

Prepared by and return to: Wayne R. Hadler, Beemer, Hadler & Willett, P.A.

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS OF
DRAKEFORD LIBRARY COMPLEX CONDOMINIUM PROJECT, A CONDOMINIUM**

This DECLARATION, made on the date hereinafter set forth by **TOWN OF CARRBORO**, a North Carolina municipal corporation, hereafter referred to as the “**Town**” and **THE COUNTY OF ORANGE**, a North Carolina county, hereafter referred to as the “**County**”, the Town and County are collectively, the “**Declarant**” or “**Parties**”.

WITNESSETH:

WHEREAS, Declarant is the owner of certain property located on the east side of South Greensboro Street, Chapel Hill Township, Orange County, North Carolina, and more particularly described in **Exhibit “A”** attached hereto and incorporated herein by reference.

WHEREAS, Declarant has planned, designed and constructed an approximately 124,685 gross square foot building, site improvements and associated parking including a multi-level parking deck on the Property, and now wishes to create condominium units or “units” as those are defined under the provisions the North Carolina Condominium Act and to convey the same to the Town and County subject to the covenants, conditions and restrictions herein reserved to be kept and observed and that incorporates and reflects to the extent possible the terms and conditions of the Town and County executed Development Agreement Regarding South Greensboro Street Property dated the 4th day of December, 2017, and any amendments thereto;

WHEREAS, Declarant desires and intends by the filing of this Declaration, to submit the real property described in **Exhibit “A”** and all improvements constructed, together with all

appurtenances thereto, complying with the provisions of the North Carolina Condominium Act (Chapter 47C, North Carolina General Statutes);

AND WHEREAS, Declarant may also execute on or before the recording of this Declaration an Amended Memorandum of Understanding (“MOU”) intended to further define and delineate roles and responsibilities, outline communication, financial and other expectations of the Parties in operating the Condominium.

NOW, THEREFORE, Declarant hereby declares that all of the Property described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

PART 1

DEFINITIONS

The Definitions set forth in N.C.G.S. §47C-1-103 shall apply to this Declaration and are incorporated herein, except that the terms listed below shall have the specific meanings stated:

- Section 1: “**Allocated interests**” means the undivided interest in the Common Elements and Common Expense liability in the Association, allocated to each Unit. The initial Allocated Interests are shown on Exhibit B.
- Section 2: “**Association**” means Drakeford Library Complex Condominium Owners Association, an unincorporated non-profit association, its successors and assigns.
- Section 3: “**Bylaws**” means the Bylaws of the Association as they may be amended from time to time. A copy of the initial Bylaws is attached hereto as Exhibit C.
- Section 4: “**Common elements**” means all portions of a condominium other than the Units.
- Section 5: “**Common expense liability**” means the liability for common expenses allocated to each unit pursuant to G.S. 47-2-107.
- Section 6: “**Condominium**” means “Drakeford Library Complex Condominium Project”, it being real estate, portions of which are designated for separate ownership by the Town and County and the remainder of which is designated for common ownership solely by the Town and County owners of those portions. The common elements are vested in the unit owners.

Section 7: “**Declarant**” means **TOWN OF CARRBORO**, a North Carolina municipal corporation, its successors and assigns, and **THE COUNTY OF ORANGE**, a North Carolina county, its successors and assigns.

Section 8: “**Declaration**” means this Declaration of Covenants, Conditions and Restrictions.

Section 9: “**Development rights**” means any right or combination of rights reserved by Declarant to add real estate to a condominium; to create units, common elements, or limited common elements within a condominium; to subdivide units or convert units into common elements; or to withdraw real estate from a condominium.

Section 10: “**Executive Board**” means the body designated in the Declaration to act on behalf of the Association. During any period where the Town or County are the only Unit Owners, the Executive Board shall be: the Town Manager and a designee appointed by the Town Manager and employed by the Town as staff; and the County Manager, and a designee appointed by the County Manager and employed by the County as staff.

Section 11: “**Identifying number**” means a symbol or address that identifies only one unit in a condominium. For example, Unit 1 is the County Unit and Unit 2 is the Town Unit.

Section 12: “**Lessee**” or “**Tenant**” means the party entitled to a present possession of a leased unit or portion of a leased unit whether lessee, tenant, sublessee, subtenant or assignee.

Section 13: “**Limited common element**” means a portion of the common elements allocated by the Declaration or by operation of G.S. 47C-2-102(2) or (4) for the exclusive use of one or more but fewer than all of the Units.

Section 14: “**Period of Declarant Control**” means the period commencing on the date hereof and continuing until one hundred (100) percent of the Units have been conveyed, or the date upon which Declarant voluntarily surrenders control of the condominium, whichever date is first to occur, however, any Special Declarant Rights shall remain in force, to the extent applicable after one hundred percent of the Units have been conveyed.

Section 15: “**Person**” means every natural person, corporation, business trust, estate trust partnership, association, joint venture, government, governmental subdivision or

agency, or other legal or commercial entity. As defined a person is entitled to hold membership in the Association.

Section 16: **“Plats and Plans”** means the plats and plans recorded in Plat Book ____, Page ____ at Orange County Register of Deeds, as the same may be amended from time to time.

Section 17: **“Property”** means any leasehold or other estate or interest in, over, or under land, including structures, fixtures, and other improvements and interests which by custom, usage, or law, pass with a conveyance of land and includes parcels, with or without upper or lower boundaries, and spaces that may be filled with air or water.

Section 18: **“Special declarant rights”** mean rights, if any, reserved for the benefit of declarant as defined in G.S. 47C-1-103 (23) and as further set forth in Part II, Article I, Section 10 below.

Section 19: **“Unit”** means a physical portion of the condominium designated for separate ownership or occupancy as shown on the recorded plats and plans, the boundaries of which are described pursuant to G.S. 47C-2-105(a)(5).

Section 20: **“Unit owner”** means Declarant or any other person who owns a fee simple title to any Unit which is a part of the Property, together with an undivided interest in the common elements, but excluding those having such interest merely as security for the performance of an obligation.

PART II - DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS

ARTICLE I

GENERAL

Section 1: **Submission of Property to G.S. §47-C.** Declarant hereby submits the Property to the provisions of G.S. §47-C. The Property will be administered in accordance with the provisions of §47-C, the Declaration, and the Bylaws.

Section 2: **Condominium Name.** The name of the condominium shall be “Drakeford Library Complex Condominium Project.”

- Section 3: **Condominium Location.** The Property is located on 203 South Greensboro Street, Carrboro in Orange County, North Carolina.
- Section 4: **Maximum Number of Declarant Created Units.** The maximum number of Units that Declarant reserves the right to create is two (2).
- Section 5: **Establishment of Units.** Declarant does hereby establish within the Property two (2) Units, and does hereby designate the Units for separate ownership. Pursuant to that certain Development Agreement between the Town and County, Declarant Town shall own one (1) Unit and Declarant County shall own one (1) Unit. Reference is hereby made to the Plats and Plans for a separate description of the boundaries of each Unit, identified by number, said Plats and Plans being by this reference incorporated herein.
- Section 6: **Subdivision of Units.** Pursuant to G.S. §47C-2-113 Unit Owners shall be entitled to subdivide its respective Unit into a maximum of five (5) additional Units. The Association, at the sole expense of the unit owner, shall prepare, execute, and record an amendment to the declaration, including the plats and plans, subdividing the Unit.
- Section 7: **Association Membership.** Each Unit Owner shall be a “**Member**” of the Association.
- Section 8: **Limited Common Elements.** There are no Limited Common Elements with the exception of the parking spaces as provided in Article II, Section 3 and the Limited Common Elements created under Article V.
- Section 9: **Insurance.** Insurance policies upon the condominium (other than title insurance) shall be purchased by the Association in the name of the Executive Board of the Association, as trustees for the condominium Unit Owners and their respective mortgagees, if any, as their interest may appear, and shall provide for the issuance of certificates or mortgage endorsements to the holders of first mortgages on the condominium Unit(s) secured and, if the companies writing such policies will agree, the policies shall provide that the insurer waives its rights of subrogation as to any claims against condominium Unit Owners, the Association and their respective servants, agents and guests. The Association shall maintain replacement cost coverage of the original Building, Parking Deck Common

Elements, and all other Common Elements and Units as further described herein. Each condominium Unit Owner shall have the option, but not the requirement to obtain insurance, at its own expense, affording coverage upon its condominium Unit, its personal property and for its personal liability and as may be permitted or required by law, but all such insurance shall contain the same waiver of subrogation as that referred to above if the same is available. The Parties' MOU, and any amendments thereto, may provide further information regarding the casualty insurance requirements.

Section 10: Special Declarant Rights. Declarant reserves the following Special Declarant Rights for the entire Property, which shall be exercisable during the Period of Declarant Control or until such time as the Town and County agree in writing to terminate these rights:

- (a) To complete any and all improvements indicated on the Plats and Plans;
- (b) To create additional limited common elements within the Condominium; and
- (c) To approve all nameplates and signage attached to the exterior of the Condominium, and to provide uniform appearance and location.

Section 11: Dispute Resolution. Any dispute not resolved by the Association or Members shall comply with prelitigation mediation of condominium disputes as set forth in Chapter 7A of the North Carolina General Statutes ("NCGS") specifically complying with NCGS 7A-38.3F.

ARTICLE II

PROPERTY RIGHTS

Section 1: Ownership of a Unit shall vest fee simple title to the Unit in the Unit Owner.

Section 2: Every Unit Owner shall own an undivided interest in the Common Elements and shall have a right and easement of enjoyment in the Common Elements which shall be appurtenant to and shall pass with the title to every Unit. The undivided interest in the Common Elements and the right and easement of enjoyment in such Common Elements is subject to the following:

- (a) The Association shall have the right to adopt such rules and regulations as may be needed to regulate the use and enjoyment of the Common Elements,

including the Limited Common Element parking spaces;

(b) Special Declarant rights as set forth in Article I, Section 10 including the right to create additional limited common elements within the Condominium.

(c) The Association shall have the right to dedicate or transfer, or encumber all or any part of the Common Elements subject to approval by the Owners as provided in G.S. § 47C-3-112.

Section 3: The Association shall have the exclusive right to establish the rules and regulations pursuant to which the Unit Owners, its employees, servants, invitees and lessees, may be entitled to use the Common Elements and any Limited Common Elements, including the right to make permanent and temporary assignments or allocations of parking spaces. The Town and County shall have the right, but not the obligation, to have municipal charged parking for one or more shared Common Element Parking spaces or any of its respective Limited Common Element parking spaces. If the Town or County elect to have municipal charged parking, the Parties shall establish rules and regulations addressing legal, operational, financial and community considerations to be approved by the Executive Committee and the rules and regulations will be added as an amendment to the Parties' MOU. By way of example, the MOU will address municipal parking management structure, fee structure, enforcement and staff structure, revenue allocation, jurisdiction enforcement and community impact and public engagement. In the Event the Town or County elect to implement charges for municipal parking the County Limited Common Element parking spaces designated for Library use will remain free parking spaces at all times that the Library operates.

Section 4: Subject to any rules and regulations established by the Association, a Unit Owner may delegate his right of enjoyment to all or a part of the Common Elements or to the extent applicable Limited Common Elements to a lessee the terms of which shall be properly set forth in a written lease, a copy of which shall be provided to the Association.

Section 5: The Common Elements and any Limited Common Elements are not subject to partition, and any purported conveyance, encumbrance, judicial seal or other

voluntary or involuntary transfer of an undivided interest in the Common Elements by a Unit Owner made without the Condominium Unit to which that interest is allocated is void. This provision shall not be construed to prevent Unit Owners from swapping or transferring Limited Common Element parking spaces with one another in a manner consistent with the rules and regulations authorized by this Declaration.

ARTICLE III

ALLOCATED INTERESTS

Section 1: The table showing Unit numbers and their Allocated Interests is attached as Exhibit B. These interests have been allocated in accordance with the formulas set out in this Article III. These formulas are to be used in reallocating interests if Units are added to the Condominium.

Section 2: The interests allocated to each Unit have been calculated on the following formulas:

(a) The percentage of undivided interest in the Common Elements allocated to each Unit is based on the relative floor area of each Unit as compared to the floor area of all of the Units in the Condominium.

(b) The percentage of liability for Common Expenses (and Limited Common Elements) allocated to each Unit is 53.7% for the County and 46.3% for the Town and is based on the relative floor area of each Unit as compared to the floor area of the two (2) Units in the Condominium. Nothing contained in this Subsection shall prohibit certain Common Expenses from being apportioned to particular Units under Article IV of this Declaration.

(c) Except for an Amendment to this Declaration which is subject to the requirements of Article XI, Section 5 below, the vote in the Association allocated to each Unit is 50% and is not based on the relative floor area of each Unit as compared to the floor area of all of the Units in the Condominium.

Section 3: The effective date for assigning Allocated Interests to Units created pursuant to Declarant rights hereunder shall be the date on which this Declaration, Plats and Plans creating the Units is recorded in the Registry of Orange County, North Carolina and the two (2) Units created by Declarant are established and conveyed

as set forth in Article I, Section 5.

ARTICLE IV

ASSESSMENT AND COLLECTION OF COMMON EXPENSES

Section 1: The Declarant, for each Unit owned within the Property, and each Unit Owner by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, hereby covenants and agrees to pay the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements and for the maintenance, reconstruction and repair of Common Elements. For so long as the Town and/or County own all Units of the Condominium, the Unit Owners may, upon written agreement, make proportional direct payments toward common expenses, capital improvements, maintenance, reconstruction and/or repair directly to vendors and other providers rather than assessments paid to the Association, provided that the allocation of direct payment to vendors or other providers by each Unit Owner is in accordance with Article III, Section 2(b). Except as provided in Section 2 of this Article IV, the liability of each Unit Owner for the Common Expenses of the Association shall be in accordance with Article III, Section 2(b). Any assessment levied against a Unit remaining unpaid for a period of sixty (60) days or longer shall constitute as a lien on that Unit when filed of record in the office of the Clerk of Superior Court of Orange County and shall accrue interest at a rate set by the Association not to exceed 18% per annum, or the maximum interest rate allowed under the laws, it being the intent to allow the Association to accrue interest at the highest amount permissible under the law. The Association may bring an action at law against the Unit Owner, or foreclose the lien against the Property. Fees (including attorneys' fees), charges, late charges, fines, and interest are also enforceable as assessments. Each such assessment, 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 assessment shall not pass to his successors in title unless expressly assumed by them.

Section 2: Any expense associated with the maintenance, repair or replacement of Limited Common Element parking spaces shall be assessed as a Common Expense and not against the Unit or Units to which the Limited Common Element is assigned. Any Common Expense for services provided by the Association to an individual Unit at the request of the Unit Owner shall be assessed against such Unit. Any charge for a utility service provided solely to a particular Unit or Units shall be assessed against such Unit or Units. Notwithstanding electricity and water shall be considered a Common Expense.

Section 3: The lien of the assessments provided for herein shall only be subordinate to the lien of any first mortgage and ad valorem taxes. Sale or transfer of any Unit shall not affect the assessment lien. The sale or transfer of any Unit pursuant to mortgage or tax foreclosure or any proceeding in lieu thereof, however, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer unless the assessment lien is a priority under North Carolina law and entitled to priority payment as part of the foreclosure proceeding. No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

Section 4: The annual assessments levied by the Association, shall be used exclusively to promote the recreation, health, safety and welfare of the Unit Owners, its employees, servants, guests, invitees and lessees and in particular for the acquisition, improvement and maintenance of the condominium, services and facilities devoted to this purpose, and for the use and enjoyment of the Common Elements.

Section 5: The annual assessment shall be at the actual cost required for maintenance, repair and operation of the Condominium, plus reserves for future anticipated expenses. This provision shall remain effective during such time that the Units are owned by the County and Town.

Section 6: Both annual and special assessments, if any, required shall be at the actual cost and promptly paid by the Unit Owners, promptly to be defined as within sixty (60) days of the assessment levy.

Section 7: The annual assessments provided for herein shall commence upon the conveyance

of the units to the Town and County.

Section 8: Prior to the Town or County conveying any Unit to a third-party, an Amendment to Article IV of the Declaration will be filed to amend the provisions herein to be consistent with the needs and requirements of Unit ownership not held by the Town or County.

ARTICLE V
UNIT BOUNDARIES AND PARTY WALLS

Section 1: All finish flooring and any other materials constituting any part of the finished surfaces of the walls, floors, or ceilings are a part of the Units, pursuant to G.S. § 47C-2-102(1). To the extent any duct, wire, conduit, or any other fixtures lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated exclusively to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements, pursuant to G.S. §47C-2-102(2). Any decks, porches, balconies, patios and doors within the building or other fixtures designated to serve a single Unit but located outside the Unit's boundaries are Limited Common Elements allocated exclusively to that Unit. For purposes of clarification, the ducts, wire and conduit serve the entire building, the Units and Common Elements. There is no separate electrical or HVAC for the Units. The Plans show designated exterior decks, balconies and porches are within each Unit's boundary.

Section 2: Each wall which is built as a part of the original construction of a Unit and placed on the dividing line between the Units or between a Unit and Common Elements, to the extent applicable as shown on the Plats and Plans shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 3: The cost of reasonable repair and maintenance of all party walls, all exterior building windows, and all exterior doors leading directly to the outside of the building shall be shared by the Unit Owners as set forth in Article III, Section 2 (b).

Section 4: Notwithstanding any other provisions of this Article, a Unit Owner who by his negligent or willful act, or the negligent or willful act of the Unit Owner's guests, invitees, tenants or agents, causes party wall damage, or damage to Common Elements or Limited Common Elements shall bear the whole cost of furnishing the repair or maintenance of the damage caused.

Section 5: The Association will insure the Unit as upfitted including wall coverings, finished floors, wall to wall carpeting, interior partitioning that is affixed to the Units, cabinets that are affixed to the Units, built in appliances, mechanical systems such as plumbing, heating ventilation, and air conditioning, electrical system and those portions of any wiring for communications systems such as telephone or computer that are built into the premises. The Unit Owner will be responsible to insure furniture, equipment, all personal property, computers, telephones, or other communications equipment, movable furnishings and decorative items, specialized equipment and trade fixtures, if any may be affixed. The Association will be responsible to insure the Heating and Air-conditioning system for the Units and Common Elements.

ARTICLE VI

EXTERIOR, INTERIOR MAINTENANCE, CUSTODIAL SERVICES AND SECURITY

Exterior

Section 1: In addition to maintaining the Common Elements, the Association shall provide exterior maintenance for each Unit, whether part of the Unit or Common Elements to the extent applicable, which will be subject to the annual assessment or any special assessment hereunder, including the performance of the following, as needed: Paint; repair, replace and care of roofs; solar pads and panels; exterior building surfaces; trees; shrubs; walks; and other exterior improvements. Such exterior maintenance shall include glass surfaces. Maintenance, repair and replacement of glass surfaces shall be the responsibility of the Association. The repair and maintenance of Heating and Air-Conditioning system for the Units and Common Elements shall be the responsibility of the Association. For the period of time the Town and County are the sole Unit Owners of the Condominium, the Town will be responsible for engaging and completing all maintenance of the

Common Elements subject to reimbursement from the County, all as set forth in the Parties' MOU, and any amendments thereto.

Section 2: In the event that the need for maintenance, repair, or replacement to the Common Elements is caused through the willful or negligent act of a Unit Owner, guests, invitees, or tenants, the cost of such maintenance, replacement, or repairs shall be added to and become a part of the assessment to which such Unit is subject.

Interior

Section 3: All interior maintenance or repair of each Unit shall be the sole responsibility of the Unit Owner unless the maintenance or repair is due to items covered under exterior maintenance as defined in Section 1 above.

Custodial Services and Security

Section 4: Custodial Services and Security: The County shall provide daily custodial services for the Common Elements and Units subject to the terms and conditions set forth in the MOU, and any amendments thereto. Security for the Condominium building will be customary security consistent with the Town and County policies. The Parties may also engage private security services which, if engaged, will be as set forth in the Parties' MOU.

ARTICLE VII

ARCHITECTURAL CONTROL

No building, fence, wall, or other structure or improvement shall be commenced, erected or maintained upon the condominium or upon the roof of the condominium, (including, but not limited to the installation of electrical wiring, television or radio antennae or satellite dish or other objects which may protrude through the walls or roof of the condominium), nor shall any exterior addition or change therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the Executive Board. The Executive Board shall have the right to appoint an architectural review committee to establish guidelines for any additions or exterior modifications. Notwithstanding the foregoing, Unit Owner Town may, in its sole discretion, erect and install radio antennae upon the roof of the Condominium for use by its local radio station without requiring approval of the Executive Board and/or Unit Owner County. Any additional installations of antennae or other exterior Technology Equipment requested by the

Town or County for security or other purposes shall be reviewed and approved by the Executive Board.

ARTICLE VIII

USE RESTRICTIONS

Section 1: During the period where the Units are owned by the Town and County, no Unit shall be used except for municipal and county approved government function, including but not limited to the Orange County Southern Branch Library and related uses, County and Town offices, or other business and professional purposes and such use must conform to state and local zoning ordinances insomuch as each Unit is hereby restricted to use by the Unit Owner thereof, his employees, servants, guests, invitees and lessees, for those uses and purposes permitted in the zoning district in which the Condominium is located, excluding those uses permitted therein only upon obtaining a special use permit or variance. Provided, however, with the prior written consent of the Association, a Unit Owner may seek a variance or special or conditional use permit, or other required regulatory approval (hereafter any of terms are “regulatory approval”) and upon obtaining the same may engage in those uses of the Unit permitted by such regulatory approval subject to the further restrictions of this Declaration. Upon obtaining a regulatory approval, the Unit Owner shall file a certified copy thereof with the Secretary of the Association.

Section 2: No noxious or offensive activity shall be conducted upon any Unit nor shall anything be done thereon which may be or may become an annoyance or nuisance.

Section 3: No animals of any kind, except Service Animals as defined under the Americans with Disabilities Act for Title II (State and local government services) shall be kept or maintained in any Unit without permission of the Executive Board.

Section 4: Except as provided in Article VII hereinabove, no outside radio or television antennas, including satellite dishes or receivers shall be erected on any Unit unless and until permission for the same has been granted by the Executive Board. Permission will be contingent on evidencing that the proposed erection will not materially or negatively affect the Units or Common Elements.

Section 5: No signs may be placed in or on the common elements advertising or promoting

a non-government business or business function. Notwithstanding the foregoing, Town's local radio station tenant may place a sign advertising its radio station within the window of the radio studio space, which shall be part of the Town's Unit as shown on the Condominium plats and plans. All signage shall be in compliance with the Town ordinance. No other signs shall be permitted on or about the Units, other than those signs specifically referred to in Article II, Section 10.

Section 6: All window coverings (i.e., curtains, blinds, draperies, shades, etc.) shall appear white or off-white from the exterior, and are deemed the responsibility of the Unit Owner.

Section 7: Unit Owners shall not park or store any camper, trailer, trailer vehicle, or similar vehicle within the Condominium including the parking deck unless approved in writing by the Executive Board. No trucks shall be permitted to park without Executive Board approval except for standard passenger vans, pickup trucks, or sport utility vehicle. No motor vehicle not currently registered, inspected and licensed shall be parked or stored anywhere within the Property. Subject to any existing requirement that the Town is responsible for towing any vehicle, the Association reserves the right to tow any vehicles in violation of this Section and charge the Unit Owner for the cost of towing. In no event shall the Association be held liable for the towing of any vehicle that is in violation of this Section. This provision shall not be construed to prevent delivery and/or maintenance trucks and vans providing services to the Unit Owners from parking temporarily within a designated delivery area, which designated delivery area may be established by the Association pursuant to Article II hereinabove.

Section 8: The Condominium shall be available as an election site if the Orange County Board of Elections authorizes the site for elections. The details of such use shall be as set forth in the Parties' MOU.

ARTICLE IX

EASEMENTS

Section 1: Easements for maintenance, repair or modification of utilities and drainage

facilities are reserved as shown on the recorded Plats and Plans and other like easements may be granted by the Executive Board in the name of the Association for the benefit of the Condominium and for the benefit of any Unit, including the right to install, lay, maintain, repair and replace, waterlines, pipes, sewer lines, storm drainage facilities, telephone wires, cable television wires and electrical conduits, wires over, under and along any portion of the Property, and the Owners of any Unit hereby grant to the Association an irrevocable power of attorney to execute, acknowledge and record for and in the name of each Unit Owner such instruments as may be necessary to effectuate the foregoing. Within these easements no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may obstruct or change the flow of drainage channels in the easements.

Section 2: To the extent applicable, all Units and Common Elements shall be subject to easements for the encroachment of improvements constructed on adjacent Units by the Declarant to the extent that such improvements actually encroach.

Section 3: Declarant shall have a reasonable construction easement across the Common Elements for the purpose of constructing unfinished or new improvements on the Units. Declarant shall also have such easements through the Common Elements as may be reasonably necessary for the purpose of discharging a Declarant's obligations or exercising Special Declarant Rights as provided herein. In the event Declarant in its construction activities causes any damage to the Common Elements it will repair the damage at its cost.

Section 4: The Association shall have a right of entry upon the Units and any limited Common Elements to effect emergency repairs, and a reasonable right of entry upon the Units to effect other repairs, improvements, replacement or maintenance as necessary.

Section 5: All easements granted herein are appurtenant to and shall run with the land, and shall inure to the benefit of and be binding upon the Declarant, the Association, Owners, occupants, and mortgage holders, and any other person or entity having an interest in the condominium.

Section 6: Each Unit Owner shall have an easement in common with the Owners of all other

Units to use all chutes, flues, pipes, wires, ducts, cables, conduits, and public utilities serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the chutes, flues, pipes, wires, ducts, cables, conduits, and public utility lines, and other Common Elements serving such other Units and located in such Unit. The Executive Board, or its agents, shall have a right of access necessary to inspect the same, to remove violations therefrom, and to maintain, repair or replace the Common Elements contained therein or accessible therefrom, and to make emergency repairs therein necessary to prevent damage to the Common Elements or to another Unit or Units. Each Unit Owner specifically shall have an easement of access through all other Units as may be reasonably necessary to maintain, repair and replace all components of mechanical systems serving his Unit and to maintain, repair and replace those portions of his Unit or Limited Common Elements within his sphere of responsibility.

Section 7: An easement is hereby established over the Common Elements for the benefit of applicable governmental agencies, utility companies and public service agencies as necessary for setting, removing and reading of meters, replacing and maintaining water, sewer and drainage facilities, electrical, telephone, gas and cable antenna lines, firefighting, garbage, collection, postal delivery, emergency and rescue activities and law enforcement activities.

Section 8: An easement is hereby established, to the extent necessary in favor of the Town and County, its guests, invitees, employees, agents and lessees for ingress, egress and regress over the common element parking deck driveways or lanes to allow proper access to parking. The Executive Board will further define in rules and regulations the limitations of access or use of the common element parking deck, including the hours of operation, and if applicable, any charges municipal public parking as described in Article II, Section 3 in this Declaration. The provisions of this Declaration provide certain parking spaces are deemed limited common elements of the Condominium. The Town shall have absolute control over its designated limited common element spaces and the County shall have absolute control over its limited common element spaces. The limited common elements spaces of the Town and County and certain common element shared spaces are

shown on the recorded Plans of the Condominium.

ARTICLE X

RIGHT OF FIRST REFUSAL

Section 1: The Town and County agree that in the event either party intends to sell its interest in its Unit or any subsequent created Unit or Units, the selling party agrees that prior to listing or otherwise placing the Unit or Units up for bid or sale, the selling party shall provide the other party with written notice of its intent to sell the Unit or Units. The non-selling party shall have the exclusive option for a period of one hundred and twenty days (120) days from the date of receipt of such written notice to submit a written offer to purchase at a price agreeable to the Parties. In the event the Parties cannot agree upon a price for the Unit or Units to be sold, the Parties shall both secure appraisals from a North Carolina licensed appraiser, and the purchase price for the Unit or Units to be sold shall be determined by calculating the average of the two appraisal valuations. In the event that the non-selling party determines that it shall not proceed with the purchase of the Unit or Units using the average between the two appraisal valuations, then in that event the selling party shall have the right to market and sell the Unit or Units, subject to complying with all state and or federal rules, regulations and requirements of the sale of real estate by a North Carolina County or Town. However, the non-selling party shall have thirty (30) business days to match or exceed any 3rd party offer obtained by the selling party, and if matched or exceeded, closing must occur within 90 days of acceptance and the offer to purchase memorializing the agreement shall be devoid of closing contingencies. Notwithstanding, the non-selling party shall have a fair opportunity to inspect the property before entering executing the offer to purchase agreement.

Section 2: If the non-selling party determines that it will not purchase the Unit or Units, it shall notify the selling party in writing and provide public record notice of the termination of the rights provided for hereunder, on or before the conveyance of the selling party Unit or Units to the third-party purchaser, but the non-selling party will retain its right of first refusal for any sale of the purchased Unit or

Units by the third-party purchaser.

Section 3: This right of first refusal shall be binding upon Parties, however the rights pursuant to this Article are “personal” to the Town and County and the Town and County shall have no obligation under the terms of this Article to any third-party purchaser, its successors and/or assigns.

Section 4: If any clause, provision or paragraph of this Article, shall for any reason, be held illegal, invalid, or unenforceable, such illegality, invalidity, or enforceability shall not affect any other clause, provision or paragraph hereof, and this Article shall be construed and enforced as if such illegal, invalid, or unenforceable clause, paragraph or other provision had not been contained herein.

Section 5: This Article shall be effective upon the recording of this Declaration and continue for a period of thirty (30) years, however, either party shall have the right to renew the first right of refusal for additional thirty (30) year periods by providing written public record notice on or before thirty (30) days prior to the end of the each thirty (30) year period.

ARTICLE XI

GENERAL PROVISIONS

Section 1: All powers granted in the Declaration or the Bylaws to the Association shall be exercisable by the Executive Board, except as expressly provided in the Declaration, the Bylaws, or G.S. § 47-C.

Section 2: The Association may adopt and enforce reasonable rules and regulations not in conflict with the Declaration and supplementary thereto, as more fully provided in the Bylaws and MOU.

Section 3: The Association 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 and the Bylaws of the Association. Failure by the Association to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter. Upon notice to the Association of a violation hereunder and a failure of the Association to take action upon said violation within 90 days, any Unit Owner, or other holder of an interest in the condominium may undertake the

enforcement of the provisions of the Declaration at his own expense.

Section 4: Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 5: The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first 20-year period and during any successive periods of ten (10) years, by an instrument signed by Unit Owners with not less than eighty (80) percent of the Undivided Allocated Interests of Units, as set forth in Exhibit B to this Declaration, or any amendment to Exhibit B resulting from a subdivision of a Unit or Units as allowed by this Declaration.

Section 6: The fiscal year of the Association shall begin on the first day of January and end the 31st day of December of each year, except that the first fiscal year shall begin on the date of recording this Declaration.

IN WITNESS WHEREOF, Declarant of this Declaration has caused this instrument to be executed in its name as duly authorized by County and Town, this ____ day of _____, 2026.

SIGNATURE AND NOTARY PAGE TO FOLLOW

**THE COUNTY OF ORANGE,
a body politic and corporate,
a political subdivision of the State of North Carolina**

_____(Seal)
Travis Myren
County Manager
Orange County, North Carolina

_____(Seal)
Laura Jensen, Clerk
Orange County, North Carolina
Board of Commissioners

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____, Notary Public for the County of _____,
State of North Carolina, certify that LAURA JENSEN, personally appeared before me on the
____ day of _____, 2026 and acknowledged that she is the Clerk to the Board of Orange
County, North Carolina, Board of County Commissioners, and to verify Travis Myren’s
execution of this North Carolina Special Warranty Deed, conveying real property, that Travis
Myren is County Manager of the Orange County and signed in that capacity.

Witness my hand and official stamp or seal, this the ____ day of _____, 2026.

Notary Public
My Commission Expires:

**TOWN OF CARRBORO,
a North Carolina municipal corporation**

BY: _____ (SEAL)

Name: Patrice Toney

Title: Town Manager

Date: _____

ATTEST:

(SEAL)

By: _____

Name: Lamar Joyner

Title: Town Clerk

Date: _____

STATE OF NORTH CAROLINA

COUNTY OF ORANGE

I, _____, Notary Public for the County of _____, State of North Carolina, certify that the LAMAR JOYNER, personally appeared before me this day and acknowledged that he is Town Clerk of the Town of Carrboro, a North Carolina municipal corporation, and that by authority duly given and as the act of the municipal corporation, the foregoing and annexed instrument was signed in its name by Patrice Toney, its Town Manager, sealed, and attested by him as its Town Clerk.

Witness my hand and official stamp or seal, this the _____ day of _____, 2026.

Notary Public

My Commission Expires:

EXHIBIT “A” TO DECLARATION
DESCRIPTION OF LAND

BEING all of that property consisting of 0.937 acres, more or less, as shown on a map and survey entitled “Drakeford Library Complex Condominium Project” (Property of Town of Carrboro & Orange County) prepared by Freehold Land Surveys, Inc., last revised March 3, 2025, and recorded in Plat Book _____, Page _____, Orange County Registry, to which map reference is made for a more particular description of same. PIN: 9778-85-7932

EXHIBIT B

INITIAL UNDIVIDED ALLOCATED INTEREST OF UNITS

<u>Unit Number</u>	<u>Square Feet</u>	<u>Percentage Share</u>
1	19,581.14	53.7%
2	16,946.37	46.3%
TOTAL		100%

EXHIBIT C
BYLAWS OF
DRAKEFORD LIBRARY COMPLEX CONDOMINIUM, OWNERS ASSOCIATION, an
unincorporated non-profit association

ARTICLE I

MEETINGS OF MEMBERS

- Section 1: The first annual meeting of the Members shall be held within one year from the date of formation of the Association, and each subsequent regular annual meeting of the Members shall be held on a date within thirty (30) days of the one-year anniversary of the last annual meeting. Meetings will not be scheduled on a date that is a legal holiday. Meetings may be held live, virtually or in combination, and Members shall be considered present if the meeting is held virtually in whole or in combination.
- Section 2: Special meetings of the Members may be called at any time by the president or the Executive Board, or upon written request of 25% of the Members, pursuant to G.S. § 47C-3-108.
- Section 3: Written notice of each meeting shall be given by, or at the direction of, the secretary or person(s) authorized to call the meeting, by hand delivering, facsimile, email, or mailing a copy of such notice, postage prepaid, at least 10 days and not more than 45 days before such meeting to each Member as provided in G.S. § 47C-3-108.
- Section 4: The Executive Board shall develop a budget that is approved and adopted by the Town and County as part of the annual budget approval process for the Town and County.
- Section 5: The presence at the meeting of Members or proxies entitled to cast fifty one percent (**51%**) of the votes shall constitute a quorum for any action except as otherwise provided by law.
- Section 6: Every Unit Owner shall be entitled to cast the number or percentage of votes as provided in the Declaration for the Units owned by such Member. Notwithstanding the above, amendments to the Declaration shall be voted as set forth in Article XI, Section 5 of the Declaration.

Section 7: Pursuant to G.S. § 47C-3-110, votes allocated to a Unit may be cast pursuant to a dated written proxy signed by a Unit Owner. A Unit Owner may not revoke a proxy except by written notice delivered to the person presiding over a meeting of the Association. A proxy terminates one year after its date, unless it specifies a shorter term.

Section 8: In the event the Town or County do not own one or both of the Units, this Article will be amended at a regular or special meeting of the Members. The Members shall review and revise these bylaws, and to the extent necessary amend the Declaration to be consistent with their new Member ownership. By way of example, but not limitation, Section 4 of this Article would no longer apply and would require deletion in full.

ARTICLE II

OFFICERS AND EXECUTIVE BOARD: SELECTION: TERM OF OFFICE

Section 1: The affairs of the Association shall be managed by an Executive Board of at least four (4) members, who shall be entitled to act on behalf of the Association. The Executive Board members shall be the Town Manager and a designee appointed by the Town Manager and employed by the Town as staff; and the County Manager, and a designee appointed by the County Manager and employed by the County as staff.

Section 2: Any Executive Board member, may be removed in accordance with G.S. § 47C-3-103(b). In the event of death, resignation or removal of an individual serving in capacity as Town Manager or County Manager, the replacement Town Manager, County Manager, shall be appointed by their respective elected Board of County Commissioners or Town Council. In Any interim appointment shall be made within 45 days of the vacancy. In the event of death, resignation or removal of a designee appointed by the Town Manager, the replacement designee shall be appointed by the Town Manager within 45 days of the triggering event. In the event of death, resignation or removal of a designee appointed by the County Manager, the replacement designee shall be appointed by the County Manager within 45 days of the triggering event. The successor shall serve the remainder

of the term.

Section 3: No Executive Board member shall receive compensation for any service he may render to the Association outside of his or her normal employment as an employee of the Town or County. However, with the prior approval of the Executive Board, any Executive Board member may be reimbursed for actual expenses incurred in the performance of his duties.

Section 4: The Executive Board shall have the right to take any action in the absence of a meeting which they could take at a duly held meeting by obtaining the written consent of the other Executive Board members to the action. Any action so approved shall be filed in the Association books and records and shall have the same effect as though taken at a meeting of the Executive Board.

ARTICLE III

MEETINGS OF EXECUTIVE BOARD

Section 1: Meetings of the Executive Board shall be as deemed necessary by the Board, without notice, or as determined by the Board, at such place and hour as may be fixed from time to time by resolution of the Board. Special meetings of the Executive Board may be called by any member of the Executive Board, after not less than three (3) days-notice to the other Executive Board members.

Section 2: A majority of the Executive Board members shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Executive Board members present at a duly held meeting shall be regarded as the act of the board.

ARTICLE IV

POWERS AND DUTIES OF THE EXECUTIVE BOARD

Section 1: Subject to the provisions contained herein and applicable law, the Executive Board shall have the power and authority to exercise all the rights of the Association, including, but not limited to:

- (a) Adopt rules and regulations governing the use of the common area and facilities, the personal conduct of the Members and their guests thereon, and

establish penalties for the infraction thereof;

(b) Employ a professional property manager, an independent contractor, or other employees as they deem necessary, and prescribe their duties; provided always, any contract for professional management must contain a clause requiring not more than 90 days termination notice;

(c) Procure, maintain and pay premiums on an insurance master policy(s) and equitably assess the Owners of the same for their prorata portion of such expense, and to procure and maintain liability insurance for the Board of Directors;

(d) Impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Elements other than for service provided to Unit Owners;

(e) Exercise all other powers that may be exercised in this state by legal entities of the same type as the Association;

(f) Exercise any other powers necessary and proper for the governance and operation of the Association; and

(g) Exercise any and all powers, rights and privileges which an unincorporated non-profit association of the State of North Carolina by law may now or hereafter have or exercise.

Section 2: It shall be the duty of the Executive Board to:

(a) Cause the Common Elements to be maintained, repaired, and replaced as necessary, and to assess the Unit Owners to recover the cost of the upkeep of the Common Elements;

(b) It shall be the duty of the Executive Board to consider the establishment and maintenance of capital reserves for future anticipated Common Element expense and have a study to be conducted once every five (5) years to evaluate and recommend the current and projected capital reserve requirements for the Condominium;

(c) Serve as the architectural committee, or the right to delegate that responsibility;

(d) Keep a complete record of all its acts and corporate affairs and present a statement thereof to the Members at the annual meeting, or at any special meeting when such statement is requested in a writing signed by 50% of the Members;

- (e) Supervise all officers, agents and employees, if any, of the Association, and see that their duties are properly performed;
- (f) Create an annual assessment budget and the mechanism for the Town and County to promptly collect and pay for all Association obligations to maintain the Common Elements;
- (g) Procure and maintain, at all times, adequate replacement coverage hazard insurance on the property owned by the Association and all property for which the Association has the duty to maintain, and sufficient liability insurance to adequately protect the Association as provided in G.S. § 47C-3-113;
- (h) Cause all officers or employees, including officers and employees of professional management, having fiscal responsibilities to be bonded, as it may deem appropriate;
- (i) Cause the establishment and appointment of members to a committee known as the Drakeford Facility Operations Committee, as outlined in the Memorandum of Understanding (the “MOU”). The Drakeford Facility Operations Facility Committee will be responsible for daily operations of the facility and for developing and implementing the Drakeford Policies and Procedures Manual. The policies and procedures in the manual will be approved by the Executive Board.
- (j) If the Executive Board cannot agree by majority vote on one or more of its obligations the Board shall utilize a dispute resolution mechanism to resolve the situation. By way of example and not limitation, if the Executive Board cannot by majority vote agree on a necessary capital reserve budget, the Executive Board can agree upon a third-party mediator to facilitate a solution or hire a third-party arbitrator, with binding or non-binding arbitration, engage an expert on the matter in conflict and agree to resolve the problem with the expert opinion, or any other agreed upon dispute resolution. If necessary, the provisions for Dispute Resolution set forth in Part II, Article 1, Section 11 of the Declaration is also available.

ARTICLE V

OFFICERS AND THEIR DUTIES

Section 1: The officers of this Association shall be a president, vice-president, and

secretary/treasurer. The officers shall be appointed by the Executive Board. An Executive Board member can also be an officer and an Executive Board member may hold more than one office (eg. president and treasurer).

(a) The president shall preside at all meetings of the Executive Board; see that orders and resolutions of the Executive Board are carried out; sign all leases, mortgages, deeds and other written instruments and may co-sign all checks and promissory notes.

(b) The vice-president shall act in the place of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Executive Board.

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Executive Board and of the Members; serve notice of meetings of the Executive Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; prepare, execute, certify, and record amendments to the Declaration on behalf of the Association; and perform such other duties as required by the Executive Board.

(d) The treasurer shall have authority to disburse such funds related to the affairs of the Association as directed by the Executive Board; may sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a certified public accountant or other person suitable to the Executive Board 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 annual meeting, and deliver a copy to each Member. In the event a property manager is employed by the Association, the Treasurer can assign duties to the property manager.

ARTICLE VI **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 and Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association.

ARTICLE VII

AMENDMENTS TO BYLAWS

These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of the majority of the Members.

IN WITNESS WHEREOF, we, being all of the members of the Executive Board of Drakeford Library Complex Condominium Owners Association, an unincorporated nonprofit association, have hereunto set our hands to the Bylaws of the Drakeford Library Complex Condominium Owners Association, this ____ day of _____, 2026.

Town Manager

Town Manager Designee

County Manager

County Manager Designee

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the Secretary of the Drakeford Library Complex Condominium Owners Association and

THAT the foregoing Bylaws constitute the original Bylaws of such Association and were duly adopted at a meeting of the Executive Board, held on the ____ day of _____, 2026.

IN WITNESS WHEREOF, I have on behalf of the Drakeford Library Complex Owners Association subscribed my name ____ day of _____, 2026.

Secretary

