Type: CONSOLIDATED REAL PROPERTY

Recorded: 4/21/2021 8:26:59 AM Fee Amt: \$26.00 Page 1 of 5

Pitt County, NC

Lisa P. Nichols REG OF DEEDS

BK 4090 PG 668 - 672

Prepared by and Return to:

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Grantor Index:

Spring Forest Condominiums Homeowners' Association, Inc.

Grantee Index:

Spring Forest Condominiums Homeowners' Association, Inc.

STATE OF NORTH CAROLINA

COUNTY OF PITT

AMENDMENT TO DECLARATION OF CONDOMINIUM TO REALLOCATE COMMON ELEMENT INTERESTS

THIS AMENDMENT TO DECLARATION OF CONDOMINIUM TO REALLOCATE COMMON ELEMENT INTERESTS ("Amendment") is made by the Spring Forest Condominiums Homeowners' Association, Inc. ("Association").

WHEREAS, a Declaration of Condominium Under the Provisions of Chapter 47C of the General Statutes of the State of North Carolina, and Covenants, Conditions and Restrictions of Spring Forest was recorded in Book 570 at Page 87 of the Pitt County Registry ("Initial Declaration"); and

WHEREAS, the Initial Declaration was subsequently amended by instruments recorded in the Pitt County Registry including instruments recorded in Book 602 at Page 106, Book 688 at Page 438, Book 811 at Page 652, Book 937 at Page 31, Book 953 at Page 169, Book 1313 at

Submitted electronically by "Jordan Price Wall Gray Jones & Carlton" in compliance with North Carolina statutes governing recordable documents and the terms of the submitter agreement with the Pitt County Register of Deeds.

Page 457, Book 1369 at Page 558, and Book 1719 at Page 640 (all subsequent amendments to the Initial Declaration whether referenced herein or not are hereinafter collectively referred to as the "Supplemental Declarations" and the Initial Declaration and the Subsequent Declarations are hereinafter collectively referred to as the "Declaration"); and

WHEREAS, the Declaration of record provides that there are 124 units in the Spring Forest Condominium; and

WHEREAS, as a result of a fire, 12 of the 124 units were destroyed; and

WHEREAS, N.C.G.S. 47C-3-113(h) of the NC Condominium Act provides that any portion of the condominium for which insurance is required under this section which is damaged or destroyed shall be repaired or replaced promptly by the association unless the unit owners decide not to rebuild by an eighty percent (80%) vote, including one hundred percent (100%) approval of owners of units not to be rebuilt; and

WHEREAS, N.C.G.S. 47C-3-113(h) further provides that if the entire condominium is not repaired or replaced, (1) the insurance proceeds attributable to the damaged common elements shall be used to restore the damaged area to a condition compatible with the remainder of the condominium, (2) the insurance proceeds attributable to units and limited common elements which are not rebuilt shall be distributed to the owners of those units and the owners of the units to which those limited common elements were allocated or to lienholders, as their interest may appear, and (3) the remainder of the proceeds shall be distributed to all the unit owners or lienholders, as their interest may appear, in proportion to their common element interest; and.

WHEREAS, the Association submitted a mail ballot to the unit owners on the question of whether or not to rebuild the 12 units destroyed by fire and to allocate the insurance proceeds from such casualty accordingly, and such mail ballot incorporated by reference a Memorandum to all unit owners regarding a Statement of Options and Background Information on the question presented ("Memorandum"); and

WHEREAS, the Memorandum stated the Association's determination of the allocation of the insurance proceeds from the casualty with respect to (1) the insurance proceeds attributable to the damaged common elements to be used to restore the damaged area to a condition compatible with the remainder of the condominium, (2) the insurance proceeds attributable to units and limited common elements which are not rebuilt to be distributed to the owners of those units and the owners of the units to which those limited common elements were allocated or to lienholders, as their interest may appear, and (3) the remainder of the proceeds to be distributed to all the unit owners or lienholders, as their interest may appear, in proportion to their common element interest; and.

WHEREAS, the Association, by authority of its Board of Directors, hereby certifies that pursuant to the vote presented to all unit owners by mail ballot that not less than 80% of all of the 124 unit owners voted to not rebuild the 12 units destroyed by fire and to allocate the insurance

proceeds accordingly and 100% of the unit owners of the 12 units destroyed by fire voted to not rebuild the 12 units destroyed by fire and to allocate the insurance proceeds accordingly; and

WHEREAS, N.C.G.S. 47C-3-113(h) further provides that if the unit owners vote not to rebuild any unit, that unit's allocated interests are automatically reallocated upon the vote as if the unit had been condemned under G.S. 47C-1-107(a), and the association promptly shall prepare, execute, and record an amendment to the declaration reflecting the reallocations; and

WHEREAS, the Association has distributed the insurance proceeds attributable to units and limited common elements which are not rebuilt to the owners of those units and the owners of the units to which those limited common elements were allocated or to lienholders, as their interest may appear; and

WHEREAS, all unit owners of the 12 units destroyed by fire have separately executed and recorded of even date herewith an Agreement for Distribution of Insurance Proceeds in Lieu of Rebuilding Destroyed Condominium Unit and Termination of Unit Ownership Interest, thus terminating the 12 units destroyed by fire and acknowledging the reallocation by this instrument of the undivided interest of each of said units in and to the Common Elements of the Condominium; and

WHEREAS, the purpose of this Amendment is to reflect the reallocations of the interests of the 12 units that were destroyed by fire that will not be rebuilt and is made pursuant to the requirements in N.C.G.S. 47C-3-113(h) that the Association record an amendment to the Declaration reflecting the reallocations; and

WHEREAS, the Initial Declaration and the Supplemental Declarations provide for the allocation of interests in Exhibit C, attached thereto, which provides as follows:

"EXHIBIT C

<u>Voting Rights</u>: Each unit shall have one vote, with the total number of votes being equal to the total number of units.

<u>Undivided Interest in Common Area and Liability for Common Expenses</u>: Undivided interests in the common area shall be allocated equally such that each unit shall have a fractional interest in the common area, such fraction having "1" as the numerator, and having as the denominator, a number equal to the total number of units.

Liability for common expenses shall also be allocated equally such that each unit shall pay a fractional portion of the common expenses, such fraction having "1" as the numerator, and having as the denominator, a number equal to the total number of units.

Such interests shall be reallocated according to this formula as new units are brought into the Condominium pursuant to Developer's rights."

WHEREAS, prior to the vote by mail ballot to not rebuild the 12 units destroyed by fire there were 124 units and as a result of the vote by mail ballot to not rebuild the 12 units destroyed by fire the 12 units' allocated interests are automatically reallocated to the remaining 112 units.

NOW THEREFORE, the Association declares as follows:

1. Exhibit C to the Declaration is amended by adding the following underlined and bolded text below:

"EXHIBIT C

<u>Voting Rights</u>: Each unit shall have one vote, with the total number of votes being equal to the total number of units. <u>The total number of units is 112.</u>

<u>Undivided Interest in Common Area and Liability for Common Expenses:</u> Undivided interests in the common area shall be allocated equally such that each unit shall have a fractional interest in the common area, such fraction having "1" as the numerator, and having as the denominator, a number equal to the total number of units. The total number of units is 112.

Liability for common expenses shall also be allocated equally such that each unit shall pay a fractional portion of the common expenses, such fraction having "1" as the numerator, and having as the denominator, a number equal to the total number of units. The total number of units is 112.

Such interests shall be reallocated according to this formula as new units are brought into the Condominium pursuant to Developer's rights."

2. Except as specifically amended herein, the Declaration remains in full force and effect.

[remainder of page intentionally blank; signature page follows]

This the 15 day of January, 2021.
Spring Forest Condominiums Homeowners' Association, Inc. By: President
ACKNOWLEDGEMENT COUNTY OF PITT I, Peggy H. Rows, a Notary Public of the County and State aforesaid, certify that Eric Reifschoolder, of whose identity I have personal knowledge, or of whose identity has been proven to me by the presentation of a drivers license, personally came before me this day and acknowledged that he/she is President of Spring Forest Condominiums Homeowners' Association, Inc., a North Carolina nonprofit corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President for the purposes stated therein. Witness my hand and official stamp or seal, this 15 Motary Public.
My commission expires: 7-b 03, 2025

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