

SECOND SUPPLEMENTAL DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR EAST SHORES III

THIS SECOND SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR EAST SHORES III (the "Second Supplemental Declaration") is made and entered into this 18th day of September, 1992 by Crescent Resources, Inc., a South Carolina corporation ("Declarant").

W I T N E S S E T H:

WHEREAS, Declarant has previously filed the Declaration of Covenants, Conditions and Restrictions: East Shores dated September 14, 1990 and recorded in Book 771, Page 364, Burke County Public Registry as supplemented by that certain Supplemental Declaration of Covenants, Conditions and Restrictions: 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 and recorded in Book 777, Page 1862, Burke County Public Registry (collectively referred to hereinafter as the "Declaration").

WHEREAS, pursuant to Article II, Section 2 of the Declaration Declarant may cause additional property made subject to the terms and scheme of the Declaration by filing a Supplemental Declaration in Burke County Public Registry.

WHEREAS, Declarant desires to cause that certain property located in Burke County, North Carolina and more particularly on that certain map of East Shores III Subdivision, recorded in Map Book 10, Page 143 of the Burke County Public Registry (the "Phase III Property" or "Phase III") to be made subject to the terms and scheme of the Declaration.

NOW, THEREFORE, Declarant, by this Second Supplemental Declaration, hereby declares that (subject to certain rights of amendment, as set forth in the Declaration) all of the Phase

DRAWN BY AND MAIL TO

Woodard E Farmer, Jr
Parker, Poe, Adams & Bernstein
2600 Charlotte Plaza
Charlotte, NC 28244

FILED
LOUISE ANDERSON
Book 801 Page 342
'92 DEC 17 110:18
Louise Anderson
RE: 1710101 DEED
BURKE CO. N.C.

III Property is and shall be held, sold, conveyed and occupied subject to the Declaration and the easements, covenants, conditions, restrictions, charges and liens set forth therein and in this Second Supplemental Declaration, all of which shall run with the title to the Phase III Property and be binding upon and inure to the benefit of all parties having or acquiring any right, title or interest in and to the Phase III Property, or any part thereof, their heirs, successors and assigns, subject to the following additional terms and conditions:

ARTICLE I

DEFINITIONS

Section 1. "Access Easement" as defined in the Declaration shall be deemed to include the Club Area Access Easement as defined in this Second Supplemental Declaration.

Section 2. "Additional Property" as defined in the Declaration shall be deemed to include the Phase III Property.

Section 3. "Boatslips" as defined in the Declaration shall be deemed to include the Phase III Boatslips as defined in this Second Supplemental Declaration.

Section 4. "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 5. "Club Area" shall mean and refer to those areas upon which the Club is located and which is 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 Easement as shown on the Phase III Map.

Section 6. "Club Area Access Easement" shall mean and refer to the easement area for pedestrian ingress and egress, drainage and utilities reserved and granted by Declarant in Article VIII, Section 4 of this Second Supplemental Declaration over portions of the Club Area, as well as signs, lighting and other improvements located thereon. The Club Area Access Easement shall be for the common use, benefit and enjoyment of the Owners of Club Lots, the Non-Waterfront Lot Owners in Phase III and any other Lots designated by Declarant in a Supplemental Declaration or in an Amendment to the Declaration, to provide access to and from the Phase III Pier and the Phase III Boatslips.

Section 7. "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 Boatslip and reserved for the exclusive use of Owners of Club Lots.

Section 8. "Club Lot" shall mean and refer to all of the Phase III Lots and any Lots hereafter designated as Club Lots by Declarant in any Supplemental Declaration or in any Amendment to the Declaration.

Section 9. "Common Area" or "Common Areas" as defined in the Declaration shall be deemed to include the Club Area and any other property shown and designated on the Phase III Map as "Common Area"; provided that only the Owners of Phase III Promontory Lots shall be entitled to the use, benefit and enjoyment of the Phase III Roadways; and provided further that only the Owners of the Club Lots shall be entitled to the use, benefit and enjoyment of the Club Area.

Section 10. "Entrance Monuments" as defined in the Declaration shall be deemed to include the easement areas located on the Common Area and the Club Area as shown and designated as "Sign Easement" on the Phase III Map.

Section 11. "Frontage Fence" as defined in the Declaration shall be deemed to include the easement areas located on the Common Area and the Club Area as shown and designated as "Frontage Easement" on the Phase III Map.

Section 12. "Lot" or "Lots" as defined in the Declaration shall be deemed to include the separately numbered parcels depicted on the Phase III Map, which Lots do not include the Common Areas.

Section 13. "Map" as defined in the Declaration shall be deemed to include the Phase III Map as defined in this Second Supplemental Declaration.

Section 14. "Non-Waterfront Lots" as defined in the Declaration shall be deemed to include Lots 1 and 17 as shown on the Phase III Map.

Section 15. "Phase III Boatslips" shall mean and refer to those certain three (3) Boatslips located within the Phase III Pier, which are designated as Boatslips 1 through 3 on Exhibit A attached hereto and incorporated herein by reference together with any additional boatslips which may be hereafter added by Declarant in any Supplemental Declaration or in any Amendment to the Declaration.

Section 16. "Phase III Map" shall mean and refer to the map entitled "East Shores III", recorded in Map Book 10, Page 143 in the Burke County Public Registry and any revisions or rerecordings of the Phase III Map recorded by Declarant from time to time in the Burke County Public Registry.

Section 17. "Phase III Pier" shall mean and refer to that certain pier or piers containing the Phase III Boatslips, constructed over the waters of Lake James, which Phase III Pier adjoins the Development at the terminus of the Club Area Access Easement as shown on Exhibit A attached hereto and incorporated herein by reference. The Phase III Pier shall be governed and maintained in accordance with the terms of Article IV, Section 8 of the Declaration.

Section 18. "Phase III Promontory Lots" shall mean and refer to Lots 4 through 8 (inclusive) and Lots 14 through 16 (inclusive) as shown on the Phase III Map.

Section 19. "Phase III Roadways" shall mean and refer to the two (2) private roads designated as "Roadway Easement for Ingress and Egress" and the areas designated as "Promontory Road Turn Around" adjoining the Phase III Promontory Lots, one (1) road adjoining Lots 3 through 9 (inclusive) and one (1) road adjoining Lots 13 through 16 (inclusive) all as shown on the Phase III Map, which will be maintained by the Association as set forth in this Second Supplemental Declaration.

Section 20. "Promontory Lots" as defined in the Declaration shall be deemed to include the Phase III Promontory Lots as defined in this Second Supplemental Declaration.

Section 21. "Property" as defined in the Declaration shall be deemed to include the property shown on the Phase III Map, exclusive of the public rights-of-way shown on the Phase III Map.

Section 22. "Public Roads" as defined in the Declaration shall be deemed to include all roads and cul-de-sacs shown on the Phase III Map except the Phase III Roadways.

Section 23. "Roadway" as defined in the Declaration shall be deemed to include the Phase III Roadways as defined in this Second Supplemental Declaration.

Section 24. "Septic Easement" shall mean and refer to the easements for septic service and for use as a septic drainage field over, across and under that portion of the Common Area as provided in Article IX hereof.

Section 25. "Septic Lot" shall mean and refer to the lot to which a Septic Easement is appurtenant as provided in Article IX hereof.

Section 26. "Waterfront Lots" as defined in the Declaration shall be deemed to include Lots 2 through 16, all as shown on the Phase III Map.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Rights to Use and Enjoy Common Areas. Each Owner shall have the non-exclusive easement and right to use and enjoy the Common Areas which shall be appurtenant to and shall pass with the title to such Owner's Lot; provided that the Club Area may be used only by the Owners of Club Lots and the Phase III Boatslips may be used only by the Owners specifically entitled thereto under this Second Supplemental Declaration.

ARTICLE III

THE ASSOCIATION - THE CLUB AREA

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 this 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 of this 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 this 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 this 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 this Second Supplemental Declaration. The Club Area may only be used by Owners of Club Lots, their families, guests and invitees.

ARTICLE IV

COVENANT FOR PHASE III BOATSLIP AND SPECIAL PHASE III BOATSLIP ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Phase III Boatslip and Special Phase III Boatslip Assessments. The Declarant, for Non-Waterfront Lots in Phase III and the Club Area, hereby covenants, and each Owner of any Non-Waterfront Lot within Phase III by acceptance of a deed therefor and the Club by acceptance of a deed for the Club Area, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association, in addition to the Annual and Special Assessments provided for in the Declaration, Phase III Boatslip Assessments and Special Phase III Boatslip Assessments, as hereinafter defined, for maintenance and repair costs of the Phase III Pier and the Phase III Boatslips, 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 Non-Waterfront Lot and the Club against which each such assessment or charge is made and upon the right to use the Phase III Pier and the Phase III Boatslips appurtenant to such Non-Waterfront Lot and the Club. Each such assessment or charge, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Non-Waterfront 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. Declarant shall have the right by Supplemental Declaration or an Amendment to the Declaration to add additional boatslips to the Phase III Boatslips and to designate the parties entitled to the use thereof.

Section 2. Purpose of Phase III Boatlip Assessments.

The assessments to be levied annually by the Association against each Non-Waterfront Lot within Phase III and the Club, including any supplemental Phase III Boatslip Assessments as hereafter provided, (the "Phase III Boatslip Assessments") shall be used as follows:

- (a) to maintain, repair and reconstruct, when necessary, the Phase III Pier, and Phase III Boatslips, including all lighting and other fixtures, poles, wires, railings and other facilities located thereon;
- (b) to provide and pay for lighting of the Phase III Pier and the Phase III Boatslips, to the extent necessary for the safety and enjoyment of the users thereof;
- (c) to keep the Phase III Pier and the Phase III Boatslips clean and free from debris, to maintain same in a clean and orderly condition;
- (d) to pay all ad valorem taxes levied against the Phase III Pier and the Phase III Boatslips and any other property owned by the Association in connection therewith and with the Phase III Property;
- (e) to pay all lease payments, if applicable, to Duke Power Company for the lease of the land on which the Phase III Pier and Phase III Boatslips are located;
- (f) to pay the premiums on all insurance carried by the Association in connection with the Phase III Pier and the Phase III Boatslips pursuant hereto or pursuant to the Bylaws including any prorata portion of insurance carried by the Association on the Phase III Pier and the Phase III Boatslips as part of a policy insuring other property owned by the Association;
- (g) 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 Phase III Pier and the Phase III Boatslips; and
- (h) to maintain a contingency reserve equal to 10% of the sum of the amounts described in subsections (a) through (c) above for the purposes set forth in Article IV, Section 7 of the Declaration.

Section 3. Payment of Phase III Boatslip Assessments; Due Dates. The Phase III Boatslip Assessments provided for herein shall commence as to each Non-Waterfront Lot and the Club on July 1, 1993. The Boatslip Assessments for the fiscal year beginning July 1, 1993 shall be Three Hundred Seventy Five Dollars (\$375.00) per Non-Waterfront Lot within Phase III and

the Club, 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. The Phase III Boatslip 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 II, 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 Phase III Boatslip Assessments 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 Phase III Boatslip Assessments, as well as the amount of the first installment due, to each such Non-Waterfront Lot Owner and the Club on or before July 1 of such fiscal year. In addition, the Association shall send written notice that the second Phase III Boatslip Assessment installment is due and the amount of such installment to each such Non-Waterfront Lot Owner and the Club 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 parties responsible for the payment therefor of their liability for Phase III Boatslip Assessments.

Section 4. Maximum Phase III Boatslip Assessments.

(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 Phase III Boatslip Assessments each year by a maximum amount equal to the previous year's Phase III Boatslip 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 Phase III Boatslip Assessments for any fiscal year are not increased by the maximum amount permitted under the terms of this provision, the difference between any actual increase which is made and the maximum increase permitted for such fiscal year shall be computed and the Phase III Boatslip 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 Phase III Boatslip 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 Non-Waterfront Lots within Phase III and the Club (which shall have one (1) vote for each boatslip designated for the exclusive use of Owners of Club Lots), taken at a duly held meeting of such Members in accordance with the Bylaws.

(c) The Board of Directors may fix the Phase III Boatslip Assessments at an amount not in excess of the maximum set forth in subparagraph (a) above in this Article IV, Section 4 (the "Maximum Phase III Boatslip Assessment"). If the Board of Directors shall levy less than the Maximum Phase III Boatslip Assessment for any fiscal year and thereafter, during such fiscal year, determine that the important and essential functions of the Association as to the Phase III Pier and the Phase III Boatslips cannot be funded by such lesser assessment, the Board of Directors may, by a vote in accordance with the Bylaws, levy a supplemental Phase III Boatslip Assessment. Any supplemental Phase III Boatslip Assessment shall be due and payable on or before sixty (60) days after notice thereof is given to the parties responsible for the payment therefor. In no event shall the sum of the Phase III Boatslip Assessments and the supplemental Phase III Boatslip Assessment for any year exceed the applicable Maximum Phase III Boatslip Assessment for such year.

Section 5. Special Assessments for Phase III Boatslip Improvements. In addition to the Phase III Boatslip Assessments authorized above, the Association may levy, in any fiscal year, a special Phase III Boatslip Assessment (the "Special Phase III Boatslip Assessment") applicable to that fiscal year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Phase III Pier and the Phase III Boatslips and any capital improvement located thereon, including lighting and other fixtures, poles, wires, railings 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 Non-Waterfront Lots within Phase III and the Club (which shall have one (1) vote for each boatslip designated for the exclusive use of Owners of Club Lots), taken at a duly held meeting of such Members in accordance with the Bylaws, and further providing that any such Special Phase III Boatslip Assessment may be levied only against the Owners of Non-Waterfront Lots within Phase III and the Club. Any vote on behalf of the Club shall be made by the Board of Directors. Any Special Phase III Boatslip Assessment shall be due and payable on or before sixty (60) days after notice thereof is given to the parties responsible for the payment therefor.

Section 6. Assessment Rate. Both Phase III Boatslip Assessments and Special Phase III Boatslip Assessments must be fixed at a uniform rate for all Non-Waterfront Lots within

Phase III and the Club. The Club shall be assessed the Phase III Boatslip Assessment and Special Phase III Boatslip assessments based on the number of Phase III Boatslips designated for the exclusive use of the Owners of Club Lots.

ARTICLE V

COVENANT FOR PHASE III PROMONTORY ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Phase III Promontory Assessments. The Declarant, for each Phase III Promontory Lot owned within the Property, hereby covenants, and notwithstanding anything contained in the Declaration or this Second Supplemental Declaration to the contrary, each Owner of any Phase III Promontory Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association, in addition to the Annual and Special Assessments provided for in the Declaration, Phase III Promontory Assessments, as hereinafter defined, for maintenance and repair costs of the Phase III Roadway to which such Phase III Promontory Lot abuts, 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 Phase III Promontory Lot against which each such assessment or charge is made. Each such assessment or charge, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Phase III Promontory Lot 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 Phase III Promontory Assessments. The assessments to be levied by the Association against each Phase III Promontory Lot (the "Phase III Promontory Assessments") shall be used as follows:

- (a) to maintain, repair and reconstruct, when necessary, the Phase III Roadway to which such Phase III Promontory Lot abuts to the standard of maintenance (if one is ascertainable) which would be required by the State of North Carolina Department of Transportation before it would accept such Phase III Roadway for maintenance; provided, however, such standards shall not affect the width of the Phase III Roadways;
- (b) to maintain any and all drainage pipes, inlets, basins, ditches, swales and other facilities installed within the Phase III Roadway to which such Phase III Promontory Lot abuts;

- (c) to keep the Phase III Roadways clean and free from debris and to maintain same in a clean and orderly condition; and
- (d) 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 Phase III Roadways.

Notwithstanding anything to the contrary contained in the Declaration, no contingency reserve or reserve fund for the Phase III Promontory Lots shall be maintained by the Association.

Section 3. Payment of Phase III Promontory Assessments; Due Dates.

(a) The Phase III Promontory Assessments provided for herein shall be incurred as to each Phase III Promontory Lot affected on the earlier to occur of the following:

- (1) a written request for Phase III Promontory Assessments signed by a majority of the Phase III Promontory Lot Owners abutting the Phase III Roadway thus affected; or
- (2) a written request for Phase III Promontory Assessments signed by one (1) Phase III Promontory Lot Owner abutting such Phase III Roadway and a determination by the Board of Directors that such request for assessments is necessary for the maintenance and repair of such Phase III Roadway; or
- (3) a determination by the Board of Directors that maintenance and repairs are necessary for either or both of the Phase III Roadways.

(b) The Phase III Promontory Assessments shall be in an amount as set by the Board of Directors. The Phase III Promontory Assessments thereafter shall be incurred only upon the occurrence of an event in subparagraph (a) above, in an amount set by the Board of Directors. Any such Phase III Promontory Assessments shall be due and payable in one (1) installment, such installment being due and payable no later than thirty (30) days after the Association's written notice as provided below. The Board of Directors shall fix and send written notice of the amount of the Phase III Promontory Assessment as to each Phase III Promontory Lot affected. Failure of the Association to send the notice described in this Section 3 shall not relieve the Owners affected of their liability for Phase III Promontory Assessments.

Section 4. Phase III Promontory Assessment Rate. The Phase III Promontory Assessments must be fixed at a uniform rate for all Phase III Promontory Lots abutting the Phase III Roadway assessed for repairs and maintenance expenses.

ARTICLE VI

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 cabana, the club parking area, the Phase III Access Easement, the erection and maintenance of signage, planters, irrigation, lighting, landscaping, fixtures, poles, wires, 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 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 (½) of which amount shall be due and payable no later than July 31, 1993 and the remaining one-half (½) of which amount shall be due and payable no later than January 31, 1994. 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 (½) 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 VII

GENERAL ASSESSMENT PROVISIONS

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

Any:

- (i) Phase III Boatslip Assessment installment not paid by its due date as set forth in Article IV, Section 3 of this Second Supplemental Declaration or any supplemental Phase III Boatslip Assessment or any Special Phase III Boatslip Assessment not paid by its due date; or
- (ii) Phase III Promontory Assessment not paid by its due date; or
- (iii) Club Assessment or Special Club Assessment installment not paid by its due date as set forth in Article VI, Section 3, of this Second Supplemental Declaration, supplemental Club Assessment or Special Club Assessment not paid by its due date;

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 Owner's Lot 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 Phase III Boatslip Assessment installment or any Special Phase III Boatslip 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 boatslip designated for Owner's exclusive use in the Phase III Boatslips until any such assessments are paid current and in the event the Owner fails to cease using such boatslip, 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. 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 right 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 Owner may waive or otherwise escape liability for the assessments provided for herein by not using the Club Area, Phase III Boatslip or Phase III Roadway, as the case may be, or by abandoning his Club Lot, Non-Waterfront Lot or Promontory Lot, as applicable.

Section 2. Subordination of the Lien to Mortgages. The lien of the Phase III Boatslip Assessment, Special Phase III Boatslip Assessment, Phase III Promontory Assessments, Club Assessments and Special Club Assessments provided for in this 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. The 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 Phase III Boatslip Assessment, Special Phase III Boatslip Assessment, Phase III Promontory Assessment, Club Assessment or Special Club Assessment, as applicable, collectable pro rata from all Non-Waterfront Lots in Phase III, Phase III Promontory Lots or Club Lot Owners, as the case may be, including the foreclosure sale purchaser. Such pro rata portions shall be payable by all Non-Waterfront Lot Owners in Phase III, Phase III Promontory

Lot Owners or Club Lot Owners, as applicable, notwithstanding the fact that such pro rata portions may cause the Assessment to be in excess of the Maximum 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 VIII

RESTRICTIONS; RESERVATIONS AND EASEMENTS

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. Boat Ramps. No boat ramps of any kind shall be permitted on any Lot, and no boat shall be placed in (or removed from) the waters of Lake James from any Lot; provided, however, small watercraft such as canoes, dinghys, and jetskis may be launched from any Lot if launched without a ramp. All other watercraft shall be launched at public boat ramps outside of the East Shores Subdivision.

Section 3. Fences in Club Area. Notwithstanding any provisions in the Declaration to the contrary, chain link or other metal fencing may be installed in the Club Area around the swimming pool and cabana and as otherwise required by any applicable laws or regulations.

Section 4. 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 and Non-Waterfront Lot Owners within Phase III and any other Non-Waterfront Lot Owners hereafter designated by Declarant in a Supplemental Declaration or an Amendment to the Declaration, a non-exclusive easement for pedestrian ingress and egress (the "Club Area Access Easement"), over the 0.912 acre portion of the Club Area adjacent to Lake James as shown on the Phase III Map. The Club Area Access Easement shall be used to provide access to the Phase III Pier and Phase III Boatslips for Owners of Club Lots and for Owners of the Non-Waterfront Lot in Phase III and any other Non-Waterfront Lot Owners hereafter designated by Declarants in any Supplemental Declaration or in an Amendment to the Declaration, and for irrigation, landscaping, lighting, and other improvements incidental thereto. Declarant also reserves over the Club Area Access Easement a non-exclusive 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.

Section 5. Phase III Roadways. Declarant reserves unto itself and its successors and assigns and grants to the Association for the common use, benefit and enjoyment of the Phase III Promontory Lot Owners which abut it, a non-exclusive easement for the purposes of: (1) providing ingress, egress and access over the Phase III Roadway to and from the Phase III Promontory Lots to which such Phase III Roadway abuts; (2) for the construction, maintenance and repair in accordance with Article V of this Second Supplemental Declaration of paved roadways to serve the Phase III 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 paved roadways over and across the Phase III Roadways. Any portion of the Phase III Roadways that are not paved shall be maintained by the Owner of the Phase III Promontory Lot over which such unpaved portion of the Phase III Roadway is located.

To the extent that the Phase III Roadways have not been dedicated to the use and enjoyment of the public sufficient to provide access to a Phase III Promontory Lot, each Phase III Promontory Lot shall be conveyed with (and each Phase III Promontory Lot Owner is hereby conveyed) a perpetual, non-exclusive easement and right to use the Phase III Roadway to which its Phase III Promontory Lot abuts for the purpose of providing access to and from each Phase III Promontory Lot. In the event of public dedication and acceptance for public maintenance of the Phase III Roadways, such easement and right shall terminate with respect thereto.

The Owner of Lot 16 as shown on the Phase III Map shall not, without the prior written consent of Declarant, construct or use a driveway for access, ingress or regress onto the cul-de-sac upon which such Lot fronts, instead, unless the Declarant shall have agreed otherwise in writing, the Owner of such Lot 16 shall use the Phase III Roadway abutting such Lot 16 as the sole and exclusive means of access, ingress and regress to and from such cul-de-sac.

The Owners of Lots 3, 9 and 13 as shown on the Phase III Map shall not, without the prior written consent of Declarant, utilize the Phase III Roadway abutting any such Lot as a means of access, ingress or regress to and from such Lot to the cul-de-sac on which such Lot fronts.

ARTICLE IX

SEPTIC EASEMENT; DECLARANT'S OPTION TO PURCHASE COMMON AREA SUBJECT TO SEPTIC EASEMENT

Section 1. 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 Owners of the Lots hereinafter specified and the Club as such Lots and the Club Area are shown on the Phase III Map (the "Septic Lots" or "Septic Lot"), over, across and under that portion of the Common Area shown and described on the Phase III Map as follows:

<u>Septic Lots</u>	<u>Septic Easement</u>
20 (Phase II)	Area described as Septic Easement for Lot 20 on the Phase II Map.
6	Area described as Septic Easement for Lot 6 on the Phase III Map.
7	Area described as Septic Easement for Lot 7 on the Phase III Map.
8	Area described as Septic Easement for Lot 8 on the Phase III Map.
14	Area described as Septic Easement for Lot 14 on the Phase III Map.
15	Area described as Septic Easement for Lot 15 on the Phase III Map.
Club Area	Area described as Septic Easement for Club Area on the Phase III Map.

The Septic Easement shall be an appurtenance to and run with the title to the Septic Lot for which it is specified on the Phase III Map. Any deed, deed of trust, mortgage, transfer or other conveyance of any of the Septic Lots shall also transfer or convey the Septic Easements appurtenant thereto, even if not expressly included.

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 the Septic Lot to which the Septic Easement is Appurtenant; 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 the Septic Lot shall promptly and reasonably restore any portion of the surface of the Septic Easement appurtenant thereto (but not trees, brush or other plants, except grass) disturbed by the installation or maintenance of said septic system. Should the Owner of Septic Lot fail to so restore the surface of the Septic Easement appurtenant thereto, 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 the Septic Lot, to which the Septic Easement is appurtenant, its agents, independent contractors, successors and assigns, shall have the right of ingress, egress and regress over and across the Septic Easement in order to construct, install and maintain a septic system, as described above.

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

The Septic Easements hereby granted and reserved shall run with the title to the Septic Lot to which the Septic Easement is appurtenant 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 the Septic Lot or Lots, such that there is no need for a septic system servicing any such septic Lot or Lots. At such time as each Septic Lot is connected to a public or private sewer line and is fully connected to a public or private sewer line and is fully serviced thereby, then the Septic Easement reserved and granted hereby as an appurtenance to such Septic Lot shall terminate and shall thereafter be null and void and of no further force and effect.

Section 2. Declarant's Option to Purchase Common Area Subject to the Septic Easements. Declarant herein reserves and grants unto itself, its successors in interest and assigns, the exclusive right and option (the "Option") to repurchase any or all of the Common Area subject to the Septic Easements (the "Option Property"). The terms and conditions of this Option are as follows:

(A). Term. The Option Property is subject to the Septic Easements reserved and granted over, across and under the Option Property to the Owners of the Septic Lots to which such Septic Easements are appurtenant as set forth herein and as designated and shown on the Phase III Map. This Option shall become effective with respect to each portion of the Option Property on the date (the "Effective Date") that public or private sewer service is available to the Septic Lot to which such Septic Easement is appurtenant and either: (i) the Owner of such Septic Lot or any public or private utility, or governmental agency or any similar party has connected any residence or the Club on such Septic Lot to such public or private sewer line or: (ii) the Declarant has, at Declarant's cost and expense, connected any residence or the Club on such Septic Lot to such public or private sewer line. Declarant hereby reserves and grants unto itself, its successors in interest, and assigns, an non-exclusive easement for the purpose of connecting any residence or the Club on such a Septic Lot to any public or private sewer line providing service to such Septic Lot, including such access across the Septic Lot and the right to install any pipes and apparatus as may be necessary to connect any such residence or the Club to such sewer line. Notwithstanding the above, this Option shall vest in Declarant and become effective no later than the day before the date of death of the youngest lineal descendant now living of Woodard E. Farmer, Jr., Stephen M. Schreiner or Gilbert D. Stephenson, Jr., plus 21 years. Upon taking effect, this Option shall exist and continue with respect to each portion of the Option Property until 5:00 o'clock P.M. on the date thirty (30) years from the date this Option becomes effective with respect to each portion of the Option Property.

(B). Exercise. Grantor may, at any time after the Effective Date and during the option period, exercise this Option by giving written notice to the Association, deposited in the U.S. mail, certified or registered mail, return receipt requested, addressed to the Association at the address of its registered agent. Notwithstanding the date and time of the expiration of this Option set forth in Paragraph (A) hereof, Grantor shall have at least thirty (30) days in which to exercise this Option in the event that the Effective Date occurs less than thirty (30) days prior to the expiration date of this Option.

(C). Purchase Price. The purchase price for the purchase

of each portion of the Option Property pursuant to this Option shall be One Dollar (\$1.00), payable in cash at closing.

(D). Closing. The closing of the purchase of each portion of the Option Property pursuant to this Option shall take place no later than thirty (30) days from the Association's receipt of the above-described written notice of exercise of this Option, at a place and time designated by Declarant. Declarant shall furnish to the Association at closing a general warranty deed conveying fee simple marketable title to the respective portion of the Option Property, free of all encumbrances except ad valorem taxes for the current year (prorated to the date of closing), easements and restrictions of record as of the date hereof and such other encumbrances as may be assumed or specifically approved by Declarant. Declarant shall pay for all closing costs and expenses, including preparation of the deed, the excise tax (revenue stamps) required by law and the cost of recording the deed. The Association shall furnish Declarant at closing with an affidavit and indemnification agreement, in form satisfactory to Declarant, showing that all labor and materials, if any, furnished to the respective portion of the Option Property within 120 days prior to the date of closing have been paid for and agreeing to indemnify Declarant against all loss from any cause or claim arising therefrom.

(E). Parties. This Option shall be binding upon and shall inure to the benefit of Declarant and the Association, their successors in interest and assigns.

ARTICLE X

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 Club Lot Owners and/or the Non-Waterfront Lot Owners in Phase III, as applicable pursuant to this Second Supplemental Declaration.

ARTICLE XI

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 each Phase III Roadway shall be held in trust by the Board of Directors for the Owners of the Phase III Promontory Lots which abut such Phase III Roadway condemned

and their Mortgagees according to the loss or damages to their respective interests in such Phase III Roadway. 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 the 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 and the Phase III Boatslips.

ARTICLE XII

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 amendment affecting the Phase III Roadways must be approved by a vote of no less than two-thirds (2/3) of all votes entitled to be cast by Phase III Promontory Lot Owners. Any amendment affecting the Phase III Pier and the Phase III Boatslips must be approved by a vote of no less than two-thirds (2/3) of all votes entitled to be cast by Non-Waterfront Lot Owners in Phase III and such other Non-Waterfront Lot Owners as may be designated by Declarant in a Supplemental Declaration and the Club. Any such amendment shall not become effective until the instrument evidencing such change has been filed of record.

ARTICLE XII

MISCELLANEOUS

All capitalized terms not otherwise defined in this Second Supplemental Declaration shall have the same meaning as in the Declaration. Except as amended or modified hereby to reflect specific differences in character of the Phase III Property, all covenants, conditions, restrictions and easements established by and contained in the Declaration shall remain in full force and effect and apply to the Phase III Property and the Lots in Phase III.

Without limiting the foregoing, the Declarant, for each Lot in Phase III, hereby covenants, and each Owner of a Lot in Phase III 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 the Annual Assessments and Special Assessments, as defined in the Declaration and such Annual Assessments and Special Assessments shall be established and collected as provided in the Declaration.

IN WITNESS WHEREOF, Declarant has caused this Second
Supplemental Declaration to be executed under seal effective
the day and year first above written.

ATTEST:

Ethelene G. Williams
Assistant Secretary

CRESCENT RESOURCES, INC., a South
Carolina corporation

By: *Sharon C. Arrowood*,
Title: *Vice President*

[CORPORATE SEAL]

STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

I, Sharon C. Arrowood, a Notary Public of the
County and State aforesaid, certify that Ethelene G. Williams,
personally came before me on this day and acknowledged that
he/she is Assistant Secretary of Crescent Resources, Inc., a
South 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 Vice President, sealed with its
corporate seal and attested by himself/herself as
its Assistant Secretary.

WITNESS my hand and official stamp or seal, this 18th day
of September, 1992.

Sharon C. Arrowood
Notary Public

My Commission Expires:
01/10/13/93

[NOTARY SEAL]

STATE OF NORTH CAROLINA-BURKE COUNTY

The foregoing certificate of Sharon C. Arrowood
N.C. Notary Public of said county is adjudged

to be correct. Let the instrument with its certificates, be regis-
tered. This 17 day of Dec 19 92

*Elizabeth J. Cooper, Ass't
LOUISE ANDERSON, Register of Deeds*

BEH:402

EXHIBIT A
to
SECOND SUPPLEMENTAL DECLARATION
OF CONVENTIONS, CONDITIONS AND RESTRICTIONS
FOR EAST SHORES III

FUTURE BOATSLIP LAYOUT SUBJECT TO CHANGE

