

STATE OF NORTH CAROLINA
COUNTY OF BURKE

THIRD AMENDMENT TO DECLARATION
OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR EAST SHORES
AND TO SUPPLEMENTAL
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR EAST SHORES II AND TO
SECOND SUPPLEMENTAL
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR EAST SHORES III

THIS THIRD AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR EAST SHORES AND TO SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR EAST SHORES II AND TO SECOND SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR EAST SHORES III (AND EAST SHORES I AND EAST SHORES II FOR LOTS OWNED BY CRESCENT RESOURCES, INC.) (the "Amendment") is made and entered into this 18th day of September, 1992 by CRESCENT RESOURCES, INC. (formerly Crescent Land & Timber Corp.), a South Carolina corporation ("Declarant").

W I T N E S S E T H:

WHEREAS, Declarant is the Declarant under that certain Declaration of Covenants, Conditions and Restrictions for East Shores dated September 14, 1990 and recorded in Book 771, Page 364, Burke County Public Registry (the "Declaration"); and

WHEREAS, the property subject to and affected by the Declaration is more particularly described in the Declaration and shown on those certain plats of East Shores recorded in Plat Book 9, Pages 189 and 190, Burke County Public Registry, which plats have been superseded and amended by those certain plats of East Shores recorded in Plat Book 10, Pages 3 and 4, Burke County Public Registry; and

WHEREAS, pursuant to that certain Supplemental Declaration of Covenants, Conditions and Restrictions for East Shores II dated October 26, 1990 and recorded in Book 773, Page 1826, Burke County Public Registry (the "First Supplemental Declaration"), Declarant made certain additional property subject to the terms and scheme of the Declaration, which

Mail To Parker, Poe, Adams & Bernstein (WEF)
and 2600 Charlotte Plaza
Drawn By: Charlotte, NC 28244

FILED
LOUISE ANDERSON
Book 801, Page 367
'92 DEC 17 AIO.19
Louise Anderson
REGISTER OF DEEDS
BURKE CO., N.C.

additional property is more particularly described in the First Supplemental Declaration and shown on that certain plat of East Shores II recorded in Plat Book 10, Page 18, Burke County Public Registry; and

WHEREAS, pursuant to that certain Amendment to Declaration of Covenants, Conditions and Restrictions for East Shores and to Supplemental Declaration of Covenants, Conditions and Restrictions for East Shores II dated December 20, 1990 and recorded in Book 774, Page 1229, Burke County Public Registry (the "First Amendment"), the Declaration and First Supplemental Declaration were amended to revise certain provisions thereof; and

WHEREAS, pursuant to that certain Second Amendment to Declaration of Covenants, Conditions and Restrictions for East Shores and to Supplemental Declaration of Covenants, Conditions and Restrictions for East Shores II dated March 28, 1991 and recorded in Book 777, Page 1862, Burke County Public Registry (the "Second Amendment"), the Declaration and First Supplemental Declaration were amended to revise certain provisions thereof; and

WHEREAS, pursuant to that certain Second Supplemental Declaration of Covenants, Conditions and Restrictions for East Shores III dated September 18, 1992 and recorded in Book 801, Page 342, Burke County Public Registry (the "Second Supplemental Declaration"), Declarant made certain additional property subject to the terms and scheme of the Declaration, which additional property is more particularly described in the Second Supplemental Declaration and shown on that certain plat of East Shores III recorded in Plat Book 10, Page 143, Burke County Public Registry; and

WHEREAS, Declarant is the holder of two-thirds (2/3) of the votes appurtenant to the Lots (as defined in the Declaration, First Supplemental Declaration, as amended by the First Amendment and the Second Amendment and the Second Supplemental Declaration) which are, as of the date hereof, subject to the Declaration, as supplemented by the First Supplemental Declaration and the Second Supplemental Declaration and amended by the First Amendment and the Second Amendment; and

WHEREAS, Declarant wishes, by adding the provisions below, to amend the Declaration and the First Supplemental Declaration, as amended by the First Amendment and the Second Amendment, and the Second Supplemental Declaration, to make certain designated Lots in Phase I and Phase II Club Lots, as hereinafter defined and to subject such Club Lots to the assessments for Club Assessments and Special Club Assessments; and

WHEREAS, Declarant wishes, by adding the provisions below, to amend the Declaration and the First Supplemental Declaration,

as amended by the First Amendment and the Second Amendment, and the Second Supplemental Declaration, to enable Owners of Lots in Phase I and Phase II to designate their Lots as Club Lots and to subject such Club Lots to the assessments for Club Assessments and Special Club Assessments by the execution of a Joinder Agreement.

NOW, THEREFORE, Declarant, by this Amendment, does hereby amend the Declaration and the First Supplemental Declaration, as amended by the First Amendment and the Second Amendment, and the Second Supplemental Declaration, as follows:

ARTICLE I

DEFINITIONS

Section 1. "Club" shall mean and refer to the private club hereafter to be constructed on the Club Area for the sole and exclusive use of Owners of Club Lots.

Section 2. "Club Area" shall mean and refer to these areas upon which the Club is located and which are depicted as the "Club Area" on the Phase III Map, including the tennis court, swimming pool, cabana, club parking area and the Club Area Access Easements shown on the Phase III Map.

Section 3. "Club Boatslip" shall mean and refer to the boatslip in the Phase III Boatslips which is reserved for the exclusive use of Owners of Club Lots, together with any additional boatslips which may be hereafter constructed in the Phase III Boatslips and reserved for the exclusive use of Owners of Club Lots.

Section 4. "Club Lot" shall mean and refer to Lots 1 through 4 (inclusive), 8 through 11 (inclusive), 18 through 21 (inclusive), 31, 33, 35, 36, 38, 39, 43, 45 and 47 through 49 (inclusive) in Phase I, Lots 1 through 3 (inclusive), 10 and 11, 13 through 17 (inclusive) and 20 in Phase II, any Lots hereafter designated as Club Lots by Declarant in any Supplemental Declaration or any amendment to the Declaration, and any Lot in Phase I or Phase II with respect to which the Owner of such Lot executes a Joinder Agreement.

Section 5. "Common Area" or "Common Areas" as defined in the Declaration shall be deemed to include the Club Area; provided that only the Owners of the Club Lots shall be entitled to the use, benefit and enjoyment of the Club Area.

Section 6. "Joinder Agreement" shall mean and refer to that certain Joinder Agreement in the form attached hereto as Exhibit A and incorporated herein by reference to be executed by the Association and by Owners of Lots in Phase I and Phase II

who desire to become Club Lot Owners and which is recorded in the Burke County Public Registry.

ARTICLE II

PROPERTY RIGHTS

Section 1. Club Lot Owners' Rights to Use and Enjoy the Club Area. Club Lot Owners shall have the exclusive easement and right to use and enjoy the Club Area.

Section 2. Establishment of Club Lots; Execution of Joinder Agreement. The Club Lots set forth in Section 4 of Article I hereof, any Lots hereafter designated by Declarant as Club Lots in any Supplemental Declaration or any Amendment to the Declaration and any Lot with respect to which the Association and the Owner of such Lot execute a Joinder Agreement, shall become a Club Lot and the Owner of the Club Lot shall have the rights set forth above in Section 1 of this Article.

ARTICLE III

THE ASSOCIATION

Section 1. Club Area Maintenance. The Club Area, being of benefit to all Club Lots, shall be maintained exclusively by the Association, as set forth in Article VI, Section 2 of the Second Supplemental Declaration.

Section 2. Club Area Reserve Fund. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements located, in and on the Club Area, which the Association is obligated to maintain and in order to fund unanticipated expenses of the Association or to acquire equipment or services deemed necessary or desirable by the Board of Directors. Such reserve fund shall be collected and maintained out of the Club Assessments, as hereinafter defined and as set forth in Article VI, Section 3 of the Second Supplemental Declaration.

Section 3. Club Area. The Association shall own, maintain, repair and, if destroyed, replace, as a common expense of the Association, payable from the Club Assessments and the Special Club Assessments, the Club Area; provided, however, that the maintenance, repair and replacement costs of the Club Area shall be assessed against only the Owners of Club Lots as set forth in Article VI of the Second Supplemental Declaration.

The use of the Club Area is and shall be subject to each of the following:

- (a) Rules and regulations for use promulgated by the Association; and
- (b) All laws, statutes, ordinances and regulations of all federal, state and local governmental bodies having jurisdiction thereon.

The Board of Directors, pursuant to the Bylaws, shall adopt rules and regulations governing the use of the Club Area and the personal conduct thereon of the Members owning Club Lots and their families, guests and invitees. Should Members owning Club Lots desire to amend such rules and regulations, then a meeting of the Members owning Club Lots may be called and held, in accordance with Article XII, Section 1 of the Second Supplemental Declaration, for the purpose of voting to amend such rules and regulations. If such a meeting is duly called and held, the Club Lot Owners may direct the Board of Directors to make such amendments to the rules and regulations governing the use of the Club Area, including additions to and deletions of portions of such rules and regulations, as are approved by a vote of the Members owning Club Lots, in accordance with Article XII, Section 1 of the Second Supplemental Declaration. The Club Area may only be used by Owners of Club Lots, their families, guests and invitees.

ARTICLE IV

COVENANT FOR CLUB AND SPECIAL CLUB ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Club and Special Club Assessments. The Declarant, for each Club Lot owned within the Property, and each Club Lot Owner is deemed to covenant and agree to pay to the Association, in addition to the Annual and Special Assessments provided for in the Declaration, Club Assessments and Special Club Assessments, as hereinafter defined, for maintenance and repair costs of the Club Area, established and collected as hereinafter provided. Any such assessment or charge, together with interest, costs and reasonable attorneys' fees, shall be a charge and a continuing lien upon the Club Lot against which each such assessment or charge is made and upon the right to use the Club Area. Each such assessment or charge, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Club Lot effective at the time when the assessment fell due. The personal obligation for delinquent assessments or charges shall not pass to an Owner's successors in title unless expressly assumed by them.

Section 2. Purpose of Club Assessments. The assessments to be levied annually by the Association against each Club Lot, including any supplemental Club Assessment as hereinafter provided, (the "Club Assessments") shall be used as follows:

- (a) to maintain, repair and reconstruct, when necessary, the Club Area and the improvements located thereon, including the tennis court, the swimming pool, the club parking area, the cabana, the Club Area Access Easement, the erection and maintenance of signage, planters, irrigation, lighting, landscaping, fixtures, poles, wires, gazebo and other facilities located thereon in accordance with the highest standards for private parks, including any necessary removal and replacement of landscaping and repair of irrigation systems;
- (b) to maintain and repair any and all drainage pipes, inlets, basins, ditches, swales and other facilities installed upon the Club Area;
- (c) to provide and pay for lighting of the Club Area, to the extent necessary for the safety and enjoyment of the users thereof;
- (d) to keep the Club Area clean and free from debris and to maintain same in a clean and orderly condition;
- (e) to pay all ad valorem taxes levied against the Club Area and any other property owned by the Association in connection therewith;
- (f) to pay the Phase III Boatslip Assessments and the Special Phase III Boatslip Assessments for each Phase III Boatslip designated for the exclusive use of Owners of Club Lots.
- (g) to pay the premiums on all insurance carried by the Association in connection with the Club Area pursuant hereto or pursuant to the Bylaws including any prorata portion of insurance carried by the Association on the Club Area as part of a policy insuring other property owned by the Association;
- (h) to pay all legal, accounting and other professional fees incurred by the Association in carrying out its duties as set forth herein or in the Bylaws in connection with the Club Area; and
- (i) to maintain a contingency reserve equal to 10% of the sum of the amounts described in subsections (a) through (d) above for the purposes set forth in Article III, Section 2 of this Second Supplemental Declaration.

Section 3. Payment of Club Assessments; Due Dates. The Club Assessments provided for herein shall commence as to each Club Lot on the earlier of: (1) thirty (30) days after such Lot is designated as a Club Lot or (ii) on July 1, 1993. The Club Assessments for the fiscal year beginning July 1, 1993 shall be Seventy-Five and no/100 Dollars (\$75.00) per Club Lot, one-half ($\frac{1}{2}$) of which amount shall be due and payable no later than July 31, 1993 and the remaining one-half ($\frac{1}{2}$) of which amount shall be due and payable no later than January 31, 1994. Club Assessments for any partial year following the designation of a Lot as a Club Lot shall be prorated and the Owner of the Club Lot shall pay the prorated portion for the remainder of such fiscal year. The Club Assessments for each and every fiscal year thereafter shall be in an amount as set by the Board of Directors, in accordance with Section 4 of this Article VI, and shall be due and payable in two (2) semi-annual installments of one-half ($\frac{1}{2}$) each, such installments being due and payable no later than July 31 and January 31, respectively, of each such fiscal year. The Board of Directors shall fix the amount of the Club Assessments as to each Club Lot for any fiscal year at least thirty (30) days prior to July 1 of such fiscal year, and the Association shall send written notice of the amount of the Club Assessments, as well as the amount of the first installment due, to each Club Lot Owner on or before July 1 of such year. In addition, the Association shall send written notice that the second Club Assessment installment is due and the amount of such installment to each Club Lot Owner on or before January 1 of each fiscal year. Failure of the Association to send the notice described in this Section 3 shall not relieve the Club Lot Owners of their liability for Club Assessments.

Section 4. Maximum Club Assessment.

(a) For fiscal years beginning July 1, 1994 and thereafter, the Board of Directors, by a vote in accordance with the Bylaws, without a vote of the Members, may increase the Club Assessments each year by a maximum amount equal to the previous year's Club Assessments times the greater of (1) ten percent (10%), or (2) the annual percentage increase in the Consumer Price Index, All Urban Consumers, United States, All Items (1982-84=100) (hereinafter "CPI") issued by the U.S. Bureau of Labor Statistics for the most recent 12-month period for which the CPI is available. If the CPI is discontinued, then there shall be used the index most similar to the CPI which is published by the United States Government indicating changes in the cost of living. If the Club Assessments are not increased by the maximum amount permitted under the terms of this provision for any fiscal year, the difference between any actual increase which is made and the maximum increase permitted for such fiscal year shall be computed and the Club Assessments may be increased by that amount in a future year, in addition to the maximum increase permitted under the

terms of the preceding sentence for such future year, by a vote of the Board of Directors, without a vote of the Members.

(b) From and after July 1, 1994, the Club Assessments may be increased without limitation if such increase is approved by a vote of no less than two-thirds (2/3) of all votes entitled to be cast by Members owning Club Lots, taken at a duly held meeting of such Members in accordance with the Bylaws.

(c) The Board of Directors may fix the Club Assessments at an amount not in excess of the maximum set forth in subparagraph (a) above (the "Maximum Club Assessment"). If the Board of Directors shall levy less than the Maximum Club Assessment for any fiscal year and thereafter, during such fiscal year, determine that the important and essential functions of the Association as to the Club Area cannot be funded by such lesser assessment, the Board of Directors may, by a vote in accordance with the Bylaws, levy a supplemental Club Assessment. Any supplemental Club Assessment shall be due and payable on or before sixty (60) days after notice thereof is given to Owners of the Club Lots. In no event shall the sum of the Club Assessments and the supplemental Club Assessments for any year exceed the applicable Maximum Club Assessment for such year.

Section 5. Special Assessments for Club Improvements. In addition to the Club Assessments authorized above, the Association may levy, in any assessment year, a special Club Assessment (the "Special Club Assessment") applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Club Area, and any capital improvement located on the Club Area, including lighting, irrigation and other fixtures, poles, wires, and other facilities located thereon and personal property related thereto. Provided that any such assessment must be approved by a vote of no less than two-thirds (2/3) of all votes entitled to be cast by Members owning Club Lots, taken at a duly held meeting of such Members in accordance with the Bylaws, and further providing that any such Special Club Assessment may be levied only against the Club Lot Owners. Any special Club Assessment shall be due and payable on or before sixty (60) days after notice thereof is given to the Owners of the Club Lots.

Section 6. Club Assessment Rate. Both the Club Assessments and the Special Club Assessments must be fixed at a uniform rate for all Club Lots.

ARTICLE V

GENERAL ASSESSMENT PROVISIONS

Section 1. Effect of Nonpayment of Assessments: Remedies of the Association.

Any Club Assessment or Special Club Assessment installment not paid by its due date as set forth in Article VI, Section 3, of the Second Supplemental Declaration shall bear interest from such due date at the rate of eighteen percent (18%) per annum or the highest rate then permitted by law, whichever is less. In addition to such interest charge, the delinquent Owner shall also pay such late charge as may have been theretofore established by the Board of Directors to defray the costs arising because of late payment. The Association may bring an action at law against the delinquent Owner or foreclose the lien against the Club Lot, and the right to use the Club Area, and interest, late payment charges, costs and reasonable attorney's fees related to such action or foreclosure shall be added to the amount of such assessment. In the event any Club Assessment or Special Club Assessment is not paid within thirty (30) days of the due date thereof, the Association shall have the right to suspend the Owner's right to use the Club and the Club Area until any such assessments are paid current and in the event the Owner fails to cease using the Club or the Club Area, the Association shall have all rights and remedies at law or in equity to enjoin or prevent such use and the Owner shall be liable for the Association's reasonable attorney's fees and court costs in pursuing any such right or remedy. No Club Lot Owner may waive or otherwise escape liability for the assessments provided for herein by not using the Club Area, or by abandoning his Club Lot.

Section 2. Subordination of the Lien to Mortgages. The lien of the Club Assessments and Special Club Assessments provided for in Article VI of the Second Supplemental Declaration shall be subordinate to the lien of any first Mortgage on a Lot or any mortgage or deed of trust to the Declarant. Sale or transfer of any Lot shall not affect the assessment lien. The sale or transfer of any Lot pursuant to mortgage foreclosure, or any proceeding in lieu thereof, however, shall extinguish the line of such assessments as to payments which become due prior to such sale or transfer; provided, however, that the Board of Directors may in its sole discretion determine such unpaid assessments to be a Club Assessment or Special Club Assessment, as applicable, collectable pro rata from all Club Lot Owners, including the foreclosure sale purchaser. Such pro rata portions shall be payable by all Club Lot Owners notwithstanding the fact that such pro rata portions may cause the Club Assessment to be in excess of the Maximum Club Assessment permitted hereunder. No

sale or transfer shall relieve the purchaser of such Lot from liability for any assessments thereafter becoming due or from the lien thereof, but the lien provided for herein shall continue to be subordinate to the lien of any mortgage or deed of trust as above provided.

ARTICLE VI

RESTRICTIONS AND RESERVATIONS

Section 1. Marine Toilet. No water craft equipped with a marine toilet having a fixed or portable holding tank, or a through hull or overboard discharge toilet, shall be permitted at the Phase III Pier or Phase III Boatslips.

Section 2. Club Area Access Easement. Declarant reserves unto itself, its successors and assigns and grants to the Association for the common use, benefit and enjoyment of the Owners of Club Lots, a non-exclusive easement for pedestrian ingress and egress, over the Club Area Access Easement. The Club Area Access Easement shall be used to provide access to the Phase III Pier and Phase III Boatslips for Owners of the Non-Waterfront Lot in Phase III and any other Non-Waterfront Lot Owners hereafter designated by Declarants in a Supplemental Declaration or an Amendment to the Declaration, and for irrigation, landscaping, lighting, and other improvements incidental thereto. Declarant also reserves over the Club Area Access Easement an easement for drainage of stormwater runoff from Lots within Phase III and any other Lots hereafter designated by Declarant in a Supplemental Declaration or in an Amendment to the Declaration.

ARTICLE VII

INSURANCE

Section 1. Premium Expense. Premiums upon insurance policies purchased by the Board of Directors in connection with the Club Area shall be paid by the Board of Directors and charged as a common expense to be collected from the Owners of Club Lots.

ARTICLE VIII

CONDEMNATION

Section 1. Partial Taking Without Direct Effect on Lots. All compensation and damages for and on account of the taking of the Club Area shall be held in trust by the Board of Directors for all Club Lot Owners and their Mortgagees according to the loss or damages to their respective interests in the Club Area. All compensation and damages for and on

account of the taking of the Phase III Pier and the Phase III Boatslips shall be held in trust for all Non-Waterfront Lot Owners in Phase III and any other Non-Waterfront Lot Owners hereafter designated by Declarant in a Supplemental Declaration or in an Amendment to the Declaration and their Mortgagees and the Club according to the loss or damages and their respective interest in the Phase III Pier.

ARTICLE IX

GENERAL PROVISIONS

Section 1. Amendment. Any amendment affecting the Club Lots and the Club Area must be approved by a vote of no less than two-thirds (2/3) of all votes entitled to be cast by Members owning Club Lots. Any such Amendment shall not become effective until the instrument evidencing such change has been filed of record.

ARTICLE X

MISCELLANEOUS

All capitalized terms not otherwise defined in this Supplemental Declaration shall have the same meaning as in the Declaration and the First Supplemental Declaration, as amended by the First Amendment and the Second Amendment, and the Second Supplemental Declaration.

IN WITNESS WHEREOF, Declarant has caused this Amendment to be executed by its officers thereunto duly authorized and its corporate seal to be hereunto affixed, all the day and year first above written.

ATTEST:

By: Ethelene Williams
— Assistant Secretary

[CORPORATE SEAL]

CRESCENT RESOURCES, INC.,
a South Carolina corporation

By: [Signature]
Vice President

STATE OF NORTH CAROLINA

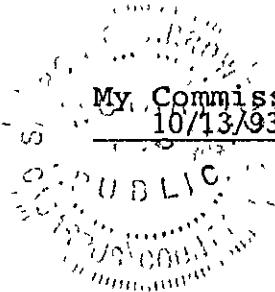
COUNTY OF CABARRUS

This 18th day of September, 1992, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came Gilbert D. Stehpenon, Jr who, being duly sworn, says that he is Vice President of CRESCENT RESOURCES, INC., a South Carolina corporation, and that the seal affixed to the foregoing instrument in writing is the corporate seal of the corporation, and that he signed and sealed said instrument on behalf of said corporation by its authority duly given. And the said Vice President acknowledged said instrument to be the act and deed of said corporation.

WITNESS my hand and notarial seal the day and year first above written.

Sharon C. Arrowood
Notary Public

My Commission Expires:
10/13/93



WEF:236

STATE OF NORTH CAROLINA—BURKE COUNTY

The foregoing certificate of Sharon C. Arrowood, N.P. of Cabarrus county is adjudged

to be correct. Let the instrument with its certificates, be registered This 17 day of Dec, 1992

Louise Anderson Register of Deeds
LOUISE ANDERSON
by Alma Bates, Deputy

EXHIBIT A
TO
THIRD AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR EAST SHORES

STATE OF NORTH CAROLINA
COUNTY OF BURKE

JOINDER AGREEMENT

THIS JOINDER AGREEMENT (the "Joinder Agreement") is made and entered into this _____ day of _____, 199_ by _____ (the "Owner") and EAST SHORES OWNERS' ASSOCIATION, INC., a North Carolina non-profit corporation (the "Association").

WITNESSETH:

WHEREAS, Owner owns Lot _____ located within the East Shores Subdivision ("East Shores"), as more particularly shown on those certain plats of East Shores I recorded in Map Book 9, Pages 189 and 190 of the Burke County Public Registry, as revised in Map Book 10, Pages 3 and 4 of the Burke County Public Registry and any subsequent revisions thereto or as more particularly shown on that certain plat of East Shores II recorded in Map Book 10, Page 18 of the Burke County Public Registry and any subsequent revisions thereto (the "Lot");

WHEREAS, East Shores is subject to that certain Declaration of Covenants, Conditions and Restrictions: East Shores dated September 14, 1990 and record in Book 771, Page 364, Burke County Public Registry as supplemented by that certain Supplemental Declaration of Covenants, Conditions, and Restrictions for East Shores II dated October 26, 1990 and recorded in Book 773, Page 1826, Burke County Public Registry, all as amended by that certain Amendment to Declaration of Covenants, Conditions and Restrictions for East Shores and to Supplemental Declaration of Covenants, Conditions and Restrictions for East Shores II dated December 20, 1990 and recorded in Book 774, Page 1229, Burke County Public Registry and that certain Second Amendment to Declaration of Covenants, Conditions and Restrictions for East Shores and to Supplemental Declaration of Covenants, Conditions and Restrictions for East Shores II dated March 28, 1991 recorded in Book 777, Page 1862, Burke County Public Registry and the Second Supplemental Declaration of Covenants, Conditions and Restrictions for East Shores III dated September 18, 1992 and recorded in Book 801, Page 342, Burke County Public Registry (the "Second Supplemental Declaration") and that certain Third Amendment to Declaration of Covenants, Conditions and Restrictions for East Shores and to Supplemental Declaration of Covenants, Conditions and Restrictions for East Shores II and to Second Supplemental

Declaration of Covenants, Conditions and Restrictions for East Shores III dated , 1992 and recorded in Book , page , Burke County Public Registry (the "Third Amendment") (collectively referred to hereafter as the "Declaration"); and

WHEREAS, the Declaration provides that an Owner of a lot within Phase I or Phase II of East Shores can subject its lot to Club Assessments (as defined hereinafter) and thereafter such lot shall be a Club Lot entitling the Owner thereof to the use of the Club Area;

WHEREAS, Owner desires to subject the Lot to certain Club Assessments as more particularly described in the Second Supplemental Declaration and the Third Amendment; and

WHEREAS, the Association desires to join in the execution of this Joinder Agreement to evidence its Acknowledgement and Consent hereto.

NOW, THEREFORE, for and consideration of the mutual covenants and conditions contained herein and Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which this hereby acknowledged, Owner hereby covenants and agrees as follows:

1. Designation of Club Lots; Club Assessments. The Lot is hereby deemed to be a Club Lot and Owner hereby agrees to pay any and all Club Assessments, Special Club Assessments and any other assessments relating thereto hereinafter due and payable, all in accordance with the Second Supplemental Declaration and the Third Amendment. From the date of this Joinder Agreement, the Owner of the Lot shall be entitled to the use of the Club Area, subject, however, to the provisions of the Declaration regulating such use.

2. Survival of Covenants. The covenants and conditions herein contained shall run with title to the Lot and be binding upon and inure to the benefit of all the parties hereto, their heirs, successors, executors, administrators and assigns.

3. Capitalized Terms. Unless otherwise noted herein, any capitalized terms used in this Joinder Agreement shall have the same meaning as set forth in the Declaration.

IN WITNESS WHEREOF, Owner has hereto set his or her hand and seal the day and year first above written.

OWNER:
(Individual Signatory) _____ (SEAL)

_____ (SEAL)

(Partnership Signatory)
a _____ partnership' (SEAL)
By: _____ (SEAL)
Title: _____

ATTEST:

Secretary
(CORPORATE SEAL)

(Corporate Signatory)

a _____ corporation
By: _____
Title: _____

EAST SHORES OWNERS' ASSOCIATION, INC. hereby joins in the execution of this Amendment to evidence its acknowledgement and consent hereto.

EAST SHORES OWNERS'
ASSOCIATION, INC., a North
Carolina non-profit corporation

ATTEST:
By: _____
Secretary

By: _____
President

[CORPORATE SEAL]

(1) INDIVIDUAL SIGNATORY NOTARY ACKNOWLEDGEMENTS

STATE OF NORTH CAROLINA

COUNTY OF

I, _____, a Notary Public for
said _____ County and _____ State, do hereby certify
that _____ personally
appeared before me this day and acknowledged the due execution
of the foregoing instrument for the purposes therein expressed.

Witness my hand and notarial seal, this _____ day
of _____, 1992.

Notary Public

My Commission Expires:

(2) PARTNERSHIP SIGNATORY

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____, a Notary Public, of the
County _____ and _____ State aforesaid, certify
that _____, a General Partner
of _____ a
Partnership, personally appeared before me this day and
acknowledged the execution of the foregoing instrument as
General Partner on behalf of _____.

Witness my hand and notarial seal, this _____ day of _____, 1988.

Notary Public

My Commission Expires:

(3) CORPORATE SIGNATORY

STATE OF NORTH CAROLINA

COUNTY OF _____

This ____ day of _____, 1992, personally came before me _____, who being by me duly sworn, says that he/she is _____, of _____, a _____ corporation, and that the seal affixed to the foregoing instrument in writing is the corporate seal of the corporation, and that the writing was signed and sealed by him/her in behalf of the corporation, by its authority duly given. And the _____ acknowledged the writing to be the act and deed of the corporation.

WITNESS my hand and official stamp or seal, this ____ day of _____, 1992.

Notary Public

My Commission Expires:

STATE OF NORTH CAROLINA

COUNTY OF _____

This ____ day of _____, 199__, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came _____, who, being duly sworn, says that he is _____ President of EAST SHORES OWNERS' ASSOCIATION, INC., a North Carolina non-profit corporation, and that the seal affixed to the foregoing instrument in writing is the corporate seal of the corporation, and that she/he signed and sealed said instrument on behalf of said corporation by its authority duly given. And the said _____ President acknowledged said instrument to be the act and deed of said corporation.

WITNESS my hand and notarial seal the day and year first above written.

Notary Public

My Commission Expires:
