

**CAROLINA COLOURS
COMMUNITY FACT SHEET 2012**

The following information is provided for general guidance only, and is not intended to be relied upon in preparation of legal documents. REFERENCE SHOULD BE MADE TO THE SPECIFIC PROTECTIVE COVENANTS APPLICABLE TO THE PROPERTY TO BE PURCHASED, AS WELL AS GOVERNANCE DOCUMENTS FOR THE CAROLINA COLOURS ASSOCIATION AND THE CAROLINA COLOURS GOLF CLUB FOR DETAILED INFORMATION.

1. Location: Carolina Colours is located in the City of New Bern, Craven County, North Carolina.

2. Property taxes: Real property taxes in North Carolina are based upon an assessment of fair market value determined approximately every five years by the taxing authority, and is based on a tax rate established annually by each taxing authority. The rate is assessed per \$100 of assessed valuation. Rates are set every June for the then current calendar year. Rates for the 2011 calendar year were as follows:

New Bern tax rate:	\$0.41
Craven County tax rate:	\$0.4728

3. Carolina Colours Association: Each property owner in Carolina Colours is a member of the Carolina Colours Association, Inc. and is entitled to benefits associated with such membership. The Executive Board of the Association establishes the dues payable to the Association each year based upon its budgeted expenditures.

2011 Association dues:

Lot (golf frontage):	\$36.67 per Month
Lot (not golf frontage)	\$31.67 per Month
Completed Home (golf frontage):	\$90 per Month
Completed Home (not golf frontage):	\$85 per Month

The Association must approve all construction and landscaping plans, and charges a fee to cover the cost of such reviews. The fee is established by the Executive Board of the Association.

2011 Association Review Fees:

New Home Construction:	\$200
Other Required Reviews:	\$25

In order to maintain an attractive community, the Association is authorized by Protective Covenant to mow each home site up to 4 times per year, with the cost being charged to the property owner. It is estimated that the charge for each mowing will be between \$60 and \$100, depending on whether debris removal is extensively required. In 2011, the cost per mowing was \$75, 1 mowing.

The Association owns the Carolina Colours Pavilion, and will be, upon construction, the owner of swimming and tennis facilities, all of which are or will be available for use by Carolina Colours property owners.

The president of the Association for 2012 is Kenneth M. Kirkman. His mailing address is 503 W. Thurman Road, New Bern, NC 28562, his telephone number at that address is 252-636-3700.

4. Other Associations: Certain neighborhoods within Carolina Colours have additional dues that pay for such services as lawn maintenance, building maintenance or building insurance. These dues are as follows:

Cobblestone	\$100 per Month
Mansion Flats at Carolina Commons	\$190 per Month

Cobblestone dues cover no building maintenance or insurance charges. Mansion Flats dues include limited exterior building maintenance and building hazard insurance.

5. Carolina Colours Golf Club: There is a semi-private equity golf course at Carolina Colours. Equity Memberships are currently priced as follows, with some or the entire fee being refundable when a membership is resigned and resold by the Club:

Equity Golf Membership:	\$8,000
Payable as follows:	The entire sum is due at the time of property closing.

A discount in the Equity Fee, and a discount on the price of a Carolina Colours developer owned property, are available if the property purchaser joins the golf club at time of acquisition of a Carolina Colours home site owned by Carolina Creek LLC. The amount of the discount depends on the property purchased.

Associate (annual) memberships are available in 2012, for a fee of \$300.

NO USE OF OR MEMBERSHIP IN THE GOLF CLUB is available by virtue of membership in the Carolina Colours Association, Inc. A membership in the Golf Club must be purchased, or user fees must be paid when playing the golf course.

6. Telecommunications: Carolina Creek LLC, the developer of Carolina Colours, has caused fiber optic service to be provided to all homes and primary Common Elements in Carolina Colours. As a part of the contractual arrangement to have such state of the art infrastructure installed, the developer and the Association have agreed to utilize exclusively specific service providers for data, television, voice and security services for all owners within Carolina Colours, at a price for comparable services less than

offered by the incumbent provider of such services in New Bern. Data and television services are "bundled" services, payment for which are required of all homeowners, with payment made through and guaranteed by the Association. These bundled services and their costs are as follows:

a. **Data Services:** An instant high speed Internet connection is provided through CenturyLink, with a downstream speed of approximately 3Mbps, and an upstream speed of approximately 1Mbps. Multiple access is available from computers in the home. An email account with 10MB of mailbox space is a part of the package. Speed upgrades are available for an additional cost.

b. **Video Service:** Extensive HDTV transmission capabilities, much greater than available through co-axial service lines, are provided through Beyond Communications the video service provider. Approximately 75 channels are available at every outlet, with no set top box. Local service is included. Standard programming includes HBO multi-channel package, and an excellent assortment of quality programming. Additional programming is available for an additional fee.

c. The current cost of the bundled services is \$97.18 per month. This amount will be billed by the Association, and may be billed in advance. There is no charge until a home is constructed and a certificate of occupancy issued. Charges may change over time, and continue until a constructed home is sold to another responsible party.

d. Phone and security services are not bundled. While these services are not required, if phone service or security service is elected, the service must be purchased from the provider approved by the Association. Phone service is provided through Century Tel Communications, and security service is provided through ADT. All homes will be pre-wired for basic security.

The Association may change service providers from time to time.

7. **Builder Program:** All construction of homes within Carolina Colours requires approval from its Improvement Review Committee, and all construction must be by a builder that is participating in the Carolina Colours Builder Program. Builders that are selected to participate in the Carolina Colours Builder Program must adhere to standards established for that program that are designed to enhance the likelihood of quality construction, diversity of design and maintenance of a clean building site. Builders pay to the developer an entry fee of \$1,000, if their application to participate in the program is accepted. A fee in the amount of 2% of the home construction price is paid to the developer's sales agency for each custom built home by each program builder, to assist in marketing the Carolina Colours community and its builders.

8. Schools:

Elementary School

Creekside Elementary
 Old Airport Road
 New Bern, NC 28562

Middle School

H.J. MacDonald Middle School
 3127 Elizabeth Avenue
 New Bern, NC 28562
 252-514-6450

High School

New Bern High School
 4200 Academic Drive
 New Bern, NC 28562
 252-514-6400

Private Schools

The Epiphany School (6-10)	252-638-0122
Arendell Parrott Academy (K-12)	252-522-4222
St. Paul's Education Center (K4-12)	252-633-0100

Updated: 6/27/12