list summarizes those design elements which the ARC requires, recommends, and/or encourages:

1. Use of professionals qualified in the fields of planning, architecture, landscape design, engineering, and surveying.
2. Compliance with all restrictions as found in the Declaration of Restrictions, Conditions, Easements, Covenants, Agreements, Liens and Charges ("The Declaration").
3. Preservation of the natural character of the site.
4. Emphasis on the aesthetics of exterior architectural and landscape design.
5. Minimum square footage shall conform to those set forth in the Declaration.
6. Requirement for a minimum 5/12 roof pitch with fiberglass/asphalt, cedar shakes, cedar shingles, natural slate, tile, or copper seamed roofing.
7. Requirement for each house to be pre-wired for cable TV.
8. Minimum of a two-car garage with automatic door openers unless otherwise stated in site specific guidelines.
9. Conformance with the standard mailbox design.
10. Overall, high-grade, superior quality construction with emphasis on good design and the use of natural materials such as brick, stone, and wood.
11. Sign control in conformance with the criteria set forth by the ARC.
12. Supplemental guidelines may be imposed in neighborhoods as described in Supplemental Declarations.

For specific details and additional information, the Owner or his representative should refer to the "Architectural/Landscaping Standard and Criteria" section of this manual.

EXTERIOR ELEVATIONS

1. Exterior elevations will be reviewed for architectural design/materials and for aesthetic appearance in terms of the overall dwelling and its relationship to other homes.

2. Applicants are discouraged from submitting drawings addressing only frontal surface treatments, unless such details are part of the total design approach of the home.
3. Approval of exterior design will be based on overall design themes and will consider mass and scale; materials, textures, color and finishes; continuity between primary design elements and secondary surface treatments; placement of windows, doors, and openings; vertical and horizontal lines; roof pitches, etc.
4. Preferred exterior features and materials include horizontal or vertical wood siding, stone, brick, stucco, high-pitched roofs, brick chimneys, etc.
5. The ARC may prohibit any proposed new construction or change to existing homes on purely aesthetic grounds, where in its sole judgment, such action is required to maintain superior architectural standards.

EXTERIOR MATERIALS

Most earth-tone colors work very well in tying together the continuity of buildings. The intent is for individual houses to blend into the total image. Dark colors accommodate this better than light. Pastel hues do not work well. Stains are preferred to paints. Roof colors should not contrast sharply with the rest of the house.

1. The selection of exterior materials shall be harmonious with the architectural motif of each dwelling unit and the community development as a whole. Natural materials are preferred over synthetic materials. Depending on specific applications, the following materials have been approved by the ARC.
 - A. WOOD (cypress/cedar/redwood): board and batten lap siding; cedar shakes (roofs); tongue and groove siding.
 - B. STUCCO: (Approval subject to application, texture, and use of other primary, secondary, or decorative treatments).
 - C. MASONRY: Natural stone and brick; concrete block with approved surface treatment.
 - D. WINDOWS: Wood, aluminum frame, PVC clad, or painted.
2. The following exterior materials are not approved for construction: Metal siding; decorative concrete block; concrete block (except sub-surface wall or as described in "D" above); fiberglass, plastic or asphalt siding; logs (imitation or otherwise except for landscaping purposes); fiberglass garage doors; and certain types of imitation stone and brick. High quality simulated stone and brick from natural materials will be considered on their own merit by the ARC, but are subject to disapproval.
3. Exterior colors that, in the opinion of the ARC, would be inharmonious, discordant, and/or incongruous with the natural setting shall not be permitted.

The ARC shall have final approval of all exterior color submittals and each Applicant must submit to the ARC as part of the Final Architectural Review, a color board showing the color of the roof, exterior walls, shutters, trim, etc.

A color board with manufacturer's name and number, with color/material "chip" and location of same, of 8-1/2" x 11" or 8-1/2" x 14" size shall be submitted for approval. This will be retained for record file. Should color or materials be revised prior to completion, contractor shall update that reference, file.

ROOF PITCH/ROOFING MATERIALS/SOLAR WATER HEATERS

1. Generally roof lines should follow the slope of the land. Roofs should slope at a minimum of 5 in 12 pitch. Flat roofs are not permitted. Recommended roof surfacing materials are fiberglass/asphalt shingles, cedar shakes, cedar shingles, natural slate, tile and copper seamed roofing. Gutters and downspouts may be used if desired. Overhangs are encouraged.
2. All roof stacks, flashings, and metal chimney caps shall be painted to match the approved roof colors; unless copper is used. Roof stacks and plumbing vents shall be placed on rear slopes of the roofs where possible.
3. Solar roof panels are not permitted unless designed to be mounted flush with the roof plane.

**DESIGN DUPLICATION
(ESTATE LOTS ONLY)**

1. Applicants should select building sites and home designs that avoid repetitious designs within close proximity. Similar designs or design duplications are discouraged and subject to disapproval unless sufficiently different in exterior colors, materials, finishes, trim, and detailing.
2. Elevations that are similar in appearance are prohibited on any four adjacent homesites, any three homesites immediately across the street, or any three homesites on a cul-de-sac.
3. The approval of drawings for a specific site does not automatically imply ARC approval of the same drawings on another building site.

GRADING AND DRAINAGE

1. No bulldozing or clearing of trees shall be commenced until plans and specifications showing the nature, kind, shape, and location of work have been submitted and approved. Fill shall not be deposited at any location without prior ARC approval. Cuts or fills shall be replanted with plant materials which shall blend with native vegetation. Cuts and fills should be designed to compliment the natural topography of the site.
2. All buildings will be completed at a finished floor elevation compatible with its surroundings.
3. Applicant shall be responsible for grading and surface drainage so that surface run-off will not adversely affect adjoining properties. Applicant shall provide construction devices, stepped terraces, or other forms of erosion control as may be required by the ARC.
4. In no case shall trees with a diameter of 4 inches or more (measured 3 feet above grade) be removed without approval of the ARC.
5. Natural vegetation buffers on the boundary of Talamore shall not be disturbed.

**OUTDOOR LIVING AREAS/
SWIMMING POOLS/SCREEN ENCLOSURES**

1. Generously proportioned porches and terraces encourage frequent use. Outdoor living is comfortable throughout most of the year. To roof an outdoor area extends the time it can be fully utilized. The shade and shadows created by porches and roof overhangs soften the rigid lines of a structure. Concrete patios do not work well on sloping land. Wood decks provide a more desirable outdoor area and will weather more subtly than concrete. The use of stone or brick terraces is recommended.
2. The elevation of the top of any swimming pool construction on any lot may not be over two (2) feet above the natural grade unless integrated into terraced construction upon ARC approval. No above-ground pools are permitted.
3. Swimming pools shall not be permitted on the street side of the residence.
4. Screen enclosure materials and colors must be approved by the ARC. Pool enclosures must be neutral in color. Submit materials and colors for ARC approval.
5. Screen enclosures must not be visible from the street in front of the residence unless approved by the ARC.
6. Swimming pools, pool decks, screen enclosures, or patio/decks should not be located outside the building envelope. These may be approved on a lot by lot basis.

MAILBOXES

No mailbox or other similar receptacle shall be erected on any lot unless design and specifications are incorporated into the final plans approved by the ARC.

FENCES

1. All fencing and screening fences shall be approved by the ARC.
2. Attempts to establish property lines through individual fencing is not permitted. Fences may encompass mechanical equipment areas, trash storage areas, as a screening device. Every effort must be made to retain the feeling of open spaces.
3. No wall, fence, or coping may be constructed on any lot which impacts the use or visual quality of the golf course.
4. No wall, coping, fence, or boundary planting may be constructed or maintained in such a manner as to interfere with the vision of drivers at any intersection of streets or roads.

GARAGES/DRIVEWAYS/EXTERIOR LIGHTING

1. All single family homes shall have a minimum of a two-car garage (unless otherwise noted). Automatic garage door openers are required.

2. No street side parking areas may be created by extending any portion of the street pavement. Large parking areas are discouraged.
3. All units shall have an approved exterior light in the driveway area. All proposed exterior lighting shall be detailed on the Final Landscape Plans. No exterior lighting shall be permitted which in the opinion of the ARC creates a nuisance to the adjoining property owners.
4. Where possible, access to corner lots shall be from the least traveled street.
5. Approved materials for driveways are concrete, brick, concrete pavers or asphalt.

AWNINGS AND SHUTTERS

1. Awnings, canopies, and shutters are not permitted on the exterior of the residence without prior approval of the ARC.
2. Areas beneath decks and elevated terraces shall not be used for storage unless the area is shielded from public view.

LANDSCAPING AND IRRIGATION

1. All easements and right-of-ways shall be landscaped in accordance with the ARC specifications.
2. The ARC shall make available a list of acceptable trees and shrubs. Plants indigenous to the area should be utilized.
3. All landscaping shall be completed according to the Final Landscape Plan as approved. Any additional landscaping or changes to the approved plan are subject to the approval of the ARC prior to installation.
4. An automatic underground irrigation system of sufficient size and capacity to irrigate all landscaped areas must be installed and used to maintain the areas in good and living condition.
5. The connection point to the irrigation system and location of the time clock shall be identified on the Final Landscape Plan.
6. Irrigation from wells shall not be permitted.
7. All homes must be landscaped and irrigated prior to obtaining a Certificate of Occupancy.
8. Trees with a diameter of 4 inches or more (measured 3 feet above grade) must be noted on the site plan, tree survey, and landscape plan. Specimens scheduled for removal must be included on plans and tagged with colored ribbons on-site for inspection along with the final stakeout. In no case shall trees with a diameter of 4 inches or more (measured 3 feet above grade) be removed without approval of the ARC.
9. All Applicants and Participating Builders shall make a diligent effort to protect all remaining trees during construction, to provide staked-off areas to protect root systems from heavy vehicles and equipment, to install tree wells, and to take other precautions in cases where fill is required around trees.

10. The following represents mandatory landscaping and irrigation requirements prior to submission of the Certificate of Compliance:

Full Size Homesite: Minimum shrubs: 45 one-gallon or greater, 45 three-gallon or greater (design equivalent). Minimum trees: 20 ornamental as designed to individualize house. Closed loop irrigation system with automatic zones as required.

Village Home Homesite: Minimum shrubs: 25 one-gallon or greater, 25 three-gallon or greater (design equivalent). Minimum trees: 10 ornamental as designed to individualize house. Closed loop irrigation system with automatic zones as required.

UTILITIES/SERVICE AREAS/ACCESSORY STRUCTURES

1. Accessory structures, such as playhouse, tool sheds, doghouses, or dogruns, shall not be permitted unless specific written approval of the ARC is obtained. Such structures shall be considered a variance and shall be reviewed accordingly.
2. All playground equipment shall be placed to the rear of the residence and only with the approval of the ARC. Such structures shall be considered a variance and shall be reviewed accordingly.
3. No decorative objects such as sculptures, birdbaths, fountains, and the like shall be placed or installed on the building site without approval of the ARC.
4. Outside antennas and satellite dishes shall not be permitted. Prior to availability of cable TV, antennas may be used with ARC approval according to published guidelines.
5. A flagpole for display of the American Flag shall be permitted, subject to ARC approval of the size, placement, color, finish, and design. No flagpole shall be used as an antenna.
6. No clothes lines shall be allowed.
7. All garbage containers, AC compressors, water softeners, oil/gas tanks, pool pump equipment, etc., shall be located in rear yards or side yards behind the setback line and shall be screened or walled from front streets, adjoining properties, and golf courses as required by the ARC.
8. Applicant shall be responsible for all utility services from each utility company's underground line to the Applicant's home. All utilities shall be underground except temporary electrical service for homes under construction. Meters, transformers, and other utility service equipment/gear shall be shielded by screening, walls, or landscaping approved by the ARC.
9. Tennis courts are not permitted on any lot.

BANNERS/SIGNS/LETTERS

All banners, signs, and letters of any kind and nature shall be approved by the ARC before installation. Signs including builder's signs must conform to the guidelines established by the ARC. "For Sale" and "For Rent" signs are prohibited.

VEHICLE PARKING

Applicants will not be permitted to park any commercial vehicle, boat, truck, van, trailer, camper, mobile home, tractor, bus, farm equipment, recreational vehicle, off-road vehicles, trailer coach, or similar vehicle for a period of twenty-four (24) hours on any building site or common area unless such vehicle is parked inside a totally enclosed structure. Street parking of all of the above is prohibited.

EXTERIOR REPAINTING OF EXISTING HOMES

Repainting of any existing dwelling or property thereon with a color other than previously approved shall require the approval of the ARC. Color chips or samples coded to exterior elevations shall be submitted to the ARC for color change approval.

CONSTRUCTION SITE REQUIREMENTS

1. All job sites will be kept in a clean and orderly condition. No materials will be stored or placed in the swale or right-of-way areas. Debris shall be removed at least weekly. Care shall be exercised on storage of materials (and debris) on golf course frontages.
2. No signage is permitted at any job site unless required by law or approved by the ARC.
3. Construction hours: 8 a.m. to 6 p.m. Monday through Friday and 8:00 a.m. to 12:00 p.m. Saturday.
4. All Participating Builders are required to keep on record with the Developer and ARC a 24-hour emergency phone number.
5. No alcoholic beverages or illegal drugs are permitted on job sites.
6. The playing of loud music that may be annoying to residents is prohibited.
7. Any agents, subcontractors, and employees of Contractors who violate construction site requirements or any other ARC criteria may be removed and prohibited from entering Talamore by the Developer and the ARC.

TALAMORE
EXHIBIT A

For Review Committee Use Only

Housing Type:

Submit to: THE ARCHITECTURAL REVIEW COMMITTEE

Preliminary Approval:

Application for Residential Construction

Stake-Out Approval:

Names and Address of Property Owner:

Lot Number:

Final Approval:

Street:

Date

Name and Address of Architect or Designer:

Building Permit #:

Submitted By:

Date

Date

Tap Fee Paid:

Name and Address of Contractor:

Plans Submitted Are:

Final _____

Completed Construction:

Preliminary _____

Contractor's N.C. License Number:

1. Has a structure been previously constructed from these plans in this area?
 No _____ Yes _____ Location _____
2. Is this construction for speculative purposes? Yes _____ No _____
3. What is the finished floor elevation? _____ feet above MSL.
4. What is the: HEATED AREA of this structure? _____ sq. ft.
 GARAGE AREA of this structure? _____ sq. ft.
 DECK AREA of this structure? _____ sq. ft.
 TOTAL SQUARE FEET _____ sq. ft.
5. Exterior Materials: Specify colors and materials to be used. Please submit samples of colors on the materials that will be used.

BRICK:	Type & Manufacturer	Color
SIDING:	Material	Color
STUCCO:	Material	Color
ROOFING:	Material	Color
FASCIA & TRIM:	Material	Color
SHUTTERS:	Material	Color
DOORS:	Material	Color
WINDOWS:	Material	Color
OTHER	Material	Color
OTHER	Material	Color
6. A Permit Fee will be charged the day you receive your Talamore Building Permit. This bill may be paid at the Development Office.

BOOK PAGE
00912 00102

EXHIBIT B

TALAMORE
1595 MIDLAND ROAD
SOUTHERN PINES, NORTH CAROLINA 28387
(919) 692-4366

CERTIFICATE OF COMPLIANCE

TALAMORE
SOUTHERN PINES, NORTH CAROLINA

THE UNDERSIGNED CERTIFY TO THE TALAMORE ARCHITECTURAL REVIEW COMMITTEE (THE "ARC") THAT THE BUILDING STRUCTURE AND OTHER IMPROVEMENTS (THE "IMPROVEMENTS") SITUATED AT

(LOT # & STREET)

IN TALAMORE HAVE BEEN CONSTRUCTED OR ALTERED (CIRCLE ONE) IN ACCORDANCE WITH THE RECORDED COVENANTS RUNNING WITH CERTAIN LANDS IN TALAMORE AFFECTING SUCH LOT, AS AMENDED TO DATE, COPIES OF WHICH COVENANTS THE OWNER HEREBY ACKNOWLEDGES.

THE UNDERSIGNED FURTHER CERTIFIES THAT THE IMPROVEMENTS HAVE BEEN CONSTRUCTED IN ACCORDANCE WITH THE FINAL PLANS AND SPECIFICATION HERETOFORE FILED WITH AND APPROVED BY THE ARC ON _____, 19____: THAT THE CONTRACTOR AND/OR DESIGNER EXECUTING THIS CERTIFICATE HAS CONDUCTED A FINAL INSPECTION OF THE IMPROVEMENTS; AND THAT THE IMPROVEMENTS MEET THE GUIDELINES, CRITERIA AND REQUIREMENTS SET FORTH BY THE ARCHITECTURAL REVIEW COMMITTEE IN ITS APPROVAL OF THE DRAWINGS AND SPECIFICATIONS.

WITNESS THE HAND AND SEAL OF EACH OF THE UNDERSIGNED THIS _____ DAY OF _____, 19____.

OWNER: _____

CONTRACTOR: _____ ARCHITECT OR DESIGNER: _____
(Signature) (Signature)

TYPE OF IMPROVEMENTS: _____

TALAMORE BUILDING PERMIT #: _____

FILED WITH THE TALAMORE ARCHITECTURAL REVIEW COMMITTEE THIS _____ Day of _____, 19____.

ROBERT LEVY, JR., CHAIRMAN
TALAMORE
ARCHITECTURAL REVIEW COMMITTEE

EXHIBIT C

BYLAWS
OF
TALAMORE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is Talamore Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 1585 Midland Road, Southern Pines, Moore County, North Carolina, but meetings of Members and Directors may be held at such places within the State of North Carolina as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. The terms "Association", "Declarant", "Common Area", "Expansion Right", "Lots", "Owner", and "Property" as used in these Bylaws shall have the meanings set forth in the Declaration of Restrictions, Conditions, Easements, Covenants, Agreements, Liens and Charges executed by Talamore Partners Limited Partnership as declarant therein, dated March 6th, 1993, and recorded in the Office of the Register of Deeds of Moore County, North Carolina, in Book 912, Page 057 (as modified, amended or supplemented, from time to time, the "Declaration").

Section 2. "Member" means those persons or entities entitled to membership in the Association as provided in the Declaration. "Membership" means all Members, as a group.

ARTICLE III
MEETINGS OF MEMBERS

Section 1 - Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within the State of North Carolina selected by the Board of Directors of the Association.

Section 2 - Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Membership.

Section 3 - Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, not less than ten (10) nor more than fifty (50) days before the meeting, to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by the Member to the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting. In the case of a special meeting, the notice shall state the purpose of the meeting.

Section 4 - Quorum. The presence at the meeting of Members or proxies entitled to cast one-tenth (1/10) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5 - Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE IV
BOARD OF DIRECTORS SELECTION: TERM OF OFFICE

Section 1 - Number. The affairs of this Association shall be managed by a Board of five (5) Directors, who need not be Members of the Association.

Section 2 - Term of Office. The terms of office of the "Charter Directors" (as defined in the Articles of Incorporation of the Association) shall be for the period until the first annual meeting of the Members at which their successors are elected. The terms of each Director other than a Charter Director shall be for three (3) years or until his successor is elected, whichever shall be the longer period. Each Director, other than a Charter Director, shall be elected at the annual meeting.

The initial Directors shall be deemed to be elected two (2) Directors for three (3) years; two (2) Directors for two (2) years; and one (1) Director for one (1) year. Successor Directors shall be elected according to this staggered expiration of terms to give continuity to the Directors.

Section 3 - Removal. Any Director, other than a Charter Director and other than a Director selected by the Declarant during the Declarant Control Period (as hereinafter defined), may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. Any Director selected by the Declarant during the Declarant Control Period may be removed by the Declarant, with or without cause. In the event of death, resignation or removal, pursuant to these Bylaws, of a Director (a) if such Director was elected by the Members of the Association, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor and (b) if such Director was elected by the Declarant during the Declarant Control Period, his successor shall be selected by the Declarant.

Section 4 - Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5 - Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS

Section 1 - Nomination. Nomination of Directors for election to the Board of Directors shall be made by a Nominating

Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, and two or more other persons. The Nominating Committee shall be appointed by the President of the Association prior to each annual meeting of the Members to serve until the close of the annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine but not less than the number of vacancies that are to be filled. Nominations may be made from among Members or nonmembers.

Section 2 - Election. Election to the Board of Directors shall be by written ballot. At the election the Member or his proxy may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 3 - Selection of Directors by Declarant. Notwithstanding anything to the contrary set forth in Section 1 or Section 2 of this Article III, during the Declarant Control Period, the Declarant shall be entitled to appoint and remove the members of the Board of Directors of the Association; provided, however, (a) not later than sixty (60) days following conveyance of twenty-five percent (25%) of the Lots to Owners other than the Declarant, one (1) member of the Board of Directors shall be elected by Owners other than Declarant, and (b) not later than sixty (60) days after conveyance of fifty percent (50%) of the Lots to Owners other than Declarant, not less than thirty-three percent (33%) of the members of the Board of Directors shall be elected by Owners other than Declarant. Following the expiration of the Declarant Control Period the Board of Directors shall be elected by Owners in the manner set forth in the Articles of Incorporation and the By-laws of the Association.

As used herein, the term "Declarant Control Period" shall mean that period of time until the earlier of (i) 120 days after conveyance of 75% of the Lots (including Lots created by reason of the Expansion Right) to Owners other than the Declarant; (ii) two (2) years after Declarant has ceased to offer Lots (including Lots created by reason of the Expansion Right) for sale in the ordinary course of business; or (iii) the date Declarant voluntarily terminates the Declarant Control Period pursuant to an instrument recorded in the office where this Declaration is recorded provided, however, the Declarant Control Period shall, in all events, terminate on that date which is ten (10) years from the date hereof; and provided further in the event that the Expansion Right is exercised to add additional Lots to the Property, the Declarant Control Period shall be adjusted and extended (or revived as the case may be) to reflect the addition of such additional Lots.

ARTICLE VI MEETINGS OF DIRECTORS

Section 1 - Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section 2 - Special Meeting. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 3 - Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business.

Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1 - Powers. The Board of Directors shall have the power to:

A. Adopt and publish rules and regulations governing the use of the Common Areas including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

B. Suspend the voting rights and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association; these rights may also be suspended for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

C. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Members by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; and

D. Employ a manager, independent contractors, or other employees or contractors as they deem necessary and to prescribe their duties.

Section 2 - Duties. It shall be the duty of the Board of Directors to:

A. Keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such a statement is requested in writing by the holders of one-fourth (1/4) of the votes of the Members;

B. Supervise all officers, agents and employees of this Association and to see that their duties are properly performed;

C. As more fully provided in the Declaration:

1. Fix the amount of the annual assessment against each Lot not later than February 1st of each year;

2. Send written notice of each annual assessment to every Lot Owner subject thereto not later than February 1st of each year, and of each special assessment, at least forty-five (45) days in advance of its due date; and

3. Foreclose the lien against a Lot if the Owner thereof has not paid the assessment thereon within such time as the Board of Directors may determine, or bring an action at law against the Lot Owner personally obligated to pay the same.

D. Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid; a reasonable charge may be made by the Board for the issuance of these certificates (if the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate);

E. Procure and maintain adequate liability and hazard insurance on property owned by the Association;

F. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

G. Cause the Common Areas to be maintained; and

H. Appoint members of the Architectural Review Committee and perform such duties as are required by the Declaration.

ARTICLE VIII
OFFICERS AND THEIR DUTIES

Section 1 - Enumeration of Officers. The officers of this Association shall be a President and Vice-president who shall at all times be Members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2 - Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors and thereafter at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3 - Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4 - Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5 - Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 6 - Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7 - Multiple Offices. Not more than two offices may be held by the same person.

Section 8 - Duties. The duties of the officers are as follows:

A. President. The President shall preside at all meetings of the Members and of the Board of Directors and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds of trust, deeds, and other written instruments.

B. Vice-president. The Vice-president shall act in the place and stead of the President in the event of his absence or inability or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice-president shall likewise have authority to sign all leases, mortgages, deeds of trust, deeds, and other written instruments.

C. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of

the Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as required by the Board.

D. Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board of Directors; keep proper books of account; cause an annual audit of the Association books to be made at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

ARTICLE IX
COMMITTEES

The Association shall appoint such committees as it deems appropriate in carrying out its purposes.

ARTICLE X
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association where copies may be purchased at reasonable cost.

ARTICLE XI
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon the Lot against which the assessment is made. If the assessment is not paid on the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XII
AMENDMENTS

Section 1. These Bylaws may be amended, at a regular or special meeting of the Members, by the holder of two-thirds (2/3) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken; provided, however, the consent of the Declarant shall be required for any amendment during the Declarant Control Period.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these Bylaws, the Declaration shall control.

ARTICLE XIII
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31st of that year.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and action secretary of Talamore Homeowners Association, Inc., a North Carolina corporation; and

THAT the foregoing Bylaws constitute the original Bylaws of said Association as duly adopted at a meeting of the Board of Directors thereof held on the 6th day of May, 1993.

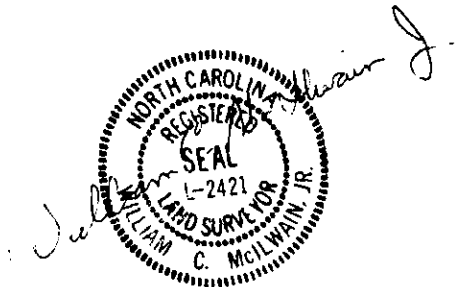
6th IN WITNESS WHEREOF, I have hereunto subscribed my name this day of May, 1993.

A handwritten signature in cursive script, appearing to read "John H. M...", is written over a horizontal line. Below the line, the word "Secretary" is printed.

DESCRIPTION FOR HOTEL SITE AT
TALAMORE

Lying and being in McNeill Township, near the Town of Southern Pines, Moore County, North Carolina, north of Midland Road and being more particularly described as follows:

BEGINNING at a point, a southwest corner of Lot 8 which is also an eastern corner of Lot 9 in Road "A", Road "A" and Lot 9 being described in that deed of conveyance recorded in DB 773, Page 61, Moore County Registry, and runs thence as an east line of Lot 9 and a line of Lot 8 N23°07'15"W 912.87 feet to a point; thence N30°59'49"W 52.65 feet to a point; thence S81°42'16"W 45.68 feet to a point; thence S74°24'16"W 216.06 feet to a point; thence S50°11'56"W 150.02 feet to a point; thence S02°39'41"W 79.56 feet to a point; thence S14°46'19"E 350.00 feet to a point; thence S07°32'00"W 626.93 feet to a point; thence running across Lot 8 N58°09'04"W 74.66 feet to a point another original corner of Lot 8 and also a corner of Longleaf; thence as the lines of Lot 8 and Longleaf N31°36'25"W 333.62 feet to a point; thence N00°04'39"W 159.19 feet to a point; thence N29°53'00"E 292.42 feet to a point; thence N62°20'02"W 161.43 feet to a point, a corner of Longleaf and Pinegrove Village; thence continuing as Lot 8 and Pinegrove Village N34°20'41"W 351.88 feet to a point; thence N64°09'16"E 597.10 feet to a point, a corner of Pinegrove Village and property of the Town of Southern Pines; thence continuing as Lot 8 and the Town of Southern Pines S84°35'30"E 199.85 feet to a point; thence S65°00'35"E 227.75 feet to a point; thence N77°01'25"E 318.50 feet to a point; thence S24°06'19"E 148.71 feet to a point; thence S60°33'56"W 227.00 feet to a point; thence S14°17'04"E 134.28 feet to a point; thence N74°40'14"E 230.73 feet to a point; thence N66°54'35"E 472.54 feet to a point; thence S34°27'22"E 450.00 feet to a point; thence crossing over Lot 8, again, S19°56'04"W 150.39 feet to a point at the PC of a curve in the north R/W of Road "A"; thence as said R/W of Road "A" a curve to the west clockwise with a radius of 1031.73 feet and an arc distance of 242.15 feet to the point of reverse curve; thence as said reverse curve with a radius of 325.00 feet an arc distance of 133.45 feet to a point in said R/W; thence continuing as said R/W S71°58'49"W 247.45 feet to the PC of another curve; thence as said curve to the west counter-clockwise with a radius of 330.00 feet an arc length of 353.25 feet to the BEGINNING corner, containing 22.36 acres more or less and being a portion of Lot 8 shown on a plat by Ballentine and Riley Surveyors, April 1991, owned by Talamore Partners Limited Partnership. The above description from the above described plat.



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EXHIBIT E

RED-COCKADED WOODPECKER MANAGEMENT PLAN FOR TALAMORE

Submitted to
Peter Savin Properties
Box 7136
37 Jerome Avenue
Bloomfield, Connecticut 06002
5 March 1989

Prepared by
J.H. Carter III
Consulting Biologist
P.O. Box 891
Southern Pines, North Carolina 28387

Introduction

The Red-cockaded Woodpecker (Picoides borealis) (hereafter, RCW) is an endangered species and is listed as such by both the U.S. Fish and Wildlife Service and the State of North Carolina. The RCW receives protection from Sections 7 and 9 of the Endangered Species Act of 1973 (PL 93-205, as amended). The RCW, its cavity trees, and its foraging habitat are protected by Federal law. Specific prohibitions include the take of RCWs, which is defined as "to harass, harm, pursue, hurt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct" (Sec. 3 and 9, PL 93-205, as amended). Harass "means an intentional or negligent act or omission which creates the likelihood of injury to wildlife by annoying it to such an extent as to significantly disrupt normal behavioral patterns which include, but are not limited to, breeding, feeding and sheltering" (50 CFR [10-1-86] Ch.1, Part 17, Subpart A, Sec. 17.3). Harm "means an act which actually kills or injures wildlife. Such act may include significant habitat modification or degradation where it actually kills or injures wildlife by significantly impairing essential behavioral patterns, including breeding, feeding or sheltering" (50 CFR [10-1-86] Ch.1, Part 17, Subpart A, Sec. 17.3).

The Sandhills of North Carolina support one of the largest remaining populations of this species, and the area in and around Southern Pines and Pinehurst contains the only major population that occurs in suburban habitat. Although there are no RCW colony sites or cavity trees on the TALAMORE property at this time, parts of TALAMORE do provide foraging habitat for RCWs that reside in colony sites on adjacent properties (see map). Therefore, the development of TALAMORE will impact the RCW and its habitat. This management plan was created to ensure that development and post-development activities at TALAMORE will not violate the law or decrease the RCW population. Even though cavity trees do not currently occur on TALAMORE, this plan was written to accommodate the possibility that RCWs might initiate cavities here in the future. It is intended that the provisions in this management plan, when implemented, will enhance the post-project RCW habitat at TALAMORE and aid in maintaining the RCW population in the area.

Terms and Definitions

For the purposes of this document the following terms and defini-

tions are used.

Cavity: Any excavation in a living pine tree made by a RCW. Cavities may take several years to complete. An incomplete cavity is termed a "start".

A cavity may be "active" or "inactive", depending on whether or not it is being currently used by a RCW. An inactive cavity may be reactivated by a RCW at any time.

Cavity tree: RCWs construct cavities in mature living pine trees. Cavity trees are usually at least 100 years old, and may contain more than 1 cavity. A cavity tree may be "active" or "inactive". An active cavity tree is being used by a RCW; an inactive tree is not in use currently. An inactive tree may be reactivated by a RCW at any time.

Colony site: The cavity trees used by a family group of RCWs. There may be from 1 to over 30 cavity trees in a colony site. The cavity trees in a colony site are often clustered within a few acres, but can be one-quarter mile or more apart. Colony sites may be "active", "inactive", or "abandoned". An active colony site is being used by RCWs. An inactive site is not in current use by RCWs, but has not been consistently inactive for 10 years. An abandoned site has not been used by RCWs for at least 10 years.

Group: The family group of RCWs occupying a colony site. A group may be a solitary male, a mated pair, or a pair with helpers (offspring from previous years). A group usually contains the year's fledglings, if any. There is only 1 nest per group, regardless of group size.

Flattop: Old-growth pines characterized by large limbs concentrated in the uppermost part of the tree, a flattened crown or "top", and often by vertical scars (from turpentine) on the lower trunk. Flattops are usually more than 150 years old and are preferred cavity sites for RCWs. Flattops vary from small and stunted, to very large.

Understory: Any woody vegetation, pine or hardwood, growing beneath the pine overstory. An encroaching understory is one that is actively degrading RCW habitat by blocking access to cavities, and/or preventing access to potential cavity sites or foraging substrate. Such an understory is usually dense and reaches the lower limbs of the canopy pines.

Foraging habitat: Any habitat used for feeding by RCWs. Pines over 30 years of age are preferred foraging habitat, the older the pines the better.

Foraging circle: The area within one-half mile of a RCW colony site.

Restrictor: A metal plate that is placed around a RCW cavity to prevent access by larger birds. A restrictor also prevents a cavity from being enlarged, and if already enlarged, shrinks the cavity entrance diameter to a size that prevents access by some competing species.

Management Plan

1. Pine trees containing cavities of the Red-cockaded Woodpecker (RCW) are protected by Federal law. Active cavity trees cannot be destroyed or damaged. Inactive cavity trees are protected also, but under certain extraordinary circumstances, variances may be granted. Dead cavity trees cannot be removed for at least 6 months after death. Permission to remove an inactive or dead cavity tree must be obtained from the Division of Law Enforcement, U.S. Fish and Wildlife Service, Raleigh, N.C. (919-856-4786). Before removal, it must be determined by a qualified RCW consultant or State or Federal endangered species biologist, that RCWs are not using a cavity tree and are not likely to reuse it. All cavity trees will be marked with numbered aluminum tags and 5" X 5" metal signs stating "Endangered Species Site, Red-cockaded Woodpecker; Do Not Cut Trees", and depicting a RCW.
2. RCWs may initiate cavities in new trees at any time. To ensure that the locations of all cavity trees are known, TALAMORE should be surveyed once a year by a qualified RCW consultant.
3. "Flattop" pines provide preferred cavity sites for RCWs. Every effort will be made to preserve these trees during development of TALAMORE.
4. Cavity trees will be protected during construction by erection of temporary fences. Such fences will extend out at least as far as the radius of the crown of the individual tree. The soil within this area will not be disturbed. Where applicable, flattops will be protected similarly. *DELETE - THIS SECTION*
5. Every effort will be made to locate permanent structures including, but not limited to, houses and utility lines, not closer than 50' to a cavity tree. No permanent structures will be located within 30' or 1 crown radius, whichever is more, of a cavity tree.
6. All pine trees over 30 years of age provide foraging habitat for the RCW. Parts of TALAMORE are contained within the foraging circles for the RCW groups inhabiting the area (see map). Within these circles, every effort

will be made to preserve pines over 4" diameter at breast height (dbh), with special emphasis on pines larger than 10" dbh. This will require careful siting of individual structures and facilities, particularly within the SOPI 36 circle. Following development, live pines over 4" dbh will not be cut without prior review and approval in writing from the Homeowner's Association.

7. Consideration will be given to planting nonforested areas with longleaf pine (Pinus palustris) to compensate for trees lost to development and natural mortality. This is particularly crucial along golf fairways, where lightning will cause yearly losses of mature trees. Only longleaf pines are acceptable.
8. RCWs require "open" forests in which to forage, and in particular the area around cavity trees and potential cavity trees (flattops) must be kept free of understory vegetation. Failure to do so may violate Federal law. Brush, vines, and small trees, whether natural or ornamental, will not be allowed to block or hinder free and direct access to a RCW cavity. A radius of at least 50' around each cavity tree will be kept free of all woody vegetation over 3' in height, except for pine trees over 30 years old. The area around flattops should be managed similarly. Individual exceptions will be considered on a case by case basis by a qualified RCW consultant.
9. The existing hardwood understory on TALAMORE will be suppressed. This is particularly critical in and around colony sites and within the foraging circles (see map).
10. Other species of birds and mammals compete with RCWs for their cavities, often enlarging them to the point that the cavities are no longer used by RCWs. Cavity restrictors will be placed on all cavities where competition or enlargement is diagnosed as a problem. Restrictors will be installed only by a qualified RCW biologist, and all restrictors will be checked after installation to verify that RCWs can successfully enter and leave the cavity.
11. The use of pesticides can be harmful to the RCW and could result in the death of individual birds and violation of Federal law. The primary threat is through application of lindane or related pesticides for suppression or prevention of pine bark beetles. Most pine trees on TALAMORE are longleaf pines which are highly resistant to pine bark beetle attack

unless weakened by lightning strike or severe root disturbance. Preventative spraying of healthy trees is unnecessary and should not be allowed. Spraying of individual damaged trees may be permitted, but a RCW consultant, or State or Federal endangered species biologist should be contacted to determine if spraying is warranted. Do not spray cavity trees without prior approval from one of the above sources.

12. Restrictive covenants concerning the RCW will be placed on all deeds. These covenants are presented in Appendix A.
13. The owners will allow access to TALAMORE as needed to determine activity of cavity trees, censusing of RCWs, and/or to search for new cavity trees. Such procedures will be carried out by a RCW consultant, or State or Federal endangered species biologist.
14. This management plan will be a legally binding document as part of the Section 7 consultation with the U.S. Fish and Wildlife Service. Savin Properties, as developer of TALAMORE, will be legally responsible for enforcing the provisions in this management plan. Upon completion of construction of TALAMORE, legal responsibility will be transferred to the Country Club (golf course and common areas) and the Homeowner's Association (individual lots).

RESTRICTIVE COVENANTS

The Red-cockaded Woodpecker (Picoides borealis) is an endangered species protected by Federal law (ref. Sections 7 and 9, PL 93-205, as amended). It lives in mature pine forests and requires old (100+ years) living pines for cavity sites. Cavities are used for nesting and roosting. Red-cockadedes occur on TALAMORE and surrounding properties and they are part of one of the last major populations of this species. To ensure that this species receives adequate protection on TALAMORE, the following covenants have been included in each deed. These covenants are part of a master management plan for the Red-cockaded Woodpecker at TALAMORE that has been approved by the U.S. Fish and Wildlife Service.

1. Pine trees containing excavations of the Red-cockaded Woodpecker (RCW) are protected by Federal law. Excavations include both incomplete ("start") and complete cavities. Active cavity trees (currently being used by RCWs) cannot be destroyed or damaged. Inactive cavity trees are protected also, but under certain, extraordinary circumstances, variances may be granted. Dead cavity trees cannot be removed for at least 6 months after death. Before removal, it must be determined by a qualified RCW consultant, or State or Federal endangered species biologist, that RCWs are no longer using the tree and are not likely to reuse it. Permission to remove an inactive or dead cavity tree must be obtained from the Division of Law Enforcement, U.S. Fish and Wildlife Service, Raleigh, N.C. (919-856-4786). All RCW cavity trees will be marked with numbered aluminum tags and 5" X 5" metal signs stating "Endangered Species Site, Red-cockaded Woodpecker; Do Not Cut Trees", and depicting a RCW.

2. All pine trees over 30 years of age provide foraging habitat for the RCW, and old (150+ years), "flat-top" pines provide future cavity sites. Foraging habitat is protected by Federal law. Removal of pine trees for house and driveway construction has been included in TALAMORE's impact analysis. Nevertheless, houses and driveways should be located so as to minimize the loss of pine trees over 10" in diameter at breast height (dbh), and every "flat-top" pine possible. Pine trees on the remainder of a lot \geq to 4" dbh (@ 30 years old or older) will not be cut without prior review and approval in writing from the Homeowner's Association.

3. Cavity trees and potential cavity trees (flattops) will be protected during construction of housing and driveways by the erection of temporary fences. Such fences will extend out at least as far as the radius of the crown of individual trees. The soil within this area will not be disturbed and soil disturbance on the property in general will be minimized to the maximum extent possible. Every effort will be made to locate permanent structures, including, but not limited to, houses and utility lines, not closer than 50' to a cavity tree. No permanent structures will be located within 30' or 1 crown radius, whichever is more, of a cavity tree.

4. RCWs require "open" pine forests in which to forage, and in particular the area around cavity trees and potential cavity trees must be kept free of understory and midstory vegetation. Allowing brush, vines, or small trees, whether naturally occurring or ornamental, to block or hinder free and direct access to a RCW cavity, may be a violation of Federal law. A radius of not less than 50' around each cavity tree will be kept free of all vegetation more than 3' in height, except for pine trees more than 30 years old. The area around flattops should be managed similarly. Individual exceptions will be considered on a case by case basis by a qualified RCW consultant.

5. Other species of birds and mammals compete with RCWs for their cavities. Bird feeders attract competing species to the vicinity of RCW cavities. Thus, bird feeders and baths should not be placed within 50' of a RCW cavity tree. Should cavity competition be diagnosed as a problem, the owner will allow the placement of "cavity restrictors" on RCW cavities. Restrictors help prevent access to, and modification of, cavities by competing species.

6. The use of pesticides can be harmful to the RCW and could result in the death of individual birds and violation of Federal law. The primary threat is through application of lindane or related pesticides to pine trees for suppression or prevention of pine bark beetles. Most pine trees on TALAMORE are longleaf pines (*Pinus palustris*) which are highly resistant to pine beetle attack unless weakened by lightning strike or severe root disturbance. Preventative spraying of healthy trees is unnecessary. Spraying of damaged individual trees may be permitted, but a RCW consultant, or State or Federal endangered species biologist should be contacted to determine if spraying is

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warranted. Do not spray cavity trees without prior approval from one of the above sources.

7. The owner will allow access to his property as needed to determine activity of cavity trees, censusing of RCWs, and/or to search for new cavity trees. Such procedures will be carried out by a RCW consultant, or State or Federal endangered species biologist. The owner will not remove the tags or signs identifying a RCW cavity tree.