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**Prepared by and Return to: Christopher P. Gelwicks, The McIntosh Law Firm, P.C., P.O. Box 2270,
Davidson, NC 28036**

BEAUCATCHER HOUSE CONDOMINIUM OWNERS ASSOCIATION, INC.

**CERTIFICATION OF AMENDMENT
TO DECLARATION OF CONDOMINIUM
for the BEAUCATCHER HOUSE**

The Board of Directors for The Beaucatcher House Condominium Owners Association, Inc., hereby records this Certification of Amendment to the Declaration of Condominium for the Beaucatcher House. The Declaration of Condominium for the Beaucatcher House may be amended by the affirmative vote of 67% of the total votes of the Condominium, pursuant to Article XII of the the Declaration and the North Carolina Condominium Act. These amendments having obtained approval of at least 67% of the total votes of the Condominium, the Board of Directors hereby certifies the below amendments to the Declaration of Condominium.

1. Section 8.1 is deleted in its entirety and replaced with the following:

“8.1 Casualty Insurance. The Association shall maintain casualty insurance upon the Condominium in the name of, and the proceeds thereof payable to, the Association, as trustee for all Unit Owners and Security Holders as their interests may appear, and be disbursed pursuant to the Act. Insurance so procured must insure against such risks and contain such provisions as the Board from time to time shall determine but at a minimum shall conform in all aspects to the requirements of the Act, and shall provide that, notwithstanding any provision thereof that gives the insurer an election to restore damage in lieu of making a cash settlement, such option shall not be exercisable if such restoration is prohibited pursuant to Section 47C-3-113(h) of the Act.

Such insurance shall be in an amount equal to not less than one hundred percent (100%) of the full replacement cost, less a commercially reasonable deductible not to exceed ten thousand dollars (\$10,000.00). Any such deductible shall be borne by the Unit Owner or Unit Owners whose Unit or Units have been damaged that resulted in the filing of a claim

under the insurance procured under this section. Such deductible is not a cost of repair or replacement in excess of insurance proceeds or reserves. Payment of the deductible by the Unit Owner or Unit Owners is required before the Association, as trustee, will disburse funds under this Article.”

2. Section 8.6 is hereby deleted in its entirety and replaced with the following:

“8.6 Individual Policy for Unit Owners. Each Unit Owner shall obtain insurance, at the Unit Owner’s expense, covering personal property, living expenses, condominium assessment, personal liability, and any other coverage obtainable. Notwithstanding the any language in this Declaration, any such Unit Owner purchased coverage shall be of the type described as an “HO6” or similar type policy, with a loss assessment on such policy of up to ten thousand dollars (\$10,000.00). Failure by a Unit Owner to purchase such policy will not negate the requirement of the Unit Owner to pay the deductible as set forth in section 8.1 of this Declaration. Additionally, any reduction in proceeds paid to the Association in the event of a casualty loss caused by the proration of insurance purchased by the Unit Owner shall be borne by that Unit Owner.”

3. Section 5.6 is deleted in its entirety and replaced with the following:

“5.6 Limitations on Renting. A Rental Cap shall be imposed limiting the total number of units that may be rented in the Condominium at any one time. The Rental Cap shall be variable and adjust from time-to-time in order to comply with changes in the lending requirements of The Federal Housing Administration (i.e., FHA), the Federal National Mortgage Association (i.e., Fannie Mae), the Federal Home Loan Mortgage Corporation (i.e., Freddie Mac), the Veterans Administration (i.e., “VA”) and such other similar government bodies involved in mortgage lending including the successors and assigns of them.

In the event of a conflict between the number of rental units allowed by these differing government entities, then the rental cap shall be calculated at such a number/percentage so as to comply with of all said government entities. If compliance is unattainable, than the rental cap will be based upon compliance with the requirements such government entity or entities providing the greatest number of mortgage loan services to the public at large. All current owners prior to this amendment are excluded from any Rental Cap restrictions promulgated by this amendment.

All approvals to lease units shall be subject to the following terms and conditions:

- a. No Unit Owner shall lease or rent a Unit for any period less than twelve months.
- b. All lease agreements shall be in writing and shall expressly state that the lessee shall be subject to the Declaration (including any and all amendments), Bylaws and all such other Rules and Regulations for the Condominium and that a default by the tenants in complying with the Condominium Rules is a default under the lease.


- c. All adult tenant occupants must be listed on the lease and all tenants are equally responsible for the requirements and terms of the lease.
- d. All leases shall stipulate that a tenant shall not assign the lease or sublet the Unit in whole or part.
- e. The Owner shall provide the tenant(s) with a current copy of the Declaration (including any and all amendments thereto), the Bylaws and other such Rules and Regulations of The Condominium.
- f. Tenants are responsible for knowing the Declaration (including any and all amendments), the Bylaws and all such other rules and regulations. A copy of the Declaration (including any and all amendments), the Bylaws and all such other rules and regulations shall be attached to the lease.
- g. In the event of a default on any of the above, the Owner may be assessed a fine and/or legal actions taken by the Board.
- h. Units may not be subdivided (i.e., no more than one lease per Unit). Owners living in their unit may rent or lease rooms within their Unit. Owners must reside in the Unit full time if renting or leasing a room.
- i. All lease agreements shall be submitted to the management company to be kept on file. The lease information will be treated as confidential and safeguarded against disclosure as required by all applicable fair credit reporting laws. The Board of Directors for The Beaucatcher House (hereinafter "Board") may request pertinent lease and tenant information as deemed appropriate. The management company and the Board will ensure that all lease requirements for the Condominium are met."

4. Section 5.7 is hereby added as follows:

"5.7 Limitation on Ownership of Multiple Units. No individual or entity (including corporations, LLCs, and partnerships and other business entities, so formed by applicable formation or foreign entity filings at the North Carolina Secretary of State) shall own any more than two (2) units in The Beaucatcher House Condominium at any one time."

These amendments are effective upon recording.

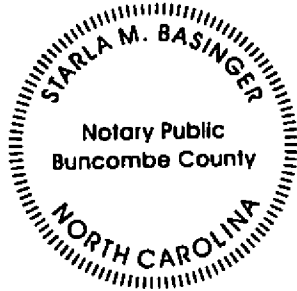
Date:



President

STATE OF NORTH CAROLINA
COUNTY OF ~~MECKLENBURG~~ Buncombe

I, Starla M. Basinger, the undersigned Notary Public of the County and State aforesaid, certify that Susan B Cobb personally came before me this day and acknowledged that he/she is the President of The Beaucatcher House Condominium Owners Association, Inc., a North Carolina Corporation, and that by authority duly given and as the act of such entity, they voluntarily signed the foregoing instrument in its name on its behalf as its act and deed.



Starla M. Basinger
Notary Public

My Commission Expires: May 28, 2023