

BOOK PAGE

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STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

UNRECORDED
DRAWN BY AND MAIL TO:
BRADLEY, GUTHERY, TURNER & CURRY
900 CAMERON BROWN BLDG.
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CHARLOTTE, NC 28204

Box 2

RECORDED
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DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
McCARRON

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THIS DECLARATION, made on the date hereinafter set forth by East Coast Diversified Capital, Inc., a North Carolina corporation (hereinafter referred to as "Declarant");

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W I T N E S S E T H:

WHEREAS, Declarant is the owner of the real property described in Section 1 of Article II of this Declaration, which real property is a portion of a residential development known as McCarron; and

WHEREAS, Declarant desires to insure the attractiveness of the individual lots and community facilities within this portion of McCarron and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of the said property and to provide for the maintenance of the open spaces, entrances, walkways, recreational facilities and other community facilities located within McCarron; and, in order to accomplish these objectives, deems it advisable to subject the real property described in Section 1 of Article II, together with such additions as may hereafter be made thereto (as provided in Article II) to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth; and

WHEREAS, Declarant deems it desirable in order to insure the efficient preservation, protection and enhancement of the values and amenities in McCarron and the resident's enjoyment of the specific rights, privileges and easements in the community properties and facilities, that an organization be created to which will be delegated and assigned the powers of owning and maintaining the community facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter imposed; and

WHEREAS, Developer has caused to be created for the purposes aforesaid, a North Carolina non-profit corporation under the name and style of McCarron Homeowners Association, Inc.

NOW, THEREFORE, the Declarant declares that the real property described in Section 1 of Article II, and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be owned, held, transferred, sold, conveyed, and occupied subject to the following covenants, conditions, restrictions, easements, charges and liens which shall run with the real property (except as provided in Article V, Section 9 hereafter) and be

binding upon and inure to the benefit of all owners thereof, their heirs, personal representatives, successors and assigns.

ARTICLE I

DEFINITIONS

Section 1. "Architectural Review Board" shall mean that group of persons selected pursuant to the provisions of Article VII, with the powers described therein.

Section 2. "Association" shall mean and refer to McCarron Homeowners Association, Inc., a North Carolina non-profit corporation, its successors and assigns.

Section 3. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers and owners of an equity of redemption, but excluding those having such interest in a Lot solely as security for the performance of an obligation.

Section 4. "Properties" shall mean and refer to the "Existing Property" described in Article II, Section 1 hereof and any additions thereto, as are or shall become subject to this Declaration and any Supplementary Declaration under the provisions of Article II hereof.

Section 5. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners and designated as "Common Open Space" or "Common Area", including but not limited to tennis courts, jogging trails and playground areas, picnic areas, basketball courts and shelters on any plat of the property described on Exhibit A attached hereto and duly recorded in the Mecklenburg County Public Registry in accordance with the provisions of this Declaration. The Common Area to be owned by the Association at the time of conveyance of the first lot is described as follows:

Being all of the property designated Common Area on the map of McCarron recorded in Map Book 23 at Page 299 in the Mecklenburg County Public Registry.

Section 6. "Lot" shall mean and refer to any plot of land, with delineated boundary lines, shown upon any recorded subdivision map of the Properties, with the exception of any Common Area or Common Open Space or community well or sewage system lots or easements shown on any recorded map. In the event any Lot is increased or decreased in size by resubdivisions, through recordation of new subdivision plats, any such newly platted Lot shall thereafter constitute a Lot for the purposes of this Declaration.

Section 7.6135.0847 Declarant shall mean and refer to East Coast Diversified Capital, Inc. and shall also mean and refer to any person, firm or corporation to which East Coast Diversified Capital, Inc. may assign its rights, as Declarant.

Section 8. "Member" shall mean and refer to every person or entity who holds membership in the Association.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration, irrespective of whether there may be additions thereto as hereinafter provided, is located in Mecklenburg County, North Carolina and is shown on map recorded in Map Book 23 at Page 299 in the Office of the Register of Deeds for Mecklenburg County.

This property shall be herein referred to as "Existing Property".

Section 2. Additions to Existing Property. Additional property may be brought within the scheme of this Declaration and the jurisdiction of the Association in the following ways:

(a) Additional land and Common Area within the area described in the metes and bounds description attached hereto as Exhibit A and incorporated herein by reference may be annexed to the Properties by Declarant and brought within the scheme of this Declaration and within the jurisdiction of the Association, in future stages of development, without the consent of the Association or its members; provided, however, that said annexations, if any, must occur within ten (10) years after the date of this instrument.

(b) Additional residential property (and related Common Area), outside of the area described in the aforementioned Exhibit A may be annexed to the Properties and brought within the scheme of this Declaration and the jurisdiction of the Association with the consent of the members entitled to at least two-thirds (2/3) of the votes appurtenant to all Class A Lots and at least two-thirds (2/3) of the votes appurtenant to all Class B Lots, if any, as hereinafter defined in Article III, Section 2. The Association may participate in mergers or consolidations with other non-profit corporations organized for the same or similar purposes as the Association, thereby adding to the Association, or to a surviving homes association, the properties, rights and obligations of the non-profit corporation with which it merges or consolidates. Any such merger or consolidation shall have the assent of the members

as provided above in this subsection (b), and no such merger or consolidation shall revoke, change or add to any of the provisions of this Declaration except as herein provided.

(c) The additions authorized under Subsection (a) and (b) shall be made by filing of record Supplementary Declarations of Covenants, Conditions and Restrictions with respect to the additional properties which shall extend the scheme of this Declaration and the jurisdiction of the Association to such properties and thereby subject such additions to assessment for their just share of the Association's expenses.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The voting rights of the membership shall be appurtenant to the ownership of the 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 the same are hereinafter defined. 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.

(b) Class B Lots. Class B Lots shall be all lots owned by Declarant which have not been converted to Class A Lots as provided in paragraphs (1) or (2) below. The Declarant shall be entitled to three (3) votes for each Class B Lot owned.

The Class B Lots shall cease to exist and shall be converted to Class A Lots:

(1) When the total number of votes appurtenant to the Class A Lots equals the total number of votes appurtenant to the Class B Lots; provided, however, that the Class B Lots shall be reinstated with all rights, privileges and responsibilities, if after conversion of the Class B Lots to Class A Lots hereunder, additional land containing Lots is annexed to the existing property pursuant to Article II, Section 2 hereof, which additional land contains a sufficient number of Class B Lots, which when added to the Class A Lots owned by Declarant (which Class A Lots are to be reinstated as Class B Lots) would make the total number of votes appurtenant to Class B Lots greater than the total number of votes

appurtenant to Class A Lots; or

(2) Five (5) years from the date of this Declaration, whichever event shall first occur.

Except as provided in Section 2(b)(1) above, when the Class B Lots cease to exist and are converted to Class A Lots, Declarant shall have the same voting rights as other owners of Class A Lots.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Except as limited by Section 2 of this Article IV, every Owner shall have a right and easement of enjoyment in and to the Common Area established initially and in all future stages or sections of McCarron, which right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area and to limit the use of said recreational facilities to Owners who occupy a residence on the Properties, and to their families, tenants, and guests as provided in Section 2 of this Article IV;

(b) the right of the Association to suspend the voting rights and rights of an Owner to the use of the recreational facilities for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.

(c) ~~the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless the members entitled to at least three-fourths (3/4) of the votes appurtenant to all Class A Lots and at least three-fourths (3/4) of the votes appurtenant to all Class B Lots agree to such dedication or transfer and signify their agreement by a signed and recorded written document, provided that this subsection shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of sewerage, utilities, including CATV, and drainage facilities upon, over, under and across the Common Area without the assent of the membership when such easements, in the opinion of said Board, are requisite for the convenient use and enjoyment of the Properties;~~

(d) the right of the Association, with the assent of members entitled to at least two-thirds (2/3) of the votes appurtenant to

each class of Lot (Class A and B), to mortgage, pledge, deed in trust, or otherwise hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

Section 2. Delegation of Use.

(a) Family. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be exercised by members of the Owner's family who occupy the residence of the Owner within the Properties as their principal residence in Mecklenburg County, North Carolina.

(b) Tenants. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be delegated by the Owner to his tenants or contract purchasers who occupy a residence within the Properties, or a portion of said residence, as their principal residence in Mecklenburg County, North Carolina.

(c) Guests. Recreational facilities located on common areas situated upon the Properties may be utilized by guests of Owners, tenants or contract purchasers subject to such rules and regulations governing said use as may be established by the Board of Directors of the Association.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges and (2) special assessments for capital improvements; such assessments to be established and collected as hereinafter provided. Any such assessment or charge, together with interest, costs and reasonable attorney fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney fees, shall also be the personal or corporate obligation of the person(s), firm(s), or corporation(s) owning such property at the time when the assessment fell due, but such personal obligation shall not be imposed upon such Owners' successors in title unless expressly assumed by them. Although unpaid assessment charges are not the personal obligation upon such Owner's successors in title unless expressly assumed by the successors in title, the unpaid assessment charges continue to be a lien upon the property against which the assessment has been made.

Section 2. Purposes of Assessments. The assessments levied

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by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and in particular for the acquisition, improvement, and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, including but not limited to, the cost of repair, replacement and additions thereto, the cost of labor, equipment, materials, management and supervision thereof, the payment of taxes assessed against the Common Area, the procurement and maintenance of insurance in accordance with the By-Laws, the employment of attorneys to represent the Association when necessary, payments of principal and interest on funds borrowed for Association purposes, and such other needs as may arise.

Without limiting the generality of the above-described purposes, the assessments levied by the Association may be used for the acquisition, construction, improvement (including landscaping and planting) and maintenance of the following common recreational facilities located or to be located in the Common Area: tennis court or courts, jogging trails, playgrounds, basketball court or courts. Additionally, the assessments may be used to landscape, plant and maintain any planting, sign or entrance-way easements reserved by Declarant on any Lot or portion of Common Area.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be \$150.00 per Class A Lot and \$37.50 per Class B Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased by the Board of Directors effective January 1 of each year, without a vote of the membership, but subject to the limitation that the percentage of any such increase shall not exceed 12% of the maximum assessment for the previous year.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased without limitation if such increase is approved by no less than two-thirds (2/3) of the votes appurtenant to each class of Lots (Class A and Class B), cast in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum; provided, however, that the ratio of the assessment established for each Class A Lot to the assessment established for each Class B Lot shall always be four (4) to one (1); with the assessment with respect to any Class B Lot converted to Class A or reconverted from Class A to Class B to be prorated and charged according to its Class as of the date of each conversion and reconversion.

(d) Upon the sale of a Lot by Declarant, the purchaser shall pay to the Association at the closing of the sale that amount of money that is equal to that portion of the annual assessment attributable to the balance of the year in which the closing takes place, at the assessment rate for Class A Lots. Any amount prepaid by the Declarant shall be refunded by the Association. Any Special Assessment made before, but falling due after the date of closing of the sale of a Lot by Declarant shall be paid in full to the Association by the purchaser at the closing of the sale. In addition, such purchaser shall pay an amount equal to one-sixth ($1/6$) of the initial annual assessment as a contribution to the working capital fund of the Association.

(e) Any annual assessment established by the Board of Directors shall continue thereafter from year to year as the annual assessment until changed by said Board.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, special assessment(s) for the purpose of defraying, in whole or in part, the cost of any construction, repair, replacement of and additions or improvements to capital improvement(s) (including the common recreational facilities set forth in Section 2 of this Article) upon the Common Area, repayment of indebtedness and interest thereon, borrowing of funds to make property comply with the applicable zoning ordinance, borrowing of money for capital improvement and pledging or mortgaging of Association property as security for loans, including fixtures and personal property, related thereto, provided that any such assessment shall have the same assent of the members as provided in Section 3(b) of this Article and shall be in the ratio of four (4) to one (1) for Class A and Class B Lots as provided in Section 3(c) of this Article.

Section 5. Assessment Rate. Both annual and special assessments must be fixed at a uniform rate for each class of Lots and may be collected on a monthly basis should the Board of Directors of the Association so determine, by resolution.

Section 6. Notice of 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 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 the first such meeting called, the presence of members or of proxies entitled to cast sixty (60) percent of all the votes appurtenant to each class of lots shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice or requirement, and if the same is called for a date not later than sixty (60) days after the date of the first meeting, the required quorum at the subsequent meeting shall be one-half ($1/2$) of the

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required quorum at the preceding meeting.

Section 7. Date of Commencement of Annual Assessments: Due Date: Certificate of Payment. The annual assessment provided for herein shall commence as to all Lots which are subject to this Declaration on the first day of the month following the date said Lots became subject to the Declaration. As to Lots shown on the map described in Article II, Section 1, said Lots shall be deemed subject to this Declaration on the date of recording of this Declaration. As to additional Lots described in any Supplemental Declarations, said Lots shall be deemed to be subject to this Declaration on the date of recordation of the Supplemental Declaration(s). The first annual assessment shall be the "maximum annual assessment" set forth in Section 3 of this Article and shall be adjusted according to the number of months remaining in the calendar year. At least thirty (30) days before January 1 of each year, the Board of Directors shall fix the amount of the annual assessment against each Lot and at least fifteen (15) days before January 1 of each year shall send written notice of each assessment to every Owner subject thereto. The due date for the payment of annual assessments shall be January 1 and the due date for the payment of special assessments shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 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 a minimum rate of twelve percent (12%) per annum or at the rate established by the Board of Directors at the beginning of the fiscal year of the Association, if higher. The Board of Directors shall be authorized to assess a monthly late charge in the event that any assessment is not paid within thirty (30) days after the due date, which late charge shall be added to the amount of the unpaid assessment. The Association may bring an action at law against the Owner personally obligated to pay the assessment, interest and late charges or foreclose the lien against the property, and interest, late charges and reasonable attorney 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 non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage or first deed of trust on a Lot. Sale or transfer of any Lot shall not affect any assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such

assessments as to the payment thereof which became due prior to such sale or transfer. No such sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage or deed of trust.

Section 10. Exempt Property. All property dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VI

EXTERIOR MAINTENANCE

Each Owner shall maintain the grounds and the improvements situated on his Lot, including, but not limited to plantings, landscaping, and lawns, at all times in a neat and attractive manner satisfactory to the Board of Directors of the Association. Upon the Owner's failure to do so, the Association may, at its option, after approval by a majority vote of the Board of Directors and after giving the Owner ten (10) days' written notice sent to his last known address, or to the address of the subject premises, have the grass, weeds, shrubs and vegetation cut when and as often as the same is necessary in its judgment, and have dead trees, shrubs and plants removed from such Lot, and replaced, and may have any portion of the Lot resodded or landscaped, and all expenses of the Association under this sentence shall be a lien and charge against the Lot on which the work was done and the personal obligation of the then Owner of such Lot. Upon the Owner's failure to maintain the exterior of any structure, including the roof, in good repair and appearance, the Association may, at its option, after approval by a majority vote of the Board of Directors and after giving the Owner thirty (30) days' written notice sent to his last known address, make repairs and improve the appearance in a reasonable and workmanlike manner. The cost of any of the work performed by the Association upon the Owner's failure to do so shall be immediately due and owing from the Owner of the Lot and shall constitute an assessment against the Lot on which the work was performed, collectible in a lump sum and secured by the lien against the Lot as herein provided.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 1. Architectural Review Board. Except for improvements made upon any of the Lots by Declarant or except as otherwise provided under this Declaration, no building, fence, wall

or other structure shall be commenced or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Declarant or by an Architectural Review Board composed of three (3) representatives appointed by the Declarant (the "Architectural Review Board"). The areas over which the Architectural Review Board shall have control shall include, but shall not be limited to, the size and plan of the principal residential structure, the location of the principal residential structure on the Lot, the size and plan of any attached or detached garage, the location and manner of construction of any driveway, swimming pool, utility building, patio or other exterior improvement, the composition and color of all materials used on the exterior of any structure, and the location and type of any shrubbery to be planted on any Lot. The Architectural Review Board shall also have control over the removal of any tree or other vegetation from any Lot and no party shall grade, excavate upon or otherwise alter the topography of any Lot or remove any tree or other vegetation therefrom, without obtaining the prior express written approval of the Architectural Review Board. In the event Declarant so elects, it shall no longer be required to participate with respect to the Architectural Review Board or the designation of representatives and upon Declarant's written notice, a majority of the Owners shall designate and select each member of the Architectural Review Board by "straight" vote (i.e. non-cumulative vote) for each position.

Section 2. Procedure. Any party desiring Architectural Review Board approval of any proposed improvement to any Lot or portion of the Properties shall submit to the Architectural Review Board plans and specifications showing in such detail and manner as the Architectural Review Board shall require the nature, shape, height, materials and location of any such improvement. The Architectural Review Board may, in its sole discretion, require in particular instances that such plans and specifications be accompanied by a plat prepared by a Registered Surveyor showing the location of the proposed improvements on the Lot. All decisions of the Architectural Review Board shall be by a majority vote of the members thereof and shall be based on discretionary determination as to whether any particular improvement is suitable and harmonious with the development of the subdivision. The Architectural Review Board's approval or disapproval of any proposed improvement shall be in writing. In the event that the Architectural Review Board fails to approve or disapprove any such proposed improvement within thirty (30) days after plans and specifications in such detail as the Architectural Review Board may require have been submitted to it, no approval will then be required and this Section shall be deemed to have been complied with. Subsequent to the approval of any plans and specifications,

the Owner shall have the responsibility for making such improvements in accordance with the plans and specifications as approved. Approval by the Architectural Review Board of any proposed improvement shall not constitute or be construed as approval of the structural stability, design or quality of any improvement or the compliance of any improvement with applicable loss and codes.

ARTICLE VIII

USE RESTRICTIONS

Section 1. Land Use. All Lots shall be used for residential purposes only, except that (i) Declarant and homebuilders may maintain sales offices, models and construction offices on the Properties and (ii) community well or sewage system Lots and easements shall be used to provide utility services to the Properties; and provided further, that a roadway may be constructed across any Lot for the purpose of connecting a street in McCarron to a street in an adjoining subdivision.

Section 2. Building Line Requirements. Minimum setback lines which may be shown on any recorded plat of the Properties are not necessarily intended to create uniformity of setbacks; they are meant primarily to avoid overcrowding and monotony. It is intended that setbacks may be staggered where appropriate so as to preserve the trees and other natural vegetation, and to ensure each owner the greatest benefit and enjoyment of the Common Areas. Any deviation from the building line requirements not in excess of ten percent (10%) thereof shall not be construed as a violation of the building line requirements.

Section 3. Dwelling Size. No dwelling shall be erected or placed on any lot having a heated living area (exclusive of uncovered porches, stoops, terraces, attached garages or carports) of less than 1,800 square feet.

Section 3. Fences. No fence, wall, or hedge shall be erected on any building plot closer to any street line than the building setback line shown on the recorded map. Chain link or other metal fencing is not permitted except that 2" x 4" mesh may be used with split rail fencing to contain animals within the yard. Perimeter fencing shall not have more than fifty percent (50%) of any of its surface closed as viewed from a point on a line of sight perpendicular to the line formed by the line of the fence. A wall constructed of brick or stone masonry and used in lieu of a fence is exempt from the openness test. Fencing of a more solid or private nature may be used around patios, wood decks or pools as privacy screens.

Section 4. Temporary Structure and Off Street Parking. No residence of a temporary nature shall be erected or allowed to

remain on any Lot, and no trailer, basement, shack, tent, garage, barn or any other building of a similar nature shall be used as a residence on any Lot, either temporarily or permanently. No carports shall be permitted to be maintained on any Lot. Mobile house trailers on or off wheels, vehicles or enclosed bodies of the type which may be placed on or attached to a vehicle, known generally as "campers", commercial vehicles of any kind operated by a member of the household occupying the dwelling on the Lot and any boats and boat trailers shall not be parked on the street or within the front or side street setback.

Section 5. Nuisances. No noxious or offensive trade or activity shall be carried on upon any Lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes. The number of household pets generally considered to be outdoor pets such as dogs, cats, etc. shall not exceed three (3) in number except for newborn offspring of such household pets which are under nine months of age.

Section 6. Metal Garages, Carports, Buildings and Accessory Structures. No metal garages, carports of metal or other material, metal buildings or metal accessory structures shall be erected on any Lot or attached to any residence building located on any Lot. No above-ground swimming pools shall be permitted on any Lot. The interior walls of any garage must be "finished" if the doors to the garage face the street upon which the structure is located.

Section 7. Signs. No sign of any kind shall be displayed to the public view on any Lot or Common Area with the exception of a single sign of not more than five (5) square feet advertising the property for sale or rent or signs used by the Declarant or builders to advertise the property during the construction and sales period.

Section 8. Unintentional Violations. In the event of the unintentional violation of any of the building line restrictions set forth herein, Declarant reserves the right, by and with the mutual written consent of the Owner or Owners for the time being of such Lot, to change the building line restrictions set forth in the instrument; provided, however, that such change shall not be in violation of any provisions of the applicable zoning code, unless a variance is granted by the applicable Board of Adjustment.

Section 9. Satellite Dishes or Discs and Solar Panels. No radio or television transmission or reception towers, antennas, or discs shall be erected on a Lot other than customary antennae, which shall not extend more than ten (10) feet above the top roof line ridge of the dwelling. In no event shall freestanding

transmission or receiving towers or discs or dishes be permitted. No solar panels shall be installed on the front roof plane or of any structure or in any manner so as to be visible from the street upon which the structure is located fronts.

Section 10. Maintenance of Lot. Each Owner shall maintain the grounds and improvements situated on each Lot as required in this Declaration. No clotheslines may be erected or maintained on any Lot other than a clothesline located directly behind the residence. All garbage cans, lawnmowers and similar equipment shall be kept in an enclosed structure or screened by adequate planting or fencing so as to conceal same from the view of neighboring owners and streets. Incinerators for garbage, trash or other refuse shall not be used or permitted to be erected or placed on any Lot. No Lot shall be used in whole or in part for storage of rubbish of any character whatsoever and no trash, rubbish, stored materials, wrecked or inoperable vehicles or similar unsightly items shall be allowed to remain on any Lot outside of an enclosed structure; provided, however, that the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish and other debris for collection by governmental or other similar garbage and trash removal units.

Section 11. Subdivision Entrances. Declarant, for itself, its successors and assigns, reserves an easement on Lot 107 and on the tract designated McCarron HOA common open space, both shown on map recorded in Map Book 23 at Page 299, for the purpose of constructing, maintaining and reconstructing of subdivision entrance signs and fences and for the purpose landscaping the area around the signs. The exact location of the signs and fences shall be determined by Declarant, but shall not be changed once established. The Owner of any Lot subject to such easement shall maintain the area around the signs not maintained or landscaped pursuant to this easement. Declarant shall have the right to assign this easement to the Association or a garden club. The reservation of this easement imposes no obligation on Declarant, its successors and assigns, to continue to maintain the landscaping and entrance signs.

ARTICLE IX

EASEMENTS

Easements for installation and maintenance of driveway, walkway, parking area, water line, gas line, cable television, telephone, electric power line, community water, sanitary sewer and storm drainage facilities and for other utility installations are reserved as shown on the recorded plat. Further, easements ten feet in width for such purposes are reserved over, under and through and along the rear lot lines of all Lots shown on recorded plats, and easements five feet in width for such purposes are reserved over, under and through and along all side lot lines of

all Lots shown on recorded plats, as well as temporary easements five feet in width along the front lot lines for construction, maintenance and repair purposes. In the event it is determined that other and further easements are required over any Lot or Lots in locations not shown on the recorded plat and not along rear or side Lot lines, such easements may be established by the Declarant except that if any such easements are reserved or established after the conveyance of a Lot or Lots to be affected thereby, the written assent of the Owner or Owners of such Lot or Lots and of the trustees and mortgagees in deeds of trust constituting a lien thereon shall be required. The Association may reserve and grant easements for the installation and maintenance of sewerage, utility, including CATV, and drainage facilities over, under and through the Common Areas as provided in Article IV, Section 1(c). Within any such easements above provided for, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation of sewerage disposal facilities and utilities, or which may change the direction of flow or drainage channels in the easements or which may obstruct or retard the flow of water through drainage channels in the easements. An easement is reserved for the Association to go onto any Lot for the purpose of enforcing the provisions of Article VI.

ARTICLE X

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.

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. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty-five (25) years from the date this Declaration is recorded, after which time, they shall be automatically extended for successive periods of one (1) year. This Declaration may be amended in full or in part during the first twenty-five year period by an instrument signed by the Owners of not less than eighty percent (80%) of the Lots and thereafter by an instrument signed

by the Owners of not less than sixty-seven percent (67%) of the Lots. No amendment shall be effective until properly recorded in the office of the Register of Deeds for Mecklenburg County, North Carolina. For the purpose of this Section, additions to existing property as provided in Article II, Section 2 hereof shall not constitute an "amendment".

IN WITNESS WHEREOF, East Coast Diversified Capital, Inc. has caused this instrument to be executed this 10th day of August, 1989.

EAST COAST DIVERSIFIED CAPITAL, INC.

By: [Signature]
President

ATTEST:

[Signature]
Assistant Secretary

[Corporate Seal]

STATE OF NORTH CAROLINA

COUNTY OF GASTON

I, Terri J. Davis, a Notary Public for the County and State aforesaid, certify that Judith A. Reese personally appeared before me this day and acknowledged that she is Assistant Secretary of East Coast Diversified Capital, Inc., a North Carolina corporation, and that by authority duly given and as an act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by her as its Assistant Secretary.

WITNESS my hand and official stamp or seal this 10th day of August, 1989.

[Signature]
Notary Public




X CONSENT OF MORTGAGEE

Mutual Savings and Loan Association, Inc. ("Beneficiary"), being the Beneficiary under that certain Deed of Trust from East Coast Diversified Capital, Inc. to J. L. Carter, Jr., et al, Trustees, conveying a portion of the property described in Exhibit A attached hereto and made a part hereof and recorded in Book 5958 at Page 509 in the Mecklenburg County Public Registry and that certain Deed of Trust from East Coast Diversified Capital, Inc. to J. L. Carter, Jr., et al, Trustees for Beneficiary, conveying a portion of the property described on Exhibit A attached hereto, and recorded in Book 6007 at Page 283 in the Mecklenburg County Public Registry, and that certain Deed of Trust from East Coast Diversified Capital, Inc. to J. L. Carter, Jr., Trustee for Beneficiary, conveying a portion of the property described on Exhibit A attached hereto and recorded in Book 6036, Page 420 in the Mecklenburg County Public Registry, does hereby consent to the recordation of this Declaration and the imposing of the provisions hereof on said real property described on Exhibit A, and said Beneficiary does hereby consent and agree that from and after this date, the provisions of this Declaration, including amendments or Supplementary Declarations hereto, shall be superior to the liens of the afore-described Deeds of Trust on the property described on Exhibit A. The execution of this Consent of Mortgagee by Beneficiary shall not be deemed or construed to have the effect of creating between Beneficiary and Declarant the relationship of partnership or of joint venture, nor shall Beneficiary be deemed to have accepted in any way nor shall anything contained herein be deemed to impose upon Beneficiary any of the liabilities, duties or obligations of Declarant under the foregoing Declaration. 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 Deeds of Trust for the purposes hereinabove set forth.

IN WITNESS WHEREOF, the undersigned have caused this Consent of Mortgagee to be duly executed and sealed as of the 11th day of ~~August~~, 1989.

October

 (SEAL)
J. L. Carter, Jr., Trustee

MUTUAL SAVINGS AND LOAN ASSOCIATION,
INC.

By: [Signature]
Executive Vice President

[Corporate Seal]

ATTEST:

[Signature]
Assistant Corporate Secretary

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I, DORIS KELLY, a Notary Public for
said County and State, do hereby certify that J. L. Carter, Jr.,
Trustee, personally appeared before me this day and acknowledged
the execution of the foregoing instrument.

Witness my hand and notarial seal, this 11th day of ^{OCT.} August,
1989.

[Signature]
Notary Public

My Commission Expires: 1-18-91

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I, Susan E. Arrowood, a Notary Public for the County and State aforesaid, certify that R. Annette Williams personally appeared before me this day and acknowledged that she is Assistant Corporate Secretary of Mutual Savings and Loan Association, Inc., a North Carolina corporation, and that by authority duly given and as an act of the corporation, the foregoing instrument was signed in its name by its Executive Vice President, sealed with its corporate seal and attested by her as its Assistant Corporate Secretary.

WITNESS my hand and official stamp or seal this 11th day of August, 1989.
October

Susan E. Arrowood
Notary Public

My Commission Expires: 10-30-91

DRAWN BY AND MAIL TO:
BRADLEY, GUTHERY, TURNER & CUNY
900 CAMERON BROWN BLDG.
301 S. McDOWELL ST
CHARLOTTE, NC 28204

(Page One of Three)

TRACT ONE:

BEGINNING at an iron located in the centerline of Hood Road, a 60 foot right-of-way (S.R. No. 2826), said iron being located in the northwesterly corner of the property conveyed to Charlotte Memorial Gardens, Inc. by Deed recorded in Book 2748, Page 483 in the Mecklenburg County Public Registry and the southwesterly corner of the property herein conveyed; thence, continuing with the centerline of Hood Road, (S.R. No. 2826), North 24-00-40 East 178.83 feet to an iron; thence, North 81-14-45 East 350.00 feet to an iron; thence, North 09-01-25 East 31.54 feet to an old iron; thence, North 09-01-25 East 558.29 feet to an iron; thence, North 86-54-15 West 120.87 feet to a point in the centerline of Hood Road (S.R. No. 2826); thence continuing with the centerline of Hood Road two courses and distances as follows: (1) with the arc of a curve to the left, having a radius of 495.34 feet, an arc distance of 241.11 feet to a point; (2) North 03-00-00 293.40 feet to a point in a bridge; thence, with the centerline of Reedy Creek ten courses and distances as follows: (1) South 77-22-39 East 178.56 feet to a point; (2) South 72-10-09 East 396.63 feet to a point; (3) South 68-32-04 East 297.03 feet to a point; (4) South 80-44-44 East 60.51 feet to a point; (5) South 80-55-07 East 106.64 feet to a point; (6) South 28-32-56 East 60.41 feet to a point; (7) South 68-46-56 East 17.37 feet to a point; (8) North 67-53-04 East 31.11 feet to a point; (9) South 68-28-09 East 362.15 feet to a point; (10) South 82-56-28 East 364.13 feet to a point; thence with a line of the property of Margaret H. Sherrill, et al, (now or formerly), South 09-32-23 East 478.50 feet to an iron; thence continuing with said property of Margaret H. Sherrill, (now or formerly), North 79-32-23 West 351.00 feet to an iron; thence South 26-00-32 West 873.68 feet to an iron located in the northeasterly corner of the property conveyed to Charlotte Memorial Gardens, Inc., as aforesaid, and the southeasterly corner of the property herein conveyed; thence with a line of the said Charlotte Memorial Gardens, Inc. property, (now or formerly), North 76-03-58 West 1,583.49 feet to a point in the centerline of Hood Road (S.R. No. 2826) the point and place of BEGINNING. Containing 48.486 acres (0.494 acres of which lie within the right-of-way of Hood Road) as shown on a boundary survey by Hugh E. White, Jr., N.C.R.L.S. dated January 19, 1989 and revised January 31, 1989, to which reference is hereby made for a more particular description of the property.

(Page Two of Three)

TRACT TWO:

BEGINNING at an iron, said iron being located at the southerly or southeasterly corner of the property conveyed to East Coast Diversified Capital, Inc. ("East Coast") by deed of Gateway Plaza, Inc. dated February 1, 1989, and recorded in Book 5955 at Page 953 in the Mecklenburg County Public Registry; said beginning point also being the northeasterly corner of the property of Charlotte Memorial Gardens, Inc. (now or formerly) which property is described in deed recorded in Book 2748 at Page 483 in the Mecklenburg County Public Registry; and running thence with the East Coast line the following three (3) calls: (1) North 26-00-32 East 873.68 feet to an iron, (2) South 79-32-23 East 351.00 feet to an iron, (3) North 09-32-23 West 478.50 feet to a point in the centerline of Reedy Creek; thence with the center of Reedy Creek the following four (4) calls: (1) South 83-11-58 East 94.86 feet to a point, (2) North 79-58-23 East 151.24 feet to a point, (3) North 60-32-25 East 94.41 feet to a point, (4) North 70-29-52 East 605.12 feet to a point at the intersection of Reedy Creek and Reedy Creek Tributary #2; thence with the centerline of Reedy Creek Tributary #2 the following eleven (11) calls: (1) South 39-37-15 West 1,156.00 feet to a point, (2) South 44-44-31 West 187.19 feet to a point, (3) South 38-05-15 West 131.59 feet to a point, (4) South 25-22-39 West 294.40 feet to a point, (5) South 41-42-13 West 57.73 feet to a point, (6) South 10-08-21 West 186.68 feet to a point, (7) South 01-12-54 West 164.67 feet to a point, (8) South 11-58-49 East 134.24 feet to a point, (9) South 07-07-50 East 200.57 feet to a point, (10) South 20-43-42 East 58.53 feet to a point, (11) South 06-25-47 East 128.89 feet to a point; thence North 62-01-57 West 801.92 feet to an old iron in the line of Charlotte Memorial Gardens, Inc.; thence with said line North 26-00-32 East 517.00 feet to the place and point of BEGINNING, consisting of 22.783 acres, all as shown on a survey prepared by Carolina Surveyors, Inc. dated February 17, 1989, and entitled "A Boundary Survey for East Coast Diversified Capital, Inc."

EXHIBIT A

(Page Three of Three)

There is excepted from the property heretofore described on this Exhibit A the following described property:

BEGINNING at a point in the southeasterly margin of the right-of-way of Hood Road as shown on a map of dedication of right-of-way for Hood Road recorded in Map Book 23 at Page 371 in the Mecklenburg County Public Registry, said point also being located South 76-03-58 East from the centerline of Hood Road and from the southwesterly corner of the property conveyed to East Coast Diversified Capital, Inc. by Deed from Gateway Plaza, Inc. dated February 1, 1989 and recorded in Book 5955 at Page 953 in the Mecklenburg County Public Registry and running thence South 76-03-58 East 189.37 feet to a point; thence North 11-57-51 East 253.53 feet to a point in the line of John T. Porterfield; thence with the Porterfield line, South 81-14-45 West 158.80 feet to a point in the southeasterly margin of the right-of-way of Hood Road as shown on the aforescribed map recorded in Map Book 23 at Page 371; thence with said margin of said right-of-way of Hood Road, South 24-00-40 West 195.14 feet to the point of BEGINNING, being .850 acres as shown on a survey prepared by Hugh E. White, Jr., Registered Surveyor, dated October 5, 1989, to which reference is hereby made.

State of North Carolina, County of Mecklenburg

The foregoing Certificate(s) of Terre J. Davis

Doris Kelly & Susan E. Arrowood

Notary(ies) Public is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

ANNE A. POWERS, REGISTER OF DEEDS

By Anne A. Powers Deputy - Register of Deeds

Order by & Mail to ✓ Horeck, Talley
Karr & Lowndes BOX 74

REAL ESTATE
BOOK PAGE 700071
6231 0171

STATE OF NORTH CAROLINA
90 MAR 16 AM 11:02
COUNTY OF MECKLENBURG

SUPPLEMENTARY DECLARATION OF
COVENANTS, CONDITIONS AND
RESTRICTIONS

ANNE A. POWERS
REGISTER OF DEEDS
MECKLENBURG CO. NC

This Supplementary Declaration, made on this 11th day of January, 1990, by East Coast Diversified Capital, Inc., a North Carolina corporation ("East Coast").

WHEREAS, East Coast has imposed a DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR McCARRON (the "Declaration") on McCarron, Map 1, as shown on a map thereof which is recorded in Map Book 23, at Page 299 in the Mecklenburg County Public Registry; and

WHEREAS, the Declaration is recorded in Book 6135, at Page 845, in the Mecklenburg County Public Registry and provides in Article II, Section 2(e) that "Additional Land and Common Area within the area described in the metes and bounds description attached hereto as Exhibit A and incorporated herein by reference may be annexed to the Properties by Declarant and brought within the scheme of this Declaration and within the jurisdiction of the Association"; and

WHEREAS, "Declarant" is defined in the Declaration as "East Coast Diversified Capital, Inc."; and

WHEREAS, East Coast is the owner of all lots and other property shown on a map of McCarron, Map 2 which is recorded in Map Book 23, at Page 574, in the Mecklenburg County Public Registry, all of which lots and property lie within the area described on Exhibit A in the Declaration.

NOW, THEREFORE, pursuant to the provisions of the aforesaid Declaration, East Coast does hereby subject McCarron, Map 2 as shown on Map recorded in Map Book 23, at Page 574, in the Mecklenburg County Public Registry to the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR McCARRON recorded in Book 6135, at Page 845, in the Mecklenburg County Public Registry, to the end that McCarron, Map 2 shall be within the scheme of said Declaration and to the further end that all present and future owners of all lots shown on the Map recorded in Map Book 23, at Page 574, in the Mecklenburg County Public Registry shall be subject to the terms and conditions of the aforesaid Declaration and shall have the rights and privileges therein set out.

CONSENT OF FIRST UNION NATIONAL BANK

First Union National Bank ("Beneficiary"), being the Beneficiary under that certain deed of trust from East Coast Diversified Capital, Inc. to Douglas F. Woolley, III, Trustee, which deed of trust is recorded in Book 6135, at Page 840 in the Mecklenburg County Public Registry, does hereby consent to the

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17.00
17.00

11185 85177 AAA
82/16/90

recording of this Supplementary Declaration, and said Beneficiary does hereby consent and agree that from and after this date, the provisions of the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MCCABRON recorded in Book 6135, at Page 845, in the Mecklenburg County Public Registry, including amendments or supplementary declarations thereto, including this Supplementary Declaration, shall be superior to the lien of the aforescribed deed of trust. The execution of this Consent by Beneficiary shall not be deemed or construed to have the effect of creating between Beneficiary and East Coast the relation of partnership or of joint venture, nor shall Beneficiary be deemed to have accepted in any way nor shall anything contained herein be deemed to impose upon Beneficiary any of the liabilities, duties or obligations of Declarant under the foregoing Declaration. Beneficiary executes this Consent 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 purposes hereinabove set forth.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and sealed as of the 31st day of January, 1990.

EAST COAST DIVERSIFIED CAPITAL, INC.

By: [Signature]
President

[Signature]
Asst. Secretary
(Corporate Seal)

FIRST UNION NATIONAL BANK

By: [Signature]
Vice President

WITNESS:
[Signature]
Assistant Secretary
(Corporate Seal)

[Signature] (SEAL)
Douglas F. Woolley, III Trustee

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I, a Notary Public of the County and State aforesaid, certify that Gary Dunne personally came before me this day and acknowledged that he is Assistant Secretary of East Coast Diversified Capital, Inc., a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by Gary Dunne as its Asst. Secretary.

Witness my hand and notarial seal, this 31st day of January, 1990.

Culynn B. Stevens
Notary Public

My commission expires:

July 27, 1991

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I, a Notary Public of the County and State aforesaid, certify that Mark F. Falls personally came before me this day and acknowledged that he is Assistant Secretary of First Union National Bank, a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Vice President, sealed with its corporate seal and attested by Mark F. Falls as its Assistant Secretary.

Witness my hand and notarial seal, this 9th day of March, 1990.

Edwin Kuhn
Notary Public

My commission expires:

My Commission Expires June 9, 1993

STATE OF NORTH CAROLINA

COUNTY OF ~~MECKLENBURG~~ *Wake*

I, a Notary Public of the County and State aforesaid, certify that Douglas F. Woolley, III, Trustee personally appeared before me this day and acknowledged the execution of the foregoing instrument.

Witness my hand and notarial seal, this 13th day of March, 1990.

Karen H. Pennell
Notary Public

My commission expires:

9-2-92



State of North Carolina, County of Mecklenburg
The foregoing Certificate(s) of Evelyn B. Stevens,
Dawn Kuhn and Karen H. Pennell

Notary (ies) Public is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

APPROVED BY WILLS, REGISTRAR OF DEEDS
By Joseph A. Orinell Deputy - Registrar of Deeds

Drawn by & mail to: BOBACK, TALLEY
FRANK & LOWMEYER BOX 74

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

SUPPLEMENTARY DECLARATION OF
COVENANTS, CONDITIONS AND
RESTRICTIONS FOR McCARRON

This Supplementary Declaration, made on this 4th day of October, 1990, by East Coast Diversified Capital, Inc., a North Carolina corporation ("East Coast").

WHEREAS, East Coast has imposed a DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR McCARRON (the "Declaration") on McCarron, Map 1, as shown on a map thereof which is recorded in Map Book 23 at Page 299 in the Mecklenburg County Public Registry; and

WHEREAS, the Declaration is recorded in Book 6135 at Page 845 in the Mecklenburg County Public Registry and provides in Article II, Section 2(a) that "Additional Land and Common Area within the area described in the metes and bounds description attached hereto as Exhibit A and incorporated herein by reference may be annexed to the Properties by Declarant and brought within the scheme of this Declaration and within the jurisdiction of the Association"; and

WHEREAS, "Declarant" is defined in the Declaration as "East Coast Diversified Capital, Inc."; and

WHEREAS, East Coast is the owner of all lots and other property shown on a map of McCarron, Map 3, which is recorded in Map Book 23 at Page 723, and shown on a map of McCarron, Map 4, which is recorded in Map Book 23 at Page 924, in the Mecklenburg County Public Registry, all of which lots and property lie within the area described on Exhibit A in the Declaration;

NOW, THEREFORE, pursuant to the provisions of the aforesaid Declaration, East Coast does hereby subject McCarron, Map 3, as shown on map recorded in Map Book 23 at Page 723, and McCarron, Map 4, as shown on map recorded in Map Book 23 at Page 924, in the Mecklenburg County Public Registry to the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR McCARRON recorded in Book 6135 at Page 845 in the Mecklenburg County Public Registry, to the end that McCarron Map 3 and McCarron Map 4 shall be within the scheme of said Declaration and to the further end that all present and future owners of all lots and other property shown on Map 3 recorded in Map Book 23 at Page 723 and Map 4 recorded in

Map Book 23 at Page 924, in the Mecklenburg County Public Registry shall be subject to the terms and conditions of the aforesaid Declaration and shall have the rights and privileges therein set out.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be duly executed and sealed as of the date and year first above written.



EAST COAST DIVERSIFIED CAPITAL, INC.

By: [Signature]
President.

[Signature]
Assistant Secretary

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

I, a Notary Public of the County and State aforesaid, certify that Mary W. James personally came before me this day and acknowledged that she is Assistant Secretary of East Coast Diversified Capital, Inc., a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by Mary W. James as its Assistant Secretary.

Witness my hand and notarial seal, this 4th
October, 1990.

[Signature]
Notary Public
My Commission Expires: July 27, 1991



State of North Carolina, County of Mecklenburg
The foregoing Certificate(s) of Evelyn B. Stevens

Notary(ies) Public is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

ANTHONY A. FOWERS, REGISTER OF DEEDS
By [Signature] Deputy - Register of Deeds

Drawn by & mail to: BORACK, TALLEY, PHARR & LOWMEYER, BOX 74

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

SUPPLEMENTARY DECLARATION OF
COVENANTS, CONDITIONS AND
RESTRICTIONS FOR McCARRON

This Supplementary Declaration, made on this 4th day of
October, 1990, by East Coast Diversified Capital, Inc., a
North Carolina corporation ("East Coast").

WHEREAS, East Coast has imposed a DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR McCARRON (the "Declaration") on
McCarron, Map 1, as shown on a map thereof which is recorded in
Map Book 23 at Page 299 in the Mecklenburg County Public Registry;
and

WHEREAS, the Declaration is recorded in Book 6135 at Page
845 in the Mecklenburg County Public Registry and provides in
Article II, Section 2(a) that "Additional Land and Common Area
within the area described in the metes and bounds description
attached hereto as Exhibit A and incorporated herein by reference
may be annexed to the Properties by Declarant and brought within
the scheme of this Declaration and within the jurisdiction of
the Association"; and

WHEREAS, "Declarant" is defined in the Declaration as "East
Coast Diversified Capital, Inc."; and

WHEREAS, East Coast is the owner of all lots and other
property shown on a map of McCarron, Map 3, which is recorded in
Map Book 23 at Page 923, and shown on a map of McCarron, Map 4,
which is recorded in Map Book 23 at Page 924, in the Mecklenburg
County Public Registry, all of which lots and property lie within
the area described on Exhibit A in the Declaration;

NOW, THEREFORE, pursuant to the provisions of the aforesaid
Declaration, East Coast does hereby subject McCarron, Map 3, as
shown on map recorded in Map Book 23 at Page 923, and McCarron,
Map 4, as shown on map recorded in Map Book 23 at Page 924, in
the Mecklenburg County Public Registry to the DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR McCARRON recorded in
Book 6135 at Page 845 in the Mecklenburg County Public Registry,
to the end that McCarron Map 3 and McCarron Map 4 shall be within
the scheme of said Declaration and to the further end that all
present and future owners of all lots and other property shown on
Map 3 recorded in Map Book 23 at Page 923 and Map 4 recorded in

Map Book 23 at Page 924, in the Mecklenburg County Public Registry shall be subject to the terms and conditions of the aforesaid Declaration and shall have the rights and privileges therein set out.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be duly executed and sealed as of the date and year first

EAST COAST DIVERSIFIED CAPITAL, INC.

By [Signature]
President

[Signature]
Assistant Secretary

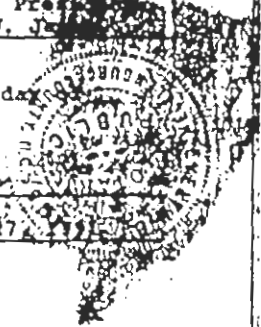


STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

I, a Notary Public of the County and State aforesaid, certify that Mary W. James personally came before me this day and acknowledged that she is Assistant Secretary of East Coast Diversified Capital, Inc., a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by Mary W. James as its Assistant Secretary.

Witness my hand and notarial seal, this 15th day of October, 1990.

[Signature]
Notary Public
My Commission Expires: July 27, 1991



State of North Carolina, County of Mecklenburg
The foregoing Certificate(s) of Evelyn B. Stevens

Notary (ies) Public is/are certified to be correct. This instrument and this certificate are duly registered in the date and time and in the Book and Page shown on the first page hereof.

ANNE A. POWERS, REGISTER OF DEEDS
By [Signature] Deputy - Register of Deeds

Drawn by & mail to: MORACK, TALLEY,

PLAZA & LOWMEYER (BOX 74)

AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR McCARRON

THIS AMENDMENT TO DECLARATION, made this 24th day of April, 1991, by EAST COAST DIVERSIFIED CAPITAL, INC., a North Carolina corporation (hereinafter referred to as "Declarant"), FUTRELL/DUNNE, INC., a North Carolina corporation (hereinafter referred to as "Futrelle") and JOHN STOWE CONSTRUCTION, INC., a North Carolina corporation (hereinafter referred to as "Stowe").

WHEREAS, Declarant, Futrelle and Stowe are the owners of lots in McCarron, Map 1 as shown on map recorded in Map Book 23 at Page 299, McCarron, Map 2 as shown on map recorded in Map Book 23 at Page 651 (superseding map recorded in Map Book 23 at Page 574) and McCarron, Map 3 as shown on map recorded in Map Book 23 at Page 923 in the Mecklenburg County Public Registry;

WHEREAS, Declarant recorded Declaration of Covenants, Conditions and Restrictions for McCarron in Book 6135 at Page 845 and Supplementary Declarations of Covenants, Conditions and Restrictions in Book 6231 at Page 171 and Book 6367 at Page 453 (re-recorded in Book 6372 at Page 824) in the Mecklenburg County Public Registry (hereinafter collectively referred to as "Declaration");

WHEREAS, within McCarron, there is located real and personal property and equipment which comprises a water and sewer system (hereinafter referred to as "McCarron Water and Sewer System");

WHEREAS, Declarant, Futrelle and Stowe wish to amend said Declaration;

WHEREAS, Article X, Section 3 of the Declaration states that the Declaration may be amended by an instrument signed by the Owners of not less than 80% of the lots in McCarron;

WHEREAS, Declarant, Futrelle and Stowe collectively own more than 80% of the lots in McCarron;

NOW, THEREFORE, Declarant, Futrelle and Stowe do hereby, amend the Declaration as follows:

1. The definition of "Common Area" shall be amended to include the following:

(1) The utility site tract, including the Well Sites located thereon, shown on map recorded in Map Book 23 at Page 924 in the Mecklenburg County Public Registry.

(2) All real or personal property and equipment which is part of the McCarron Water and Sewer System.


2. Each lot shall be subject to the payment of a monthly water and sewer assessment to the McCarron Homeowners Association, Inc. This assessment will be for the monthly water and sewer usage of each lot. These water and sewer assessments are subject to the same provisions of the Declaration which govern annual assessments and special assessments.

3. In all other respects, the Declaration shall remain unchanged and is hereby approved, ratified and affirmed.

IN WITNESS WHEREOF, Declarant, Futrelle and Stowe have caused this instrument to be executed as of the day and year first above written.

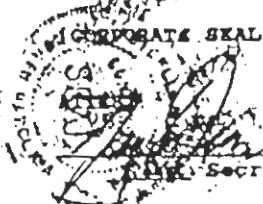
EAST COAST DIVERSIFIED
CAPITAL, INC.

By: [Signature]
President

 [Signature]
Secretary

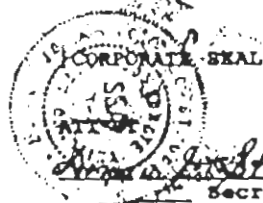
FUTRELLE/DORNE, INC.

By: [Signature]
President

 [Signature]
Secretary

JOHN STOWE CONSTRUCTION,
INC.

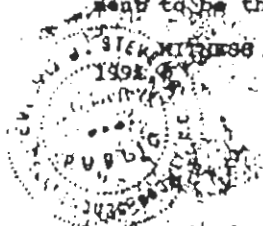
By: [Signature]
President

 [Signature]
Secretary

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 24th day of April, 1991, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came M. T. Futrelle, Jr., who, being duly sworn, says that he is President of EAST COAST DIVERSIFIED CAPITAL, INC., and that the seal affixed to the foregoing instrument in writing is the corporate seal of said corporation, and that he signed and sealed said instrument on behalf of said corporation by its authority duly given. And the said M. T. Futrelle, Jr. acknowledged said instrument to be the act and deed of said corporation.

 WITNESS my hand and seal this 24th day of April.

Evelyn B. Stevens
Notary Public

My Commission Expires: July 27, 1991

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 24th day of April, 1991, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came M. T. Futrelle, Jr., who, being duly sworn, says that he is President of FUTRELLS/DUNN, INC., and that the seal affixed to the foregoing instrument in writing is the corporate seal of said corporation, and that he signed and sealed said instrument on behalf of said corporation by its authority duly given. And the said M. T. Futrelle, Jr. acknowledged said instrument to be the act and deed of said corporation.

 WITNESS my hand and seal this 24th day of April.

Evelyn B. Stevens
Notary Public

My Commission Expires: July 27, 1991

STATE OF NORTH CAROLINA

COUNTY OF Mecklenburg

This 14th day of April, 1993, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came John C. Stove, Jr., who, being duly sworn, says that he is President of JOHN STOVE CONSTRUCTION, INC., and that the seal affixed to the foregoing instrument in writing is the corporate seal of said corporation, and that he signed and sealed said instrument on behalf of said corporation by its authority duly given. And the said John C. Stove, Jr. acknowledged said instrument to be the act and deed of said corporation.

My hand and seal this 24th day of April.



Pamela Sue Peew
Notary Public

Commission Expires: 10-31-94

U1-59K.HDP

State of North Carolina, County of Mecklenburg
The foregoing C. Warrant(s) of Jeffrey S. Stinson
& Pamela Sue Peew

Notary (ies) Public is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

ANNE A. POWERS, REGISTER OF DEEDS
By Robert M. Jamerson Deputy - Register of Deeds