

JUDITH A GIBSON REG OF DEEDS HECK NC
BK# 07462 PG# 0299/0319 #0142 34.00
FILED FOR REGISTRATION 09/20/93 11:21

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
HILLTOP AT FAIRES FARM, PHASE 2

THIS DECLARATION, made as of the date hereinafter set forth by THE MATHISEN COMPANY, a North Carolina corporation, hereinafter referred to as "Declarant";

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the County of Mecklenburg, State of North Carolina, which is more particularly described as follows:

All of the property shown and described on that subdivision plat of HILLTOP AT FAIRES FARM, PHASE 2, MAP 1, recorded in Map Book 25 at Page 657 of the Mecklenburg Public Registry.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and 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.

ARTICLE I
DEFINITIONS

SECTION 1. "ASSOCIATION" shall mean and refer to HILLTOP AT FAIRES FARM HOMEOWNERS ASSOCIATION, INC., a non-profit North Carolina corporation, its successors and assigns.

SECTION 2. "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 Properties, including contract Sellers, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 3. "Properties" shall mean and refer to that certain real property hereabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the ASSOCIATION.

SECTION 4. "Common Area" shall mean and is more particularly described as any area designated as Common Area on any recorded plat or map of real property which may become subject to the terms and conditions of this Declaration, or which is not a "Lot" as defined in Section 5, below, or which is not a publicly dedicated street or right of way.

DRAWN BY: DOUGLAS P. MACMILLAN, ATT'Y.
MAIL TO: THE MATHISEN COMPANY
P.O. BOX 578
HUNTER, NC 28041

SECTION 5. "Lot" shall mean and refer to any numbered plot of land to be used for single-family detached residential purposes as shown upon any recorded subdivision map of the Properties with the exception of the Common Area and dedicated streets.

SECTION 6. "Living Unit" shall mean and refer to any portion of a building situated upon the Properties designed and intended for use and occupancy as a residence.

SECTION 7. "Member" shall mean and refer to every person or entity who holds membership with voting rights in the ASSOCIATION.

SECTION 8. "Declarant" shall mean and refer to The Mathisen Company, a North Carolina corporation, its successors and assigns.

ARTICLE II PROPERTY RIGHTS

SECTION 1. OWNERS' EASEMENTS OF ENJOYMENT. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the ASSOCIATION to permit the use of and to charge reasonable admission and other fees for the use of any facility situated upon the Common Area;

(b) 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 (60) days for any infraction of its published rules and regulations.

(c) The right of the ASSOCIATION to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument is signed by at least two-thirds (2/3) of each class of Members, agreeing to such dedication or transfer, has been recorded.

SECTION 2. DELEGATION OF USE. Any Owner may delegate, in accordance with the Bylaws, his rights of enjoyment of the Common Area and facilities to the members of his family, his tenants, guests, or contract purchasers who reside on the property.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

SECTION 1. Every Owner of a Lot which is subject to a lien for assessments shall be a Member of the ASSOCIATION. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

SECTION 2. The ASSOCIATION shall have two (2) classes of voting membership:

CLASS A. Class A Members shall be all Owners other than the Declarant. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

CLASS B. The Class B Member(s) shall be the Declarant, and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) On December 31, 2008.

ARTICLE IV COVENANTS FOR MAINTENANCE ASSESSMENTS

SECTION 1. 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 therefor, 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. The annual and special assessments, 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, together with interest, costs and reasonable attorney's fees, shall be the personal obligation of the person who is the Owner of such property at the time the assessment fell due. The personal obligation for delinquent assessments shall pass to his successors in title only to the extent of such successors' interests in such property.

SECTION 2. PURPOSE OF ASSESSMENTS. The assessments levied by the ASSOCIATION shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties in particular for the acquisition, improvement and maintenance

of properties, services and facilities devoted to this purpose for the use and enjoyment of the Common Area, including, but not limited to, the costs of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Area, the procurement and maintenance of insurance in accordance with the Bylaws, the employment of attorneys to represent the ASSOCIATION when necessary, and such other needs as may arise.

SECTION 3. MAXIMUM ANNUAL ASSESSMENT. Until December 31, of the year immediately following the conveyance of the first Lot to an Owner, maximum annual assessment for all lots served by a private driveway shall be \$150.00 per year, \$10.00 of which shall be set aside and directed to the maintenance of the private driveways serving those lots; and the maximum annual assessment until December 31 of such year for all other lots shall be \$140.00 per year per lot.

(a) The maximum annual assessment for the calendar year immediately following the conveyance of the first Lot to an Owner and for each calendar year thereafter shall be established by the Board of Directors and may be increased by the Board of Directors for any calendar year without prior approval by the membership by an amount not to exceed ten (10%) per cent of the maximum annual assessment for the previous year.

(b) The maximum annual assessment for the calendar year immediately following the conveyance of the first Lot to an Owner and for each calendar year thereafter may be increased without limit by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

SECTION 4. PAYABLE ANNUAL ASSESSMENT. The Board of Directors shall fix the payable annual assessment at an amount not in excess of the maximum annual assessment subject to the provisions of Sections 7 and 8 of this Article.

SECTION 5. SPECIAL ASSESSMENT FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments authorized above, the ASSOCIATION may levy, in any calendar year, a special assessment for the purpose of defraying in whole or in part, the costs of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose. All special assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

SECTION 6. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 5. Written notice of any meeting called for the purpose of taking any action authorized under Section 3(b) or 5, shall be sent to all Members not less than ten (10) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called,

the presence of Members or of proxies entitled to cast at least sixty (60%) per cent of all votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

SECTION 7.

RATE OF ANNUAL ASSESSMENTS.

(a) With the exception set forth in subsection (b) of this Section 7, annual assessments must be fixed at a uniform rate for all Lots and shall be collected on an annual basis. The books and records of the ASSOCIATION shall be kept in such a manner that it is possible to determine and ascertain such sums as are expended by the ASSOCIATION for development, improvement, maintenance and upkeep of the Common Area and all recreational facilities of the ASSOCIATION.

(b) The annual assessment for each Lot owned by Declarant and unoccupied as a residence shall be an amount not less than twenty-five (25 %) per cent nor more than fifty (50 %) per cent of the regular assessment for all other Lots.

SECTION 8.

RATE AND COMMENCEMENT OF ANNUAL ASSESSMENTS: DUE DATES.

The annual assessments provided for herein with respect to any Phase and/or Section of the Properties subject to this Declaration shall begin as of the first day of the month following conveyance of the first Lot in such Phase or Section to an Owner. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. At least thirty (30) days in advance of each annual assessment period, the Board of Directors shall fix the amount of the annual assessment to every Owner subject thereto. The due dates shall be established by the Board of Directors. The ASSOCIATION shall, upon demand, and for a reasonable charge, furnish a certificate, signed by an officer of the ASSOCIATION setting forth whether the assessments on a specified Lot have been paid.

SECTION 9.

EFFECT OF NONPAYMENT OF ASSESSMENTS:

REMEDIES 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 nine (9%) per cent per annum, or the highest rate allowed by law, whichever is less. The ASSOCIATION may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area or abandonment of his Lot.

SECTION 10. SUBORDINATION OF THE LIEN TO MORTGAGES. The

liens provided for herein shall be subordinate to the lien of any first Deed of Trust, Deeds of Trust, mortgage or mortgages. Sale or transfer of any Lot shall not affect the assessment lien or liens provided for in the preceding section. However, the sale or transfer of any Lot which is subject to any first Deed of Trust or mortgage, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to the payoff thereof which became due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

SECTION 11.

EXEMPT PROPERTY. The assessments, charges and liens created under this Article shall not apply to the Common Area, nor shall it apply to any Lot the title to which is vested either in any first mortgagee subsequent to foreclosure or in the Secretary of Housing and Urban Development or the Administrator of Veterans' Affairs or any other State or Federal governmental agency which acquires title by reason of such agency's guarantee or insurance of a foreclosed mortgage loan. However, upon the conveyance of such property by the first mortgagee or governmental agency the assessment herein provided shall again commence and accrue and shall be fully applicable to such Lot. All Common Area property dedicated to and accepted by a local public authority, property granted to or used by a utility company, and property owned by a non-profit organization exempt from the assessments and charges herein.

ARTICLE V USE RESTRICTIONS

SECTION 1.

LAND USE AND BUILDING TYPE.

No Lot and Living Unit located thereon shall be used except for single family residential purposes. No structure shall be erected, altered, placed or permitted to remain on any Lot other than one detached single-family dwelling, not to exceed three (3) stories in height, and a private garage for not more than three (3) cars and other out buildings incidental to the use of such Lot. No Lot shall be used in whole or in part for storage of rubbish of any character, whatever, nor shall any substance, thing or material be kept upon any Lot which will emit foul or noxious odors, or which will cause any noise that might disturb the peace and quiet of the occupants of surrounding property. No trash, rubbish, stored materials, wrecked or inoperable vehicles or similar unsightly items shall be allowed to remain on any Lot outside an enclosed structure except for pickup by garbage and trash removal service units. In the event any Owner fails to keep such property free from any unsightly items, weeds or underbrush, the ASSOCIATION may, at its option, req (10) days after notice to said Owner requesting said Owner to comply with the requirements of this paragraph, enter and remove all such unsightly items and growth at said Owner's expense, and said Owner shall be personally liable to the ASSOCIATION for such costs which shall be a permanent charge and lien upon such Lot enforceable to the same extent and collectible as provided for in Article IV. By acquiring property subject to these Restrictions, each Owner agrees to pay such costs promptly upon demand by the ASSOCIATION. No such entry as provided herein shall be deemed a trespass.

SECTION 2. NUISANCE. No noxious, offensive or illegal activity shall be conducted on any Lot; nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. Each owner shall refrain from any act or use of his or her Lot which could reasonably be expected to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood.

SECTION 3. EXCAVATION AND ELEVATION. No Owner shall excavate or extract earth from any of the Lots for any commercial purpose. No elevation changes shall be permitted which materially affect surface grade of surrounding Lots.

SECTION 4. TEMPORARY RESIDENCE. No residence of a temporary character shall be erected or allowed to remain on said property, and no trailer, basement, tent, shack, garage, barn or other outbuilding erected on said property shall be used as a residence either permanently or temporarily.

SECTION 5. COMMERCIAL AND RECREATIONAL VEHICLES. No trucks, buses, vans, boats and/or trailers, campers or other commercial or recreational vehicles shall be parked or stored on any Lot, or street fronting thereon, unless stored in an enclosed garage. Provided, however, any Owner of a lot (but not a tenant) may park on his her lot in the driveway only a commercial vehicle utilized in connection with and as a condition of such owner's employment subject to the following limitations: such commercial vehicle shall be limited to a light utility vehicle or small van of no more than two axles, no more than 10,000 pounds gross weight, and not more than 21 feet in length, 7 feet in width and 7 feet in height. Such commercial vehicle shall not be equipped with external storage racks or other attachments or cargo that exceed the foregoing dimensions. Only one exception per lot shall be permitted.

SECTION 6. ANIMALS. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any Living Unit except that dogs, cats or other household pets in reasonable numbers may be kept or maintained provided that they are not kept or maintained for commercial purposes.

SECTION 7. CLOTHESLINES. Outdoor clothesline poles to be round, one piece, with arms. No clothes may be left on clotheslines after 5:00 pm.

SECTION 8. SIGNS. No sign of any kind shall be erected upon or displayed or otherwise exposed to view on any Lot without the prior written consent of the Board of Directors or its designated Architectural Committee, if any, except for a "FOR RENT" or "FOR SALE" sign advertising an Owner's Lot and Living Unit for rent or sale. The Declarant reserves the right to erect an entrance sign on the Common Area, designating the name of the subdivision, which sign shall be maintained by the Association.

SECTION 9. DANGEROUS HOBBIES AND ACTIVITIES. The pursuit of hobbies or other inherently dangerous activities including specifically, without limiting the

generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly or unkempt conditions; the storing of firearms, fireworks or pyrotechnic devices of any type or size; and other such activities shall not be pursued or undertaken on any part of any Lot or the Common Area.

SECTION 10. OUT-BUILDINGS. Only garages, storage sheds or out-buildings may be constructed on Lots provided said structures comply with all applicable zoning ordinances and are constructed with the same or similar materials and colors as the residence located thereon and are of a similar architectural design.

SECTION 11. SWIMMING POOLS. Swimming pools shall be located to the rear of the main dwelling and may not be nearer than six (6) feet to any lot line. No swimming pool capping shall project more than two (2) feet above the established lot grade, unless it is fully screened from street-view by the use of either a brick or wood fence, or non-deciduous plantings.

SECTION 12. DRIVEWAYS. No driveway shall be modified or added to any Lot unless it is installed with the same material used on the existing driveway and is parallel to the existing driveway. No driveway is to exceed twenty (20') feet in width.

SECTION 13. OUTSIDE ANTENNAS. No outside radio or television antennas, satellite dishes or other delegated communication towers shall be erected on any Lot or Living Unit.

SECTION 14. FENCES. No fence shall be erected on any lot except in strict accordance with the following restrictions:

a. **Front Yards.** Front yards may contain fences made of painted wood pickets (white only), black ornamental iron, brick, stone or any combination thereof, the height of which shall not exceed 42 inches. Front yard fences may extend to the public right-of-way.

b. **Rear Yards.** Rear yard fences must be constructed of wood or cedar and shall be subject to a maximum height restriction of six feet. Any rear yard fence located on or within six feet of a common property line shall have a minimum of 40% of its surface area open to the flow of air and transmission of light.

c. **Side Yards Restrictions.** Fences located in side yards abutting a public street must be either: (i) ornamental iron, stone or brick, subject to a maximum height restriction of six feet; or (ii) painted wood picket subject to a maximum height restriction of 48 inches.

No chain link, wire or other metallic fences may be erected on any lot.

SECTION 15. COMMON AREA STRUCTURES. No structures other than entrance signs are to be erected or located on those portions of the Common Area which have frontage on McLean Road and Paines Farm Road.

SECTION 16. APPLICABLE REGULATIONS. Each Owner shall observe all governmental codes, health regulations, zoning restrictions and other regulations applicable to such Owner's Lot. In the event of any conflict between any provision of any such governmental code, regulation or restriction and any provision of this Declaration, the more restrictive provision shall apply.

**ARTICLE VI
EASEMENTS**

SECTION 1. UTILITIES. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. In addition, easements are hereby reserved for the drainage and installation, maintenance and repair of sewer and water lines and other utilities, as necessary, to provide service to each Lot. Without limiting the foregoing easements for drainage and utilities are reserved ten (10) feet along each rear line of each Lot and five (5) feet along each side line of each Lot. 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 change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

SECTION 2. DEVELOPMENT. Declarant shall have a temporary easement for itself, its agents and its employees to enter upon any and all portions of the Common Area for the purpose of completing the development of the properties and constructing Living Units on the properties.

**ARTICLE VII
ANNEXXATION**

SECTION 1. ANNEXXATION WITH CONSENT OF MEMBERS. Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of all Members.

SECTION 2. ANNEXXATION BY DECLARANT. Additional land within the area described in Exhibit "A" attached hereto and incorporated by reference may be annexed in whole or in part by the Declarant without the consent of Members at any time, from time to time, within ten (10) years of the date this instrument is recorded in the Office of the Register of Deeds for Mecklenburg County, North Carolina, provided the FHA and VA determine any such annexation is in accord with the general plan heretofore approved by them. The procedure for making any such annexation shall be for the Declarant to file of record a Supplementary Declaration with respect to the land to be made thereby subject to this Declaration, which such Supplementary Declaration shall extend the jurisdiction of the Association to the land therein described and thereby subject such additional land to assessment for its share of the Association's expenses. Such Supplementary Declaration may contain such complementary additions and modifications of the Restrictions as may be necessary to reflect the different character of the added properties; but any Supplementary Declaration shall not revoke or amend this Declaration as it pertains to the properties previously subjected thereto.

ARTICLE VIII INSURANCE

SECTION 1. AUTHORITY TO PURCHASE INSURANCE. Insurance policies upon any improvements located on the Common Areas may be purchased by the ASSOCIATION in the name of the Board of Directors of the ASSOCIATION, as Trustees for the Owners, for the benefit of the Owners and their respective mortgages as their interests may appear.

SECTION 2. INSURANCE COVERAGE TO BE MAINTAINED; USE AND DISTRIBUTION OF INSURANCE PROCEEDS.

(a) The following insurance coverage shall be maintained in full force and effect by the ASSOCIATION covering the operation and management of the Common Area:

(1) ☒ Casualty Insurance covering the buildings and all improvements, if any, upon the Common Area and all personal property located thereon, if any, except such personal property as may be owned by others, shall be procured in an amount equal to one hundred (100%) per cent of the insurance replacement value thereof (exclusive of excavation, foundations, streets and parking facilities) with a replacement cost endorsement as determined annually. If coverage is provided by an insurance policy in which there is a co-insurance clause applying, every effort will be made to obtain an agreed amount endorsement or its equivalent. Such coverage shall afford protection against: (a) loss or damage by fire and other hazards covered by the standard extended coverage endorsement; (b) such other risks as from time to time customarily shall be covered with respect to building similar in construction location and use including vandalism and malicious mischief.

(2) Bodily Injury Liability and property damage liability insurance in such amounts and in such forms as shall be required by the ASSOCIATION, covering all premises and all operations necessary or incidental to the conduct of the business of the ASSOCIATION including hired automobile and non-owned automobile bodily injury and property damage liability coverages.

(3) All liability policies shall contain a severability of interest (gross liability) endorsement. The insurance afforded under the liability section of the policy applied separately to each insured against whom claim is made or suit is brought except with respect to this company's limit of liability.

(4) Fidelity Coverage protecting against dishonest acts by ASSOCIATION officers, directors, trustees, and employees and all others who are responsible for handling funds of the ASSOCIATION in the amount of one year's operating budget, plus projected reserve balance during the budget year. If professional management is obtained by the ASSOCIATION and it has this coverage and it handles the funds, then this requirement will be satisfied.

(b) Premiums upon insurance policies purchased by the ASSOCIATION shall be paid by the ASSOCIATION as common expenses to be assessed and collected from all of the Owners.

(c) All insurance policies purchased by the ASSOCIATION shall be for the benefit of the ASSOCIATION and the Owners and their mortgages, as their respective interests may appear, and shall provide that all proceeds payable as a result of casualty losses shall be paid to the ASSOCIATION as trustees for the Owners. The ASSOCIATION shall hold such proceeds in trust for the benefit of the ASSOCIATION, the Owners and their respective mortgages.

(d) Proceeds of insurance policies received by the ASSOCIATION shall be applied to the costs of repairing and reconstructing improvements located on the Common Area. Any proceeds remaining after paying for such costs shall be held by the ASSOCIATION and applied to its general expenses.

(e) Each Owner at his expense, may obtain such additional insurance coverage on his lot, personal property and personal liability and any additional insurance shall contain a waiver of subrogation clause.

(f) Immediately after the casualty causing damage to property, the ASSOCIATION shall obtain reliable and detailed estimates of the cost to place the damaged property in condition as good as that before the casualty. Such costs may include professional fees and premiums for such bonds as the Board deems appropriate.

(g) Each Owner delegates to the Board of Directors of the ASSOCIATION his right to adjust with insurance companies all losses under policies purchased by the ASSOCIATION.

(h) Any such reconstruction or repair shall be substantially in accordance with plans and specifications approved by the ASSOCIATION.

ARTICLE XII GENERAL PROVISIONS

SECTION 1. ENFORCEMENT. The ASSOCIATION, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, covenants, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the 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.

SECTION 2. SEVERABILITY. Invalidity of any one of the 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 3.

AMENDMENT. 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 twenty year period by an instrument signed by not less than ninety (90%) per cent of the Lot Owners, and thereafter, by an instrument signed by not less than seventy-five (75%) per cent of the Lot Owners, provided that no amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvements, all herein provided, or affect any lien for the payment thereof established herein. Any amendment must be properly recorded.

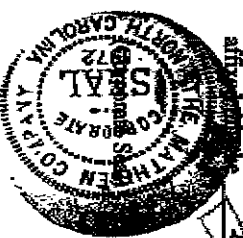
SECTION 4.

FEA/VIA APPROVAL. As long as there is a Class B Membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused this instrument to be executed by its duly authorized officers and its corporate seal to be hereunto affixed this 26 day of SEPTEMBER, 1993.

THE MATTHESEN COMPANY

BY: W. Matthews
President



ATTEST:

William H. Matheson
Secretary

07462-0310

UNITED CAROLINA BANK, as holder of a Promissory Note secured by a Deed of Trust recorded in Book 7392, at Page 741 of the Mecklenburg Public Registry, and DUANE K. FOURNIER, as Trustee under said Deed of Trust, join in the execution hereto for the purpose of making said Deed of Trust subject to the terms and conditions of this Declaration.

UNITED CAROLINA BANK

(Corporate Seal)

BY:

James E. Fournier
JEF President



Duane K. Fournier (SEAL)
DUANE K. FOURNIER, Trustee

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

I, LANNY L. SKIDMORE, a Notary Public of the County and State aforesaid, certify that DUANE K. FOURNIER personally came before me this day and acknowledged that s/he is the Secretary of THE MATHESEN COMPANY, a North Carolina Corporation, and that by authority duly given and as the act of the corporation, and that s/he authority duly given and as the act of the Corporation, the foregoing instrument was signed in his name by its President, sealed with its corporate seal and attested by me/ him as its Secretary.

WITNESS my hand and notarial seal, this the 20th day of SEPTEMBER, 1993.



Lanny L. Skidmore
Notary Public
My Commission Expires: 12/15/95

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

I, LARRY L. SKIDMORE, a Notary for said County and State, certify that Dan R. Feltner, personally came before me this day, and being by me duly sworn, says that he is Vice, President of UNITED CAROLINA BANK and that the seal affixed to the foregoing instrument in writing is the corporate seal of said Corporation, and that said writing was signed and sealed by him in behalf of said Corporation by its authority duly given. And the said Dan R. Feltner acknowledged the said writing to be the act and deed of said corporation.

WITNESS my hand and notarial seal, this the 20th day of SEPTEMBER, 1993.

Notary Public

My Commission Expires: 12/13/93

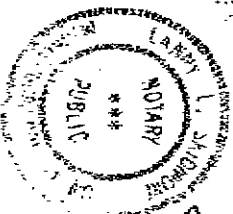
STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

I, LARRY L. SKIDMORE, Notary Public for said County and State, do hereby certify that Dan R. Feltner, Trustee, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal, this the 20th day of SEPTEMBER, 1993.

Notary Public

My Commission Expires: 12/13/93



07462-0312

EXHIBIT A

LEGAL DESCRIPTION

TO FIND THE BEGINNING POINT, proceed from the point of intersection of the center lines of McLean Road and the northbound tracks of Southern Railroad, said point being the southeast corner of said certain tract of land conveyed to The Mathisen Company by Frank and Viola Faires, be the said recorded in Book 5176 at Page 546 of the Mecklenburg County Registry; thence N. 21-16-28 E. 37.32 feet along the center line of said tracks, to the BEGINNING POINT; and ~~thence thence from said BEGINNING POINT N. 21-15-28 E. 804.88 feet along said tracks to a point in the westerly corner of a Common Area shown on Map 4 of Lakeview at Faires Farm, recorded in Map Book 24 at Page 506; thence S. 68-43-53 E. 291.07 feet, through a corner of said Common Area, to the southerly corner of Lot 2 of Hilltop at Faires Farm, recorded in Map Book 21, at Page 880; thence S. 24-27-50 E. 56.00 feet; thence N. 65-32-10 E. 107.50 feet to the southerly right-of-way of Faires Farm Road; thence S. 24-27-50 E. 431.40 feet along said right-of-way; thence in a southeasterly direction along said right-of-way with a curve of a circle to the right having a radius of 1425 feet, an arc distance of 14.15 feet; thence S. 17-58-33 E. 95.94 feet to a point in the southerly right-of-way of Faires Farm Road; thence with the southerly right-of-way of Faires Farm Road two courses and distances as follows: (1) N. 74-08-12 E. 5.47 feet; (2) in a northeasterly direction with a curve of a circle to the left having a radius of 530 feet, an arc distance of 85.89 feet to the westerly corner of the subdivision Pondsides at Faires Farm, Map 2, as recorded Book 21, at Page 675; thence with the southwestern boundary of said subdivision S. 25-12-41 E. 268.35 feet; thence along the northwesterly boundary of the property of Charles C. Myers, being a common line with said boundary of The Mathisen Company, S. 37-57-23 W. 366.19 feet to a point in the northeast edge of the right-of-way of McLean Road; thence along said right-of-way four courses and distances as follows: (1) in a northwesterly direction with the arc of a curve of a circle to the left having a radius of 510.00 feet, an arc distance of 260.38 feet; (2) N. 65-25-00 W. 359.06 feet through and beyond the intersection with McLean Road and Faires Farm Road; (3) in a northwesterly direction with the arc of a curve of a circle to the left having a radius of 562.50 feet, an arc distance of 190.19 feet; and (4) N. 84-45-19 W. 172.72 feet to the BEGINNING POINT, containing 14.671 acres, according to Boundary Survey prepared by N. A. (Chris) Mathisen, P. E., dated December 23, 1992.~~

State of North Carolina, County of Mecklenburg
The foregoing certificate(s) of Larry L. St. Lawrence

Notary (s): Public is/are certified to be correct,
This 20th day of September, 19 93

JUDITH A. CARSON, REGISTRY CLERK
By: [Signature] Deputy Register of Deeds

JUDITH A GIBSON REG OF
FILED FOR REGISTRATION 10/21/99 10:06
Bk: 87504 Pg: 0836/0839 #0061 14.00

Drawn by and mail to:

Douglas P. MacMillan, Atty.
6526 Morrison Blvd., Suite 200
Charlotte, NC 28211

ORIGINAL DOCUMENT IS OF POOR QUALITY

FIRST AMENDMENT TO DECLARATION
OR
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
HILLTOP AT FAIRES FARMS, PHASE 2

THIS AMENDMENT to Declaration is made as of the date herein after set forth by THE
MATTHESEN COMPANY, a North Carolina corporation, hereinafter referred to as "Declarant";
WITNESSETH:

WHEREAS, Declarant has heretofore executed the Declaration of Covenants, Conditions
and Restrictions for Hilltop at Faïres Farm, Phase 2, which appears of record in Book 7462 at
Page 299 of the Mecklenburg County-North Carolina Public Registry (the "Declaration"); and

WHEREAS, the Declarant owns 100% of all of the property which has been subjected
to the Declaration; and

WHEREAS, the Declarant wishes to amend the Declaration;

NOW, THEREFORE, the Declarant does hereby amend the Declaration as follows:

1. Subsection b. of Section 14 of Article V of the Declaration is hereby deleted in
its entirety and the following is substituted in lieu thereof:
 - b. Rear Yard. Rear yard fences must be
constructed of wood or cedar and shall be subject to
a maximum height restriction of six feet. Any rear
yard fence, except a privacy fence, located on or
within six feet of a common property line shall have
a minimum of 40% of its surface area open to the
flow of air and transmission of light.

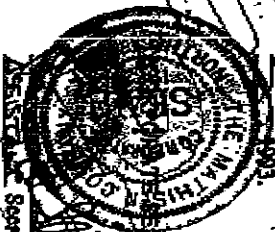
2. Except as expressly amended by this Amendment, the Declaration remains in full
and force and effect.

IN WITNESS WHEREOF, the Declarant has caused this First Amendment to be signed and sealed by its duly authorized officers as its act and deed, this 20th day of October 1993.

THE MATTHESEN COMPANY

BY:

W. J. Matheson
President



Assistant Secretary

STATE OF NORTH CAROLINA
COUNTY OF Mecklenburg

I, Angela E. Thomas, a Notary Public of the County and State aforesaid, certify that Louise L. Seramele, personally came before me this day and acknowledged that he is Asst. Secretary of THE MATTHESEN COMPANY, a North Carolina 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, sealed with its corporate seal and attested by HIM as its Asst. Secretary.

WITNESS my hand and official stamp of seal, this 20th day of October, 1993.



Angela E. Thomas
Notary Public:
My Commission Expires: April 20, 1997

UNITED CAROLINA BANK, as holder of a Promissory Note secured by a Deed of Trust recorded in Book 7392, at Page 741 of the Mecklenburg Public Registry, and DUANE K. FORDNER, as Trustee under said Deed of Trust, join in the execution hereto for the purpose of making said Deed of Trust subject to the terms and conditions of this Declaration.

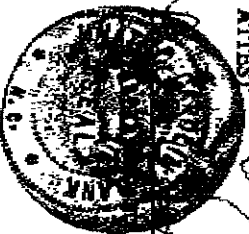
UNITED CAROLINA BANK

(General Seal)

ISX:

Walter L. Fournier
WLF President

ATHLETICS



DUANE K. FOURNIER, Trustee

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

1, _____, a Notary Public of the County and State aforesaid, personally came before me this day and acknowledged that she is the _____ Secretary of THE MATTHEWSEN COMPANY, a North Carolina Corporation, and that by authority duly given and as the act of the 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, sealed with its corporate seal and attested by her/him as its _____ Secretary.

WITNESS my hand and mortal seal, this the _____ day of _____, 1903.

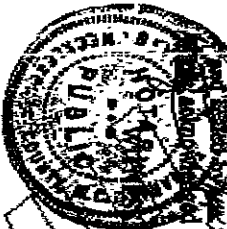
Notary Public

My Commission Expires:

052040-0000

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

Charles W. McNamee, a Notary for said County and State, certify that Charles W. McNamee personally came before me this day, and being by me duly sworn, says that he is the President of UNITED CAROLINA BANK and that the seal affixed to the foregoing instrument in writing is the corporate seal of said Corporation, and that said writing was signed and issued by him in behalf of said Corporation by its authority duly given. And the said JOCE PZES acknowledged the said writing to be the act and deed of said corporation.



Charles W. McNamee
Notary Public
My Commission Expires: June 25, 1995

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

I, Charles W. McNamee, a Notary Public for said County and State, do hereby certify that DUANE K. BOURNIER, Trustee, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal, this the 22nd day of October, 1993.



Charles W. McNamee
Notary Public
My Commission Expires: June 25, 1995

State of North Carolina, County of Mecklenburg
The foregoing certificate(s) of Arnette R. Thompson, and

Beverly W. Reganick

Notary(ies) Public before certified to be correct.
This 21st day of October, 19 93

JUDITH A. GIBSON, RECISTER OF DEEDS

By: Wm. H. P. P. P. Deputy Register of Deeds

BK1 07068 PG: 0837/0834 #10101 04.45
WITH A G1030N REG OF DEEDS MECK NC
FILED FOR REGISTRATION 11/04/04 12:17

SECOND AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
HILLTOP AT FAIRES FARM, PHASE 2

THIS AMENDMENT is made as of the date hereinafter set forth by THE MATHISEN
COMPANY, hereinafter referred to as "Declarant", and NVR HOMES, INC., hereinafter
referred to as "NVR."

WITNESSETH:

WHEREAS, Declarant has heretofore executed the Declaration of Covenants,
Conditions and Restrictions for Hilltop at Faïres Farm, Phase 2 and a First Amendment to
Declaration of Covenants, Conditions and Restrictions for Faïres Farm, Phase 2, which
appear of record in Book 7462, at Page 299, and in Book 7504, at Page 836, respectively,
of the Mecklenburg Public Registry, hereinafter collectively referred to as "the Declaration";
and

WHEREAS, the Declarant and NVR are the owners of all of the Lots in the property
subject to the Declaration and wish to amend the Declaration;

NOW, THEREFORE, the Declarant does hereby publish and declare that the
Declaration is hereby amended with the express written consent of NVR, which is joining
in the execution of this Second Amendment, as follows:

1. Pursuant to Section 1 of Article VII of the Declaration, the Declarant and NVR,
which constitute all of the Members of the Association and the owners of all lots subject to
the Declaration, do hereby agree that additional land within the real property now owned
by Mattie Caldwell Webber, consisting of approximately 108.41 acres, which is a portion
of the real property described in that deed appearing of record in Book 1399, at Page 128
of the Mecklenburg Public Registry, may be annexed in whole or in part by the Declarant
without the consent of the Members in the same manner as and subject to the same terms
and conditions as the additional land which may be annexed pursuant to Section 2 of
Article VII of the Declaration.

2. The Association has accepted an assignment from Faïres Farm Revim Cnbs, Inc.,
formerly known as Faïres Farm Maintenance Corporation, and The Mathisen Company, of
that certain Easement for Maintenance reserved in paragraph 2 of those Supplementary
Restrictive Covenants which appear of record in Book 5750, at Page 102 of the
Mecklenburg Public Registry, said Assignment being attached hereto as Exhibit "A" and
made a part hereof. The purpose of the aforesaid Easement for Maintenance is to benefit
all Members of the Association by allowing the Association to beautify and maintain the
areas adjoining the main street providing access to Hilltop at Faïres Farm, Phase II.

TERMIN BE & MAINT TO:
THE MATHISEN CO.
PO BOX 5718
INDIAN TRAIL, NC 28079

7 copies

Therefore, the Easement for Maintenance and the Association's rights and privileges with respect thereto shall be Common Area.

IN WITNESS WHEREOF, the Declarant and NVR have caused this Amendment to be signed and sealed by their respective duly authorized officers as their respective acts and deeds on this day of NOVEMBER, 1994.

THE MATHISEN COMPANY

By: *Ma Mathisen*
President

NVR HOMES, INC.

By: *Ma Mathisen*
Vice President



(CORPORATE SEAL)

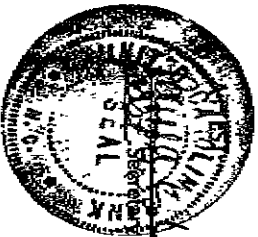
ATTEST:

Bruce H. Hudson Asst. Sec.
Asst. Secretary

(CORPORATE SEAL)

UNITED CAROLINA BANK

BY: *Wanda S. Fournier*
Vice President



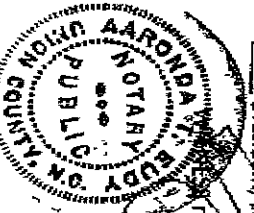
UNITED CAROLINA BANK, as holder of a Promissory Note secured by a Deed of Trust recorded in Book 7392 at Page 741 of the Mecklenburg Public Registry, and DUANE K. FOURNIER, as Trustee under said Deed of Trust, join in the execution hereof for the purpose of making said Deed of Trust subject to the terms and conditions of this Amendment.

Duane K. Fournier (SEAL)
DUANE K. FOURNIER, Trustee

STATE OF NORTH CAROLINA
COUNTY OF Union

Aaron T. Eddy, a Notary Public of the County and State aforesaid, certify that David S. Mathisen personally came before me this day and acknowledged that he is the Asst. Secretary of THE MATHISEN COMPANY, a North Carolina corporation, and that by authority duly given and as the act of the 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, sealed with its corporate seal and attested by him as its Asst. Secretary.

In my hand and notarial seal, this the 4th day of November, 1994.



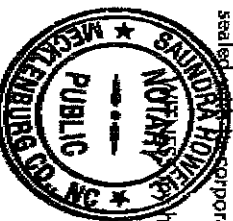
Notary Public
My Commission Expires: 4-20-97

Aaron T. Eddy

STATE OF _____
COUNTY OF _____

David S. Mathisen, a Notary Public of the County and State aforesaid, certify that David S. Mathisen personally came before me this day and acknowledged that she is the Asst. Secretary of NVR HOMES, INC., a Virginia corporation, and that by authority duly given and as the act of the corporation, and that by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its name by its Vice President, sealed with its corporate seal and attested by him as its Asst. Secretary.

In my hand and notarial seal, this the 4 day of Nov, 1994.



Notary Public
My Commission Expires: 5-15-96

STATE OF NORTH CAROLINA
COUNTY OF Union

David S. Mathisen, a Notary Public for said County and State, certify that David S. Mathisen personally appeared before me this day and acknowledged that he is Asst. Secretary of UNITED CAROLINA BANK, a North Carolina corporation, the foregoing

Instrument was signed in its name by its 1st President, sealed with its corporate seal and attested by 1st as its 1st Secretary.

WITNESS my hand and notarial seal, this the 4 day of November

Douglas W. Williams
Notary Public
My Commission Expires: June 25, 1995

STATE OF NORTH CAROLINA
COUNTY OF Wake

I, Douglas W. Williams, a Notary Public for said County and State, do hereby certify that Douglas W. Williams, Trustee, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal, this the 4 day of November, 1994.



Douglas W. Williams
Notary Public
My Commission Expires: June 25, 1995

mahlentztop.am2

Document

EXHIBIT A

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

ASSIGNMENT OF EASEMENT

THIS ASSIGNMENT is made this 4th day of NOVEMBER, 1994, by and among

FAIRES FARM SWIM CLUB, INC., a North Carolina non-profit corporation (formerly known as Faires Farm Maintenance Corporation), and THE MATHISEN COMPANY, a North Carolina corporation, (hereinafter collectively referred to as "Assignor"); and

HILLTOP AT FAIRES FARM HOMEOWNERS ASSOCIATION, INC., a North Carolina non-profit corporation (hereinafter referred to as "Assignee").

WITNESSETH:

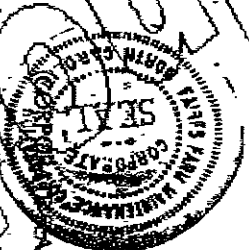
WHEREAS, Assignor is the Grantor of an Easement for Maintenance (hereinafter referred to as the "Easement for Maintenance") reserved in Paragraph 2 of those Supplementary Restrictive Covenants filed for record in Book 5750 at Page 102 of the Mecklenburg Public Registry; and

WHEREAS, Assignee desires to be the Beneficiary of the Easement for Maintenance, and Assignor is willing to grant the easement to Assignee provided Assignee agrees to assume all obligations of maintaining the area within the Easement for Maintenance;

NOW, THEREFORE, in consideration of the sum of \$10.00 and other valuable considerations, the receipt of which is acknowledged by Assignor from Assignee, the parties hereto do agree as follows:

1. Assignor hereby assigns unto Assignee any and all rights of the Assignor in and to the Easement for Maintenance.
2. Assignee hereby accepts the Easement for Maintenance and agrees to maintain the area within the Easement for Maintenance for the benefit of Assignee's members. It being understood that the area within the maintenance adjoins the main roadway leading to the properties subject to the Declaration of Covenants, Conditions and Restrictions for Hilltop at Faires Farm, Phase 2, as amended.

IN WITNESS WHEREBY, the parties have set their hands and seals the day and year first above written.



ATTEST:

ASSIGNOR:

FAIRES FARM SWIM CLUB, INC., formerly known as Faires Farm Maintenance Corporation

BY:

Mc Mathisen
President

THE MATHISEN COMPANY

BY:

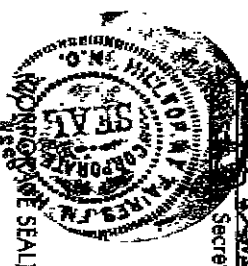
Mc Mathisen
President

ASSIGNEE:

HILLTOP AT FAIRES FARM HOMEOWNERS ASSOCIATION

BY:

Mc Mathisen
President



Secretary

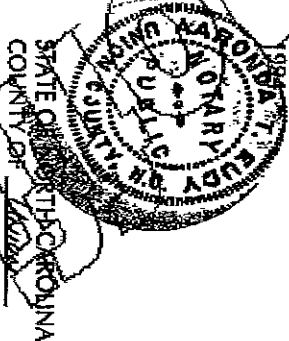
ATTEST:

Mc Mathisen
Assistant Secretary

STATE OF NORTH CAROLINA
COUNTY OF Wake

I, Harrison T. Eddy, a Notary Public of the County and State aforesaid, certify that Larry L. Seidman, personally came before me this day and acknowledged that he is Asst. Secretary of FAIRES FARM SWIM CLUB, INC., formerly known as Faires Farm Maintenance Corporation, a North Carolina non-profit 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, sealed with its corporate seal and attested by him as its Asst. Secretary.

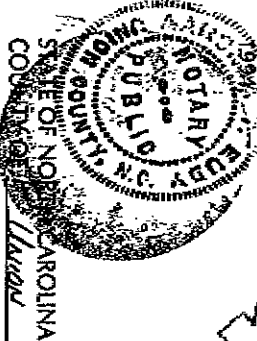
WITNESS my hand and official stamp or seal, this 4TH day of November



Aaron T. Rudy
Notary Public
My Commission Expires: 4-20-97

Aaron T. Rudy, a Notary Public of the County and State aforesaid, certify that Larry L. Seemore, personally came before me this day and acknowledged that he is Asst. Secretary of THE MATHISEN COMPANY, a North Carolina 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, sealed with its corporate seal and attested by My as its Asst. Secretary.

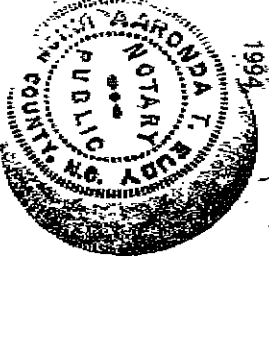
WITNESS my hand and official stamp or seal, this 4TH day of November



Aaron T. Rudy
Notary Public
My Commission Expires: 4-20-97

Aaron T. Rudy, a Notary Public of the County and State aforesaid, certify that Larry L. Seemore, personally came before me this day and acknowledged that he is Asst. Secretary of HILLTOP AT FAIRES FARM HOMEOWNERS ASSOCIATION, a North Carolina 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, sealed with its corporate seal and attested by My as its Asst. Secretary.

WITNESS my hand and official stamp or seal, this 4TH day of November



Aaron T. Rudy
Notary Public
My Commission Expires: 4-20-97



State of North Carolina, County of Mecklenburg
The foregoing instrument is acknowledged by Maryella T. Gaddy
Maryella Gaddy & Kenneth D. Besmerick

Notary (es) Public duly certified and sworn

This 4 day of March, 19 94.

JUDITH A. GIBSON, REGISTER OF DEEDS

By: Kenneth D. Besmerick Deputy Register of Deeds

Unrecorded Document

JUDITH A GIBSON REG OF DEEDS MECK NC
FILED FOR REGISTRATION 07/31/97 11:58

WKA 09101 Pts 0439/0441 @:0240 12.00

Done by and sent to:
The Mathisen Company
P.O. Box 578
Indian Trail, NC 28079

SUPPLEMENTARY DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
HILLTOP AT FAIRES FARM, PHASE 2

THIS SUPPLEMENTARY DECLARATION, made as of the date hereinafter set forth by THE MATHISEN COMPANY, hereinafter referred to as "Declarant":

WITNESSETH:

WHEREAS, Declarant has heretofore executed the Declaration of Covenants, Conditions and Restrictions for Hilltop at Faïres Farm, Phase 2, filed for record in Book 7462, at Page 299, of the Mecklenburg County Public Registry, hereinafter referred to as "the Declaration";

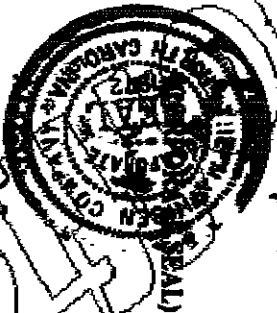
WHEREAS, pursuant to Section 2, Article VII, of the Declaration, the Declarant reserves the right to annex additional land and makes the same subject to the Declaration; and

NOW, THEREFORE, the Declarant does hereby publish and declare that all of the land more particularly described below to the Declaration and all the terms and conditions thereof, and, further, such land is subject to, the jurisdiction of Hilltop at Faïres Farm Homeowners Association, Inc. (the "Association") and the assessments levied by the Association allocable to such additional land. The additional land hereby annexed is more particularly described as follows:

Located in the City of Charlotte, Mecklenburg County, North Carolina, and being more particularly described as follows:

All of that certain parcel of land as shown on that plat entitled
VILLAGE OF FAIRES FARM, SECTION 2, which appears of record in the
Office of the Register of Deeds for Mecklenburg County, North Carolina, in
Map Book 28, Page 514.

IN WITNESS WHEREOF, the Declarant has caused this Supplementary Declaration to be signed and sealed by its duly authorized officers at its set and deed, this the 24th day of JULY, 1997.



THE MATHISEN COMPANY
By: [Signature]
President

[Signature]
Secretary

UNITED CAROLINA BANK, as holder of Promissory Notes secured by Deed of Trust recorded in Book 3676 at Page 777 of the Mecklenburg County Public Registry, and DUANE K. FOURNIER, as Trustee under said Deed of Trust, join in the execution hereof of making said Deed of Trust subject to the terms and conditions of this



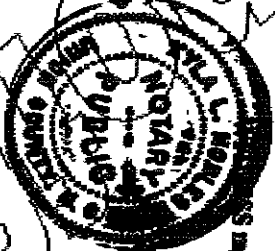
[Signature]
Assistant Secretary

UNITED CAROLINA BANK
By: [Signature]
Vice President

[Signature]
DUANE K. FOURNIER, Trustee

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

I, Kyla L. Nobles, a Notary Public of the County and State aforesaid, certify that Philip G. Halim personally came before me this day and acknowledged that he is the Secretary of THE MATHISEN COMPANY, a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in his name by its President, sealed with its corporate seal and attested by him as its Secretary.



By my hand and notarial seal, this the 30th day of July, 1997.

Kyla L. Nobles
Notary Public

My Commission Expires: March 6, 2001

STATE OF NORTH CAROLINA
COUNTY OF McKenzie

I, Kyla L. Nobles, a Notary Public of the County and State aforesaid, certify that United Bank, personally appeared before me this day and acknowledged that 5 be is the Assistant Secretary of UNITED CAROLINA BANK, a North Carolina corporation, the foregoing instrument was signed in its name by its President, HEE as its ASST. Secretary.

Witness my hand and notarial seal, this the 30th day of July, 1997

Kyla L. Nobles
Notary Public

My Commission Expires: March 6, 2001



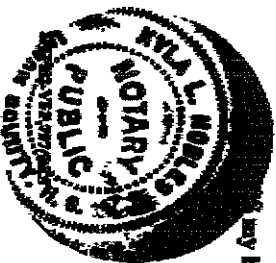
STATE OF NORTH CAROLINA
COUNTY OF McKenzie

I, Kyla L. Nobles, a Notary Public for said County and State, do hereby certify that DVANE K. FOURNIER, TRUSTEE, personally appeared before me this day and acknowledged that the due execution of the foregoing instrument.

By my hand and notarial seal, this the 30th day of July, 1997.

Kyla L. Nobles
Notary Public

My Commission Expires: March 6, 2001



State of North Carolina, County of McKenzie
The foregoing certificate(s) of

Kyla L. Nobles

Notary(es) Public, is/are certified to be correct.

This 31st day of July

19 97

JUDITH A. GIBSON, SECRETARY OF UNITED
By Hee H. Hee Deputy Register of Deeds
MAY 1998