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NORTH CAROLINA
MECKLENBURG COUNTY

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR PARK CROSSING COMMUNITY

Prepared by
Mail after recording to FIRST CAROLINA INVESTORS OF MECKLENBURG, INC., Post Office Box 33607, Charlotte, NC 28233-3607

THIS DECLARATION, made on the date hereinafter set forth by FIRST CAROLINA INVESTORS OF MECKLENBURG, INC., a North Carolina corporation, hereinafter referred to as "Declarant,"

WITNESSETH:

WHEREAS, Declarant owns and is engaged in the development of a tract of land containing approximately 489 acres of land, located on the west side of Park Road, South of the City of Charlotte in Mecklenburg County, North Carolina, and to be known as Park Crossing Community and herein referred to as "Park Crossing;" which tract is more particularly described in Exhibit "A" attached hereto;

AND WHEREAS, Declarant has heretofore recorded a map covering certain property within the boundaries of Park Crossing showing lots and streets known as Chatham Oaks Subdivision, which map is recorded in Map Book 19, Page 597, Mecklenburg County Registry.

AND WHEREAS, Declarant desires to provide for the preservation of the values and maintenance of common properties, being the greenways, planted and landscaped areas in the circles at the ends of cul-de-sacs, median strips in thoroughfares and other areas suitable for landscaping for the general use and beautification; and to this end, Declarant desires to subject the real property known as Chatham Oaks Subdivision, together with such other additional property as may hereafter be made subject to this Declaration, as provided in Article III, to the covenants, restrictions, easements, agreements, charges and liens hereinafter set forth, each and all of which is for the protection and benefit of said property and each and every owner of any and all parts thereof; and each of which shall inure to the benefit of and run with said property;

NOW THEREFORE, Declarant declares that the real property described in Article I hereof, and such additions thereto as may hereafter be made pursuant to Article III hereof, is and shall be held, transferred, sold, conveyed and occupied, and used subject to the covenants, restrictions, conditions, easements, agreements, charges and liens (sometimes referred to as the "covenants and restrictions") hereinafter set forth. Every grantee of any interest in any lot or real property now or hereafter made subject to this Declaration, by acceptance of a deed or other conveyance of such interest, whether or not it shall be solely expressed in

any such deed or other conveyance, whether or not such deed or other conveyance shall be signed by such person and whether or not such person shall otherwise consent in writing, shall take subject to this Declaration and to all the terms and conditions hereof and shall be deemed to have assented to all of said terms and conditions.

ARTICLE I

PROPERTY SUBJECT TO THIS DECLARATION

The real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is all that property comprising Chatham Oaks Subdivision as the same is shown on the map thereof recorded in Map Book 19, Page 597, Mecklenburg County Registry.

ARTICLE II

DEFINITIONS

SECTION 1. "Association" shall mean and refer to Park Crossing Owners Association, Inc., a North Carolina non-profit corporation, its successors and assigns.

SECTION 2. "Properties" shall mean and refer to Chatham Oaks Subdivision hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

SECTION 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of all members or designated classes of members of the Association, and all greenways, median strips, planting areas and recreational areas.

SECTION 4. "Lot" shall mean and refer to any plot of land shown upon the last recorded subdivision map of the Properties on which such plot appears (provided said map has been approved by Declarant), with the exception of the Common Area, privately owned recreation areas, apartment areas and non-residential areas.

SECTION 5. "Lot in Use" shall mean and refer to any lot on which a dwelling unit, other than apartment, has been fully constructed and occupied as a dwelling unit.

SECTION 6. "Member" shall mean and refer to every person or entity who holds membership in the Association.

SECTION 7. "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, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 8. "Declarant" shall mean and refer to First Carolina Investors of Mecklenburg, Inc., and those of its successors and assigns, if any, to whom the rights of Declarant hereunder are expressly transferred hereafter, in whole or in part, and subject to such terms and conditions as the Declarant may impose.

SECTION 9. "Amenities" shall mean the facilities constructed, erected, or installed on the Common Area for the use, benefit and enjoyment of Members.

ARTICLE III

ANNEXATION OF ADDITIONAL PROPERTIES

SECTION 1. ANNEXATION BY MEMBERS. Except as provided in Section 2 of this Article, additional lands may be added and annexed to the Properties only if both two-thirds (2/3) of all of the votes entitled to be cast, in the aggregate, by _____ Class A members and also two-thirds (2/3) of all of the votes entitled to be cast by Class B members, if any, are cast in favor of annexation. A meeting shall be duly called for this purpose, written notice of which shall be sent to all members of the Association, setting forth the time, place and purpose of the meeting, not less than thirty (30) days nor more than sixty (60) days in advance of the meeting.

For the purposes of such meeting, the presence thereof of members or proxies entitled to cast sixty percent (60%) of the votes of the Class A members and sixty percent (60%) of the votes of the Class B members, if any, shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called within sixty (60) days thereafter, subject to the notice requirement set forth above, and the required quorum of such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting.

If a quorum is present and the majority of the votes are cast in favor of the annexation, but the majority is less than the two-thirds (2/3) majority either of the Class A or of the Class B votes, or both, required for approval of the annexation, and it appears that the required two-thirds (2/3) majority of either class may be achieved if the members not present or voting by proxy assent to the annexation, then and in that event, the members not present or voting by proxy may assent to or dissent from the proposed annexation in writing within 120 days following the date of the meeting at which the vote was taken. Each member so assenting or dissenting shall be deemed to have cast, respectively, all

of the votes to which he is entitled under Article V of this Declaration either in favor of or against the annexation. If the number of votes cast at the meeting in favor of annexation, together with the votes deemed to have been cast by the members assenting to the annexation, shall constitute the requisite two-thirds (2/3) majority of all votes entitled to be cast by the Class A members, in the aggregate, and by the Class B members, the annexation shall stand approved.

SECTION 2. ANNEXATION BY DECLARANT. The Declarant may annex additional lands to the Properties in the following manner:

(a) If, within ten (10) years of the date of incorporation of the Association, the Declarant should develop additional lands within the boundaries of lands described in Exhibit "A" attached hereto such additional lands may be annexed to said Properties without the assent of the Class A members. Plans for such development shall be consistent with the conditional zoning plan approved for Park Crossing by the Mecklenburg County Commission.

(b) The Declarant may annex to the Properties the additional lands described in Subsection (a) of this Section 2 by recording in the Mecklenburg County Registry a declaration of annexation, duly executed by Declarant, describing the lands annexed and incorporating the provisions of this Declaration, either by reference or by fully setting out said provisions therein. The additional land shall be deemed annexed to the Properties on the date of recordation of the declaration of annexation, and no action or consent on the part of the Association or any other person or entity shall be necessary to accomplish the annexation.

(c) Subsequent to recordation of the declaration of annexation by the Declarant, the Declarant shall deliver to the Association one or more deeds conveying any Common Area within the lands annexed as such Common Area is developed.

ARTICLE IV

MEMBERSHIP

SECTION 1. MEMBERS. The Declarant, for so long as it shall be an Owner, and every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants or record to assessments by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Ownership of such Lot shall be the sole qualification for membership, and no Owner shall have more than one membership, except as expressly provided hereinafter. Membership shall be

appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. The Board of Directors may make reasonable rules relating to the proof of ownership of a Lot in this subdivision.

ARTICLE V

VOTING RIGHTS

SECTION 1. The Association shall have two classes of voting membership:

Class A. Class A members shall be all those Owners as defined in Article IV with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article IV. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot, and no fractional vote may be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant. The Class B member shall be entitled to ten (10) votes for each Lot in which it holds a fee or undivided fee interest, provided that the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever last occurs:

(a) When the total votes outstanding in Class A memberships equal the total votes outstanding in Class B membership; provided, that the Class B membership shall be reinstated with all rights, privileges, and responsibilities if, after conversion of the Class B membership to Class A membership hereunder, additional lands are annexed to the Properties without the assent of Class A members on account of the development of such additional lands by the Declarant, all within the times and as provided for in Article III, Section 2, above; or

(b) On June 1, 1990.

Notwithstanding the foregoing, such Class B membership shall cease and be converted to Class A membership at such earlier date as Declarant shall elect to abolish such Class B membership by written notice to such effect delivered to the Association.

SECTION 2. The right of any member to vote may be suspended by the Board of Directors for just cause pursuant to its rules and regulations and according to the provisions of Article VI, Section 1(c).

ARTICLE VI
PROPERTY RIGHTS

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SECTION 1. MEMBERS' EASEMENT OF ENJOYMENT. Every member shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to each of 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;

(b) The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage the Common Area, or any portion thereof, and the rights of such mortgage in said Properties shall be subordinate to the rights of the homeowners hereunder; provided, however, that if any Common Area is mortgaged while the Class B membership is in existence, the execution of such mortgage shall require the same approval of the membership which is required for Special Assessments for Capital Improvements as set forth in Article VII, Section 4 of this Declaration;

(c) The right of the Association to suspend the voting rights and right to the use of the recreational facilities by a Member or any person to whom he has delegated his right or enjoyment for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed thirty (30) days, for any infraction of its published rules and regulations;

(d) 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 approved by members entitled to cast two-thirds (2/3) of the votes of the Class A membership and two-thirds (2/3) of the votes of the Class B membership, if any, and unless written notice of the proposed action is sent to every member not less than thirty (30) days nor more than sixty (60) days in advance. The instrument effecting such dedication, transfer or conveyance shall be sufficient if executed by appropriate officers of the Association, and contains a recital of the approval of the members;

(e) The right of the Association to formulate, publish and enforce rules and regulations as provided in Article VIII.

SECTION 2. DELEGATION OF USE. Any member may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

SECTION 3. TITLE TO THE COMMON AREA. The Association may hold fee simple title to such tracts of land as may be deeded to it by Declarant as common areas. Such tracts shall be located within those tracts described in Exhibit "A." Declarant does not hereby commit to any such conveyance but such tracts as may be so conveyed shall be free of all liens and encumbrances except utility and drainage easements and restrictions.

ARTICLE VII

COVENANT FOR ASSESSMENT

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. Notwithstanding any provision or inference in this Declaration to the contrary, no Lot shall be subject to any annual or special assessments until and unless such Lot becomes a Lot in Use.

The Declarant, for each Lot in Use owned within the Properties, hereby covenants, and each Owner of any Lot in Use, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, 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 fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments on Lots in Use and the annual assessments on lots which are not Lots in Use, together with such interest thereon and costs of collection thereof, as hereinafter provided, including, without limitation, reasonable attorney's fees shall be a charge and continuing lien on the real property and improvements thereon against which each such assessment is made and shall be the the personal obligation of the person who was the Owner of such property for the period of such person's ownership. The personal obligation shall not pass to his successors in title unless expressly assumed by them. All assessments relating to Common Area shall be shared equally by the owners of each Lot in Use.

Notwithstanding the foregoing, the Declarant may, at its election, postpone, in whole or in part, the date on which the assessment shall commence provided

that the Declarant maintains the Common Areas for which no assessment is being collected during the period of such postponement.

SECTION 2. PURPOSES OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively for the purpose of promoting the beautification of the Properties, the recreation, health, safety and welfare of the residents in the Properties, the enforcement of these Covenants and the rules of the Association, and, in particular, for the improvement and maintenance of the Properties and providing the services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area. Nothing herein shall mean that assessments may not be used for the beautification of areas within the subdivision but which are not part of the Common Areas, such as entrance signs, access easements crossing private property, median strips within public streets or the interior of cul-de-sacs.

SECTION 3. BASIC AND MAXIMUM ANNUAL ASSESSMENTS. To and including December 31, 1981, the basic (and maximum) annual assessment shall not be in excess of fifty dollars (\$50.00) per Lot in Use, except as otherwise provided herein, the exact amount of which shall be determined from time to time as provided in subsection (c) of this Section 3.

(a) From and after December 31, 1982, the basic annual assessment may be increased by the Board of Directors of the Association effective January 1 of each year, without a vote of the membership, by a percentage which may not exceed the greater of five percent (5%) per year or the percentage increase reflected in the U. S. City average, Consumer Price Index-United States and selected areas for urban wage earners and clerical workers, all items most recent index and percent changes from selected dates (published by the U. S. Bureau of Labor Statistics, Washington, D. C.), or such Index as may replace said Consumer Price Index, for the twelve (12) month period ending the immediately preceding July 1; such increased assessment shall be the maximum annual assessment.

(b) After December 31, 1982, the basic annual assessments may be increased by an affirmative vote of two-thirds (2/3) of the members or proxies who are entitled to vote at a meeting called for such purpose, and the increased basic annual assessments shall be the basic annual assessment and be thereafter adjusted pursuant to subparagraph (a) of this Section 3. Written notice of such meeting shall be given by the Board of Directors to all members not less than thirty (30)

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days nor more than sixty (60) days in advance of the meeting, setting forth the time, place and purpose of the meeting.

(c) After consideration of the current maintenance costs and future needs of the Association, the Board of Directors may fix the annual assessments at an amount not in excess of the maximums as determined in subsection (a) of this Section 3.

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 new construction, reconstruction of described capital improvements or unexpected repair or replacement of described capital improvements or unexpected repair or replacement of described capital improvements upon the Common Area, including the necessary fixtures and personal property related thereto; provided that any such assessments shall be adopted by a two-thirds (2/3) affirmative vote of each class of members voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the time, place and purpose of the meeting.

SECTION 5. UNIFORM RATE OF ASSESSMENTS. Both annual and special assessments relating to the Common Area must be fixed at a uniform rate for all Lots in Use and may be collected on either a monthly, quarterly or annual basis. Similarly, annual assessments relating to the Common Areas must be fixed at a uniform rate for all other Lots and may be collected on a monthly, quarterly or annual basis. Assessments may be collected in advance or in arrears.

SECTION 6. DATE OF COMMENCEMENT AND PRORATION OF ANNUAL ASSESSMENTS. DUE DATE. The annual assessments shall be fixed on a calendar year basis and shall be due and payable annually in advance commencing January 1, 1982. New Owners shall make payment of the Annual assessment on a prorated basis on the first day of the month following the date of closing. Payment of the assessment shall be past due thirty (30) days after the date of billing.

The due date of any special assessment under Section 4 hereof shall be fixed in the resolution authorizing such assessment.

SECTION 7. DUTIES OF THE BOARD OF DIRECTORS. The Board of Directors of the Association shall have such powers and duties as are prescribed in the Association's Articles and Bylaws, as amended from time to time, and by law, which shall include the following duties: to fix the due date of all assessments other than the annual assessment; to cause written notice of every assessment to be sent to the owner or owners subject thereto at least thirty (30) days prior to the due date thereof; upon demand at any time to cause to be furnished to any person legitimately interested a statement in writing signed by the President, the Treasurer, or other appropriate officer of the Association setting forth the amount of any unpaid assessments with respect to any lot subject to assessment by the Association or stating that all assessments with respect to the lot which is the subject of the statement have been paid, as the case may be. As between the Association and any such person who relies on any such statement so furnished, such statements shall be conclusive evidence against the Association of all facts and figures therein stated to be true and accurate.

SECTION 8. EFFECT OF NONPAYMENT OF ASSESSMENTS. REMEDIES OF THE ASSOCIATION. LIEN. Any assessments which are not paid when due shall be delinquent. If any assessment is not paid within thirty (30) days after its due date, such assessment shall bear interest from the due date at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or may foreclose the lien thereof in the manner provided for foreclosure of deeds of trust under North Carolina law. Interest costs, and reasonable attorney's fees and expenses of any such action shall be added to the amount of such assessment. For the purposes of this section, the amount of delinquent assessment, plus accrued interest and fees, shall be considered evidenced by this paragraph and therefore evidence of indebtedness shall exist hereby. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

SECTION 9. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinated to the lien of all first mortgages which shall now or hereafter encumber any Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or

transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VIII

USE RESTRICTIONS

SECTION 1. ARCHITECTURAL CONTROL.

(a) No structure of any kind (being all inclusive including fences and walls) shall be commenced, erected or maintained upon the Properties, nor shall any addition to any existing structure or change or alteration therein, until complete final plans and specifications therefor showing the nature, kind, shape, height, materials, basic exterior finishes and colors, location and floor plan therefor, and showing front, side and rear elevations have been submitted to and approved by the Association as to harmony of exterior design and general quality with the standards of the area, and Park Crossing Community generally, and as to location in relation to surrounding structures and topography.

(b) While no minimum requirement has been established as to the square footage of residences to be constructed on lots in Park Crossing Community, these factors will be considered by the Association in granting or withholding its approval of building plans.

(c) In order to assure that location of houses will be staggered where practical and appropriate, the structures will be located with regard to the ecological constraints and topography of each individual lot, taking into consideration topography, the location of large trees and similar considerations, the Association reserves the right to control absolutely and solely to decide the precise site and location of any house or dwelling or other structure upon all Lots. Provided, however, that such location shall be determined only after reasonable opportunity is afforded the lot Owner to recommend a specific site.

(d) If the Association fails to approve or disapprove such plans and specifications within thirty (30) days after receipt of written notice that such plans and specifications have been submitted to it and approval requested, the Association shall be deemed to have approved said plans and specifications.

Refusal or approval of plans, specifications, builder or location may be based upon any grounds including purely aesthetic considerations which in the sole and uncontrolled discretion of the Association shall be deemed sufficient.

Any builder prior to performing any work on the Properties, must be approved by the Association as to financial stability, building experience, and ability to

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build structures of the class and type of those which are to be built on the Properties. No person, firm or entity shall be approved as a builder unless such person, firm or entity obtains his income primarily from construction of the type which builder is to perform upon the Properties. No Owner will be permitted to act as his own builder or contractor, for the exterior of any structure, except where such Owner obtains his income primarily from the construction of the type of structure to be constructed upon the Properties, and otherwise meets the qualifications for approval by the Association as hereinabove set forth.

(e) The exterior of all houses and other structures and site work and landscaping must be completed within one (1) year after the construction of same shall have commenced, except where completion is impossible or would result in great hardship to the Owner or builder due to strikes, fires, national emergency or natural calamities.

(f) In the event any Owner violates the terms of this Section 1 of Article VIII, the Association, or its duly appointed agent, shall, after thirty (30) days written notice to Owner to cure such violation and failure of Owner to so cure, be entitled to enter upon the property of Owner and cure such defect including removal of any structure built in violation hereof, all at the cost and expense of Owner. This right of the Association, or its agent, shall be in addition to all other general enforcement rights which the Association may have for a breach or a violation of the terms of these covenants and restrictions and shall not be deemed a trespass by Company or its agent.

SECTION 2. RESTRICTIONS ON USE AND RIGHTS OF THE DEVELOPER AND ASSOCIATION.

(a) All Lots shall be used for single-family residential purposes exclusively.

(b) Except as otherwise permitted herein, or in supplementary declarations hereto, no plants, animals or device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other property in Park Crossing Community by the Owners thereof, shall be maintained.

(c) No noxious or offensive activity shall be carried on upon any portion of the Properties, nor shall anything be done tending to cause embarrassment, discomfort, annoyance or nuisance to any Owner of any of the Properties.

(d) No structure of a temporary character shall be placed upon any portion of the Properties at any time, provided however, that this prohibition shall not

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apply to shelters used by contractors during the construction of any residence or the Association.

(e) No trees measuring six (6) inches in diameter at a point two (2) feet above ground level; any flowering trees or shrubs may be removed without the written approval of the Association, unless located within ten (10) feet of a building, within ten (10) feet of the approved site for such buildings, or within the right-of-way of driveways and walkways. Excepted herefrom shall be damaged trees, or trees which must be removed because of an emergency.

(f) No trash, garbage, construction debris or other unsightly or offensive material shall be placed or maintained upon any portion of the Properties, except as is temporary and incidental to the bona fide improvements of such said area of the Properties.

(g) No sign shall be erected or maintained on any lot, except one (1) professionally lettered builder or realtor sign or sign of the Owner advertising the home and lot for sale or rent. Such sign shall not be more than thirty-six by forty-eight inches (36" x 48") in size.

(h) It is the responsibility of each owner to prevent any unclean, unsightly or unkept conditions of buildings or grounds on the owner's property which shall tend to substantially decrease the beauty of the Park Crossing Community. If in the uncontrolled discretion of the Association, any owner allows any of such conditions to exist, the Association may provide maintenance upon each such lot which is subject to assessment under Article V hereof. The cost of such maintenance shall be due and payable within thirty (30) days after notice is mailed by the Association. Such charge shall be a lien and obligation of the Owner and shall be a lien against said Lot as provided in Article VII hereof.

SECTION 3. RULES AND REGULATIONS. The Board of Directors of the Association shall have the power to formulate, establish and enforce reasonable rules and regulations concerning the use and enjoyment of the Common Areas.

ARTICLE IX

EASEMENTS

All of the Properties, including Lots and Common Area, shall be subject to such easements for driveways, walkways, parking areas, water lines, sanitary sewers, storm drainage facilities, gas lines, telephone and electric power lines, television antenna lines and other public utilities as shall be established by

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the Declarant or by his successors in title, prior to the conveyance of Lots to subsequent owners or the conveyance of Common Area to the Association; and the Association shall have the power and authority to grant and establish upon, over, under and across the Common Area conveyed to it, such further easements as are requisite for the convenient use and enjoyment of the Properties.

ARTICLE X

RIGHTS OF FIRST MORTGAGEES AND INSURERS OF FIRST MORTGAGES

SECTION 1. NOTICE OF DEFAULT TO FIRST MORTGAGEES AND INSURERS OF FIRST MORTGAGES. In the event that any Member is in default in any obligation hereunder which remains unpaid for a period of sixty (60) days, every lender who is a first mortgagee as to the Lot of the defaulting Member and the insurer of such first mortgage, shall be immediately notified of such default, provided that such lender and or insurer shall have given notice to the Association that it is a first mortgagee or insurer as to the Lot of such Member and shall have requested the notice of default as herein set forth.

SECTION 2. RIGHT TO INSPECT BOOKS OF THE ASSOCIATION. Every first mortgagee and or insurer of a first mortgage of the Lot of a Member of the Association shall have the right during regular business hours to examine the books and records of the Association.

ARTICLE XI

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 of these covenants or restrictions by judgment or court order shall in no way affect any other other provisions which shall remain in full force and effect.

SECTION 3. EXCHANGE OF COMMON AREA FOR OTHER PORTIONS OF THE PROPERTIES. Notwithstanding any provision herein to the contrary, except as provided in Section 9 of this Article XI, it is expressly provided that the Association may convey to the Declarant, as well as any other member, in exchange for other portions of the Properties conveyed by the Declarant or other member of the

Association, any portion of the Common Area theretofore conveyed to the Association, all as provided in the Articles of Incorporation of the Association. Upon such conveyance, the area thus conveyed to the Declarant shall become Common Area and subject to the Provisions of these Covenants relating to Common Area. The following hypothetical is by way of illustration and not of limitation: Due to a surveying error or the erroneous plotting of topo lines, a greenway intended to extend along a drainage area is incorrectly located. Thereafter, upon discovery of the error subsequent to the time of the conveyance of the greenway to the Association, such error could be corrected by an exchange of land between the Declarant and the Association.

SECTION 4. AMENDMENT. The covenants, conditions and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants, conditions and restrictions of this Declaration may be amended or terminated during the twenty (20) year period by an instrument signed by the Owners of not less than ninety percent (90%) of the Lots existing at the time of such amendment, and thereafter by an instrument signed by the Owners of not less than seventy-five percent (75%) of the Lots; provided, however, that the Board of Directors of the Association may amend this Declaration to correct any obvious error or inconsistency in drafting, typing or reproduction without action or consent of the Owners, and such amendment shall be certified as an official act of the Board and recorded in the Mecklenburg County Registry.

SECTION 5. PROCEDURE FOR CERTIFICATION AND RECORDATION OF AMENDMENT. Any instrument amending these covenants, conditions and restrictions other than an amendment by the Board to correct an error or inconsistency in drafting, typing or reproduction shall be delivered following execution by the Owners, to the Board of Directors of this Association. Thereupon, the Board of Directors shall, within thirty (30) days after delivery, do the following:

- (a) Reasonably assure itself that the amendment has been executed by the Owners of the required number of Lots as provided in Section 4 of this Article. (For this purpose, the Board may rely on its roster of members and shall not be required to cause any title to any Lot to be examined);

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(b) Attach to the amendment a certification as to its validity, which certification shall be executed by the Association in the same manner that deeds are executed. The following form of certification is suggested:

CERTIFICATION OF VALIDITY OF AMENDMENT TO COVENANTS
CONDITIONS AND RESTRICTIONS OF PARK CROSSING COMMUNITY

By authority of its Board of Directors, Park Crossing Owners Association, Inc., hereby certifies that the foregoing instrument has been duly executed by the Owners of _____ percent of the Lots of Park Crossing Community and is, therefore, a valid amendment to the existing covenants, conditions and restrictions of Park Crossing Community.

This the _____ day of _____, 198__.

PARK CROSSING OWNERS ASSOCIATION, INC.

By

ATTEST:

President

Secretary

(c) Immediately, and within the thirty (30) day period aforesaid, cause the amendment to be recorded in the Mecklenburg County Registry.

All amendments shall be effective from the date of recordation in the Mecklenburg County Registry, provided, however, that no such instrument shall be valid until it has been indexed in the name of this Association. When any instrument purporting to amend the covenants, conditions and restrictions has been certified by the Board of Directors, recorded and indexed as provided by this Section, it shall be conclusively presumed that such instrument constitutes a valid amendment as to the Owners of all Lots in Park Crossing Community.

SECTION 6. AMENDMENT OF DECLARATION WITHOUT APPROVAL OF OWNERS. The Declarant, without the consent or approval of any other owner, shall have the right to amend this Declaration to conform to the requirements of any law or governmental agency having legal jurisdiction over the Property or to qualify the Property or any Lots and improvements thereon for mortgage or improvement loans made by, guaranteed by, sponsored by or insured by a governmental agency or to comply with the requirements of law or regulations of any corporation or agency belonging to, sponsored by or under the substantial control of, the United States Government or the State of North Carolina, regarding purchase or sale in such lots and improvements, or mortgage interests therein, as well as any other law or regulation relating to the control of the Property, including, without limitation, ecological controls,

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construction standards, aesthetics and matters affecting the public health, safety and general welfare. A letter from an official of any such corporation or agency, including, without limitation, the Veterans Administration (VA), U. S. Department of Housing and Urban Development (HUD), the Federal Home Loan Mortgage Corporation, Government National Mortgage Corporation, or the Federal National Mortgage Association, requiring an amendment as a condition of approval, or suggesting an amendment, shall be sufficient evidence of the approval of such amendment of VA, HUD and/or such corporation or agency.

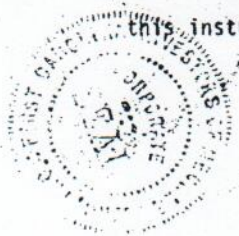
No amendment made pursuant to this Section shall be effective until duly recorded in the Mecklenburg County Registry.

SECTION 7. RIGHT OF DECLARANT OR ASSOCIATION TO AMEND TO ACHIEVE TAX-EXEMPT STATUS. The Declarant, for so long as it shall retain control of the Association, and, thereafter, the Board of Directors of the Association, may amend this Declaration as shall be necessary, in its opinion, and without the consent of any Owner, in order to qualify the Association or the Properties or any portion thereof, for tax-exempt status. Such amendment shall become effective upon the date of its recordation in the Mecklenburg County Registry.

SECTION 8. OTHER ASSOCIATIONS. Nothing herein shall affect the Declarant's right to establish other associations (e.g. townhouse associations) and in connection therewith designate common areas solely for the benefit of members of such associations.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed

this instrument on this the 19th day of November, 1981.



FIRST CAROLINA INVESTORS
OF MECKLENBURG, INC.

By H. Thomas Webb
President

ATTEST:

James E. Fryer
Secretary

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

This 19th day of November, 1981, personally came before me,
Eva M. Bergeman, a notary public, H. Thomas Webb, III, who, being
by me duly sworn, says that he is President of First Carolina Investors of Mecklenburg,
Inc., and that the seal affixed to the foregoing or annexed instrument in writing
is the corporate seal of said Corporation, and that said writing was signed and
sealed by him in behalf of said Corporation by its authority duly given. And the
said ~~Secretary~~ President, acknowledged the said writing to be the act and
deed of said Corporation.

WITNESS my hand and official seal this 19th day of November, 1981.

H. Thomas Webb, III
Notary Public

My Commissions Expires:

9-6-84



FEE 35.00
<> 35.00
CASH 35.00

15:54 #7630 000
11/19/81

State of North Carolina, County of Mecklenburg
The foregoing certificate of Eva M. Bergeman

~~Notary~~ Public of said County and State
~~xxx~~ be lifted to be correct. This 19 day of November, 1981
Charles E. Crowder, Register of Deeds, By: Charlotta M. Pettit
DEPUTY

See Exhibit A-Pages 210-212

"EXHIBIT-A"

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BEING all that certain tract or parcel of land lying and being in Pineville Township, Mecklenburg County, North Carolina, containing approximately 489.176 acres.

BEGINNING at a point in the center line of Park Road, said point being located according to the Survey S. 03-21-06 E. 1,018.26 feet from North Carolina Grid Station "South" (said Grid Station having Grid Coordinates of N = 500,350.931; and E = 1,444,129.190), said Beginning point also being located N. 64-24-54 E. 29.62 feet from a concrete monument set at the intersection between the westerly right-of-way margin of Park Road and the southerly right-of-way margin of State Road #3779 (formerly the Whisnant right-of-way), and runs thence from the point or place of Beginning as hereinabove established the following courses and distances:

1. With the centerline of Park Road S. 22-06-25 E. 517.34 feet to a point;
2. Thence continuing with the centerline of Park Road with arc of a circular curve to the right in a southerly direction, said arc having a radius of 1,152 feet, an arc distance of 770.16 feet to a P.K. Nail;
3. Thence continuing with the centerline of Park Road S. 16-11-52 W. 2,534.80 feet to a P.K. Nail;
4. Thence continuing with the centerline of Park Road with arc of a circular curve to the left in a southerly direction, said arc having a radius of 900 feet, an arc distance of 105.21 feet to a point;
5. Thence continuing with the centerline of Park Road with the arc of a circular curve to the left in a southerly direction, said arc having a radius of 549.73 feet, an arc distance of 212.03 feet to a point;
6. Thence continuing with the centerline of Park Road with the arc of a circular curve to the left in a southerly direction, said arc having a radius of 911.61 feet, an arc distance of 149.66 feet to a stainless steel nail located at the intersection between the centerline of Park Road and the centerline of Johnston Road;
7. Thence southeasterly with the centerline of Park Road to a point of intersection of such centerline with the northerly boundary line of the John J. Miller and wife Property (now or formerly);
8. Thence crossing the Park Road right-of-way N. 69-07-07 W. 35.43 feet to an existing iron pipe in the westerly right-of-way margin of Park Road and in the northerly boundary line of the John J. Miller and wife Property (now or formerly);
9. Thence with a boundary line of the said John J. Miller and wife Property N. 69-07-07 W. 813.09 feet to a reference iron;
10. Thence continuing with a boundary line of the John J. Miller and wife Property N. 69-07-07 W. 25 feet to a large flint stone located at a corner of the John J. Miller and wife Property;
11. Thence continuing with another boundary line of the John J. Miller and wife Property N. 22-52-00 E. 692.62 feet, passing through a reference iron at 25 feet, to an existing iron pipe by a stone located at another corner of the John J. Miller and wife Property;
12. Thence with another boundary line of the John J. Miller and wife Property N. 82-06-03 W. 1,027.27 feet to an existing iron pipe located at a northeasterly corner of the Shirley Leitner Miller Property (now or formerly);

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13. Thence with a northerly boundary line of the Shirley Leitner Miller Property S. 82-33-36 W. 990.21 feet to an existing iron pipe located at another corner of the Shirley Leitner Miller Property;
14. Thence with another boundary line of the Shirley Leitner Miller Property N. 06-25-40 W. 662 feet, passing through a reference iron at 600 feet, to a dead 24 inch hickory tree;
15. With another boundary line of the Shirley Leitner Miller Property S. 83-19 W. 165 feet to a point in the centerline of Little Sugar Creek;
16. Thence with the centerline of Little Sugar Creek N. 5-28-25 E. 200.19 feet to a point;
17. Thence continuing with the centerline of Little Sugar Creek N. 21-33-47 E. 396.91 feet to a point;
18. Thence continuing with the centerline of Little Sugar Creek N. 35-22-15 E. 156.86 feet to a point;
19. Thence continuing with the centerline of Little Sugar Creek N. 09-39-52 E. 295.28 feet to a point;
20. Thence continuing with the centerline of Little Sugar Creek N. 12-47-53 E. 537.68 feet to a point;
21. Thence continuing with the centerline of Little Sugar Creek N. 26-02-01 E. 179.59 feet to a point;
22. Thence continuing with the centerline of Little Sugar Creek N. 0-28-42 E. 138.63 feet to a point;
23. Thence continuing with the centerline of Little Sugar Creek N. 06-35-49 E. 270.23 feet to a point;
24. Thence continuing with the centerline of Little Sugar Creek N. 14-08-47 E. 329.00 feet to a point;
25. Thence continuing with the centerline of Little Sugar Creek N. 32-20-59 E. 768.34 feet to a point;
26. Thence continuing with the centerline of Little Sugar Creek N. 31-15-16 E. 771.75 feet to a point;
27. Thence continuing with the centerline of Little Sugar Creek N. 39-58-33 E. 334.36 feet to a point;
28. Thence continuing with the centerline of Little Sugar Creek N. 63-24-54 E. 159.81 feet to a point;
29. Thence continuing with the centerline of Little Sugar Creek N. 39-21-44 E. 389.62 feet to a point;
30. Thence continuing with the centerline of Little Sugar Creek N. 30-40-14 E. 47.55 feet to a point in said centerline located at a corner of the Russell Garrison and wife Property (now or formerly);
31. Thence with a southerly boundary line of the Russell Garrison and wife Property S. 67-45-19 E. 618.17 feet to an existing iron pipe in a boundary line in the property of A. M. Whisnant (now or formerly);
32. Thence with a boundary line of the A. M. Whisnant Property S. 78-48-42 W. 268.28 feet to an existing iron pipe in a stump;

33. Thence with another boundary line of the Whisnant Property S. 09-11-07 E. 582.42 feet to a new iron pipe by a cedar fence post;

34. Thence with another boundary line of the Whisnant Property N. 80-15-23 E. 507.98 feet to an existing iron pipe.

35. Thence with another boundary line of the Whisnant Property S. 18-12-06 E. 447.07 feet to an existing iron pipe;

36. Thence with another boundary line of the Whisnant Property S. 89-28-37 E. 554.05 feet to an existing iron pipe;

37. Thence with another boundary line of the Whisnant Property S. 04-18-48 E. 1,346.06 feet to an existing iron pipe;

38. Thence with another boundary line of the Whisnant Property N. 81-50-10 E. 970.19 feet to an existing iron pipe;

39. Thence with another boundary line of the Whisnant Property N. 18-50-27 E. 864.69 feet to an existing iron pipe;

40. Thence N. 38-40-56 W. 339.71 feet to a concrete monument in southerly margin of the right-of-way granted by W. B. Garrison and wife, Rebecca S. Garrison to A. M. Whisnant by instrument dated September 9, 1957, as recorded in Book 1944 at Page 163 in the Mecklenburg County Public Registry, said right-of-way now being known as State Road N. 3779;

41. Thence with the southerly margin of the right-of-way of State Road No. 3779, N. 64-24-54 E. 1,050.67 feet to a point in the westerly right-of-way margin of Park Road at a concrete monument;

42. Thence crossing the right-of-way of Park Road N. 64-24-54 E. 29.62 to a point in the centerline of Park Road, the point or place of Beginning.

REAL ESTATE
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