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SACRAMENTO COUNTY, CALIF.

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS**

FOR

OAK PARK

Prepared by and after recording mail to:
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CONDITIONS AND RESTRICTIONS
FOR OAK PARK

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**DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
OAK PARK**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS is made this ^{5th} day of ~~December~~, 1994 by LANDCRAFT PROPERTIES, INC., a North Carolina corporation ("LandCraft"), THE RYLAND GROUP, INC., a Maryland Corporation ("Ryland"), EASTWOOD CONSTRUCTION CO., INC., a North Carolina corporation ("Eastwood") and WILLIAM TROTTER COMPANY, a North Carolina corporation ("Trotter").

STATEMENT OF PURPOSE

LandCraft is the owner of certain property in Cabarrus County, North Carolina, which is more particularly described on Exhibit "A" attached hereto and incorporated herein by reference with the exception of certain portions thereof conveyed to Ryland, Eastwood and Trotter for construction of model homes thereon. LandCraft desires to create on the property described on Exhibit A an exclusive residential community of single-family residences to be named OAK PARK (the "Development").

LandCraft desires to insure the attractiveness of the Development, to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of all properties within the Development, and to provide for the maintenance and upkeep of all common areas in the Development. To this end LandCraft desires to subject the real property described herein, together with such additions as may hereafter be made thereto, to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof.

LandCraft further desires to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the common area in the Development, administering and enforcing the covenants and restrictions contained herein, and collecting and disbursing the assessments and charges hereinafter created, in order to efficiently preserve, protect and enhance the values and amenities in the Development, to insure the residents' enjoyment of the specific rights, privileges and easements in the common area and to provide for the maintenance and upkeep of the common area.

To that end LandCraft has or will cause to be incorporated under North Carolina law, pursuant to the Articles of Incorporation attached hereto as Exhibit "B", OAK PARK HOMEOWNERS' ASSOCIATION, INC., as a non-profit corporation for the purpose of exercising and performing the aforesaid functions, said corporation to be governed by the Bylaws attached hereto as Exhibit "C".

Ryland, Eastwood and Trotter join in this Declaration to subject all property currently owned by said parties, respectively, within the Development to the terms and provisions contained herein.

NOW, THEREFORE, LandCraft and Trotter, by this Declaration of Covenants, Conditions and Restrictions (the "Declaration"), does declare that all of the property described herein, and such additions thereto as may be hereafter made pursuant to Article II hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in this Declaration which shall run with the real property and be binding on all parties owning any right, title or interest in said real property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to OAK PARK HOMEOWNERS' ASSOCIATION, INC., a North Carolina non-profit corporation, its successors and assigns.

Section 2. "Common Area" shall mean all real property (including the improvements thereto) or other property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association is all of the area labeled as "Common Area" on the Maps.

Section 3. "Declarant" or "Declarants" shall mean and refer to LandCraft Properties, Inc. and also shall mean and refer to any person, firm or corporation which shall also be designated as a "Declarant" by LandCraft Properties, Inc. hereafter when such designee becomes vested with title to two or more undeveloped Lots for the purpose of causing dwellings to be constructed thereon, and any such successor in title to Oak Park shall be a Declarant during such period of time as said party is vested with title to two or more such Lots (whether undeveloped or developed and unconveyed), but no longer. LandCraft Properties, Inc. hereby designates Eastwood Construction Co., Inc., The Ryland Group, Inc. and William Trotter Company as "Declarants" hereunder, respectively, for so long as said companies are the owners of any Lots or have contracted to purchase additional Lots.

Section 4. "Development" shall mean and refer to Oak Park, a single-family residential development proposed to be developed on the Properties by the Declarant.

Section 5. "Lot" shall mean and refer to any plot of land, with delineated boundary lines, appearing on the Maps with the exception of the Common Area and public roads and streets.

Section 6. "Maps" shall mean and refer to the map of the Phase I Property as recorded in Map Book 27 at Page 34 in the Cabarrus County, North Carolina, Public Registry and any map of the Properties constituting additional Phases (if they are annexed pursuant to Article II hereof) which may be recorded by Declarant in the Cabarrus County, North Carolina, Public Registry hereafter.

Section 7. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 8. "Mortgage" shall mean any mortgage or deed of trust constituting a first lien on a Lot.

Section 9. "Mortgagee" shall mean the owner and holder of a Mortgage at the time such term is being applied.

Section 10. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot including the Declarant if it owns any Lot and including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 11. "Properties" shall mean and refer to the "Phase I Property" and additional real estate dedicated in additional Phases as described in Section 1 and Section 2 in Article II hereof and such other property as may hereafter be made subject to this Declaration and brought within the jurisdiction of the Association.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND WITHIN THE JURISDICTION OF THE OAK PARK HOMEOWNERS' ASSOCIATION, INC.

Section 1. Phase I Property. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, and within the jurisdiction of the Association is located in Cabarrus County, North Carolina, is more particularly shown on the Map recorded in Map Book 27 at Page 34 in the Cabarrus County Public Registry.

Section 2. Additional Properties.

(a) The Phase I Property is a portion of the real property described on Exhibit "A" which is attached hereto (the "Base Tract"). The remaining portion of the Base Tract, exclusive of the Phase I Property, or any property adjoining the Base Tract, or any property adjoining such additional property within a one (1) mile radius thereof, including, but not limited to, that certain approximately 25 acre parcel lying to the east of the Base Tract (having tax parcel number 5601-65-1993) and that certain approximately 30 acre parcel lying to the west of the Base Tract (having tax parcel number 5611-05-3614) (the "Additional Properties") or any part thereof, may be brought within the scheme of this Declaration in one or more additional Phases and within the jurisdiction of the Association in future stages of development, without the consent of the Association or its members, provided that (i) such annexations occur within six (6) years after the date of the filing of this instrument, (ii) such annexations are determined by the Federal Housing Administration and the Veterans Administration to be in accord with the general plan heretofore approved by them, as applicable, and (iii) that no more than two hundred fifty (250) additional Lots are annexed on property which is not a part of the Base Tract.

(b) The additions authorized under subsection (a) above shall be made by filing Supplementary Declarations of Covenants, Conditions and Restrictions with respect to the Additional Properties in the Cabarrus County, North Carolina, Public Registry which shall extend the scheme of this Declaration and the jurisdiction of the Association to such Properties and thereby subject such additions to the benefits, agreements, restrictions and obligations set forth herein; including, but not limited to, assessments as herein determined. At the time of the filing of each such Supplementary Declaration, there shall be recorded in the Cabarrus County, North Carolina, Public Registry a Map or Maps which show the boundary line of each Lot annexed pursuant to such Supplementary Declaration and which delineates all Common Area annexed pursuant to such Supplementary Declaration.

(c) The obligation for Owners of Lots in any portion of the Additional Properties to pay the assessments described in Article V hereof shall commence upon the filing of the Supplementary Declaration in the Cabarrus County, North Carolina, Public Registry annexing such portion. The Owners of such Lots shall have the same voting rights as the Owners of Lots in the Phase I Property, and such voting rights shall commence as of the date of the filing of the Supplementary Declaration.

ARTICLE III

PROPERTY RIGHTS

Section 1. Ownership of Common Areas. As soon as reasonably practicable, but in no event later than the conveyance of the first Lot shown on any map to a party other than another Declarant, Declarant shall convey the Common Area shown on such map to the Association. Notwithstanding the

recordation of any Map or any other action by Declarant or the Association, all Common Areas shall remain private property and shall not be considered as dedicated to the use and enjoyment of the public. The Association shall not thereafter convey or mortgage any part of the Common Areas without the prior consent of those Owners owning at least sixty-seven percent (67%) of the Class A Lots.

Section 2. 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 his or her Lot, subject to the following:

(a) the right of the Association to promulgate and enforce reasonable rules and regulations governing the use of the Common Areas to insure the safety and rights of all Owners,

(b) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Areas;

(c) the right of the Association to suspend the voting rights in the Association and the right of the Association to suspend the right to use the Common Areas by an Owner for any period during which any assessment against his or her Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations; and

(d) the right of the Declarant or the Association to grant utility, drainage and other easements of the type and for the purposes set forth in Article VII across the Common Areas.

Section 3. Owners' Easements for Ingress and Egress. Every Lot shall be conveyed with a perpetual, non-exclusive right to use any cul-de-sac or roadway, if any, which may be constructed by the Declarant and conveyed to the Association as part of the Common Area for the purpose of providing access to and from each Lot.

Section 4. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws of the Association (a copy of which is attached as Exhibit "C"), his or her right of enjoyment to the Common Area and facilities to the members of his or her family, his or her guests, tenants, or contract purchasers who reside on his or her Lot.

ARTICLE IV

THE ASSOCIATION

Section 1. Membership. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. Voting Rights and Classes of Lots. The voting rights of the Membership shall be appurtenant to the ownership of Lots. There shall be two classes of Lots with respect to voting rights:

(a) **Class A Lots.** Class A Lots shall be all Lots except Class B Lots as defined below. Each Class A Lot shall entitle the Owner(s) of said Lot to one (1) vote. When more than one person owns an interest (other than a leasehold or security interest) in any Lot, all such persons shall be Members and the voting rights appurtenant to said Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any Class A Lot.

(b) Class B Lots. Class B Lots shall be all Lots owned by the Declarant which have not been conveyed to purchasers who are not affiliated with the Declarant. The Declarant shall be entitled to three (3) votes for each Class B Lot owned by it. The Class B Lots shall be converted to Class A Lots on the happening of either of the following events, whichever occurs earlier: (i) when the total votes outstanding in the Class A Lots equals the total votes outstanding in the Class B Lots, or (ii) on December 31, 1997.

Section 3. Availability of Documents. The Association shall maintain current copies of the Declaration, the Bylaws and other rules concerning the Development as well as its own books, records, and financial statements available for inspection by all Owners, Mortgagees and insurers and guarantors of Mortgages that are secured by Lots. All such documents shall be available upon reasonable notice and during normal business hours. In addition, any Mortgagee may, at its own expense, have an audited statement prepared with respect to the finances of the Association.

Section 4. Management Contracts. The Association is authorized and empowered to engage the services of any person, firm or corporation to act as managing agent of the Development at a compensation to be established by the Board of Directors and to perform all of the powers and duties of the Association. Provided, however, that the term of any such agreement with a managing agent shall not exceed one (1) year and shall only be renewed by agreement of the parties for successive one (1) year terms. Any such contract shall be terminable by the Association with or without cause upon ninety (90) days' prior written notice to the manager without payment of a termination fee.

Section 5. Maintenance. Certain features that are deemed common amenities, being of benefit to all Lots, shall be maintained exclusively by the Association. Said common amenities, shall include, without limitation, entrance walls or signs and landscaping, a swimming pool and clubhouse, interior parks, private roads, streets and sidewalks, common walks, signs, landscaping, and landscape furniture. The Association shall also maintain all utilities and all storm and drainage easements located within the Common Areas, together with common amenities not maintained by public entities or utilities. The Association shall not be responsible for the maintenance of any Lots or the improvements within the boundaries thereof. The Owner shall be responsible for same.

Section 6. Working Capital Fund. The Association may establish a working capital fund equal to the aggregate of two months' annual assessments (as described in Article V hereof) for each Lot. If established, each Lot's share of said working capital fund shall be collected and transferred to the Association at the time of the closing of the initial sale of each Lot to a party other than a Declarant. The working capital fund shall be maintained in a separate account for the use and benefit of the Association and shall be used to meet unforeseen expenditures or to acquire furniture, equipment or services deemed necessary or desirable by the Board of Directors. All sums paid into the working capital fund are in addition to and not in lieu of regular assessments for common expenses.

Section 7. Reserve Fund. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of all Common Areas, and all improvements thereon, which the Association is obligated to maintain. Such reserve fund shall be maintained out of the annual assessments described in Article V hereof.

ARTICLE V

COVENANT FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments.

The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association annual assessments or charges and special assessments for capital improvements, established and collected as hereinafter provided. Any such assessment or charge, together with interest, costs, and reasonable attorney's fees, shall be a charge and a continuing lien upon the Lot against which each such assessment or charge is made. Each such assessment or charge, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the Owner of such 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 Annual Assessments.

The annual assessments levied by the Association shall be used as follows:

- (a) to maintain in a good and attractive condition the landscaping, including, without limitation, the mowing of lawns, planting and maintenance of shrubs, flowers and other plants, and watering on and within the boundaries of the Common Area;
- (b) to maintain the parks in the Common Areas and sidewalks or other common walks, common signs and development statement pieces or entrance ways (including any walls erected at said entrance ways);
- (c) to maintain any and all drainage pipes, inlets, basins, ditches, swales and other facilities installed upon the Common Areas;
- (d) to maintain all trails or paths, if any, in the Common Areas as a common amenity in a reasonably passable condition, free from falling trees, undergrowth and other obstructions; and to keep all dead, diseased or decaying trees, shrubs and bushes removed from such areas and to replace such items with new trees, shrubs and bushes;
- (e) to maintain all recreational and related facilities, if any, (such as a swimming pool and clubhouse, playground equipment, picnic tables) located within the Common Areas as a common amenity; provided, that, the reference to said facilities herein shall not be construed to require said facilities to be constructed or installed in the Common Areas or elsewhere on the Properties;
- (f) to maintain the decorative concrete paving blocks to be installed on Branson Road in compliance with the requirements of the North Carolina Department of Transportation;
- (g) to keep all Common Areas clean and free from debris and to maintain same in a clean and orderly condition, and to maintain the landscaping therein, including any necessary removal and replacement of landscaping;
- (h) to provide such security services as may be deemed reasonably necessary for the protection of the Common Areas, and any recreational and related facilities, if any, located within the Common Areas, from theft, vandalism, fire and damage from animals;
- (i) to pay all ad valorem taxes levied against the Common Areas and any property owned by the Association;

- (j) to pay the premiums on all insurance carried by the Association pursuant hereto or pursuant to the Bylaws;
- (k) 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;
- (l) to maintain a contingency reserve equal to 10% of the sum of the amounts described in the above subsections of this Section 2 in order to fund unanticipated expenses of the Association.

Section 3. Maximum Annual Assessment. Until January 1 of the calendar year following the conveyance of the first Lot by a Declarant to another Owner, the maximum annual assessment shall be Three Hundred Seventy-Five Dollars (\$375.00) per lot.

(a) The maximum annual assessments established above may be increased, effective January 1 of each calendar year following the conveyance of the first Lot by a Declarant to another Owner, without a vote of the membership by an amount not to exceed the greater of (i) five percent (5%) per year over the previous year or (ii) the percentage increase, if any, in the Consumer Price Index (published by the Department of Labor, Washington, D.C.) for all cities over the immediately preceding twelve (12) month period which ended on the previous October 1. If the annual assessment is 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 that year shall be computed and the assessment may be increased by that amount in a future year at the election of all members of the Board of Directors without a vote of the membership, in addition to the maximum increase permitted under the terms of the preceding sentence.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, said maximum annual assessments may be increased without limitation if such increase is approved by Members entitled to no less than sixty-seven (67%) of all of the votes (appurtenant to each class of Lots) to which all Members are entitled. Such voting may be represented in person or by proxy at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessments at amounts not in excess of the maximum. If the Board of Directors shall levy less than the Maximum Regular Annual Assessment for any calendar year and thereafter, during such calendar year, determine that the important and essential functions of the Association cannot be funded by such lesser Assessment, the Board may, by majority vote, levy a Supplemental Assessment. In no event shall the sum of the initial and Supplemental Assessments for that year exceed the applicable Maximum Regular Annual Assessment.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special 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 a capital improvement upon the Common Area, including fixtures and personal property related thereto provided that any such assessment requires the same assent of the Members as provided in Section 3(b) of this Article.

Section 5. Assessment Rate. Both annual and special assessments must be fixed at a uniform rate for all Lots. Notwithstanding the foregoing, a Declarant owning any Lots shall pay twenty-five percent (25%) of the otherwise applicable annual or special assessment for any such Lots until the occupancy of a dwelling

constructed on such Lot. Thereafter, the Declarant shall pay one hundred per cent (100%) of such annual or special assessment until the applicable Lot is sold to another Owner.

Section 6. Notice and Quorum for Any action Authorized Under Sections 3 and 4.

Written notice of any meeting called for the purpose of taking any action authorized under Section 3(b) or 4 shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At such meeting the presence of Members or of proxies entitled to cast fifty percent (50%) of all the votes of the membership shall constitute a quorum. If the required quorum is not present, subsequent meetings may be called, subject to the same notice requirement, until the required quorum is present. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments: Due Dates.

The annual assessments provided for herein shall commence as to each Lot upon the filing of this Declaration (or the filing of a Supplementary Declaration if relating to the Additional Properties) in the Cabarrus County Public Registry. The first annual assessment shall be adjusted and prorated according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of six percent (6%) per annum. The Association may bring an action at law against the delinquent Owner or foreclose the lien against the Lot, and interest, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by not using the Common Areas or abandoning his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein 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. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became 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 an annual or a special assessment, as applicable, collectable pro rata from all Owners including the foreclosure sale purchaser. Such pro rata portions are payable by all Owners notwithstanding the fact that such pro rata portions may cause the annual assessment to be in excess of the maximum permitted under Section 3. 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 provided. No mortgagees shall be required to collect assessments hereunder and a failure to pay assessments hereunder shall not constitute a default under any applicable mortgage on a Lot.

ARTICLE VI

ARCHITECTURAL CONTROL

Section 1. Plan of Design Approval. No improvements shall be undertaken upon any Lot, except by a Declarant, unless the plans and specifications and location of the proposed improvements shall have been submitted to the Architectural Committee established in Section 2 and expressly approved by same in writing. The terms of this Article VI shall not apply to the initial construction of improvements on a Lot by a Declarant. The plans should also indicate the location of all existing trees on the Lot in excess of 6 inches in diameter, such measurement to be taken four and one-half feet above grade. No subsequent alteration or modification of any existing improvements or construction, erection or installation of additional improvements may be undertaken or allowed to remain on any of the Lots without the review and express written approval of the Architectural Committee, subject to Section 5 below.

Section 2. Architectural Committee. The Board shall designate the number of and appoint the members of the Architectural Committee on an annual basis. In the event of the death or resignation of any member of the Architectural Committee, the remaining members of the Architectural Committee, shall have full authority to designate and appoint a successor. Members of the Architectural Committee may be removed and replaced at any time with or without cause, and without prior notice, by the Board.

Section 3. Procedures. No Improvement shall be erected, remodeled or placed on any Lot, except by a Declarant, until all plans and specifications therefor and a site plan therefor have been submitted to and approved in writing by the Architectural Committee, as to:

(a) quality of workmanship and materials, adequacy of site dimensions, adequacy of structural design, and facing of main elevation with respect to nearby streets;

(b) conformity and harmony of the external design, color, type and appearance of exterior surfaces;

(c) location with respect to topography and finished grade elevation and effect of location and use on neighboring Lots and any improvements situated thereon and drainage arrangement; and

(d) the other standards set forth within this Declaration (and any amendments hereto) or as may be set forth within bulletins promulgated by the Architectural Committee, or matters in which the Architectural Committee has been vested with the authority to render a final interpretation and decision.

Final plans and specifications (including a site plan showing the location of the contemplated improvements on the Lot) for all improvements proposed to be constructed on a Lot shall be submitted to the Architectural Committee for approval or disapproval. The Architectural Committee is authorized to request the submission of samples of proposed construction materials. Any modification or change to the Architectural Committee-approved set of plans and specifications (specifically including, but without limitation, the above-described site plan) must again be submitted to the Architectural Committee for its inspection and approval. The Architectural Committee's approval or disapproval as required herein shall be in writing. Once the Architectural Committee has approved the plans and specifications for the proposed improvements, the construction of such improvements must be promptly commenced and diligently pursued to completion and if such construction is not commenced within the time set therefor by the Architectural Committee in the written approval (but in no event later than two (2) years after such approval), such approval shall be deemed rescinded and

before construction of improvements can thereafter be commenced on the lot in question, the plans and specifications therefor must again be approved by the Architectural Committee pursuant to this Article.

The Architectural Committee may from time to time publish and promulgate architectural standards bulletins which shall be fair, reasonable and uniformly applied in regard to the Lots and shall carry forward the spirit and intention of these covenants, conditions and restrictions. Such bulletins shall supplement this Declaration and are incorporated herein by reference. Current copies of the architectural standards bulletins shall be available to interested persons at the principal office of the Association for a reasonable cost.

Section 4. Enforcement. The Architectural Committee shall have the specific, nonexclusive right (but no obligation) to enforce the provisions contained in this Article and to prevent any violation of the provisions contained in this Article by a proceeding at law or in equity against the person or persons violating or attempting to violate any such provisions contained herein.

Section 5. Effect of Failure to Approve or Disapprove. If the Architectural Committee fails to approve or disapprove the design of any proposed improvements within forty-five (45) days after plans and specifications therefor have been submitted and received, approval will not be required, and the requirements of this Article shall be deemed to have been fully satisfied; provided, that the plans and specifications required to be submitted shall not be deemed to have been received by the Architectural Committee if they contain erroneous data or present inadequate information upon which the Architectural Committee can arrive at a decision. Notwithstanding the foregoing, the Architectural Committee shall have no right or power, either by action or failure to act, to waive or grant any variance relating to any mandatory requirements specified in the Declaration.

Section 6. Right of Inspection. The Architectural Committee shall have the right, at its election, to enter upon any of the Lots during preparation, construction, erection, or installation of any improvements thereon to determine that such work is being performed in conformity with the approved plans and specifications.

Section 7. Limitation of Liability. Neither the Architectural Committee, the members thereof, nor Declarant shall be liable in damages or otherwise to anyone submitting plans and specifications and other submittals for approval or to any Owner by reason of mistake of judgment, negligence or nonfeasance arising out of services performed pursuant to this Declaration.

Section 8. Compensation. No member of the Architectural Committee shall be entitled to compensation arising out of services performed pursuant to this Article. The Association shall reimburse members of the Architectural Committee for reasonable out-of-pocket expenses incurred by such members in the performance of their duties as members of the Architectural Committee.

ARTICLE VII

EASEMENTS

Section 1. Easements Reserved by Declarant. Declarant reserves easements for the installation and maintenance of driveways, walkways, parking areas, water lines, telephone and electric power lines, cable television lines, sanitary sewer and storm drainage facilities, pumping and lift stations, drainage ditches and for other utility installations over the Properties and Common Area. Each Owner, by his acceptance of a deed to a Lot, and the Association by its acceptance of a deed to the Common Area, acknowledges such reservation and the right of Declarant to transfer such easements to the Association or to such

utility companies as Declarant may choose. The easements reserved by the Declarant include the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or take any similar action reasonably necessary to provide economical utility installation and to maintain the overall appearance of the Development. Certain easements reserved by the Declarant and the Association for the benefit of themselves and others are shown on the Maps.

Declarant reserves the right and easement to erect permanent walls on the Common Area and Lots (other than areas of the Lots upon which buildings are constructed) for the purposes of providing screening, privacy, decoration, retainage and topographical stability in connection with the overall plan and development of the Properties and the various Lots located thereon.

Within any such easements, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation or use of utilities, or which may change the direction of flow of drainage channels in the easements or which may obstruct or retard the flow of water through drainage channels in the easements, or which may otherwise interfere with the enjoyment of the easements for their intended purposes. In addition, the Declarant and the Association shall have the continuing right and easement to maintain all sewer and water lines located on the Lots, including the right to go into dwellings and disturb the structure and floors thereof in order to maintain those lines located within or under said dwelling.

In addition, Declarant hereby reserves for itself, its employees, agents and successors and assigns such easements over the Common Area for purposes of temporarily storing construction materials or parking vehicles and equipment in connection with the construction of improvements on adjacent or contiguous property owned by Declarant.

Section 2. Easements Reserved for the Association. The Association is hereby granted an exclusive easement for the purpose of maintenance of landscaping over the Common Area. The amount, manner and maintenance of said landscaping shall be in the Association's absolute discretion.

The Association is hereby granted an easement for the installation and maintenance of utilities (including transformers) and other commonly beneficial amenities including, without limitation, mailboxes, trash containers and area lighting over the Properties and Common Areas.

Section 3. Encroachments. Each Owner of a Lot with an exterior wall, roof or eave, including overhangs, a fence, concrete walk or concrete patio which encroaches on the Common Area owned by the Association and/or the unimproved portion of a Lot of another Lot Owner shall have an easement over that portion of the Common Area or adjacent Lot affected by the encroaching wall, roof, eave, fence, walk or patio for the purpose of using said portion of the Common Area or adjacent Lot for his own benefit and for the purpose of maintaining the encroaching structure in good condition and repair. In the event of a wall, roof, eave and/or fence encroachment, it shall be the responsibility of the Owner thereof to maintain the encroaching wall, roof, eave and/or fence in good condition and repair unless said responsibility is that of the Association as provided in this Declaration. Notwithstanding anything above to the contrary, this provision does not authorize any encroachments except those which exist by virtue of original construction by the Declarant or with Declarant's express approval.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Each Owner shall have all appropriate remedies at law or in equity to enforce the provisions of this Declaration and the Bylaws and any duly authorized rules and regulations governing the Development against the Association.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. This Declaration may be amended prior to January 1, 2014 only by an instrument signed by the Owners of not less than ninety percent (90%) of the Lots and by the Declarant, so long as any such Declarant still owns any Lots. After January 1, 2014, this Declaration may be amended by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots.

Section 4. FHA/VA Approval. Notwithstanding anything to the contrary contained in this Declaration, as long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: (i) annexation of additional properties, (ii) dedication of common area, and (iii) amendment of this Declaration.

Section 5. Duration. The covenants and restrictions of this Declaration shall run with and bind the land until December 31, 2023, after which time they shall be automatically extended for successive periods of ten (10) years.

IN WITNESS WHEREOF, LandCraft, Ryland, Eastwood, and Trotter have caused this instrument to be executed by their officers thereunto duly authorized and their corporate seals to be hereunto affixed, all the day and year first above written.

LANDCRAFT PROPERTIES, INC.,
a North Carolina corporation

By: *[Signature]*
A. V. President

[CORPORATE SEAL]

ATTEST:

Lana L. Hathaway
Asst. Secretary

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

This 5th day of December, 1994, personally came before me Scott A. Stever, who, being by me duly sworn, says that he is the Asst Vice President of LANDCRAFT PROPERTIES, INC., a North Carolina corporation, and that the seal affixed to the writing was signed and sealed by him in behalf of said Corporation, by its authority duly given. And the said Asst Vice President acknowledged the said writing to be the act and deed of said Corporation.

[Signature]
NOTARY PUBLIC

My Commission Expires:

May 2, 1996

[Affix Seal]

THE RYLAND GROUP, INC.,
a Maryland corporation

[CORPORATE SEAL]

By: Paul D. Cartz
Vice President

ATTEST

[Signature]
Secretary

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

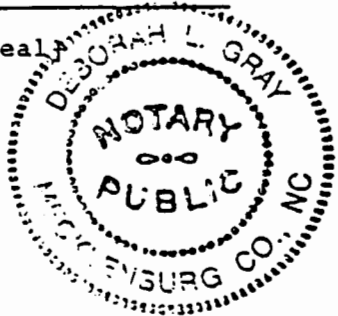
This 28 day of Nov., 1994, personally came before me
Paul D. Cartz, who, being by me duly sworn, says that he is the
vice President of THE RYLAND GROUP, INC., a Maryland corporation, and that
the seal affixed to the writing was signed and sealed by him in behalf of said
Corporation, by its authority duly given. And the said
Vice President acknowledged the said writing to be the act and deed
of said Corporation.

[Signature]
NOTARY PUBLIC

My Commission Expires:

My Commission Expires 1-31-93

[Affix Seal]



EASTWOOD CONSTRUCTION CO., INC.
a North Carolina corporation

By: [Signature]
VICE President

[CORPORATE SEAL]

ATTEST

[Signature]
Secretary

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 22nd day of November, 1994, personally came before me Lee Rogers Jr., who, being by me duly sworn, says that he is the Vice President of EASTWOOD CONSTRUCTION CO., INC., a North Carolina corporation, and that the seal affixed to the writing was signed and sealed by him in behalf of said Corporation, by its authority duly given. And the said Secretary Vice President acknowledged the said writing to be the act and deed of said Corporation.

[Signature]
NOTARY PUBLIC

My Commission Expires:

2-2-98

[Affix Seal]

WILLIAM TROTTER COMPANY,
a North Carolina corporation

By: *Paul H. Trotter*
President

[CORPORATE SEAL]

ATTEST

Maria B. Smith
Secretary

STATE OF NORTH CAROLINA

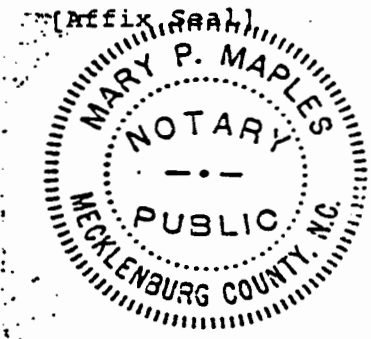
COUNTY OF MECKLENBURG

This 5th day of December, 1994, personally came before me
Paul H. Trotter, who, being by me duly sworn, says that he is the
President of WILLIAM TROTTER COMPANY, a North Carolina corporation,
and that the seal affixed to the writing was signed and sealed by him in behalf
of said Corporation, by its authority duly given. And the said
Paul H. Trotter, President acknowledged the said writing to be the act and deed
of said Corporation.

Mary P. Maples
NOTARY PUBLIC

My Commission Expires:

6-5-96



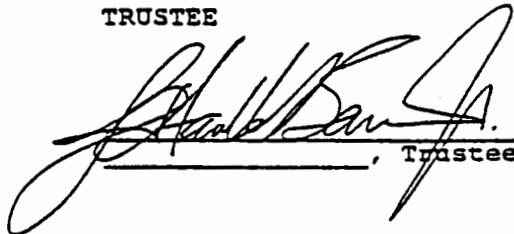
* * * * *

**OAK PARK
CONSENT OF MORTGAGEE**

HOME FEDERAL SAVINGS AND LOAN ASSOCIATION, being the Beneficiary under that certain Deed of Trust from Declarant to G. Robert Turner, III, et al, Trustee, conveying the property or portions thereof described in Exhibit A attached to this Declaration and made a part hereof, and recorded in Book 1051, at Page 156, in the Cabarrus County Public Registry, does hereby consent to the recordation of this Declaration and the imposing of the provisions hereof to said real property described in Exhibit A, and said Beneficiary does hereby consent and agree that from and after this date, the provisions of this Declaration, including all exhibits, attachments, supplements and amendments hereto, shall be superior to the lien of said Deed of Trust on said Property described in Exhibit A. The execution of this Consent of Mortgagee by the Beneficiary shall not be deemed or construed to have the effect of creating between said Beneficiary and Declarant, the relationship of partnership or of joint venture, nor shall said Beneficiary be deemed to have accepted in any way nor shall anything contained hereunder be deemed to impose upon said Beneficiary any of the liabilities, duties or obligations of the Declarant under the foregoing Declaration. Said Beneficiary executes this Consent of Mortgagee solely for the purposes set forth herein. The said Trustee also joins in and executes this Consent as Trustee of said Deed of Trust for the said purposes hereinabove set forth.

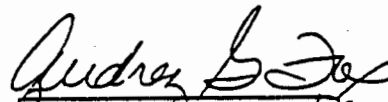
IN WITNESS WHEREOF, the undersigned have caused this Consent to be duly executed and sealed as of the 6th day of December 1994.

TRUSTEE

 [SEAL]
_____, Trustee

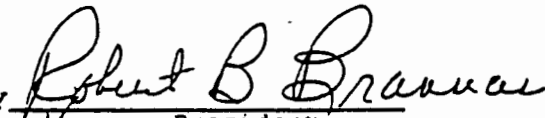
[CORPORATE SEAL]

Attest:


Audrey B. Jones
Asst. Secretary/Treas.

BENEFICIARY

HOME FEDERAL SAVINGS AND LOAN ASSOCIATION

By 
Robert B. Brannan
Vice President

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 6th day of December, 1994, personally came before me
Donald B. Quinn, Jr., Trustee, who, being by me duly sworn, acknowledged
the execution of the foregoing instrument.

Susan R. Taylor
NOTARY PUBLIC

[OFFICIAL SEAL]

My Commission Expires:

3-17-96

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 6th day of December, 1994, personally came before me
Robert B. Orman, who being by me duly sworn, says that he/she is a
Vice President of HOME FEDERAL SAVINGS AND LOAN ASSOCIATION, that the seal
affixed to the foregoing instrument in writing is the official seal of the
Corporation, that said writing was signed and sealed by him/her in behalf of said
Corporation by its authority duly given. And the said Vice President
acknowledged said writing to be the act and deed of said Corporation.

Susan R. Taylor
NOTARY PUBLIC

[OFFICIAL SEAL]

My Commission Expires:

3-17-96

OAK PARK
CONSENT OF MORTGAGEE

FIRST CHARTER NATIONAL BANK, being the Beneficiary under that certain Deed of Trust from Declarant to Kenneth W. Caldwell, Trustee, conveying the property or portions thereof described in Exhibit A attached to this Declaration and made a part hereof, and recorded in Book 1051, at Page 120, in the Cabarrus County Public Registry, does hereby consent to the recordation of this Declaration and the imposing of the provisions hereof to said real property described in Exhibit A, and said Beneficiary does hereby consent and agree that from and after this date, the provisions of this Declaration, including all exhibits, attachments, supplements and amendments hereto, shall be superior to the lien of said Deed of Trust on said Property described in Exhibit A. The execution of this Consent of Mortgagee by the Beneficiary shall not be deemed or construed to have the effect of creating between said Beneficiary and Declarant, the relationship of partnership or of joint venture, nor shall said Beneficiary be deemed to have accepted in any way nor shall anything contained hereunder be deemed to impose upon said Beneficiary any of the liabilities, duties or obligations of the Declarant under the foregoing Declaration. Said Beneficiary executes this Consent of Mortgagee solely for the purposes set forth herein. The said Trustee also joins in and executes this Consent as Trustee of said Deed of Trust for the said purposes hereinabove set forth.

IN WITNESS WHEREOF, the undersigned have caused this Consent to be duly executed and sealed as of the 8TH day of DECEMBER, 1994.

TRUSTEE

Kenneth W. Caldwell [SEAL]
Kenneth W. Caldwell, Trustee

[CORPORATE SEAL]

Attest:

Cheryl P. Barber
FIRST SECRETARY

BENEFICIARY

FIRST CHARTER NATIONAL BANK

By Kenneth W. Caldwell
SR VICE President

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 3th day of December, 1994, personally came before me Kenneth W. Caldwell, Trustee, who, being by me duly sworn, acknowledged the execution of the foregoing instrument.


NOTARY PUBLIC

[OFFICIAL SEAL]


My Commission Expires:

12-22-96

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 8th day of December, 1994, personally came before me Kenneth W. Caldwell, who being by me duly sworn, says that he/she is a Sr. Vice President of FIRST CHARTER NATIONAL BANK, that the seal affixed to the foregoing instrument in writing is the official seal of the Corporation, that said writing was signed and sealed by him/her in behalf of said Corporation by its authority duly given. And the said Sr. Vice President acknowledged said writing to be the act and deed of said Corporation.


NOTARY PUBLIC
Mary A. Collins

[OFFICIAL SEAL]

My Commission Expires:


7/6/98

OAK PARK
CONSENT OF MORTGAGEE

BRANCH BANKING AND TRUST COMPANY, being the Beneficiary under that certain Deed of Trust from Declarant to David E. Crowder, Jr., Trustee, conveying the property or portions thereof described in Exhibit A attached to this Declaration and made a part hereof, and recorded in Book 1051, at Page 142, in the Cabarrus County Public Registry, does hereby consent to the recordation of this Declaration and the imposing of the provisions hereof to said real property described in Exhibit A, and said Beneficiary does hereby consent and agree that from and after this date, the provisions of this Declaration, including all exhibits, attachments, supplements and amendments hereto, shall be superior to the lien of said Deed of Trust on said Property described in Exhibit A. The execution of this Consent of Mortgagee by the Beneficiary shall not be deemed or construed to have the effect of creating between said Beneficiary and Declarant, the relationship of partnership or of joint venture, nor shall said Beneficiary be deemed to have accepted in any way nor shall anything contained hereunder be deemed to impose upon said Beneficiary any of the liabilities, duties or obligations of the Declarant under the foregoing Declaration. Said Beneficiary executes this Consent of Mortgagee solely for the purposes set forth herein. The said Trustee also joins in and executes this Consent as Trustee of said Deed of Trust for the said purposes hereinabove set forth.

IN WITNESS WHEREOF, the undersigned have caused this Consent to be duly executed and sealed as of the 6TH day of DECEMBER, 1994.

TRUSTEE


[SEAL]
David E. Crowder, Jr., Trustee

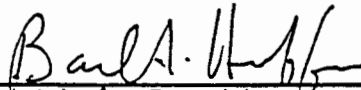
[CORPORATE SEAL]

Attest:


Asst. Secretary

BENEFICIARY

BRANCH BANKING AND TRUST COMPANY

By 
Senior Vice President

STATE OF NORTH CAROLINA
COUNTY OF ~~WAKE~~ IREDELL

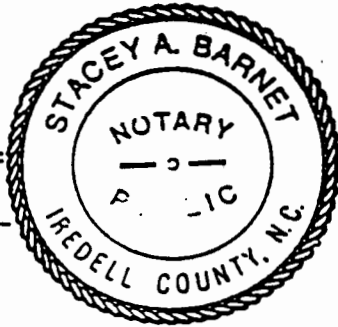
This 6TH day of DECEMBER, 1994, personally came before me David E. Crowder, Jr., Trustee, who, being by me duly sworn, acknowledged the execution of the foregoing instrument.

Stacey A. Barnett
NOTARY PUBLIC

[OFFICIAL SEAL]

My Commission Expires:

3-3-97



STATE OF NORTH CAROLINA
COUNTY OF ~~WAKE~~ IREDELL

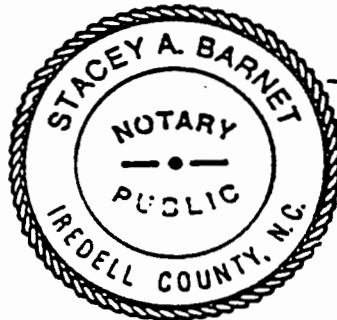
This 6TH day of DECEMBER, 1994, personally came before me BARBARA A. HUFFMAN, who being by me duly sworn, says that he/she is a SR. VICE President of BRANCH BANKING AND TRUST COMPANY, that the seal affixed to the foregoing instrument in writing is the official seal of the Corporation, that said writing was signed and sealed by him/her in behalf of said Corporation by its authority duly given. And the said SR. VICE President acknowledged said writing to be the act and deed of said Corporation.

Stacey A. Barnett
NOTARY PUBLIC

[OFFICIAL SEAL]

My Commission Expires:

3-3-97



OAK PARK
CONSENT OF MORTGAGEE

LVG PROPERTIES, INC., being the Beneficiary under that certain Deed of Trust from Declarant to David H. Jones, Trustee, conveying the property or portions thereof described in Exhibit A attached to this Declaration and made a part hereof, and recorded in Book 1099, at Page 296, in the Cabarrus County Public Registry, does hereby consent to the recordation of this Declaration and the imposing of the provisions hereof to said real property described in Exhibit A, and said Beneficiary does hereby consent and agree that from and after this date, the provisions of this Declaration, including all exhibits, attachments, supplements and amendments hereto, shall be superior to the lien of said Deed of Trust on said Property described in Exhibit A. The execution of this Consent of Mortgagee by the Beneficiary shall not be deemed or construed to have the effect of creating between said Beneficiary and Declarant, the relationship of partnership or of joint venture, nor shall said Beneficiary be deemed to have accepted in any way nor shall anything contained hereunder be deemed to impose upon said Beneficiary any of the liabilities, duties or obligations of the Declarant under the foregoing Declaration. Said Beneficiary executes this Consent of Mortgagee solely for the purposes set forth herein. The said Trustee also joins in and executes this Consent as Trustee of said Deed of Trust for the said purposes hereinabove set forth.

IN WITNESS WHEREOF, the undersigned have caused this Consent to be duly executed and sealed as of the 7th day of December, 1994.

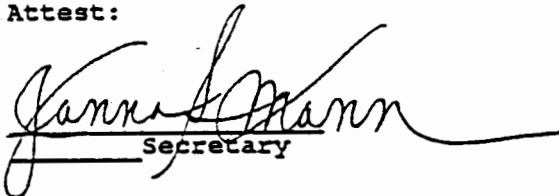
TRUSTEE



David H. Jones, Trustee [SEAL]

[CORPORATE SEAL]

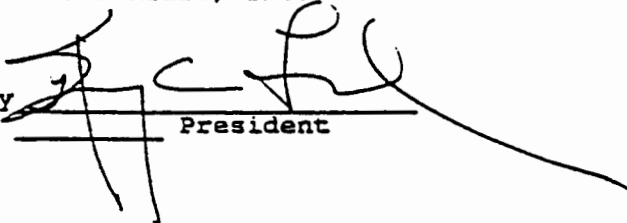
Attest:



Secretary

BENEFICIARY

LVG PROPERTIES, INC.

By 

President

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 7th day of December, 1994, personally came before me David H. Jones, Trustee, who, being by me duly sworn, acknowledged the execution of the foregoing instrument.

Lesa L. Hathaway
NOTARY PUBLIC

[OFFICIAL SEAL]

My Commission Expires:

January 8, 1996

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 7th day of December, 1994, personally came before me Henry C. Lomax, who being by me duly sworn, says that he/she is a President of LVG PROPERTIES, INC., that the seal affixed to the foregoing instrument in writing is the official seal of the Corporation, that said writing was signed and sealed by him/her in behalf of said Corporation by its authority duly given. And the said _____ President acknowledged said writing to be the act and deed of said Corporation.

Lesa L. Hathaway
NOTARY PUBLIC

[OFFICIAL SEAL]

My Commission Expires:

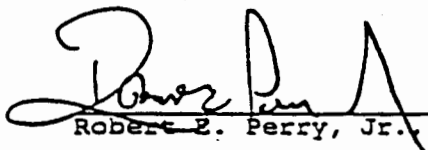
January 8, 1996

OAK PARK
CONSENT OF MORTGAGEE

THE RYLAND GROUP, INC., being the Beneficiary under that certain Deed of Trust from Declarant to Robert E. Perry, Jr., Trustee, conveying the property or portions thereof described in Exhibit A attached to this Declaration and made a part hereof, and recorded in Book 1056, at Page 240, in the Cabarrus County Public Registry, does hereby consent to the recordation of this Declaration and the imposing of the provisions hereof to said real property described in Exhibit A, and said Beneficiary does hereby consent and agree that from and after this date, the provisions of this Declaration, including all exhibits, attachments, supplements and amendments hereto, shall be superior to the lien of said Deed of Trust on said Property described in Exhibit A. The execution of this Consent of Mortgagee by the Beneficiary shall not be deemed or construed to have the effect of creating between said Beneficiary and Declarant, the relationship of partnership or of joint venture, nor shall said Beneficiary be deemed to have accepted in any way nor shall anything contained hereunder be deemed to impose upon said Beneficiary any of the liabilities, duties or obligations of the Declarant under the foregoing Declaration. Said Beneficiary executes this Consent of Mortgagee solely for the purposes set forth herein. The said Trustee also joins in and executes this Consent as Trustee of said Deed of Trust for the said purposes hereinabove set forth.

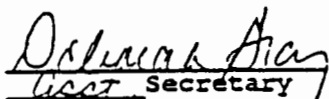
IN WITNESS WHEREOF, the undersigned have caused this Consent to be duly executed and sealed as of the 8th day of December, 1944.

TRUSTEE

 [SEAL]
Robert E. Perry, Jr., Trustee

[CORPORATE SEAL]

Attest:


Deborah A. Gray
Secretary

BENEFICIARY

THE RYLAND GROUP, INC.

By 
Paul Corby
Vice President

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 8th day of December, 1994, personally came before me Robert E. Perry, Jr., Trustee, who, being by me duly sworn, acknowledged the execution of the foregoing instrument.

Lena L. Hathaway
NOTARY PUBLIC

[OFFICIAL SEAL]

My Commission Expires:

January 8, 1996

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 8th day of December, 1994, personally came before me Paul Carter, who being by me duly sworn, says that he/she is a Vice President of THE RYLAND GROUP, INC., that the seal affixed to the foregoing instrument in writing is the official seal of the Corporation, that said writing was signed and sealed by him/her in behalf of said Corporation by its authority duly given. And the said Vice President acknowledged said writing to be the act and deed of said Corporation.

Lena L. Hathaway
NOTARY PUBLIC

[OFFICIAL SEAL]

My Commission Expires:

January 8, 1996

TABLE OF EXHIBITS

Exhibit A: Legal Description of Phase I Property

Exhibit B: Articles of Incorporation

Exhibit C: Bylaws

EXHIBIT A

LEGAL DESCRIPTION

OAK PARK BASE TRACT

LYING AND BEING in Townships No. 2 and No. 4 in Cabarrus County, North Carolina, and being more particularly described as follows:

BEGINNING at a set PK nail in the center line of North Carolina Highway No. 73 (variable right-of-way), said PK nail having North Carolina Grid Coordinates (NAD 83) of North = 616,741.185 and East = 1,509,841.362 and being in the westerly boundary of that certain property of Willie Oveda Holshouser Foster pursuant to a deed recorded in Book 506 at Page 701 in the Cabarrus County Public Registry; thence with the westerly boundary of said Foster property (now or formerly) the following three (3) courses and distances: (1) South 07-26-18 East 894.29 feet to a found iron rod (passing a set iron pin at 31.66 feet located in the southerly right-of-way margin of North Carolina Highway No. 73), (2) South 01-56-03 East 1814.10 feet to a set iron pin, and (3) South 01-56-03 East 211.82 feet to a found $\frac{1}{4}$ inch iron pipe in the southwesterly corner of said Foster property and in the northerly boundary of that certain property of James Grady Cook and wife, Brenda E. Cook pursuant to a deed recorded in Book 796 at Page 291 in said Registry; thence with the northerly and westerly boundaries of said Cook property (now or formerly) the following two (2) courses and distances: (1) North 69-35-17 West 149.88 feet to a found #3 rebar in the northwesterly corner of said Cook property, and (2) South 07-22-29 West 269.02 feet to a found #3 rebar in the southwesterly corner of said Cook property and in the westerly boundary of that certain property of Ronald James Bilskie and wife, Lanora D. Bilskie pursuant to a deed recorded in Book 611 at Page 440 in said Registry; thence with the westerly line of said James and Bilskie property (now or formerly) South 39-14-38 West 332.04 feet to a found $\frac{1}{4}$ inch iron pipe in the center line of a creek, said point being the common corner of that certain property of Franklin C. Niblock, Jr. and wife, Mary Louise W. Niblock pursuant to a deed recorded in Book 303 at Page 49 in said Registry, that certain property of HWY 49 Truck & Trailer Repair, Inc. pursuant to a deed recorded in Book 628 at Page 843 in said Registry, and that certain property of Nolim Group S.A., Inc. pursuant to a deed recorded in Book 570 at Page 32 in said Registry; thence with the boundary of said Nolim Group property (now or formerly), the following four (4) courses and distances: (1) North 68-33-48 West 865.39 feet to a found $\frac{1}{4}$ inch iron pin (said pin being South 68-49-40 East 154.63 feet from a found axle), (2) North 44-00-40 East 757.80 feet to a set iron pin, (3) North 02-41-25 West 380.43 feet to a found axle, (4) North 20-13-52 West 552.23 feet to a set iron pin in the northeasterly corner of said Nolim Group property and in the easterly boundary of that certain property of Carolyn W. Pethel

acquired under that certain estate having File No. 91-E620; thence with the easterly boundary of said Pethel property (now or formerly) North 20-04-44 West 1078.09 feet to a found $\frac{1}{2}$ inch iron pipe (passing a $\frac{1}{2}$ inch iron pipe at 578.74 feet) in the northeasterly corner of said Pethel property and the southeasterly corner of that certain property of Ray M. Calloway and wife, Betty B. Calloway pursuant to a deed recorded in Book 319 at Page 242 in said Registry; thence with the easterly boundary of said Ray and Betty Calloway property North 20-04-44 West 335.41 feet to a set iron pin in the southwesterly corner of that certain property of Ray M. Calloway pursuant to a deed in Book 577 at Page 54 in said Registry; thence with the southerly boundary of said Ray Calloway property (now or formerly) and with the southerly boundary of that certain property of Betty B. Calloway acquired pursuant to that certain estate having File No. 89-E-85 North 72-16-24 East 348.87 feet to a found iron in an elm stump in the southeasterly corner of said Betty Calloway property (now or formerly); thence with the easterly boundary of said Betty Calloway property North 07-59-41 West 371.98 feet to a set PK nail in the center line of North Carolina Highway No. 73 (passing the southerly margin of the right-of-way of North Carolina Highway No. 73 at 340.20 feet) ; thence with the center line of North Carolina Highway No. 73 South 78-42-21 East 911.10 feet to a set PK nail, the BEGINNING POINT, said property containing 68.962 acres, more or less, (68.334 acres when excluding 0.6274 acres in the right-of-way of North Carolina Highway 73) as shown by that certain Boundary Survey for LandCraft Properties, Inc. prepared by ESP Associates, P.A. dated March 22, 1993 and last revised on May 20, 1993, reference to which survey is hereby made.