

Attention:  
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Hott's



EXHIBIT "A"

BEING ALL OF LOT 7 OF VILLAGE HOMES 1, PHASE 1, MAP THREE, THE SAME IS  
SHOWN IN PLAT CABINET D, FILE NO. 426 OF THE UNION COUNTY, NORTH  
CAROLINA, PUBLIC REGISTRY.



at Lake Park

Brad Seal  
X

\_\_\_\_\_

RECORDED  
AND  
VERIFIED  
MAM

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

002803

BK643PR669

Filed for record 7-29-93

Date 3/10 o'clock P. M.  
JUDY G. PRICE, Register of Deeds  
Union County, Monroe, North Carolina

SUPPLEMENTARY DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
VILLAGE HOMES I

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

W I T N E S S E T H:

Whereas, Declarant has heretofore executed the Declaration of Covenants, Conditions and Restrictions for VILLAGE HOMES I, filed for record in Book 545, at Page 596, and amended of record in Book 557, at Page 225, of the Union County, North Carolina, Public Registry, hereinafter referred to as "the Declaration"; and

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

NOW, THEREFORE, the Declarant does hereby publish and declare that all of the land more particularly described below is made subject to the Declaration and all the terms and conditions thereof, and, further, such land is subject to the jurisdiction of THE VILLAGE HOMES I 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 Vance Township, Union County, North Carolina, and being more particularly described as follows:

BEING all of Lots 1, 2, 3, 4, 5, 6, & 7 shown on map of VILLAGE HOMES I, Phase One, Map 3, recorded in Plat Cabinet D, File 426 of the Union County, North Carolina, Public Registry.

(The above described Lots 1 & 2 are "Type D" Lots, and the above described Lots 3, 4, 5, 6, & 7 are "Type A" Lots as defined in the Declaration).

IN WITNESS WHEREOF, the Declarant has caused this Supplementary Declaration to be signed and sealed by its duly authorized officers as its act and deed, this the 29<sup>th</sup> day of July, 1993.

(CORPORATE SEAL)

ATTEST:

Philip H. Mathis  
Secretary

THE MATHISEN COMPANY

By:

Matthew Mathis  
President

BK643PG670

STATE OF NORTH CAROLINA  
COUNTY OF UNION

I, ARONDA R. THOMAS, a Notary Public of the County and State aforesaid, certify that PHILIP G. HELMS 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 its name by its President, sealed with its corporate seal and attested by him a its Secretary.

WITNESS my hand and notarial seal, this the 29th day of JULY, 1993.

Aronda R. Thomas  
Notary Public  
My Commission Expires: 4-20-97



NORTH CAROLINA -- Union County / Aronda R. Thomas  
The foregoing certificate of .....

Notary Public of Union Co., N.C.

is (are) certified to be correct. This instrument was presented for registration and recorded in this office at Book 643, Page 669,  
this 29th day of July, 1993 at 3:10 o'clock P.M.

JUDY G. PRICE, REGISTER OF DEEDS  
By Judy G. Price Ass/Regisr

RECORDED  
and  
VERIFIED  
- RCP -

BOOK 557 PAGE 225

11

Referenced

Drawn by and mail to:  
Douglas P. MacMillan, Atty.  
6826 Morrison Blvd., Suite 200  
Charlotte, NC 28211

Filed for record 5-6-92  
Date: 10:30 o'clock A.M.  
Time: OWELL RYLER, Register of Deeds  
Union County, Monroe, North Carolina

AMENDMENT TO DECLARATION  
OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
VILLAGE HOMES I

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

W I T N E S S E T H :

WHEREAS, Declarant has heretofore executed the Declaration of Covenants, Conditions  
and Restrictions for Village Homes I which appear of record in Book 545 at Page 596 of the  
Union 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. The property described in the Declaration and which was submitted and subjected  
to the terms and conditions of the Declaration, to wit: "BEING all of the property  
shown on map of VILLAGE HOMES I, PHASE ONE recorded in Plat Cabinet D,  
File No. 25, of the Union County, North Carolina, Public Registry", is hereby  
withdrawn from the Declaration.
2. The following described property is hereby submitted and made subject to the  
terms and conditions of the Declaration, to wit:  
*BEING all of the property shown on minor subdivision plat of VILLAGE HOMES  
I, PHASE ONE, MAP I, A PART OF LAKE PARK, recorded in Plat Cabinet D,  
File No. 67, of the Union County, North Carolina, Public Registry".*
3. Except as expressly amended by this Amendment, the Declaration remains in full  
and force and effect.

IN WITNESS WHEREOF, the Declarant has caused this Amendment to be signed and sealed by its duly authorized officers as its act and deed, this 6<sup>TH</sup> day of MAY, 1992.

THE MATHISEN COMPANY

BY:

\_\_\_\_\_  
President

(CORPORATE SEAL)



\_\_\_\_\_  
Assistant Secretary

STATE OF NORTH CAROLINA  
COUNTY OF \_\_\_\_\_

I, PHILLIP G. HELMS, a Notary Public of the County and State aforesaid, certify that LARRY A. SKIDMORE, 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 \_\_\_\_\_ H/M as its ASST. Secretary.

WITNESS my hand and official stamp or seal, this 6<sup>TH</sup> day of MAY, 1992.



Phillip G. Helms  
Notary Public  
My Commission Expires: 8-5-95

NORTH CAROLINA - Union County Phillip G. Helms

The foregoing certificate(s) of \_\_\_\_\_, Notary Public of \_\_\_\_\_, Mark Co, NC

is (are) certified to be correct. This instrument was presented for registration and recorded in this office at Book 557, Page 225, this 6<sup>th</sup> day of MAY, 1992 at 10:30 o'clock A. M.

ONEL L. PLYLER, REGISTER OF DEEDS

By: Angela D. Henderson \_\_\_\_\_  
Asst/Deputy

RECORDED  
and  
VERIFIED  
JWM

SECOND AMENDMENT  
TO  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
VILLAGE HOMES I

BOOK 601 PAGE 045  
DRAWN BY AND MAIL TO:  
LEONARD, BURRIS & MACMILLAN  
6826 Morrison Boulevard, Suite 200  
Park Meridian Bank Building  
Charlotte, NC 28211

*Reference*

THIS AMENDMENT is made as of this 22<sup>nd</sup> day of December, 1992, and is entered into by

THE MATHISEN COMPANY, a North Carolina corporation, hereinafter referred to as "Declarant", and

MAR-BET INDUSTRIES, INC., a North Carolina corporation, hereinafter referred to as "Mar-Bet".

WITNESSETH:

WHEREAS, Declarant has heretofore executed the Declaration of Covenants, Conditions and Restrictions for Village Homes I which appear of record in Book 545 at Page 596 of the Union County Registry, and has also executed an Amendment to Declaration of Covenants, Conditions and Restrictions for Village Homes, which appears of record in Book 557 at page 225 of the Union County Registry, and has further executed a Supplementary Declaration of Covenants, Conditions and Restrictions for Village Homes I, which appear of record in Book 579 at Page 659 of the Union County Registry (hereinafter collectively referred to as the "Declaration"); and

WHEREAS, pursuant to Section 1, Article IX, of the Declaration, the Declarant may, with the consent of two-thirds of all Members of the Association, annex additional residential property and common area to the Properties; and

WHEREAS, pursuant to Section 3 of Article XI of the Declaration, the Declaration may be amended by an instrument signed by not less than 90% of the Lot Owners;

WHEREAS, Declarant and Mar-Bet presently constitute 100% of all Members of the Association;

NOW, THEREFORE, the Declarant does hereby amend the Declaration, with the consent of Mar-Bet, as follows:

Article IX, Section 2 of the Declaration is hereby amended so that the property described on Exhibit A attached to this instrument may be annexed in whole or in part to Village Homes I by the Declarant on the same terms and conditions as the property described in Exhibit A to the original Declaration recorded in Book 545 at Page 596 of the Union County Registry.

IN WITNESS WHEREOF, the Declarant and Mar-Bet have caused this instrument to be signed and sealed by their respective duly authorized officers as their respective acts and deeds, the day and year first above written.

THE MATHISEN COMPANY

(CORPORATE SEAL)

ATTEST:

Assistant Secretary

BY:

President

MAR-BET INDUSTRIES, INC.

(CORPORATE SEAL)

ATTEST:

Assistant Secretary

BY:

President

STATE OF NORTH CAROLINA  
COUNTY OF UNION

I, Aranda R. Thomas, a Notary Public of the County and State aforesaid, certify that LANNY L. SKIDMORE, 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 and attested with its corporate seal and attested by HLM as its ASST Secretary.

WITNESS my hand and official stamp or seal, this 22<sup>ND</sup> day of DECEMBER, 1992.

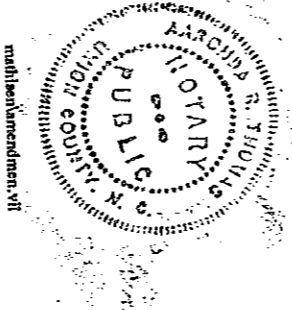
Aranda R. Thomas  
Notary Public  
My Commission Expires: April 20, 1997

STATE OF NORTH CAROLINA  
COUNTY OF UNION

I, Amanda R. Thomas a Notary Public of the County and State aforesaid, certify that LARRY L. SKIDMORE, personally came before me this day and acknowledged that he is ASSLT Secretary of MAR-BET INDUSTRIES, INC., 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 H/M President, sealed with its corporate seal and attested by H/M as its ASSLT Secretary.

WITNESS my hand and official stamp or seal, this 22<sup>ND</sup> day of DECEMBER 1992.

Amanda R. Thomas  
Notary Public  
My Commission Expires: April 20, 1997



NORTH CAROLINA - Union County  
The foregoing certificate(s) of Amanda R. Thomas, Notary Public of Union County

NC  
is (are) certified to be correct. This instrument was presented for registration and recorded in this office at Book 601, Page 45  
this 22 day of December, 19 92 at 11:00 o'clock A. M.

By: Amanda R. Thomas Assn/Deputy  
REGISTER OF DEEDS

EXHIBIT "A"

BEING located in Vance Township, Union County, North Carolina, and being more particularly described as follows:

TO FIND THE BEGINNING POINT proceed from a point in the southerly margin of Creft Circle at the northwesterly corner of Lot 1 as shown on plat of Village Homes I, Phase I, Map 1, recorded in Plat Cabinet D, File No. 67 in the office of the Union County Registry, N. 61-03-06 W. 12.00 feet to the point and place of BEGINNING; and runs thence from the point and place of BEGINNING so established with the southerly margin of the right-of-way of Creft Circle N. 61-03-06 W. 317.50 feet to a point; thence with the curve of a circle to the left having a radius of 30 feet, which circle connects the southerly margin of the right-of-way of Creft Circle with the easterly margin of the right-of-way of Lake Park Road, an arc distance of 47.12 feet to a point; thence with the easterly margin of Lake Park Road three courses and distances as follows: (1) S. 28-56-54 W. 46.69 feet to a point; (2) with the curve of a circle to the right having a radius of 375.00 feet, an arc distance of 32.99 feet to a point; (3) S. 33-59-19 W. 10.40 feet to a point; thence S. 61-03-06 E. 349.86 feet to a point; thence N. 28-56-54 E. 120 feet to the point and place of BEGINNING.

Prepared by Dan McMillan  
Robert B. McMathias Co  
P.O. Box 578  
Wendover Trail, N.C. 28679, 0678

DOM 545 PAGE 596

Revised  
BGP

DECLARATION  
OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
VILLAGE HOMES I  
Filed for record  
Date: March 13, 1992  
Time: 11:31  
By: SMEL L. PULER, Register of Deeds  
Union County, North Carolina

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

#### W I T N E S S E T H:

WHEREAS, Declarant is the owner of certain property in the  
County of Union, State of North Carolina, which is more  
particularly described on Exhibit "A" attached hereto and  
incorporated herein by reference; and

WHEREAS, the portion of the property described on Exhibit "A"  
has contemporaneously herewith been annexed into that Planned Unit  
Development known as LAKE PARK pursuant to that Declaration of  
Covenants, Conditions and Restrictions for Lake Park recorded in  
Book 483, at Page 169 of the Union County Public Registry, and two  
amendments to said Declaration filed for record in Book 487, at  
Page 1, and in Book 505, at Page 790 of the Union County Registry,  
as well as Supplementary Declarations adding the property described  
on Exhibit "A" and those filed for record in Book 483, at Page 659,  
in Book 493, at Page 441, in Book 505, at Page 271 and in Book 515,  
Page 599 of the Union County Registry, and an Amended Supplementary  
Declaration filed for record in Book 484, at Page 142 of the Union  
County Public Registry and as otherwise amended and/or supplemented  
(hereinafter collectively referred to as "the Lake Park  
Declaration"), and

WHEREAS, the said portion of the property described in Exhibit  
"A" which was annexed to the Planned Unit Development known as  
LAKE PARK is a "Master Residential Lot" as that term is defined in  
the Lake Park Declaration; and

WHEREAS, the Declarant wishes to develop all or some of the  
real property described in Exhibit "A" attached hereto into a  
Planned Unit Development to be known as VILLAGE HOMES I, and

WHEREAS, pursuant to said plan of development the Declarant  
submits the following described portion of the property described  
on Exhibit "A" to this Declaration:

BEING all of the property shown on map of  
VILLAGE HOMES I, Phase One, recorded in Plat  
Cabinet D, File No. 35, of the Union  
County, North Carolina, Public Registry.

NOW, THEREFORE, Declarant hereby declares that all of the  
properties submitted to this Declaration as provided above shall be  
held, sold and conveyed subject to the following covenants,

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 THE VILLAGE HOMES I 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 hereinabove described which is herewith being submitted to the Declaration, and such additions thereto as may hereafter be brought within the jurisdiction of the ASSOCIATION.

SECTION 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners and may be 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 "Living Unit" as defined in Section 6, below, or which is not a publicly dedicated street or right of way, or which is not common area of the Planned Unit Development known as Lake Park, as defined in the Lake Park Declaration.

SECTION 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map or plat 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.

SECTION 9. "Builder" shall mean and refer to any person or firm possessing a North Carolina General Contractor's license who or which acquires any portion of the properties for the purpose of constructing living units thereon.

#### 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 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, 2015.

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 or living unit 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 not pass to his successors in title except 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 and related to the exterior maintenance of the living units situated upon the Type A and Type B lots described below, casualty insurance for the living units situated on the Type A lots described below, or 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

BOOK 545 PAGE 600

with this Declaration and the Bylaws, the employment of attorneys to represent the ASSOCIATION when necessary, and such other needs as may arise.

SECTION 2A. CLASSIFICATION OF LOTS FOR PURPOSES OF ESTABLISHING ASSESSMENTS. For purposes of determining the rate of annual and special assessments allocable to each lot, all lots within the Properties shall be classified within one of the classifications described below and the classification of all lots, if not stated in this Declaration, shall be clearly stated on the recorded maps or in the Supplementary Declarations when annexation or additional property takes place. All lots located within the Properties shall fit one of the following classifications:

(a) "Type A Lots" shall mean all lots shown on a recorded plat of all or any portion of the Properties which are designed to accommodate attached town house units which are subject to the Exterior Maintenance provisions of Article VII, Sections 1 through 3, inclusive, below and the Insurance provisions of Article X, Section 2 (a)(1), below.

(b) "Type B Lots" shall mean all lots shown on a recorded plat of all or any portion of the Properties which are designed to accommodate attached town house units which are subject to the Exterior Maintenance provisions of Article VII, Sections 1 through 3, inclusive, below but which are not subject to the Insurance provisions of Article X, Section 2 (a)(1), below.

(c) "Type C Lots" shall mean all lots shown on a recorded plat of all or any portion of the Properties which are designed to accommodate detached residential buildings containing up to three (3) separate living units.

(d) "Type D Lots" shall mean all lots of all or any portion of the Properties shown on a recorded plat which are designed to accommodate single family detached residential living units.

SECTION 3. MAXIMUM ANNUAL ASSESSMENTS.

(a) Until January 1 of the year immediately following the conveyance of the first lot to an Owner,

the maximum annual assessments for lots shall be as follows:

<u>Type of Lot</u>	<u>Initial Annual Assessment</u>
Type A	\$225.00 plus \$21.50 per linear foot of street frontage on Creft Circle per lot
Type B	\$225.00 plus \$16.00 per linear foot of street frontage on Creft Circle per lot
Type C	\$225.00 per living unit constructed on such Type C lot plus \$11.00 per linear foot of street frontage on Creft Circle per lot
Type D	\$225.00 plus \$11.00 per linear foot of street frontage on Creft Circle per lot

(b) Increases in maximum annual assessments shall be subject to the following further limitations:

(i) 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.

(ii) The maximum annual assessment applicable to any type of lot described above 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.

(c) In addition to the maximum annual assessments payable to the ASSOCIATION, all lots shall be subject to maximum annual assessments of four and no/100 Dollars (\$4.00) per linear foot of street frontage on Creft Circle per lot due to The Lake Park Homeowners Association pursuant to the Supplementary Declaration annexing the property described on Exhibit "A" to Lake

BOOK 545 PAGE 602

Park and making the same subject to the Lake Park Declaration (hereinafter referred to as the "Lake Park Assessment"). Any increases in the Lake Park Assessment shall be subject to the terms and conditions of the Lake Park Declaration, as the same may be amended from time to time. For the sake of convenience, the ASSOCIATION may require each Owner to pay to the ASSOCIATION such Owner's Lake Park Assessment or proportionate share thereof due at the same time the Assessments due hereunder are due, in which case the ASSOCIATION shall, upon receipt, remit such Lake Park Assessments or portion(s) thereof to the Lake Park Homeowners Association, Inc.

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 within each classification set forth above and shall be ratably allocated among such classifications in the same proportions as are the annual assessments 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 within any classification

described above and may be collected on a quarterly 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 exterior maintenance applicable to Type A and Type B Lots, for casualty insurance on the building located on the Type A Lots, and 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 or any Builder 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 until such lots are sold by the Declarant or such Builder.

SECTION 8. DATE 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 the submission or annexation of such phase and/or section to the Properties and 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 foreclosures 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 payment 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  
ARCHITECTURAL CONTROLS AND  
USE RESTRICTIONS

SECTION 1. ARCHITECTURAL CONTROL. No owner may change the design, location, height or color of the fence to be located across the front of all lots within the Properties. No building, other fencing, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration 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 as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Lake Park Homeowners Association, or by the Architectural Committee composed of three (3) or more representatives appointed by said Board as provided in the Lake Park Declaration. In the event said Board, or its designated Architectural Committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. The provisions of this Section 1 of Article V shall not be applicable to the Declarant or to any builder who has contracted to buy lots from the Declarant pursuant to a contract which independently imposes architectural controls on such builder.

SECTION 2. USE RESTRICTIONS. The following Use Restrictions apply to the lots contained within the Properties:

(a) LAND USE AND BUILDING TYPE. No Living Units located within a Type A, Type B or Type D lot shall be used except for single family residential purposes. Provided, however, private garages may be constructed on Type D lots and may contain separate apartments only with the consent of the Declarant and the Architectural Committee designated in the Lake Park Declaration after review of the design of the same. In no case shall the area of the enclosed floor space of any garage apartment exceed fifty (50%) percent of the enclosed floor space of the principal residential building located on the lot, nor shall the height of any garage building exceed the height of the principal residential building located on the lot. Type A and B lots shall contain only one attached residential living unit, and Type C lots shall contain only one detached building containing up to three (3) residential living units. No lot shall be used in whole or in part for storage of rubbish 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, ten (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 collectable 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.

(b) 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 in which such lot is located. 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 in which such lot is located.

(c) 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 the surface grade of surrounding lots.

(d) TEMPORARY RESIDENCE. No residence of a temporary character shall be erected or allowed to remain on any lot; 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.

(e) 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, other than on a purely temporary basis (not longer than one day), except where it can be shown that said vehicle is the only means of transportation or is required for an Owner's employment. Said 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 21 feet in length, 7 feet in width and height. Said vehicle shall not be equipped with external storage racks or other attachments or cargo that exceed these dimensions. Only one exception per residence shall be permitted.

(f) ANIMALS. No animals, livestock or poultry of any kind shall be kept or maintained on any lot 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.

(g) CLOTHESLINES. Outdoor clothesline poles utilized on any lot must be round, one piece, with arms. No clothes may be left on clotheslines after 5:00 p.m.

(h) 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 the Architectural Committee designated in the Lake Park Declaration, 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 entrance signs on the Common Area, for the purpose of designating the name(s) of the various subdivision(s), which are developed in the Properties, which sign(s) shall be maintained by the Association.

(i) DANGEROUS HOBBIES AND ACTIVITIES. The pursuit of hobbies or other inherently dangerous activities including specifically, without limitation, the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly or unkempt conditions; the shooting of firearms, fireworks or pyrotechnic devices of any

type or size; and other similar activities shall not be pursued or undertaken on any part of any lot or the Common Area.

(j) 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.

(k) SWIMMING POOLS. Swimming pools shall be located to the rear of the main dwelling. No swimming pool coping 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.

(l) 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.

(m) OUTSIDE ANTENNAS. Subject to the Temporary and Limited Waiver of Right to Certain Restrictive Covenants for Lake Park, executed by the Declarant and others, no outside radio or television antennas, satellite dishes or other elevated communicated towers shall be erected on any lot.

(n) FENCES. Except for fencing installed by the Declarant or any Builder, no fence shall be erected on any lot without the prior written consent of the Architectural Committee designated in the Lake Park Declaration.

(o) 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 public roads.

(p) 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 PARTY WALLS

SECTION 1. GENERAL RULES OF LAW TO APPLY. Each wall which is built as a part of the original construction of any living unit constructed upon the properties and placed on the dividing line between lots 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 2. SHARING OF REPAIR AND MAINTENANCE. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

SECTION 3. DESTRUCTION BY FIRE OR OTHER CASUALTY. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

SECTION 4. WEATHERPROOFING. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

SECTION 5. RIGHT TO CONTRIBUTION RUNS WITH LAND. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

SECTION 6. ARBITRATION. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

#### ARTICLE VII EXTERIOR MAINTENANCE

The following Sections 1 through 3, inclusive, of this Article VII shall be applicable only to Living Units constructed on Type A and Type B lots:

SECTION 1. In addition to maintenance upon the Common Area, the ASSOCIATION shall provide exterior maintenance upon each Living Unit on each Type A and Type B lot which is subject to assessment hereunder, as follows: paint, repair, replacement and care of roofs, gutters, downspouts, exterior building surfaces, trees, shrubs in front of the building, walks, and other exterior improvements. Such exterior maintenance shall not include owner installed fences or additions, glass surfaces or screens for windows or doors. In order to enable the ASSOCIATION to accomplish the foregoing, there is hereby reserved to the ASSOCIATION the right to unobstructed access over and upon each lot at all

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reasonable times to perform maintenance as provided in this Article.

SECTION 2. In the event that the need for maintenance, repair or replacement is caused through willful or negligent act of Owner, his family, guests or invitees, or is caused by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircrafts, vehicles, and smoke as the foregoing are defined and explained in North Carolina Standard Fire and Extended Coverage Insurance policies, the cost of such maintenance, replacement or repairs to the extent not covered by insurance shall be added to and become a part of the assessment to which such Type A or Type B lot is subject.

SECTION 3. In the event an Owner of any Type A or Type B lot in the Properties shall fail to maintain the premises and improvements situated thereon in a manner satisfactory to the Board of Directors, the ASSOCIATION, after approval by two-thirds (2/3) majority vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said Type A or Type B lot and to repair, maintain, and restore the Type A or Type B lot and the exterior of the Living Unit and any other improvements erected thereon. The costs of such exterior maintenance shall be added to and become part of the assessment to which such Type A or Type B lot is subject.

The following Sections 4 and 5 of this Article VII shall be applicable to all lots within the Properties:

SECTION 4. The ASSOCIATION shall provide all lots with lawn care and maintenance for front and side yards and rear yards outside fenced in private areas. Care and maintenance of all other yard areas shall be the responsibility of each individual Owner.

SECTION 5. The Association shall provide all lots with private garbage collection service until such time, if ever, as municipal garbage collection service is provided for such lots.

#### ARTICLE VIII 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 as otherwise reserved on recorded plats of all or any portion of the Properties. 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. TURNING RADII. Easements for vehicular turning radii are reserved along the rear ten (10) feet of each lot to provide for vehicular access across adjacent lots.

SECTION 3. DEVELOPMENT. Declarant shall have a temporary easement for itself, its agents, and its employees and Builders who purchase unimproved lots from Declarant to enter upon any and all portions of the Common Area for the purpose of completing the development of the Properties and constructing residences on the lots.

ARTICLE IX  
ANNEXATION

SECTION 1. ANNEXATION 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. ANNEXATION 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, provided such additional land has also been annexed into the Planned Unit Development known as LAKE PARK, without the consent of Members at any time, from time to time, within twenty (20) years of the date this instrument is recorded in the Office of the Register of Deeds for Union 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.

SECTION 3. DESIGNATION OF LOT TYPE. The Supplementary Declarations and/or recorded plats prepared and recorded by the Declarant to effect any annexation to the Properties shall specify the classification of each lot shown on a recorded plat as a Type A, B, C or D lot.

ARTICLE X  
INSURANCE

SECTION 1. AUTHORITY TO PURCHASE INSURANCE. Insurance policies upon the properties (except title insurance on areas other than Common Area) shall be purchased by the ASSOCIATION in the name of the Board of Directors of the ASSOCIATION, as Trustees for the owners, for the benefits of the owners and their respective mortgagees as their interests may appear, and shall provide for the issuance of certificates or mortgage endorsements to the holders of first mortgages or deeds of trust on the lots or any of them, 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 owners, the ASSOCIATION and their respective servants, agents or guests.

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 lots and Common Area:

(1) Casualty insurance covering the buildings and all improvements upon the Type A lots and upon the Common Area and all personal property located on the Common Area 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 (cross-liability) endorsement. The insurance afforded under the liability section of the policy applied separately to each insured against whom claims 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 casualty insurance policies purchased by the Association insuring the buildings and improvements located on Class A Lots shall be paid by the Association from assessments collected from the Owners of the Class A Lots. All other 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 mortgagees, 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 mortgagees in the following shares:

(1) Proceeds on account of damage to Common Area shall be held by the ASSOCIATION to repair or rebuild the Common Area. If the property is not rebuilt, then the funds shall be held by the ASSOCIATION and applied to its general expenses.

(2) Proceeds on account of damage to buildings located on Type A Lots resulting in partial destruction when the building is to be restored: for the Owners of damaged Type A Lots in proportion to the costs of repairing the damage suffered by each damaged Type A Lot;

(3) Proceeds on account of damage to buildings located on Type A Lots resulting in total destruction of the building or where the building is not to be restored: for all Owners and their mortgagees, the share of each being the percentage of loss suffered by that Lot in relation to total loss.

(d) In the event a mortgagee endorsement has been issued as to a Lot, the share of the Owner shall be held for the mortgagee and the Owner as their interest may appear, but no mortgagee shall have the right to participate in the determination of reconstruction or repair.

(e) Proceeds of insurance policies received by the ASSOCIATION shall be paid to defray the costs of repairing and reconstructing improvements. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, all remittances to owners and their mortgages being payable jointly to them. This is a covenant for the benefit of any mortgagee of a lot and may be enforced by him.

(f) 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 waiver of subrogation clause.

(g) 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.

(h) 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.

(i) Any such reconstruction or repair shall be substantially in accordance with the original plans and specifications.

#### ARTICLE XI 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, conditions, 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. Invalidation 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, as herein provided, or affect any lien for the payment thereof established herein. Any amendment must be properly recorded.

SECTION 4. FHA/VA 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 the 13<sup>th</sup> day of MARCH, 1991.

THE MAYHEW COMPANY  
By: MA Mayhew  
President



Attest: Philip H. Helms  
Assistant Secretary

STATE OF NORTH CAROLINA  
COUNTY OF UNION

I, LANNY L. SKIDMORE, a Notary Public of the County and State aforesaid, certify that PHILIP G. HELMS, personally came before me this day and acknowledged that ~~she~~ he is the Assistant Secretary of THE MAYHEW 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 Assistant Secretary.

WITNESS my hand and notarial seal, this the 13<sup>th</sup> day of MARCH, 1991.



Philip G. Helms  
Notary Public  
My Commission Expires: 12/13/93

NORTH CAROLINA - Union County May 2, 1991  
The foregoing certificate of May 2, 1991, Notary Public of Union County, NC.

is (are) certified to be correct. This instrument was presented for registration and recorded in this office in Book 545 Page 596  
this 13<sup>th</sup> day of March, 19 91 at 11:31 o'clock A. M.

ONELL L. PLYLER, REGISTER OF DEEDS

By: Onell L. Plyler Assistant Register

EXHIBIT A

PARCEL A

BEGINNING at the northeast corner of lot 49 of Lake Park Phase II as shown on map recorded in Plat Cabinet C at File 665 in the Union County Public Registry, said point also being on the westerly margin of the 50-foot public right-of-way for Faith Church Road and being approximately 0.6 mile northeast of the Indian Trail-Unionville Road; thence running with lots 49 through 57, inclusive, of Lake Park Phase II N. 61-03-06 W. 618.56 feet to a point on the easterly margin of the 50-foot public right-of-way for Balsam Street; thence with the easterly margin of the right-of-way for Balsam Street N. 28-56-54 E. 20.00 feet to a point; thence S. 61-03-06 E. 20.00 feet to a point; thence N. 28-56-54 E. 100.00 feet to a point on the southerly margin of the proposed 60-foot public right-of-way for the future extension of Creft Circle, said point also being the end of the existing portion of Creft Circle as shown on map recorded in Plat Cabinet C at File 665 of the Union County Registry; thence with the southerly margin of the proposed future extension of Creft Circle S. 61-03-06 E. 586.54 feet to a point marking the beginning of the future turn out to Faith Church Road; thence with the arc of a circular curve to the right having a radius of 30.00 feet, an arc distance of 53.24 feet to a point on the westerly margin of the 50-foot public right-of-way of Faith Church Road, said curve also having a chord bearing a distance of S. 10-12-38 E. 46.52 feet; thence with the westerly margin of the right-of-way of Faith Church Road S. 40-37-50 W. 85.70 feet to the point of BEGINNING and containing 1.69 acres.

PARCEL B

BEGINNING at a point on the westerly margin of the 50-foot public right-of-way of Balsam Street, said point being S. 28-56-54 W. 150.00 feet from the centerline of Creft Circle as recorded in Plat Cabinet C at File 665 in the Union County Public Registry, said point also being located N. 61-03-06 W. 668.56 feet from the northeast corner of lot 49 in Lake Park Phase II as shown on a map recorded in Plat Cabinet C, File 665 in the Union County Registry; thence running with lots 1, 5, 6, 7, 8, 9 and 10 N. 61-03-06 W. 625.00 feet to a point; thence N. 28-56-54 E. 120.00 feet to a point on the southerly margin of the 60-foot public right-of-way of Creft Circle; thence with the southerly margin of the right-of-way of Creft Circle S. 61-03-06 E. 605.00 feet to a point; thence S. 28-56-54 W. 100.00 feet to a point; thence S. 61-03-06 E. 20.00 feet to a point on the westerly margin of the right-of-way of Balsam Street; thence with the westerly margin of the right-of-way of Balsam Street S. 28-56-54 W. 20.00 feet to the point of BEGINNING and containing 1.68 acres.