

STATE OF NORTH CAROLINA
COUNTY OF BURKE

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

THIS AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR EAST SHORES AND TO SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR EAST SHORES II ("Amendment") is made and entered into this 20th day of December, 1990, 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plats of East Shores recorded in Plat Book 9, Pages 189 and 190, Burke County Public Registry, which plats have been superseded and amended by those certain plats of East Shores recorded in Plat Book 10, Pages 3 and 4, Burke County Public Registry; and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 "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 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, Declarant is the holder of a majority of the votes appurtenant to the Lots (as defined in the Declaration and Supplemental Declaration) which are, as of the date hereof, subject to the Declaration, as supplemented by the Supplemental Declaration; and

WHEREAS, Declarant wishes to amend the Declaration and Supplemental Declaration to revise certain provisions thereof.

FILED
LOUISE ANDERSON
Book 774, Page 1229
'90 DEC 21 P1 58
Louise Anderson
REGISTER OF DEEDS
BURKE CO., N.C.

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

1. Article I, Section 1 of the Declaration is hereby amended to delete the words "Access Easement" in the fifth line thereof and to insert in lieu thereof the words "Access Way".

2. Article I, Section 8 of the Declaration is hereby amended to read as follows:

Section 8. "Common Area" or "Common Areas" shall mean and refer to the Pier, Boatslips, Common Area A, Parking Area, Public Roads, Roadway, Access Easement, Frontage Fence, Entrance Monuments and Promontory Entrance Monument, collectively, and any other property shown and designated on the Map as "Common Area". The Common Areas shall be owned by the Association (except for the property upon which the Public Roads, Roadway, Entrance Monuments, Promontory Entrance Monument, Access Easement and Frontage Fence are located, over which property the Association shall own an easement) for the common use, benefit and enjoyment of the Owners; provided, however, that the Owners of Non-Waterfront Lots only shall be entitled to the use, benefit and enjoyment of the Pier, Boatslips, Parking Area and Access Easement, subject to individual Non-Waterfront Lot Owners' exclusive rights to use specified Boatslips; and provided further, that only the Owners of Promontory Lots shall be entitled to the use benefit and enjoyment of the Roadway and the Promontory Entrance Monument. Following acceptance of the Public Roads for maintenance by the State of North Carolina Department of Transportation, "Common Area" shall no longer include the Public Roads.

3. Article I, Section 9 of the Declaration is hereby amended to read as follows:

Section 9. "Common Area A" shall mean and refer to that 0.152 acre tract of land located in the Development adjacent to Lot 46 and to the Well Lot, as defined in Article IX, Section 19 of this Declaration, and more particularly shown and described as "Common Area" on the Map, as well as all improvements located thereon.

4. Article I, Section 15 of the Declaration is hereby amended to read as follows:

Section 15. "Map" shall mean and refer to the plats recorded in Plat Book 9, Pages 189 and 190 in the Burke County Public Registry, as amended by plats of East Shores recorded in Plat Book 10, Pages 3 and 4 in the Burke County

Public Registry, and as may be further revised, amended and/or re-recorded from time to time by plat(s) recorded in the Burke County Public Registry.

5. Article I, Section 27 of the Declaration is hereby amended to read as follows:

Section 27. "Roadway" shall mean and refer to the private roadway in the Subdivision serving and adjoining the Promontory Lots and shown and designated as "Call's Lodge Court" on the Map, over which Roadway each Promontory Lot Owner shall have an easement for ingress, egress and access as more particularly described in Article III, Section 3 of this Declaration, which Roadway shall be privately maintained by the Association as set forth in this Declaration.

6. Article IX, Section 7 of the Declaration is hereby amended to delete the words "these covenants" in the fourth line thereof and to insert in lieu thereof the words "this Article IX".

7. Article II, Section 1 of Exhibit "B" to the Declaration (the By-Laws of the Association, as defined in the Declaration) is hereby amended to delete the words "Access Easement" in the fifth line thereof and to insert in lieu thereof the words "Access Way".

8. Article II, Section 7 of Exhibit "B" to the Declaration is hereby amended to read as follows:

Section 8. "Common Area" or "Common Areas" shall mean and refer to the Pier, Boatslips, Common Area A, Parking Area, Public Roads, Roadway, Access Easement, Frontage Fence, Entrance Monuments and Promontory Entrance Monument, collectively, and any other property shown and designated on the Map as "Common Area". The Common Areas shall be owned by the Association (except for the property upon which the Public Roads, Roadway, Entrance Monuments, Promontory Entrance Monument, Access Easement and Frontage Fence are located, over which property the Association shall own an easement) for the common use, benefit and enjoyment of the Owners; provided, however, that the Owners of Non-Waterfront Lots only shall be entitled to the use, benefit and enjoyment of the Pier, Boatslips, Parking Area and Access Easement, subject to individual Non-Waterfront Lot Owners' exclusive rights to use specified Boatslips; and provided further, that only the Owners of Promontory Lots shall be entitled to the use benefit and enjoyment of the Roadway and the Promontory Entrance Monument.

Following acceptance of the Public Roads for maintenance by the State of North Carolina Department of Transportation, "Common Area" shall no longer include the Public Roads.

9. Article II, Section 8 of Exhibit "B" to the Declaration is hereby amended to read as follows:

Section 9. "Common Area A" shall mean and refer to that 0.152 acre tract of land located in the Development adjacent to Lot 46 and to the Well Lot, as defined in Article IX, Section 19 of the Declaration, and more particularly shown and described as "Common Area" on the Map, as well as all improvements located thereon.

10. Article II, Section 15 of Exhibit "B" to the Declaration is hereby amended to read as follows:

Section 15. "Map" shall mean and refer to the plats of East Shores recorded in Plat Book 9, Pages 189 and 190 in the Burke County Public Registry, as amended by plats of East Shores recorded in Plat Book 10, Pages 3 and 4 in the Burke County Public Registry, and as may be further revised, amended and/or re-recorded from time to time by plat(s) recorded in the Burke County Public Registry.

11. Article II, Section 27 of Exhibit "B" to the Declaration is hereby amended to read as follows:

Section 27. "Roadway" shall mean and refer to the private roadway in the Subdivision serving and adjoining the Promontory Lot and shown and designated as "Call's Lodge Court" on the Map, over which Roadway each Promontory Lot Owner shall have an easement for ingress, egress and access as more particularly described in Article III, Section 3 of the Declaration, which Roadway shall be privately maintained by the Association as set forth in the Declaration.

12. Article I, Section 1 of the Supplemental Declaration is hereby amended to add the following sentence at the end thereof:

The use by the Owners of a portion of the Common Area is subject to the nonexclusive easement for septic use reserved and granted over such portion of the Common Area, as more particularly described in Article V, Section 6 of this Supplemental Declaration.

13. Article I, Section 6 of the Supplemental Declaration is hereby amended to delete the words "Access Easement" in the seventh line thereof and to insert in lieu thereof the words "Access Way".

14. Article I, Section 7 of the Supplemental Declaration is hereby amended to insert in the third line thereof prior to the word "Pier" the words "Phase II".

15. Article I, Section 8 of the Supplemental Declaration is hereby amended to read as follows:

Section 8. "Phase II Map" shall mean and refer to the plat entitled "East Shores II" recorded in Plat Book 10, Page 18 in the Burke County Public Registry, as may be revised, amended and/or re-recorded from time to time by plat(s) recorded in the Burke County Public Registry.

16. Article I, Section 12 of the Supplemental Declaration is hereby amended to read as follows:

Section 12. "Phase II Roadway" shall mean and refer to the private roadway in Phase II serving and adjoining the Phase II Promontory Lots and shown and described as "Hawksbill Court" on the Phase II Map, over which Declarant, the Association and each Phase II Promontory Lot Owner shall have an easement for ingress, egress and access, as more particularly described in Article V, Section 5 of this Supplemental Declaration, which Phase II Roadway shall be privately maintained by the Association as set forth in this Supplemental Declaration.

17. Article I, Section 13 of the Supplemental Declaration is hereby amended to delete the words "Article III" in the fourth line thereof and to insert in lieu thereof the words "Article IV".

18. Article V of the Supplemental Declaration is hereby amended to add a new Section 5 to read as follows:

Section 5. Phase II Roadway. Declarant reserves unto itself and its successors and assigns and grants to the Association for the common use, benefit and enjoyment of the Phase II Promontory Lot Owners a non-exclusive easement for the purposes of (1) providing ingress, egress and access over the Phase II Roadway to and from the Promontory Lots; (2) for the construction, maintenance and repair of a paved roadway to serve the Phase II Promontory Lots; and (3) for the installation, maintenance and repair of utilities and drainage facilities. Declarant shall

construct and the Association shall maintain and repair a paved roadway over and across the Phase II Roadway. Any portion of the Phase II Roadway that is not paved shall be maintained by the Owner of the Phase II Promontory Lot over which such unpaved portion of the Phase II Roadway is located.

To the extent that the Phase II Roadway has not been dedicated to the use and enjoyment of the public sufficient to provide access to a Phase II Promontory Lot, each Phase II Promontory Lot shall be conveyed with (and each Phase II Promontory Lot Owner is hereby conveyed) a perpetual, nonexclusive easement and right to use the Phase II Roadway for the purpose of providing access to and from each Phase II Promontory Lot. In the event of dedication and acceptance of the Phase II Roadway, such easement and right shall terminate with respect thereto.

19. Article V of the Supplemental Declaration is hereby amended to add a new Section 6 to read as follows:

Section 6. Septic Easement. A non-exclusive easement for the purpose of providing septic service and for use as a septic drainage field (the "Septic Easement") is hereby reserved to Declarant, and granted to the Owner of Lot 20 in Phase II, over, across and under that portion of the Common Area located adjacent to the Phase II Well Lot and shown and described on the Phase II Map as "Septic Tank Only for Lot 20" (the "Septic Lot"). The Septic Easement shall be an appurtenance to and run with the title to said Lot 20. Any deed, deed of trust, mortgage, transfer or other conveyance of said Lot 20 shall also transfer or convey the Septic Easement, even if not expressly included therein.

The Septic Easement herein reserved and granted shall include the right to construct, install, excavate, dig, build, maintain, operate, remove and reinstall a septic system and equipment in and upon the Septic Lot, and to clear (and continue to clear as necessary) all trees, brush and other plants and to remove all rocks if necessary for the proper construction, installation and maintenance of said system, all at the sole expense of the Owner of said Lot 20; provided, however, that if the need to repair said septic system is caused by the negligent or willful act of the Association, its successors and assigns, their agents, employees, members, invitees or licensees, then the cost to repair shall be borne by the Association or its successors and assigns. Except for damage caused by the negligent or willful act of the Association, its successors and assigns,

their agents, employees, members, invitees or licensees as provided above, the Owner of said Lot 20 shall promptly and reasonably restore any portion of the surface of the Septic Lot (but not trees, brush or other plants, except grass) disturbed by the installation or maintenance of said septic system. Should the Owner of said Lot 20 fail to so restore the surface of the Septic Lot, in the sole judgment of the Board of Directors, then the Board of Directors shall have the power to specially assess such Owner for the cost of said restoration in accordance with Article VIII, Section 2 of the Declaration.

In addition to the above-described rights, the Owner of said Lot 20, its agents, independent contractors, successors and assigns, shall have the right of ingress, egress and regress over and across the Septic Lot in order to construct, install and maintain a septic system, as described above.

The Owner of said Lot 20 shall be responsible for obtaining all necessary environmental permits and other permits for the installation and use of said septic system and shall hold the Association, its successors and assigns, harmless from any loss, damage or liability relating thereto, except to the extent that such loss, damage or liability results from the negligent or willful act of the Association, its successors and assigns, their agents, employees, members, invitees, or licensees. Prior to the installation of a septic system on the Septic Lot, the Owner of said Lot 20 shall have the proposed location of such septic system staked and approved by the appropriate governmental authorities, and such septic system shall be approved by, and constructed and maintained in accordance with all regulations and requirements of all governmental authorities and regulatory agencies having jurisdiction thereover.

The Association shall hold fee simple title to the Septic Lot subject to the Septic Easement. For so long as the Subdivision is not serviced by a public or private sewer line, no fence, building or improvement of any kind shall be constructed on the Septic Lot, and no use shall be made of the Septic Lot which is inconsistent with or may interfere in any way with the use of the Septic Lot for septic purposes. For so long as the Subdivision is not serviced by a public or private sewer line, the Association shall not transfer, mortgage, pledge, encumber or otherwise convey the Septic Lot or any portion thereof to any other party.

The Septic Easement hereby granted and reserved shall run with the title to said Lot 20 and shall be in full force and effect until such time as the Subdivision is serviced by a public or private sewer line fully servicing said Lot 20, such that there is no need for a septic system servicing said Lot 20. At such time as said Lot 20 is connected to a public or private sewer line and is fully serviced thereby, then the Septic Easement reserved and granted hereby shall terminate and shall thereafter be null and void and of no further force and effect.

Except as expressly amended hereby, the Declaration and the Supplemental Declaration shall remain unchanged and in full force and effect.

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:

Ronald M. Bes
Vice President

STATE OF NORTH CAROLINA

COUNTY OF BURKE

This 20th day of December, 1990, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came, Ronald M. Bost, 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 Ronald M. Bost acknowledged said instrument to be the act and deed of said corporation.

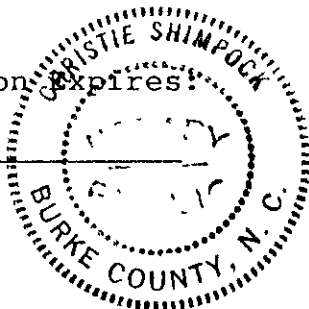
WITNESS my hand and notarial seal the day and year first above written.

Christie Shimpock (Byff)
Notary Public

My Commission Expires:

07/12/93

[SEAL]



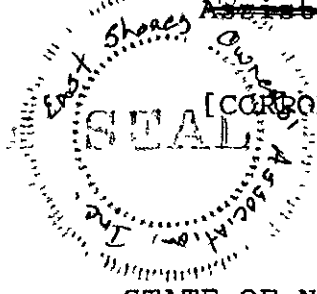
EAST SHORES OWNERS' ASSOCIATION, INC. hereby joins in the execution of this Amendment to evidence its acknowledgement and consent hereto.

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

ATTEST:

By: Sharon C. Anderson
Assistant Secretary

By: [Signature]
President



[CORPORATE SEAL]

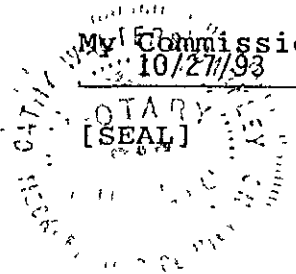
STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 20th day of December, 1990, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came, Stephen M. Schreiner, who, being duly sworn, says that he is President of EAST SHORES OWNERS' ASSOCIATION, INC., a North Carolina 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 Stephen M. Schreiner 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.

Cathy Walters Berkey
Notary Public



My Commission Expires: 10/27/93

[SEAL]

55:be/2011

STATE OF NORTH CAROLINA--BURKE COUNTY

The foregoing certificate of Christie Humpack (Buy) N.P. and Cathy Walters Berkey, N.P. of said county is adjudged

to be correct. Let the instrument with its certificates, be registered.

This 21 day of Dec, 1990

Louise Anderson Register of Deeds
by Alma Gates Deputy