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DEED BOOK

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DECLARATION OF UNIT OWNERSHIP UNDER
CHAPTER 47A OF THE NORTH CAROLINA
GENERAL STATUTES FOR SWAN RUN CONDOMINIUM PHASE I

INDEX

ARTICLE I.
STATUTORY PROVISIONS AND DEFINITIONS ----- 1

1. Statutory Provisions. ----- 1

2. Definitions. ----- 2

ARTICLE II.
NAME, ADDRESS AND REGISTERED AGENT ----- 4

1. Name and Address. ----- 4

2. Registered Agent. ----- 4

ARTICLE III.
PROPERTY RIGHTS ----- 4

1. Description of Land. ----- 4

2. Description of Buildings. ----- 5

3. Description of Units. ----- 5

4. Common Areas and Facilities. ----- 8

5. Limited Common Areas and Facilities. ----- 9

6. Optional Limited Common Areas. -----10

ARTICLE IV.
RESTRICTIVE COVENANTS -----12

1. Residential. -----12

2. Construction and Sale. -----12

3. Business Activities. -----12

4. Alterations and Attachments by Unit Owner. --12

5. Motor Vehicles. -----13

6. Signs. -----13

7. Prohibitions in Use of Common Areas and
Facilities. -----13

8. Animals. -----13

9. Access to Units. -----13

10. Subdividing. -----13

11. Nuisances. -----14

12. Lawful Use. -----14

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INDEX
(Con't.)

13. Restriction on Transfer of Common Areas. -	14
14. Rules and Regulations. -----	14
15. Leasing of Units. -----	14
ARTICLE V	
EASEMENTS -----	14
1. Use and Enjoyment. -----	14
2. Maintenance and Repair. -----	15
3. Structural Support. -----	15
4. Encroachments. -----	15
5. Utilities. -----	16
6. Roadways. -----	16
7. Other. -----	16
ARTICLE VI	
ADMINISTRATION -----	17
1. General Provisions. -----	17
2. Amendment of Bylaws. -----	17
3. Duties and Powers. -----	17
4. Agreements. -----	17
5. Restrictions on Contracts. -----	17
6. Execution of Documents. -----	17
7. Property. -----	18
8. Notices. -----	18
9. Enforcement. -----	18
10. Rules and Regulations. -----	18
11. Violation of Rules and Regulations. -----	18
12. Liability. -----	18
ARTICLE VII.	
MAINTENANCE, ORDINARY REPAIRS AND ALTERATIONS	19
1. By the Condominium Association. -----	19
2. By the Unit Owners. -----	19
3. Restrictions on Unit Owners. -----	20
4. Duty to Report. -----	20
5. Alterations to Common Areas and Facilities. -----	20
6. Approval of Payment Vouchers. -----	20

INDEX
(Con't.)

<u>ARTICLE VIII.</u>	
<u>ASSESSMENTS</u>	20
1. Initial Assessment; Maximum Amount.	20
2. Fixing of Assessment.	21
3. Monthly Installments.	21
4. Special Assessments.	21
5. Purpose of Assessments, Common Expenses.	22
6. Lien and Personal Obligation.	22
7. Effect of Nonpayment of Assessment, Remedies of Condominium Association.	22
8. Priority of Assessment Lien.	23
9. Owner's Non-Use.	23
<u>ARTICLE IX.</u>	
<u>INSURANCE</u>	23
1. Authority to Purchase.	23
2. Coverage.	24
3. Premiums.	24
4. Content of Policies.	25
5. Owners' Insurance.	25
6. Receipt of Proceeds, Insurance Trustee.	26
7. Distribution of Proceeds.	26
8. Condominium Association as Agent.	26
9. Waivers of Subrogation and Cancellation Notices.	26
10. Duty to Repair.	27
11. Partition.	27
<u>ARTICLE X.</u>	
<u>ARCHITECTURAL CONTROL</u>	28
1. Approval Required for Changes.	28
<u>ARTICLE XI.</u>	
<u>CONDEMNATION</u>	28
1. General.	28
2. Common Areas.	28
3. Units.	29
<u>ARTICLE XII.</u>	
<u>TERMINATION OF UNIT OWNERSHIP</u>	29
1. Agreement.	29
2. Destruction.	30
3. Condemnation.	30

INDEX (Con't.)

ARTICLE XIII.
AMENDMENTS ----- 30

1. By Owners. ----- 30

2. Restriction on Amendments. ----- 31

ARTICLE XIV.
ADDITION OF LAND AND UNITS, PERCENTAGE
INTEREST OF COMMON ELEMENTS ----- 31

1. Supplementary Declaration. ----- 31

2. Percentage Interest. ----- 31

3. Supplementary Declaration to Add Property. -- 32

4. Effect of Additions. ----- 32

5. Phase IV. ----- 32

ARTICLE XV.
RECREATIONAL FACILITIES ----- 33

ARTICLE XVI.
GENERAL PROVISIONS ----- 33

1. Covenants Running with the Land. ----- 33

2. Duration. ----- 33

3. Bylaws. ----- 33

4. Enforcement. ----- 34

5. Rule Against Perpetuities. ----- 34

6. Gender and Grammar. ----- 34

7. Interpretation. ----- 34

8. Captions. ----- 34

9. Law Controlling. ----- 34

10. Lender's Rights. ----- 34

11. Severability. ----- 34

ARTICLE XVII.
SPECIAL PROVISIONS CONCERNING VETERAN'S
ADMINISTRATION, DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT, FEDERAL HOME LOAN
MORTGAGE CORPORATION AND FEDERAL NATIONAL
MORTGAGE ASSOCIATION ----- 35

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STATE OF NORTH CAROLINA)
)
 COUNTY OF MECKLENBURG)
)

DECLARATION OF UNIT OWNERSHIP
UNDER CHAPTER 47A OF THE NORTH
CAROLINA GENERAL STATUTES FOR
SWAN RUN CONDOMINIUM PHASE I

THIS DECLARATION and the exhibits which are attached hereto and made a part hereof by this reference, are made and executed this 17th day of October, 1980, by SWAN RUN COMPANY, a North Carolina general partnership, hereinafter called the "Declarant," for itself, its successors, grantees and assigns, pursuant to the provisions of the North Carolina Unit Ownership Act, N.C. Gen. Stat. Ch. 47A.

W I T N E S S E T H:

WHEREAS, the Declarant is the owner of certain real property in Mecklenburg County, North Carolina, more particularly described and defined in Exhibit A, attached hereto and made a part hereof; and

WHEREAS, the Declarant desires to submit by this Declaration certain portions of the property described in Exhibit A to the provisions of the North Carolina Unit Ownership Act, N.C. Gen. Stat. Ch. 47A, as amended (hereinafter referred to as the "Act"), thereby creating a condominium known as SWAN RUN CONDOMINIUM, thereafter reserving the right to add the balance, or certain portions of the balance, of the property described in Exhibit A to such condominium; and

WHEREAS, the Declarant is the owner of certain multi-unit buildings and certain other improvements heretofore constructed on the property identified and described as "Phase I" on Exhibit A, and it is the desire and intention of the Declarant to divide such property into condominium units as those terms are defined under the provisions of the Act, and to sell and to convey the same to various purchasers subject to the covenants, conditions, obligations and restrictions herein reserved to be kept and observed;

NOW, THEREFORE, the Declarant does hereby publish and declare that all of the property identified and described as "Phase I" in the attached Exhibit A, and all that property described in Supplementary Declarations hereafter recorded as herein provided and made subject to this Declaration are held, and shall be held, conveyed, hypothecated, encumbered, used, occupied, and improved subject to the following restrictions, covenants, conditions, uses, limitations, and obligations, all of which are declared and agreed to be in furtherance of the plan for the division of such property into condominium units, and shall be deemed to run with the land and shall be a burden and benefit to the Declarant, its successors and assigns, and any person acquiring and owning an interest in the real property and improvements, their grantees, successors, heirs, administrators, devisees and assigns. Every grantee of any interest in such property, by the acceptance of a deed or other conveyance of such interest, whether or not such person shall otherwise consent in writing, shall take subject to provisions of the Act, and this Declaration and any Supplementary Declarations, and shall be deemed to have assented to the same.

ARTICLE I.

STATUTORY PROVISIONS AND DEFINITIONS

1. Statutory Provisions. This Declaration is made pursuant to Chapter 47A of the North Carolina General Statutes, as amended, in effect as of the time of recording of this Declaration.

2. Definitions. Unless defined herein, or unless the context requires otherwise, the words defined in Section 3 of the Act, when used in this Declaration or any amendment hereto, or in any Supplementary Declaration, shall have the meaning provided therein. The following words, when used in this Declaration or any Supplementary Declaration or amendment hereto, unless the context requires otherwise, shall have the following meaning:

(a) "Act" means the Unit Ownership Act, North Carolina General Statutes, Chapter 47A, as amended.

(b) "Assessment" means an Owner's share of the Common Expenses assessed against such Owner and his Unit from time to time by the Condominium Association in the manner hereinafter provided.

(c) "Board" or "Board of Directors" means the Board of Directors of the Condominium Association and "Director" or "Directors" means a member or members of the Board.

(d) "Bylaws" means the Bylaws of the Condominium Association contained in Exhibit B, attached hereto and made a part hereof by this reference, which constitute the Bylaws governing administration of the Condominium Property as required by Section 47A-18 of the Act.

(e) "Common Areas and Facilities" or "Common Area" means all of the Condominium Property and every part thereof, excluding the Units, but including Limited Common Areas and Facilities.

(f) "Common Expenses" means all or any of:

(1) All expenses incident to the administration, maintenance, and repair or replacement of the Common Areas and Facilities.

(2) Expenses determined by the Condominium Association to be common expenses and which are lawfully assessed against the Unit Owners, including without limitation payment by the Condominium Association of costs and expenses of operation, maintenance and repair of recreational and related facilities, if any, as referred to in Article XV.

(3) Expenses declared to be common expenses by the Act or the Condominium Documents, this Declaration or the Bylaws.

(4) All sums lawfully assessed against the Unit Owners by the Condominium Association.

(g) "Condominium Association" means Swan Run Association of Unit Owners, Inc., a nonprofit corporation formed under Chapter 55A of the North Carolina General Statutes, whose members are limited to and consist of all Owners of condominium Units of Swan Run Condominium, including Declarant.

(h) "Condominium Documents" means and includes this Declaration, the Bylaws and Rules and Regulations as may be created pursuant to this Declaration, governing the use of the Condominium Property, and Supplementary Declarations adding property to Swan Run Condominium, all as may be amended from time to time.

(i) "Condominium Property" or "Property" means all of the property submitted to the Act by this Declaration or by Supplementary Declarations, being the property identified as Phase I and described in Exhibit A of this Declaration, and so much of the property described in Exhibit A as shall be submitted from time to time; the buildings and all other improvements

situated thereon whether the same be Common Areas and Facilities or Units or any part thereof, and all easements and rights appurtenant thereto.

(j) "Declarant" means Swan Run Company, a North Carolina general partnership; or its successor in fee ownership of all remaining Units (more than one Unit) unsold to purchasers for use as residences. At no point in time may there be more than one "Declarant."

(k) "Declaration" means this Declaration of Unit Ownership under Chapter 47A of the North Carolina General Statutes for Swan Run Condominium.

(l) "Institutional Mortgage," sometimes referred to as "first mortgage" herein, shall mean and refer to a first mortgage or deed of trust originally executed and delivered to or held through assignment or assignments by an Institutional Lender.

(m) "Institutional Lender" shall mean and refer to a bank or savings and loan association or an insurance company or a title insurance company or a pension trust or real estate investment trust, or any other private or governmental institution which is regularly engaged in the business of mortgage financing (including the Federal Home Loan Mortgage Corporation), or a subsidiary of any of the foregoing or a designee of any of the foregoing, or Declarant, which owns a mortgage on one or more Units, or any of the foregoing which acquires an Institutional Mortgage as herein defined, by assignment or through assignments from a non-institutional lender.

(n) "Limited Common Areas and Facilities" or "Limited Common Area" means these parts of the Condominium Property which are described in Section 5 of Article III of this Declaration, which are subject to the Declaration from time to time.

(o) "Majority" or "Majority of Unit Owners" means the owners of more than fifty percent (50%) of the aggregate Percentage Interests in the Common Areas and Facilities as established by this Declaration, assembled and voting at a duly called meeting of the Unit Owners.

(p) "Member" means a member of the Condominium Association.

(q) "Off-site Recreational Facility" means the swimming pool, clubhouse and laundry facility and site, as described in Article XV hereof, which is identified as such and described in Exhibit A hereto.

(r) "Percentage Interest" means the percentage of undivided interest held by each Unit Owner in the Common Areas and Facilities as set forth in Section 2 of Article XIV of this Declaration.

(s) "Person" means any individual, corporation, partnership, association, trustee, fiduciary or other legal entity, and shall mean the plural or combination of the same where applicable.

(t) "Phase I" means all of the lands identified and described as Phase I in Exhibit A hereto, which are the land and improvements submitted to the Act by this Declaration. "Phase II," "Phase III" and "Phase IV" are tracts of land described in Exhibit A, which may be included within the Condominium Property and added to the Condominium Property by Supplementary Declaration in the manner hereinafter provided. The boundaries of Phase I, Phase II, Phase III and Phase IV are shown on Sheet 1 through 4 of the Plans.

(u) "Plans" means the site plans dated August 1980, containing 4 sheets, and prepared by Robinson & Sawyer, Inc., Engineers-Surveyors, and the Plans of the Units and multi-Unit buildings which are part of the Condominium Property containing 8 sheets, and prepared by Harold L. Cooler Associates, P.A., all of which are attached hereto as Exhibit C.

(v) "Rules and Regulations" means all rules, regulations, requirements and policies which shall govern and limit the use of the Condominium Property, and which are duly adopted and promulgated by the Board of Directors in accordance with this Declaration.

(w) "Supplementary Declaration" means the document or documents filed by Declarant to include one or more of Phases II, III and IV and the Off-site Recreational Facility within the Condominium Property, in the manner provided in Section 1 of Article XIV and Article XV of this Declaration.

(x) "Unit" means those parts of the Condominium Property which are described in Section 3 of Article III hereof, which are subject to this Declaration from time to time and which are shown and designated on the Plans as Units.

(y) "Unit Owner" or "Owner" means the record legal fee owner, whether one or more persons, of a Unit, specifically including contract sellers, but excluding any lender, trustee or creditor whose interest in the Unit is merely as security for the performance of an obligation.

ARTICLE II.

NAME, ADDRESS AND REGISTERED AGENT

1. Name and Address. The name of the property is Swan Run Condominium and it is adjacent to Swan Run Road in The City of Charlotte, Mecklenburg County, North Carolina.

2. Registered Agent. Warren T. Cowgill, 4401 Colwick Road, Suite 405, Charlotte, North Carolina 28211, is designated to receive service of process in any action which may be brought against or in relation to the Condominium Property. In the event of such agent's death, resignation or removal, his successors shall be appointed by the Board of Directors, and the Board of Directors shall so indicate by recording an instrument to that effect with the Register of Deeds of Mecklenburg County, North Carolina.

ARTICLE III.

PROPERTY RIGHTS

1. Description of Land. It is the intent of Declarant to create hereby an "expandable condominium," with the maximum land that may be included in this Declaration being those five (5) parcels lying and being in The City of Charlotte, Mecklenburg County, North Carolina, and more fully described in Exhibit A, together with rights, easements and appurtenances thereunto belonging and subject to those matters affecting title fully set out in Exhibit D. The property which hereby is submitted to the Act by this Declaration is the land on which the buildings and improvements are located in The City of Charlotte, Mecklenburg County, North Carolina, more fully described and identified as Phase I in Exhibit A attached hereto and made a part hereof, together with rights, easements and appurtenances thereunto belonging. By Supplementary Declaration, in the manner hereinafter provided, Declarant may from time to time, at any time within seven (7) years from the date of recording of this Declaration with the Register of Deeds of Mecklenburg County, add one or more

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of the tracts identified as Phase II, Phase III, Phase IV and the Off-site Recreational Facility, and subject such land and buildings and improvements thereon to this Declaration, and thereafter such land therein described shall be and become subject to the Act and this Declaration as if included from the beginning. By acceptance of a deed to a Unit created hereby or by Supplementary Declaration, each Unit Owner agrees that such additions and the Units therein may be added to the Condominium Property and that such Unit Owner's Percentage Interest will be reduced as set out in Section 2 of Article XIV hereof. Declarant expressly reserves the right to add such additions to the Condominium Property and to bring such additional Phases within the scheme of this Declaration without the consent of the Condominium Association, its Members or Unit Owners; provided, however, that nothing contained in this Section 1 of Article III, or contained in the Plans, shall bind Declarant, its successors or assigns, to make the proposed additions or, in the event such proposed additions are not made, to adhere to the Plans in any subsequent development of such property.

2. Description of Buildings. Phase I shall contain twenty-five (25) noncontiguous, duplex (two-Unit) buildings, housing a total of fifty (50) Units. Phase II, if submitted to this Declaration, shall contain eleven (11) noncontiguous buildings, which house fifty (50) Units, as follows: four (4) duplex (two-Unit) buildings; three (3) one-story, four-Unit buildings; one (1) one-story, ten-Unit building; one (1) two-story four-Unit building; and two (2) two-story, eight-Unit buildings. Phase III, if submitted to this Declaration, shall contain six (6) noncontiguous buildings which house forty-two (42) Units, as follows: one (1) two-story, four-Unit building; one (1) two-story, twelve-Unit building; one (1) two-story, eight-Unit building; and three (3) two-story, six-Unit buildings. Phase IV, if submitted to this Declaration, shall contain seven (7) noncontiguous buildings which house forty (40) Units, as follows: five (5) two-story, six (6) Unit buildings and two (2) two-story, five (5) Unit buildings, with each of such Units on the ends of each of such seven (7) buildings having a one-story wing. The Plans show graphically each of the buildings; the particulars of each building, including the location, layout, number of rooms, dimensions, ceiling and floor elevations, approximate area, building designations, and Unit numbers; and the location of the Common Areas and Facilities affording access to each Unit, subject to the exception that since the Units in Phase IV are proposed and not yet built, the location and floor and ceiling elevations for those Units will be set forth specifically on "as built" Plans of Phase IV incorporated in the Supplemental Declaration, if any, which adds Phase IV. Each Unit is designated by a number and street address on Exhibit X attached hereto and by street address on the Plans.

The buildings on Phases I, II and III are principally constructed with wood frame and brick veneer construction of outside walls. Bottom floors of all such buildings are constructed of concrete slabs (on- or off-grade), and all such buildings have gable-type roofs built with wood trusses, covered by asphalt shingle over plywood. The buildings to be constructed on Phase IV shall be similarly constructed. The Plans contain a more particular description of the principal materials used or to be used in construction of the buildings.

3. Description of Units.

(a) **Nature of Ownership.** Every Unit, together with an undivided interest in the Common Areas and Facilities, shall for all purposes be, and it hereby is declared to be and to constitute, a separate parcel of real estate. The Unit Owner thereof shall be entitled to the exclusive ownership and possession of his Unit, subject only to the covenants, restrictions and ease-

ments contained herein and in the Bylaws, and the Rules and Regulations, resolutions and decisions adopted pursuant to the Declaration and the Bylaws. The Percentage Interest of each Unit Owner shall not be separate from the Unit to which it appertains and shall be deemed to be conveyed or encumbered or released from liens with such Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument. A Unit Owner shall automatically become a Member of the Condominium Association, and shall remain a Member thereof until such time as his ownership ceases for any reason, at which time his membership in the Condominium Association shall automatically pass to his successor in interest. By acceptance of a deed of a Unit, the Unit Owner agrees to abide by this Declaration, the Bylaws, and all duly adopted Rules and Regulations of the Condominium Association and the Board, and agrees to pay to the Condominium Association all assessments and charges as set forth in Article VIII of this Declaration.

(b) Nature, Type and Description of Unit. Each building in Phases I, II, III and IV contains or will contain two or more units connected to one another by common walls or floors or ceilings. There are six (6) basic floor plans or types of Units contained in Phase I, as follows:

<u>Type</u>	<u>Room Layout</u>	<u>Description</u>	<u>Approximate Area</u>	<u>No. of Units</u>
A	2BR, 1 Bath	Garden	1,170 sq. ft.	22
B	2BR, 1 Bath	Townhouse	1,230 sq. ft.	4
C	2BR, 1 Bath	Garden	1,092 sq. ft.	2
D	3BR, 1 Bath	Townhouse	1,601 sq. ft.	2
E	3BR, 1 Bath	Townhouse	1,507 sq. ft.	8
F	3BR, 2 Bath	Townhouse	1,699 sq. ft.	12
TOTAL				50 Units

The Unit designation of each Unit is shown on the Plans, and each Unit in Phase I shall be identified by a Unit Number and/or a street address as follows:

<u>Unit Number</u>	<u>Street Address</u>
1	3140 Circles End
2	3142 Circles End
3	3210 Circles End
4	3212 Circles End
5	3220 Circles End
6	3221 Circles End
7	3222 Circles End
8	3223 Circles End
9	3310 Circles End
10	3312 Circles End
11	3320 Circles End
12	3321 Circles End
13	3322 Circles End
14	3323 Circles End
15	7210 Lillian Way
16	7211 Lillian Way
17	7212 Lillian Way
18	7213 Lillian Way
19	7220 Lillian Way
20	7221 Lillian Way
21	7222 Lillian Way
22	7223 Lillian Way
23	3230 Circles End

<u>Unit Number</u>	<u>Street Address</u>
24	3232 Circles End
25	3330 Circles End
26	3332 Circles End
27	3300 Circles End
28	3302 Circles End
29	3200 Circles End
30	3202 Circles End
31	3205 Circles End
32	3231 Circles End
33	3233 Circles End
34	3301 Circles End
35	3303 Circles End
36	3331 Circles End
37	3333 Circles End
38	7202 Lammers Lane
39	7209 Swan Run Road
40	7211 Swan Run Road
41	7213 Swan Run Road
42	7215 Swan Run Road
43	4525 Bon Rea Drive
44	4527 Bon Rea Drive
45	4535 Bon Rea Drive
46	4537 Bon Rea Drive
47	7212 Lammers Lane
48	7216 Lammers Lane
49	3341 Circles End
50	3343 Circles End

(c) Unit Dimensions. Each Unit shall include all the space within the boundaries thereof as follows:

(i) The dimensions of the lateral and perimetrical boundaries are vertical planes which coincide with one of the following, as appropriate: (x) the unexposed facing of drywall next to studs or structural portions of structural or load-bearing walls; (y) the unexposed facing of finish moulding, panelling or interior brick veneer next to studs or structural portions of structural or load-bearing walls; and (z) the interior exposed facing of structural or load-bearing walls which are not covered with drywalls, moulding, panelling or interior brick veneer (a plane coincident with the interior facing of exposed studs or structural portions); such boundaries extended to intersect the upper and lower boundaries of the Unit and (except for facings of structural or load-bearing interior walls) to intersect the other lateral or perimetrical boundaries thereof;

(ii) The dimensions of the upper boundaries are horizontal planes which coincide with the unexposed facing of drywall (the facing next to joists or structural portions of buildings) of ceilings, or the unexposed facing of finish moulding or panelling of ceilings in areas with no drywall facing, extended to intersect the lateral or perimetrical boundaries of the Unit; and

(iii) The dimensions of the lower boundaries are horizontal planes which coincide with the unfinished upper surfaces of floor slabs on the ground level and the unfinished upper surface of subflooring on the second floor level, extended to intersect the lateral or perimetrical boundaries of the Unit.

It is the intent hereof that the Unit will include all interior drywall, panelling and moulding, and any surface finish or wall-paper, and all finished flooring, such as exposed wooden flooring, vinyl, linoleum or ceramic floor covering, matting and carpeting; but will not include studs, supports and wall insulation, concrete slabs, floor or ceiling joists, except when located in nonload-bearing interior walls. Each Unit shall be deemed to include the interior and exterior of any and all doors, windows, sliding glass doors and other closures, and those portions of any utility room within dimensions of such utility room as set forth above. Included as part of a Unit are all door locks and other security or mechanical devices which control the opening and closing of doors and windows. Included also as part of each Unit are the following:

(A) the heating and air conditioning systems serving the Unit, wherever located;

(B) lighting fixtures and electrical receptacles serving the Unit, wherever located;

(C) nonstructural, nonload-bearing interior partition walls within the boundaries of the Unit (excepting pipes, wires, conduits and other facilities for the furnishing of utilities and other services to the Unit);

(D) all immediately visible fixtures and appliances (such as kitchen appliances); and

(E) all pipes, wires, conduits and other facilities for the furnishing of utilities and other services to the Unit, which are within the boundaries of the Unit (except those located within nonstructural, nonload-bearing interior partition walls).

In interpreting this Declaration and the Plans, the actual physical boundaries of a Unit as originally constructed or of a Unit reconstructed in substantial compliance with the original Plans thereof shall be conclusively presumed to be its boundaries rather than the metes and bounds expressed in this Declaration or the Plans, regardless of settling or lateral movement of the building, and regardless of minor variances between boundaries shown on the Plans and those of the Units. Each Unit designation and type of Unit in Phase I is set out in Section 3(b) hereof and on the Plans.

4. Common Areas and Facilities.

(a) Description. The Common Areas and Facilities consist of the entire property from time to time subject to this Declaration, except Units, and include, without limitation, the following:

(1) The land on which the buildings are erected and all the land surrounding the buildings that lies within the boundaries of the land from time to time subject to this Declaration, and exterior walls, roofs, interior structural, load-bearing walls (except the drywall, panelling, moulding and floor covering), and every part of the Condominium Property other than the Units;

(2) The foundation and structural members, including columns, girders, beams and supports of all Units;

(3) All installations designed and intended for common use or to serve more than one Unit, such as, but not limited to, electrical service, gas and plumbing, whether located in Common Areas and Facilities or in Units, excluding from such installations all parts thereof, and all items affixed or con-

nected thereto, not designed or intended for common use or use by more than one Unit;

(4) Easements for access, maintenance, repair, reconstruction and replacement of the Common Areas and Facilities and all other services necessary or convenient to the existence, maintenance, safety and use of the Condominium Property;

(5) The yards, landscaping, fences, nonpublic roads and driveways, parking areas, walks, retaining walls and all paved areas;

(6) All maintenance and recreational areas, if any; and

(7) Any portion of the Condominium Property shown and designated on the Plans as Common Area or Limited Common Area.

(b) Percentage Interest. The Unit Owners shall own the Common Areas and Facilities and the Limited Common Areas and Facilities as tenants in common, with each Unit having appurtenant thereto the Percentage Interest set forth in Section 2 of Article XIV hereof; provided, however, the use of the Limited Common Areas and Facilities shall be restricted as set forth in Section 5 of this Article III. The Percentage Interest appurtenant to each Unit has been determined as required by law and is based on estimated fair market value as of the date of this Declaration. Such determination shall not restrict the Declarant or any subsequent owner in establishing a sales price for any particular Unit, whether such sales price may be more or less than the estimated fair market value.

(c) Separability of Percentage Interest. The Percentage Interest cannot be separated from the Unit to which it appertains and shall automatically be conveyed or encumbered with the Unit, even though such interest is not expressly mentioned or described in the deed or other instrument of conveyance.

(d) No Partition. The Common Areas and Facilities shall remain undivided and no right to partition the same or any part thereof shall exist except as provided in the Act, this Declaration and the Bylaws. Nothing contained herein, however, shall be deemed to prevent ownership of a Unit by more than one person, either as tenants by the entireties, or as tenants in common, or in any other form permitted by law, or to prevent the conversion of Optional Limited Common Area to Limited Common Areas and Facilities as provided in Section 6 of this Article III.

(e) Use of Common Areas and Facilities. Each Unit Owner shall have the right to use the Common Areas and Facilities in accordance with the purposes for which they are intended, without hindering the exercise of or encroaching upon the rights of other Unit Owners. The Board shall, if any question arises, determine the purpose for which any part of the Common Areas and Facilities is intended for use. The Board shall have the right to promulgate Rules and Regulations limiting the use of Common Areas and Facilities to Unit Owners, their tenants and guests, as well as providing for the exclusive use of a part of the Common Areas and Facilities by a Unit Owner, his tenants and guests for special occasions. Such exclusive use may be conditioned upon, among other things, payment of a fee. Any Unit Owner may delegate, in accordance with the provisions of this Declaration, the Bylaws and Rules and Regulations, his right to use Common Areas and Facilities to the immediate members of his family living in the Unit, to a limited number of guests or to tenants who reside in a Unit.

5. Limited Common Areas and Facilities. Ownership of a Unit shall entitle the Owner thereof to the exclusive use or use

with others necessarily served thereby of the Limited Common Areas and Facilities appurtenant to such Unit and so designated in the Plans. Limited Common Areas and Facilities shall not be construed or interpreted to be separate and apart from the Common Areas and Facilities in general, being limited only with respect to the reserved use thereof by the Unit or Units served. Limited Common Areas and Facilities shall include: (i) those areas designated as such on the Plans attached as Exhibit C; (ii) those areas designated as "Optional Limited Common Areas" on the Plans attached as Exhibit C, but only if the Owner of the Unit to which such Optional Limited Common Areas are appurtenant has enclosed such Optional Limited Common Areas as provided in Section 6 of this Article III; (iii) any portion of the attic in or attached to any building which houses a Unit, to which there is access through a doorway, stairway or "disappearing stairway" from the Unit to which such attic space is appurtenant; (iv) any driveway serving no more than two Units, such driveways being appurtenant to the Unit or Units served by the driveway; (v) any balcony, patio (concrete slab) or entrance area serving no more than two Units particularly, such being appurtenant to the Unit or Units served.

Exclusive use of the Limited Common Areas and Facilities may be delegated by an Owner to the immediate members of his family, his guests or tenants who reside in a Unit. Owners may place plants, furniture or other similar items within the Limited Common Areas and Facilities adjacent or appurtenant to the Unit, subject to Rules and Regulations duly adopted by the Board with respect thereto. Except as permitted in Section 6 of this Article III, no Owner shall build or construct any type of storage or workshop facility or other similar type of structure within the Limited Common Areas and Facilities, unless prior written approval is obtained from the Board of Directors; provided, however, that nothing contained herein shall prevent the installation of a television antenna (but not electrical signal boosters or similar electrical equipment) within any attic which is part of the Limited Common Areas and Facilities appurtenant to the Unit to be served by such antenna.

6. Optional Limited Common Areas. Certain portions of the Common Area adjacent to certain Units are designated and identified in the Plans as "Optional Limited Common Areas" by blue shading on the Plans. Optional Limited Common Areas are not a part of the Limited Common Areas and Facilities; provided, however, that the Owner of any Unit to which such Optional Limited Common Area is adjacent may elect to have such area converted to and designated as part of the Limited Common Areas and Facilities with respect to his or her Unit by complying with the following conditions:

(i) The Owner shall give the Condominium Association written notice of election to convert Optional Limited Common Area to Limited Common Areas and Facilities at least thirty (30) days prior to commencement of construction or erection of a "standard fence" as provided herein. Such notice may be delivered to any officer or director of the Condominium Association or to the registered agent of the Condominium Association as described in Section 2 of Article II hereof. Such notice shall include specifications as to the design, materials, construction, length, size, exterior painting or staining, and location of the proposed fencing so as to permit the Condominium Association, acting through its Board of Directors, to determine whether the proposed fencing meets the requirements of a "standard fence." "Standard fence" shall mean a fence of the same height and type of construction, constructed of the same material and painted or stained with the same paint or stain, as the fences which have been installed by the Declarant to the rear of the Unit (which fences are identified as "Existing Fence" on the Plans), or such other fence as may be designated by the Board of Directors.

(ii) At or prior to the time of delivery of the notice required in subparagraph (i) above, the Owner shall "stake" or otherwise clearly mark, on the ground, the location and length of the proposed fencing.

(iii) Prior to the expiration of thirty (30) days from receipt of said notice, the Board of Directors shall examine the notice and designate one or more officers or directors to make a physical inspection of the "stakings" or other on-ground markings of the location of the proposed fencing. The Board shall then determine whether or not the proposed fencing meets the requirements of a "standard fence" and whether it is located properly, and shall so notify the Owner in writing. If the Board determines that the proposed fencing does not meet the requirements of a "standard fence" or is not properly located, it shall include in such notification an explanation of the matters in which the proposed fencing is deficient. The Owner shall not commence construction or erection of the proposed fencing if a notification of a determination that the proposed fencing does not meet "standard fence" requirements or is not properly located has been received.

(iv) Upon receipt of notification from the Board that the proposed fencing meets "Standard Fence" and location requirements or upon the expiration of thirty (30) days from delivery of the notice required in subparagraph (i) above, whichever shall occur first, the Owner may commence construction and erection of the "standard fence" in accordance with the specifications delivered to the Association. The boundaries of Optional Limited Common Areas as shown on the Plans consist of perimeters which are identified as one of the following: "Existing Fence," shown as unbroken line on Plans; "Designated Fence Line," shown as dash-dot-dash line on Plans; "Allowable Fence Line," shown as dash-double dot-dash line on Plans; and "Unfenced Boundary," which has no marking on Plans. (Certain Optional Limited Common Areas also may be bounded by the rear structural wall or walls of the Unit.) With respect to such boundaries, the Owner must construct a standard fence along and upon the entire length of any perimeter identified as Designated Fence Line; may, but shall not be required to construct, a standard fence along and upon the entire length of any perimeter identified as Allowable Fence Line; and may not construct or erect any fencing along any part of a perimeter identified as Unfenced Boundary. Construction and erection of fencing along any perimeter segment must cover the entire segment, it being intended that any perimeter segment which is a straight line may not be partially fenced; provided, however, that where a boundary of the Optional Limited Common Area which permits the construction of fencing crosses a driveway, the Owner must leave that portion of such boundary which crosses the driveway unfenced or install a gate of the same material, form, style and construction as the "standard fence" (or a gate approved in advance by the Board of Directors), which gate shall be large enough and constructed in a manner which will permit convenient access to and from any converted Optional Limited Common Area for vehicles used for trash, garbage and refuse collection and removal.

(v) Within thirty (30) days of completion of construction and erection of the "standard fence" described in subparagraph (i) above, the Owner shall deliver to the Condominium Association a "request for conversion of Optional Limited Common Area" which shall notify the Condominium Association of completion of construction and request that the Board of Directors, by resolution, formally declare that such Optional Limited Common Area be converted to Limited Common Areas and Facilities.

(vi) Upon receipt by the Condominium Association of a "request for conversion of Optional Limited Common Area," the Board of Directors shall promptly determine whether the fence constructed on such area qualifies as a "standard fence," and

whether it is properly located on the boundaries of the Optional Limited Common Area as required in subparagraph (iii) above. If such fence qualifies as a "standard fence" and is properly located, the Board shall by resolution declare such Optional Limited Common Area to be part of the Limited Common Areas and Facilities appurtenant to such Unit. If the Board determines that such fence does not qualify as a "standard fence" or is not properly located, then the Owner shall promptly remove such fence from the Optional Limited Common Area, and each Owner, by accepting a deed to his or her Unit, agrees to effect such removal promptly.

Upon adoption of a Board resolution declaring an Optional Limited Common Area to be part of the Limited Common Areas and Facilities, such area shall be treated as Limited Common Areas and Facilities for all purposes; provided, however, boats on trailers, motor homes and camper trailers may be stored within any such area that does not include one or more boundary segments identified as Unfenced Boundary. No more than one such stored vehicle shall exceed the height of the standard fence.

Any Owner may elect to restore a part of the Limited Common Areas and Facilities to its status as Optional Limited Common Area by removing the "standard fence" completely from such area, and removing any structures, improvements or stored vehicles contained therein and delivering a written request to the Condominium Association for restoration of such area to its status as Optional Limited Common Area. Upon receipt of such a written request, the Board of Directors shall ascertain whether all fences, improvements and stored vehicles have been removed from such area, and, if so, declare by resolution that such area is restored to its status as Optional Limited Common Area.

ARTICLE IV.

RESTRICTIVE COVENANTS

1. Residential. Each of the Units now constructed or to be constructed on the Condominium Property shall be, and the same hereby are, restricted exclusively to single-family residential use, and shall be occupied only by a single family (which may include no more than two (2) unrelated persons), its servants and guests. The provisions of this paragraph do not apply to property being used by the Condominium Association as incidental to the operation and organization of the Condominium Association.

2. Construction and Sale. Anything contained herein to the contrary notwithstanding, it shall be permissible for the Declarant to maintain, during the period of sale of Units and upon such portion of the Condominium Property as Declarant may deem necessary, such facilities as in the sole discretion of the Declarant may be reasonably required, convenient or incidental to the sale of Units, including, but without limitation, a business office, storage area, construction yard, signs, model units and sales offices.

3. Business Activities. No business activities shall be conducted on any portion of the Condominium Property; provided, however, that the foregoing restrictions shall not apply to the Declarant as provided above, and provided further that private offices may be maintained in a Unit so long as such use is incidental to the primary residential use of the Unit and is approved in writing by the Board of Directors.

4. Alterations and Attachments by Unit Owner. No Unit Owner shall make structural alterations or modifications to a Unit or to any of the Common Areas and Facilities, without the written approval of the Board of Directors. The Board of Directors shall not approve any alterations, decorations or modifications which would jeopardize or impair the soundness, safety, appearance or value of the Condominium Property.

5. Motor Vehicles. Except as permitted in Section 6 of Article III of this Declaration, no motor vehicle (other than private passenger vehicles), boat, boat trailer, mobile home, motor home, trailer or any similar items shall be stored in or upon the Common Areas and Facilities, unless placed upon a portion of the Common Areas and Facilities which may be designated from time to time by the Board for the storage of such items.

6. Signs. No signs or other advertising devices shall be displayed which are visible from the exterior of any Unit or on the Common Areas and Facilities, including "For Sale" or "For Rent" signs, without permission from the Board; except that the Declarant is exempt from this provision as provided above and this provision shall not limit the rights of Institutional Lenders.

7. Prohibitions in Use of Common Areas and Facilities. Except with the specific written approval of the Board and as permitted in Section 6 of Article III of this Declaration, the Common Areas and Facilities, including Limited Common Areas, shall not be used for temporary or permanent storage of supplies, personal property, trash or refuse of any kind, other than in common trash receptacles placed at the discretion of the Board, nor shall such areas be used in any way for the drying or airing of clothing, rugs or other fabrics. Entrances, sidewalks, yards, driveways, parking areas and stairways shall not be obstructed in any way. No activities shall be carried on nor condition maintained by any Unit Owner, either in his Unit or upon the Common Areas and Facilities, if such activities should despoil, or tend to despoil, the appearance of the Condominium Property. It is expressly acknowledged and agreed by all parties concerned that this section is for the mutual benefit of all Owners of the Condominium Property and is necessary for the protection of the Unit Owners and is enforceable by the Board or by any one or more Unit Owners.

8. Animals. No animal shall be kept in or on the Condominium Property, except for small household pets. Such pets may not be kept or bred for any commercial purpose and shall have such care and restraint as is necessary to prevent them from being or becoming obnoxious or offensive on account of noise, odor, unsanitary conditions or other nuisance. No savage or dangerous animal shall be kept or permitted in or on the Condominium Property. No more than two household pets may be housed within a Unit without written permission of the Board. No pets may be permitted to run loose upon the Common Areas and Facilities, and any Unit Owner who causes or permits any animal to be brought or kept upon the Condominium Property shall indemnify and hold the Condominium Association harmless for and from any loss, damage or liability which it sustains as a result of the presence of such animal on the Condominium Property, regardless of whether the Condominium Association or the Board has given its permission therefor.

9. Access to Units. The Condominium Association and its agent shall have access to each Unit from time to time during reasonable working hours, upon oral or written notice to its Owner, as may be necessary for the maintenance, repair or replacement of any of the Common Areas and Facilities. The Condominium Association and its agents shall also have access to each Unit at all times without notice, as may be necessary to make emergency repairs to prevent damage to Common Areas and Facilities or to another Unit.

10. Subdividing. No Unit may be divided or subdivided into smaller units, nor any portion thereof sold or otherwise transferred, without an amendment to the Declaration to show the changes in the Units to be affected thereby; provided that any amendment to this Declaration providing for subdivision into smaller units must be approved by Unit Owners (other than De-

clarant) owning ninety percent (90%) of the total Percentage Interests not owned by Declarant.

11. Nuisances. No nuisances shall be allowed upon the Condominium Property and no person shall engage in any use, practice or activity upon the Condominium Property which is noxious, offensive or a source of annoyance to Unit Owners or which reasonably interferes with the peaceful possession and proper use of the Condominium Property by any Unit Owner. All parts of the Condominium Property shall be kept in a clean and sanitary condition; and no rubbish, refuse or garbage shall be allowed to accumulate and no fire hazard shall be allowed to exist. Any Unit Owner who shall dump or place (or permit his family, tenants, guests or agent to do so) any trash or debris upon any portion of the Condominium Property shall be liable to the Condominium Association for the actual cost of removal thereof or the sum of \$25.00, whichever is greater, and the same shall be added to and become a part of the assessment next coming due to which the Unit Owner or his Unit is subject. No Unit Owner shall permit any use of a Unit or make any use of the Common Areas and Facilities which will increase the rate of insurance upon the Condominium Property.

12. Lawful Use. No immoral, improper or unlawful use shall be made of the Condominium Property nor any part thereof. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof shall be observed.

13. Restriction on Transfer of Common Areas. Except as provided by statute in case of condemnation or substantial loss to the Common Areas and Facilities, and except as permitted in Section 6 of Article III of this Declaration, the Condominium Association shall not by act or omission abandon, partition, subdivide, encumber, sell or transfer any portion of the Common Areas and Facilities, without the written approval of Owners holding, and approval of the holders of Institutional Mortgages then in force with respect to Units representing, not less than seventy-five percent (75%) of the total Percentage Interests and the approval of Owners of and holders of Institutional Mortgages on all Units having use of Limited Common Areas and Facilities thereby affected. The granting of easements for public utilities or other public purposes consistent with the intended use of the Common Areas and Facilities shall not be deemed a transfer within the meaning of this paragraph.

14. Rules and Regulations. The Board may from time to time promulgate Rules and Regulations respecting the restrictive covenants set out in this Article IV, but such Rules and Regulations shall be consistent with these restrictions and not in derogation or intended as an amendment thereof.

15. Leasing of Units. With the exception of an Institutional Lender in possession of a Unit following a default in an Institutional Mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no Unit Owner shall be permitted to lease a Unit for transient or hotel purposes. No Unit Owner may lease less than the entire Unit. Any lease agreement shall be in writing and shall provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration and the Bylaws and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease; and the Owner of any such leased Unit shall, upon receipt of written request from the Board of Directors detailing any such failure by the lessee to comply with the terms of the Declaration and Bylaws, undertake to cure or require the lessee to cure any such failure to comply within thirty (30) days of such written request. If such failure to comply has not been cured within thirty (30) days, then the Owner shall terminate such lease and take immediate steps to remove the defaulting lessee from the Unit.

ARTICLE V.

EASEMENTS

1. Use and Enjoyment. Every Unit Owner, his or her family living in a Unit, tenant of a Unit Owner and permitted guest, shall have a right and easement of use and enjoyment in and to the Common Areas and Facilities, except Limited Common Areas and Facilities (including the right of access, ingress and egress to and from his or her Unit over those portions of the Condominium Property designated for such purpose), and such easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

(a) The right of the Condominium Association to control the use and enjoyment thereof as provided in this Declaration and the Bylaws, and in the duly adopted Rules and Regulations of the Condominium Association, which shall include, but not be limited to, the right of the Board to limit use and enjoyment thereof to the Unit Owners, and their respective families living in the Unit, tenants and guests, as well as to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by a Unit Owner, his or her family, tenants and guests;

(b) The right of the Condominium Association to limit the number of guests of Unit Owners; and

(c) The right of the Condominium Association to suspend the voting rights and right to use of the Common Areas and Facilities by a Unit Owner, his or her tenants and guests, for any period of time during which an assessment against such Owner's Unit remains unpaid or any separate charge incurred by such Unit Owner for use of recreational facilities, as provided in Article XV, remains unpaid, or for infraction of its Rules and Regulations.

(d) The right of the Condominium Association to charge reasonable admission fees, guest fees or other fees for use of Common Areas and Facilities or for special uses that might be made of certain parts of the Common Areas and Facilities by Members or by others;

(e) The right of the Condominium Association to limit the number of guests of Members as to the use of any part of the Common Areas and Facilities;

(f) The right of the Condominium Association to regulate, locate and direct access routes on the Common Areas and the location of parking therein and to allocate parking spaces to each Unit, all to be done in a reasonable manner.

2. Maintenance and Repair. There shall be an easement in, over, under and through the Units and the Common Areas and Facilities for the installation, maintenance, repair and replacement of Units and the Common Areas and Facilities. Use of this easement shall be only during the period of 9:00 A.M. to 6:00 P.M. Monday through Saturday of each week, except that access may be had at any time in the case of emergency.

3. Structural Support. Every portion of a Unit or the Common Areas and Facilities which contributes to the structural support of another Unit shall be burdened with an easement of structural support.

4. Encroachments. If any portion of the Common Areas and Facilities encroaches upon any Unit or any Unit encroaches upon any other Unit or upon any portion of the Common Areas and Facilities or the Limited Common Areas and Facilities as a result of settling or shifting of a building, or as the result of survey

error or error in description, an easement for the encroachment and for the maintenance of the same so long as the building stands, shall exist. If any building, any Unit, any adjoining Unit, or any adjoining part of the Common Areas and Facilities or the Limited Common Areas and Facilities shall be partially or totally destroyed as a result of fire or other casualty or as a result of eminent domain proceedings, and then rebuilt upon the original site and upon the same Plans as the original building, encroachments of parts of the Common Areas and Facilities upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Areas and Facilities resulting from such rebuilding shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as the subject improvement shall stand.

5. **Utilities.** There shall be a general easement upon, across, above and under all of the Condominium Property for ingress, egress, installation, replacing, repairing and maintaining all utilities including, but not limited to, water, sewer, telephone and electricity or other community service (e.g., master television antenna system or security system, if installed) which the Declarant or the Condominium Association has installed or might determine to install to serve the Condominium Property. By virtue of this easement, it shall be expressly permissible to erect and maintain the necessary poles and other necessary equipment on the Condominium Property and to affix and maintain wires, conduits, cables and the like on, above, across, under and through the roofs and exterior walls of the Units. Should any party furnishing any service covered by this general easement request a specific easement by separate recordable document, Declarant or the Condominium Association, as the case may be, shall have the right to grant such easement under the terms hereof.

6. **Roadways.** Declarant's predecessors in title to the Phase I and proposed Phases II, III and IV described in Exhibit A attached hereto have constructed private roadways known as Circles End, Lammers Lane and Bon Rea Drive as shown on the Plans ("Roadway System"). This Roadway System is subject to a Declaration of Easements recorded in Book 261 at Page 204 in the Register of Deeds of Mecklenburg County, which in essence provides (i) a non-exclusive easement to use the Roadway System for pedestrian and vehicular access to and from Swan Run Road, a public road, and all property fronting on the Roadway System; (ii) the obligation of the fee simple owner of each portion of the Roadway System to maintain that portion in good condition and repair at his expense, subject to a sharing of expense arrangement where more than one owner fronts on the Roadway System; (iii) the right of any owner of property fronting on a portion of the Roadway System to repair any portion of the Roadway System which the fee simple owner of that portion fails to maintain; and (iv) the right of any owner of land fronting on the Roadway System to require dedication of all or part of such Roadway System provided he or it pays any expense incident to such dedication. Each Unit Owner, by acceptance of the deed to a Unit, acknowledges that those portions of the Roadway System included within the Condominium Property (including portions of the Roadway System in Phases II, III and IV) are, or may, constitute Common Areas and Facilities, and the cost of maintenance and repair of such portions shall be a common expense of the Condominium Association.

7. **Other.** There shall be a general easement in favor of the Condominium Association, its directors, officers, agents and employees (including, but not limited to, any manager employed by the Condominium Association) to enter upon the Condominium Property or any portion thereof in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with the permission of any Unit Owner directly affected thereby.

ARTICLE VI.

ADMINISTRATION

1. General Provisions. The administration of the Condominium Property, including, but not limited to, the acts required of the Condominium Association, shall be performed by the Condominium Association, acting by and through its Board or as otherwise provided in this Declaration and the Bylaws. The membership of the Condominium Association shall be limited to and consist of all of the Unit Owners. The Condominium Association's activities shall be limited to administration, including management and operation of Swan Run Condominium, consistent with the Act, this Declaration and the Bylaws.

2. Amendment of Bylaws. The Bylaws are subject to amendment as herein and in the Act and Bylaws provided.

3. Duties and Powers. The duties and powers of the Condominium Association shall be those, and shall be exercised as, set forth in the Act, this Declaration and the Bylaws, together with those implied as reasonably necessary to effect the purposes of the Condominium Association and the administration of the Condominium Property.

4. Agreements. All agreements and determinations lawfully authorized by the Condominium Association shall be binding upon all Unit Owners, their heirs, legal representatives, successors, assigns and others having an interest in the Condominium Property or the privilege of possession and enjoyment of any part thereof. In furtherance of the foregoing and not in limitation thereof, the Condominium Association shall have the authority to approve and enter into such management agreements as the Board of Directors shall deem necessary or desirable for the administration and operation of the Condominium Property. Any such management agreement shall provide that the same may be terminated by the Board of Directors with or without cause at any time upon ninety (90) days' notice to the manager. No such contract shall bind the Condominium Association in excess of one (1) year from the date of its inception. All costs and expenses incident to the employment of a manager shall be Common Expenses. During his or her tenure, the manager may, if authorized by the Board of Directors, exercise all of the powers and shall be responsible for the performance of all the duties of the Condominium Association excepting those powers and duties specifically and exclusively reserved to the directors, officers or Members of the Condominium Association by the Act, this Declaration or the Bylaws. The manager may be such individual, corporation or other legal entity as the Board of Directors shall determine and shall be bonded by a fidelity bond as provided in Section 2(c) of Article IX of this Declaration.

5. Restrictions on Contracts. Neither the Condominium Association nor Declarant shall enter into any contract, lease or other agreement, except contracts for the furnishing of utilities or the management agreement described in Section 4 of this Article VI, which shall bind the Unit Owners or Condominium Association for more than one (1) year after the date of the first annual meeting as required by the Bylaws. After the first annual meeting, the Board of Directors shall not enter into any contract, lease or other agreement which shall bind the Unit Owners or the Condominium Association for a period of more than one (1) year unless approved by Unit Owners holding a Majority of the total Percentage Interests.

6. Execution of Documents. When any agreement, contract, conveyance or other document is executed by the President and Secretary of the Condominium Association, a third party without knowledge or reason to know to the contrary may rely on such document as being duly authorized and executed.

7. Property. All funds received and titles of all properties acquired by the Condominium Association and the proceeds thereon, after deducting therefrom the costs incurred by the Condominium Association in acquiring the same, shall be held for the benefit of the Unit Owners as herein provided and for the purposes herein stated. The Condominium Association may acquire and hold, for the benefit of the Unit Owners, tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in such personal property shall be held by the Unit Owners in the same proportions as their respective Percentage Interests in the Common Areas and Facilities. A transfer of a Unit shall vest in the transferee ownership of the transferor's beneficial interest in such personal property.

The Condominium Association shall not deposit, invest or reinvest any funds, unless such funds are invested in government securities, or deposited in banks which are members of the Federal Deposit Insurance Corporation, or savings and loan associations which are members of the Federal Savings and Loan Insurance Corporation.

8. Notices. Notices or demands, for any purpose, shall be given by the Condominium Association and Unit Owners in the manner provided for notices of meetings to Members of the Condominium Association by the Bylaws.

9. Enforcement. The failure of the Condominium Association or any Unit Owner to enforce any covenant or provision of the Act, Declaration, Bylaws or Rules and Regulations affecting the Condominium Property shall not constitute a waiver of the right to do so thereafter.

10. Rules and Regulations. Reasonable regulations concerning the use of the Units, appurtenances thereto and Common Areas and Facilities, not in derogation of this Declaration, may be made and amended from time to time by the Condominium Association; provided that copies of such regulations and amendments thereto shall be furnished to all Unit Owners. Such regulations shall be binding upon the Owners, their families, tenants, guests, invitees and agents, until and unless such regulation, rule or requirement be specifically overruled and cancelled in a regular or special meeting by the vote of a Majority of the Unit Owners.

11. Violation of Rules and Regulations. Failure to abide by any such Rule or Regulation or requirement shall be grounds for an action, brought by the Condominium Association or any aggrieved Unit Owner, to recover damages, or obtain injunctive and equitable relief, or both. In addition to these remedies, in the event of violation by an Owner of any rules or regulations, such Owner's voting and rights to use the Common Areas and Facilities may be suspended by the Board after a hearing at which the general requirements of due process shall be observed. Such hearing shall only be held by the Board after giving the Owner ten (10) days' prior written notice which specifies each alleged violation and sets the time, place and date of the hearing. A determination of the violation and the time of suspension or other sanction shall be made by a majority vote of the Board. The Owner shall have the right to appeal any adverse ruling of the Board and shall be entitled to a hearing de novo before the membership of the Condominium Association, at which the general requirements of due process shall be observed. Upon an appeal by an Owner of a decision by the Board, a special meeting shall be held within sixty (60) days from the decision by the Board, but the decision of the Board shall remain in effect unless overruled by a majority vote of the Members present at the special meeting.

12. Liability. Each director and each officer of the Condominium Association shall be held harmless from expense, loss or liability by reason of having served as such Director or as

such Officer and shall be indemnified by all the Unit Owners (as a common expense) against all expenses and liability, including reasonable attorneys' fees, incurred by or imposed upon him in connection with any proceeding to which he may be a party or have become involved by reason of being such Director or such Officer, as provided in the Bylaws.

ARTICLE VII.

MAINTENANCE, ORDINARY REPAIRS AND ALTERATIONS

1. By the Condominium Association. The Condominium Association shall maintain, repair and replace all parts of the Common Areas and Facilities (except fences and improvements constructed within Optional Limited Common Areas which have been converted to Limited Common Areas and Facilities in accordance with Section 6 of Article III of this Declaration, which fences and improvements shall be maintained, in harmony and conformity with the maintenance by the Condominium Association of any Existing Fence as identified on the Plans, by the Unit Owners as if such fences and improvements were a part of his or her Unit), whether located within the perimeter walls of a Unit or not, the cost of which shall be charged to the Unit Owners as a Common Expense.

2. By the Unit Owners. Each Unit Owner shall maintain, repair and replace at his or her expense all portions of a Unit which become in need thereof, including all drywall, moulding and panelling; bathroom and kitchen fixtures; light fixtures; wall, ceiling and floor covering materials; matting, carpeting and drapes; heating and air conditioning systems serving the Unit, wherever located; lighting fixtures and electrical receptacles serving the Unit, wherever located; nonstructural, nonload-bearing interior partition walls; pipes, wire, conduits and other facilities for the furnishing of utilities and other services located within the boundaries of the Unit; and other items within the Unit, and all fences and improvements constructed within any Optional Limited Common Area which has been converted to Limited Common Areas and Facilities in accordance with Section 6 or Article III of this Declaration. Each Unit Owner shall maintain, repair and replace, when necessary, all damage to windows and doors and storm windows and doors which are a part of his or her Unit; except, however, damages caused by agents, employees or subcontractors employed by the Condominium Association shall be repaired by the Condominium Association. All damages to the Common Areas and Facilities intentionally or negligently caused by a Unit Owner, his or her family, tenants, guests, invitees, agents, servants, employees or contractors shall be repaired promptly by such Unit Owner, except to the extent such damage is covered by hazard insurance required to be maintained by the Condominium Association, in which case the Condominium Association waives its right of indemnity to the extent of funds paid pursuant to said insurance policy. If the Unit Owner defaults in any obligations hereunder and such default is not cured within fifteen (15) days from written demand by the Condominium Association, the same may be cured by the Condominium Association and the cost thereof, plus a charge equal to fifteen percent (15%) of the cost thereof which shall reimburse the Condominium Association for administration expenses in connection with such care, shall be assessed against the Unit owned by the defaulting Unit Owner.

Each Unit Owner shall be responsible for keeping the Limited Common Areas and Facilities under his or her control and dominion in a neat, sightly and proper manner, including the maintenance of grass and planting within Optional Limited Common Areas which have been converted to Limited Common Areas. Except as required with respect to Optional Limited Common Areas which have been converted to Limited Common Areas and Facilities, this shall not

impose upon the Unit Owner the obligation to maintain or repair any structural or other similar item (such as paving) on property located within the Limited Common Areas and Facilities assigned to his or her Unit, unless the damage is caused intentionally or negligently by the Unit Owner, as provided above.

3. Restrictions on Unit Owners. No Unit Owner shall perform or cause to be performed any maintenance, repair or replacement work upon a Unit (or upon Optional Limited Common Area which has been converted to Limited Common Areas and Facilities in accordance with Section 6 of Article III of this Declaration) which disturbs the rights of other Unit Owners or jeopardizes the soundness or safety of the Condominium Property. If a Unit Owner shall cause any work so performed, which in the sole opinion of the Board violates the terms of this paragraph, it shall be immediately corrected and such Owner shall refrain from recommending or continuing any such work without written consent of the Board. A Unit Owner shall not repair, alter, replace or move any of the Common Areas and Facilities located within a Unit without the prior written consent of the Board. A Unit Owner shall not paint or otherwise decorate or change the outside appearance of the building in which a Unit is located, including doors and windows and storm doors and windows, or any appurtenance thereto or Limited Common Area serving a Unit without the written consent of the Board.

4. Duty to Report. Each Unit Owner shall promptly report to the Board or its agent any defect or need for repairs or replacement, the responsibility for which is that of the Condominium Association.

5. Alterations to Common Areas and Facilities. The Condominium Association is authorized to make minor improvements to and alterations to the structures located in and on the Common Areas and Facilities, as a Common Expense; however, no major or structural improvements to or alterations of the Common Areas and Facilities, or improvements or alterations costing in excess of \$5,000.00, shall be made by the Condominium Association without first obtaining approval of Unit Owners holding at least sixty percent (60%) of the Percentage Interests, except when such improvements are made pursuant to Article IX hereof. It is understood that this Section does not apply to required repair and maintenance of Common Areas and Facilities.

6. Approval of Payment Vouchers. All vouchers for payment of expenses incurred by the Condominium Association in the maintenance, repair, alteration and replacement of the Common Areas and Facilities shall be approved in writing jointly by the President and Treasurer of the Condominium Association. In the absence or disability of the President, the Vice President may perform the duties herein of the President, and the Assistant Treasurer may perform the duties of the Treasurer herein in the absence or disability of the Treasurer. Notwithstanding the foregoing, the Board may authorize any officer, Member, committee or independent manager to approve or disapprove all vouchers for payment of routine expenses incident to the maintenance, repair, alteration or replacement of the Common Areas and Facilities, so long as the resolution granting such authority specifically limits the maximum amount which may be authorized on each occasion and so long as the subject resolution describes the items which may be so authorized.

ARTICLE VIII.

ASSESSMENTS

1. Initial Assessment; Maximum Amount. The Declarant shall fix the initial assessment which shall remain in effect until December 31, 1980. The monthly assessment for 1980 shall be \$3,172.08 for all Units, with per Unit monthly assessment being determined by multiplied that amount by the Percentage Interest in decimal form pertaining to each Unit.

For the calendar years after 1980, the annual assessment shall be set as follows:

(a) The annual assessment may be increased by the Board each year, without a vote of the Members, to an amount not more than fifteen percent (15%) in excess of the assessment for the previous year.

(b) The annual assessment may be increased above the increase allowed in subsection (a) of this Section 1 by a vote of a majority of the Members who are voting in person or by proxy at a meeting 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 purpose of the meeting. Quorum requirements for such meeting will be those required at a Special Meeting of the membership, as set out in the Bylaws.

(c) The Board of Directors may fix the annual assessment at any amount not in excess of the maximum stated above.

2. Fixing of Assessment. Not later than December 15, 1980, and the same date of each year thereafter, the Board shall have determined and shall have given written notice to the Unit Owners of the annual assessment affixed against each Unit for the immediately succeeding calendar year. In determining the annual assessment for each calendar year, the Board shall estimate the Common Expenses for such year and shall then estimate the cash required to meet such Common Expenses. In determining the cash requirement, the Board shall include a reasonable reserve for contingencies, replacements and maintenance items not performed annually (including specifically, without limitation, reserves for exterior painting, for roof and gutter replacement, and street and parking area maintenance) and shall deduct any expected income and any surplus from the prior year's fund. The portion of the estimated cash requirement assessed against each Unit shall be proportional to the Percentage Interest for such Unit. The failure of the Board to comply with the written notice requirement hereinabove provided shall not alter or invalidate any obligation of a Unit Owner, any right of the Condominium Association against any Unit Owner, nor any lien against a Unit fixed by the Condominium Association, and shall commence for all Units subject hereto on the day of the recording of this Declaration, or with respect to additional Units, on the day a Supplementary Declaration shall be filed affecting such Units.

3. Monthly Installments. The annual assessments shall be paid to the Condominium Association in equal monthly installments on or before the first day of each month during any assessment period. In the event of a Unit Owner's default in payment of assessments, not cured within thirty (30) days, the Condominium Association shall have the right to accelerate the entire unpaid balance of the annual assessment and to declare the same immediately due and payable.

4. Special Assessments. In addition to the annual assessments, the Condominium Association may levy, in any calendar year, special assessments for the purpose of supplementing the annual assessments if the same are inadequate to pay the Common Expenses and of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of the Common Areas and Facilities, including the necessary fixtures and personal property related thereto; provided, however, that any such special assessment shall have the assent of two-thirds (2/3) of the Members represented, in person or by proxy, at a meeting, at which a quorum is present, duly called for the express purpose of approving such expenditure, written notice of which shall be sent to all Owners not less than ten (10) days nor more than sixty (60) days in advance of the meeting. Special Assessments shall be fixed against the Units in proportion to their Percent-

age interests. The period of the assessment and manner of payment shall be determined by the Board.

5. Purpose of Assessments, Common Expenses. The annual and special assessments fixed and collected pursuant to this Article VIII shall be used exclusively to pay the Common Expenses including, but not limited to, all expenses, costs, and charges incurred by the Condominium Association in connection with the administration, management and operation of the Condominium Property; the costs of maintenance, repair, replacement and restoration of the Common Areas and Facilities, or any part thereof, and reasonable reserves for items not expensed on at least an annual basis; the cost of all insurance obtained by the Board pursuant to Article IX of this Declaration; the cost of operating and maintaining recreational facilities, if any, which shall become a part of the Common Areas and Facilities; any service fees for cable television if and when provided to all Units under a contract with the Condominium Association; and any and all other expenses, costs or charges agreed upon as Common Expenses by the Condominium Association or declared Common Expenses by the provisions of the Act or this Declaration. All assessments, replacement funds, accumulated income, insurance and other escrows and all other assets of the Condominium Association in excess of that needed for the purposes herein stated, determined yearly, either shall be applied to reduce the succeeding year's assessments or shall be returned to the Unit Owners in proportion to their Percentage Interests, as determined by the Board; provided, however, the Board shall have the right to create and to maintain an escrow or trust fund for such reserves as it deems fit.

6. Lien and Personal Obligation. Each assessment provided for in this Article, together with interest from and after the due date of such assessment (specifically including the due date of any installment) at the rate of one and one-half percent (1-1/2%) per month or the highest lawful rate, if lower, and collection costs including reasonable attorneys' fees, shall be a charge on and continuing lien upon the Unit against which the assessment is made when a notice of such lien has been filed of record in the Office of the Clerk of Superior Court for Mecklenburg County, North Carolina, in the manner provided in Chapter 44 of the North Carolina General Statutes; provided such notice of lien shall not be filed until such sums assessed remain unpaid for a period of thirty (30) days after the same shall become due. Such notice of lien shall secure also all assessments against the Unit becoming due thereafter until the lien has been satisfied. In addition, each Unit Owner shall be liable personally for any assessment against his or her Unit coming due or payable while he is the Owner of such Unit. A grantee of a Unit shall be liable, jointly and severally, with the grantor for all unpaid assessments against such Unit due and owing at the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Any Unit Owner or grantee of a Unit Owner shall be entitled to a statement from the Board setting forth an account of the unpaid assessments against the Unit Owner and such grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth.

7. Effect of Nonpayment of Assessment, Remedies of Condominium Association. In the event that any assessment installment is not paid within thirty (30) days after the due date, the Board of the Condominium Association may, at its option, declare the entire unpaid annual assessment immediately due and payable, and such unpaid assessment shall bear interest from the date of acceleration, which shall be effective upon the sending of notice to the Owner of the Unit concerned, regardless of the receipt thereof, such interest to be at the rate of one and one-half percent (1-1/2%) per month or, if lower, the maximum allowed by law. In the event any assessment installment is not paid within

thirty (30) days after its due date, there shall be a one-time late charge equal to four percent (4%) of the overdue installment or \$5.00, whichever is greater. The Condominium Association may bring an action at law against the Owner personally obligated to pay the assessment, and interest, reasonable attorneys' fees and costs of such action shall be added to the amount of such assessment.

Notwithstanding anything hereinbefore stated in this Section, during any period in which an Owner shall be in default in payment of any installment of an annual, special or other assessment levied by the Condominium Association, the voting rights and the right to the use and enjoyment of the Common Areas and Facilities or any services, including without limitation, water and sewerage disposal, or facilities which the Condominium Association provides may be suspended by the Condominium Association until such assessment is paid. Prior to the termination of services, voting rights, or use of facilities for failure to pay assessments, the procedure outlined in Section 11 of Article VI shall be followed.

8. Priority of Assessment Lien. The lien of the assessments provided for in this Section shall be prior and superior to all other liens except (a) ad valorem taxes, (b) all sums unpaid on all mortgages recorded prior to the docketing of the assessment lien, and (c) materialmen's and mechanics' liens. The sale or transfer of any Unit shall not affect the assessment against such Unit; provided, however, the sale of a Unit pursuant to the foreclosure sale or execution sale instituted by an Institutional Lender shall extinguish the inferior assessment lien against the subject Unit, but no such sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or for any future lien in connection therewith. The Condominium Association shall share in the excess, if any, realized by the sale of any Unit pursuant to a foreclosure or action instituted by a superior lienholder in accordance with the provisions of Section 45-21.31 of the North Carolina General Statutes; provided, however, that a mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit, or a purchaser who obtains title to such Unit by deed in lieu of foreclosure or by any other proceeding in lieu of foreclosure, shall not be liable for and such Unit shall not be subjected to a lien for the payment of such assessment which accrued prior to the acquisition of title of such Unit by the mortgagee or other purchaser, and provided further that such unpaid assessment shall be deemed to be Common Expenses collectible from all of the Unit Owners including the mortgagee or other purchaser.

9. Owner's Non-Use. No Unit Owner may exempt himself from liability for contributions toward Common Expenses and other obligations to the Condominium Association by waiver of the use or enjoyment of any portion of the Common Areas and Facilities, or by the abandonment or sale of his or her Unit (except that Declarant may deduct from its assessment a reasonable amount for use-related items not consumed, such as water, sewer and cable-tv, if and when available, for any Unit owned by it and not occupied).

ARTICLE IX.

INSURANCE

1. Authority to Purchase. The Board shall have the authority to and shall obtain a master insurance policy upon the Condominium Property for the benefit of the Condominium Association, the Unit Owners and their mortgagees as their interests may appear, and provisions shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of the Unit Owners. The original of such policy and endorsements there-

to shall be deposited with the Condominium Association, as insurance trustee, and Unit Owners may inspect such policy at any time during reasonable working hours and after reasonable notice to the Board.

2. Coverage.

(a) Master Casualty Policy. The buildings and all other improvements upon the land and all personal property included in the Common Areas and Facilities, and originally installed fixtures, cabinets, and wall and floor coverings of the Units shall be insured in an amount equal to the full replacement value (i.e., 100% of the "replacement costs"), exclusive of foundations and excavation. Such coverage shall afford protection against (i) loss or damage from all hazards and risks normally covered by a standard "all-risk" policy, including fire and lightning; and (ii) such other risks as from time to time shall customarily be covered with respect to improvements similar in construction, location and use, including but not limited to, vandalism, malicious mischief, windstorm and water or flood (if available) damage. The Board of Directors shall review such insurance and its limits annually.

(b) Public Liability. The liabilities of the Condominium Association shall be insured in such amounts as shall be required by the Board and each Unit Owner and his or her immediate family, Declarant, its agents and employees shall be named as additional insureds, but only with respect to liability arising out of the ownership, maintenance, use or repair of the Common Areas and Facilities. Such insurance shall include endorsements covering cross-liability claims of one insured against another, including the liability of the Unit Owners as a group to a single Unit Owner. The Board of Directors shall review such insurance and its limits annually. Such public liability insurance shall be in amounts not less than \$500,000.00 per person and not less than \$1 million per occurrence for liability for bodily injury, including death resulting therefrom, and \$500,000.00 per occurrence for liability for damage to property, including loss of use thereof.

(c) Fidelity Insurance. The Condominium Association shall procure and maintain, or cause to be maintained, a policy or policies of insurance coverage to protect against dishonest acts on the part of officers, directors, volunteers, managers and employees of the Condominium Association and any other persons who handle or are responsible for the handling of funds of the Condominium Association. Such fidelity insurance coverage shall, at least:

(i) name the Condominium Association as an obligee thereunder;

(ii) be written in an amount equal to at least one hundred fifty percent (150%) of the estimated annual operating expenses of the Condominium Association plus any reserves; and

(iii) contain waivers of any defense bond upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

(d) Other. The Condominium Association may obtain such other insurance coverages as the Board determines from time to time to be desirable, including directors' and officers' liability insurance to protect the members of the Board for any negligence while acting in their official capacity, as set out in the Bylaws.

3. Premiums. Premiums upon insurance policies purchased by the Condominium Association shall be paid by the Condominium Association as a Common Expense.

4. Content of Policies. The Board of Directors shall make every effort to secure insurance policies that will provide for the following:

(a) The master casualty policy on the Condominium Property cannot be cancelled, invalidated or suspended on the account of the conduct of any one or more individual Unit Owners.

(b) The master casualty policy on the Condominium Property cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Board, or manager, without prior demand in writing that the Board of Directors or manager cure the defect.

(c) That any "no other insurance" clause in the master casualty policy on the Condominium Property exclude individual owner's policies from consideration.

(d) All insurance policies shall be written with a company or companies licensed to do business in the State of North Carolina and holding a rating of A or better in Best's Insurance Guide, provided that such insurance is available from a company with at least such a rating and that, in the event not so available, such insurance is obtained from a company with the highest rating available in Best's Insurance Guide. In no event shall the hazard Insurance be written by a carrier which has a Financial Rating by Best's Insurance Reports of less than Class VI.

(e) Duplicate originals of all such policies shall be furnished to all Owners and their respective mortgagees, provided that in lieu of such duplicate original policies the Condominium Association may deliver certificates to the Owners and their respective mortgagees attesting the fact that such policies and such insurance are in force and effect. Furthermore, the Condominium Association shall furnish to the Owners and their respective mortgagees, upon written request therefor, evidence that premiums for such insurance have been paid on an annual basis.

5. Owners' Insurance. Any Owner and any holder of a mortgage with respect to any Unit may obtain such additional insurance with respect to the Unit, totally at the expense of such Owner or mortgagee, as is desired. Any such insurance shall either:

(a) be written by the same insurer which carries the master casualty policy purchased by the Condominium Association pursuant to the provisions of Section 2(a) hereof; or

(b) shall provide that such policy or policies shall be without contribution with respect to the master policy or policies of casualty insurance maintained by the Condominium Association. Any such Owner's or mortgagee's policy also shall contain waiver of subrogation provisions as required in Section 9 hereof.

Declarant recommends that each Owner obtain a "Homeowner's Policy" or its equivalent to insure against loss or damage to personal property used in or incidental to occupancy of the Unit, additional leasing (motel) expenses, vandalism or malicious mischief, theft, personal liability and the like. Such policy should include a "condominium unit owner's endorsement" or equivalent, covering losses to improvements and betterments to the Unit made or acquired at the expense of the Unit Owner.

Duplicate copies of any such policy or policies procured by an Owner or his mortgagee shall be furnished to the Condominium Association within ten (10) days of the effective coverage date of such insurance.

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6. Receipt of Proceeds, Insurance Trustee. All insurance policies purchased by the Condominium Association shall be for the benefit of the Condominium Association, the Unit Owners and their mortgagees, and Declarant, as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Condominium Association, as insurance trustee. The duty of the Condominium Association as insurance trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes hereinafter stated and for the benefit of Declarant, the Unit Owners and their mortgagees in the following shares:

(a) Common Areas and Facilities. An undivided share of the proceeds received by the Condominium Association on account of damage to the Common Areas and Facilities shall be held for each Unit Owner and such share shall be determined by the subject Unit Owner's Percentage Interest in the Common Areas and Facilities.

(b) Units. Proceeds received by the Condominium Association on account of damage to Units shall be held for the Unit Owners of the damaged Units in proportion to the cost of repairing the damage suffered by each Unit Owner, which cost shall be determined by the Board of Directors. When the building is not to be restored as provided in Section 11 of this Article IX, an undivided share shall be held for each Unit Owner, such share being determined in accordance with Section 11 of this Article IX.

(c) Mortgagees. In the event a mortgagee endorsement has been issued for a Unit, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interests may appear; provided, that no mortgagee shall have the right to determine or participate in the determination as to whether any damaged property shall be reconstructed or repaired.

7. Distribution of Proceeds. Proceeds of insurance policies received by the Condominium Association as insurance trustee shall be distributed to or for the benefit of the Owners of the Condominium Property in the following manner:

(a) Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the proceeds shall be paid to defray the cost thereof as provided above. All proceeds remaining after defraying such costs shall be distributed to the Condominium Association. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

(b) Failure to Reconstruct or Repair. If it is determined as provided in Section 11 that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the beneficial owners of the Condominium Property as set forth in Section 11. Any remittances to Unit Owners and their mortgagees shall be paid jointly to them. This is a covenant for the benefit of any mortgagee of a Unit and may be enforced by such mortgagee.

8. Condominium Association as Agent. The Condominium Association hereby is irrevocably appointed agent for each Unit Owner and for each mortgagee or holder of a lien upon a Unit and for each owner of any other interest in the Condominium Property to adjust all claims arising under insurance policies purchased by the Condominium Association and to execute and deliver releases upon the payment of claims. The Board of Directors is authorized to carry out all such adjustments of claims and execution and delivery of documents for the Association.

9. Waivers of Subrogation and Cancellation Notices. All policies of physical damage insurance obtained by the Board pursuant to this Article shall contain waivers of subrogation

against Unit Owners, their tenants, employees, guests and invitees, the Condominium Association, Declarant and others having an interest in the Condominium Property. Such policies shall provide that they may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to any and all insured parties named therein.

10. Duty to Repair. In the event of damage to or destruction of any improvement on the Condominium Property as a result of fire or other casualty, unless the Condominium Property is partitioned as provided in Section 11, the Board shall arrange for the prompt repair and restoration of such improvement (including any damaged Unit, but not including any wall, ceiling or floor decoration or coverings or other furniture or furnishings, fixtures or equipment in the Unit, unless the subject insurance policy covers a portion or all of such loss to the Unit, in which event the Condominium Association shall repair or replace such damage), and the Board shall disburse the proceeds of all insurance policies to the contractors engaged in such repair or restoration in appropriate progress payments. Any cost of such repairs and restoration in excess of the insurance proceeds shall constitute a Common Expense.

11. Partition. If the improvements on the Condominium Property shall be more than two-thirds (2/3) destroyed by fire or other disaster and the Owners holding at least seventy-five percent (75%) of the total Percentage Interests duly resolve not to proceed with repair or restoration, then, and in that event:

(a) The entire Condominium Property shall be deemed to be owned as tenants in common by the Unit Owners; and

(b) The undivided interest in the Condominium Property owned by each Unit Owner shall be his Percentage Interest in the Common Areas and Facilities previously appurtenant to his Unit or Units; and

(c) Any liens or encumbrances affecting any Unit shall be deemed transferred in accordance with the existing priority to the percentage of undivided interest of the subject Unit Owner in the Condominium Property as hereinabove provided; and

(d) The Condominium Property shall be subject to an action for sale in lieu of partition at the suit of any Unit Owner, in which event the net proceeds of insurance policies, if any, shall be considered as one fund and shall be divided among the Unit Owners in proportion to their Percentage Interests in the Common Areas and Facilities previously appurtenant to their Units, after paying off, out of the respective shares of the Unit Owners, to the extent sufficient for that purpose, all liens on the Unit of each Unit Owner.

The determination of whether the improvements are "more than two-thirds (2/3) destroyed" for the purposes herein stated shall be made as follows: an appraisal of the value of the improvements (excluding land) as of the day immediately preceding the damage shall be obtained by the Board from two appraisers who are members of the American Institute of Real Estate Appraisers, the American Society of Appraisers, the Society of Real Estate Appraisers or a comparable professional association of appraisers. The cost of repairs and restoration shall then be determined by the Board of Directors by securing not less than three independent bids, in writing, from three reputable building contractors in the community of their proposed charges for making such re-

pairs or restorations, the lowest of which shall be deemed to be the cost. If the costs so estimated shall exceed two-thirds (2/3) of the appraised value, the improvements shall be deemed more than two-thirds (2/3) destroyed.

The Unit Owners may "duly resolve" not to proceed with repair or restoration only when written instruments to that effect signed by Unit Owners holding at least seventy-five percent (75%) of the Percentage Interests have been delivered to the Secretary of the Association, who shall record such instruments in the records of the Condominium Association.

ARTICLE X.

ARCHITECTURAL CONTROL

1. Approval Required for Changes. To preserve the original architectural appearance of the Condominium Property, except as expressly specified in the Act or this Declaration, after the purchase of a condominium Unit from Declarant, its successors or assigns, no exterior construction of any nature whatsoever shall be commenced or maintained upon any improvement, including without limitation the Limited Common Areas and Facilities; nor shall there be any change, modification or alteration of any nature whatsoever of the design and appearance of any of the exterior surfaces or facades; nor shall any Owner paint, decorate or change the color of any exterior surface, gate, fence, door or roof; nor shall any Owner change the design or color of the exterior lights; nor shall any Owner install, erect or attach to any part of the exterior any sign of any kind whatsoever; nor shall any exterior addition or change, including without limiting the generality of the foregoing the erection or construction of any fence or wall, be made unless and until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of exterior design, color and location in relation to the surrounding structures by the Board. The Declarant shall be exempt from the provisions of this Article until seventy-five percent (75%) of the Units have been sold or until January 1, 1983, whichever shall occur first. Also, any initial construction on Phase IV in substantial conformance with the Plans shall not be subject to the requirements herein until after such construction is completed and Phase IV is submitted to this Declaration.

ARTICLE XI.

CONDEMNATION

1. General. Whenever all or any part of the Condominium Property shall be taken by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Condominium Association. Unless otherwise required by law at the time of such taking, any award made therefor shall be disbursed by the Condominium Association as hereinafter provided in this Article.

2. Common Areas. If the taking is confined to the Common Areas and Facilities on which improvements shall have been constructed and if Owners holding at least seventy-five percent (75%) of the total Percentage Interests shall decide within sixty (60) days after such taking to replace such improvements, or any part thereof, on the remaining land included in the Common Areas and Facilities and according to plans therefor to be approved by the Condominium Association, then the Board shall arrange for such replacement and the Condominium Association shall disburse

the proceeds of such award in the same manner as they are required to disburse insurance proceeds where damage or destruction to the Condominium Property is to be repaired or reconstructed as provided in Article IX, hereof; subject, however, to the right hereby reserved to the Condominium Association, which may be exercised by a Majority of the Members, to provide for the disbursement by the Condominium Association of the remaining proceeds held by it (after payment of all costs incident to such replacement) to the Owners or any one or more of them in amounts disproportionate to the Percentage Interests appurtenant to their Units established herein, which disproportionate amounts shall correspond with the disproportionate damages sustained by the Owners or any one or more of them as the Condominium Association may determine. If Owners holding at least seventy-five percent (75%) of the total Percentage Interests shall not decide within sixty (60) days after such taking to replace such improvements or if the taking is confined to the Common Areas and Facilities on which no improvements shall have been constructed, then the Condominium Association shall disburse the proceeds of the award in the manner hereinabove provided for the disbursement of the remaining proceeds of an award after payment of all costs incident to replacement of improvements taken, including the right reserved to the Condominium Association to provide for the disbursement of the remaining proceeds held by it to the Owners in disproportionate amounts.

3. Units. If the taking includes one or more Units, any part or parts thereof, or the Limited Common Areas and Facilities or parts thereof, to which a Unit has exclusive use, or Optional Limited Common Areas (as described in Section 6 of Article III of this Declaration) or parts thereof, then the award shall be disbursed and all related matters, including without limitation, alteration of the Percentage Interest appurtenant to each Unit, shall be handled pursuant to and in accordance with the consent of all Owners expressed in a duly recorded amendment to this Declaration. Such amendments, if any, shall re-align the Percentage Interests, establish the method of distributing the condemnation award and include such other provisions as all of the Unit Owners deem reasonable and appropriate. Further provided, such amendment shall be executed by the mortgagees of such Units and shall not prejudice the creditors or other third parties who have an interest in the condemnation award with respect to their rights, if any, in such award. In the event that such an amendment shall not be recorded within ninety (90) days after such taking, then such taking shall be deemed to be and shall be treated as damage or destruction which shall not be repaired or reconstructed as provided for in Section 11 of Article IX herein, whereupon the condominium will be terminated in the manner therein prescribed.

ARTICLE XII.

TERMINATION OF UNIT OWNERSHIP

1. Agreement.

(a) The Condominium Property may be removed from the provisions of this Declaration and the Unit Ownership Act by an instrument to that effect, duly recorded, approved by all Unit Owners; provided that the holders of all liens affecting any of the Units consent thereto or agree, in either case by instrument duly recorded, that their liens be transferred to the percentage of the undivided interest of the Unit Owners in the Condominium Property.

(b) Upon removal of the Condominium Property from the provisions of the Act and this Declaration, the Condominium Property shall be deemed to be owned by the Unit Owners as tenants in common. The undivided interest in the Condominium Prop-

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erty owned as tenants in common which shall appertain to each Unit Owner shall be the Percentage Interest previously owned by such Unit Owner in the Common Areas and Facilities.

(c) Notwithstanding anything to the contrary in this Article XII, if the Unit Ownership Act is amended to allow termination of unit ownership by less than all of the Unit Owners and all of the holders of liens, then said amendment of the statute shall control this Declaration; provided that in no event shall the Condominium Property be removed from Unit Ownership unless approved by Unit Owners owning at least ninety percent (90%) of the total Percentage Interests in the Common Areas and Facilities, and the holders of ninety percent (90%) of the mortgages affecting the Units.

2. **Destruction.** In the event it is determined, in the manner provided in Section 11 of Article IX of this Declaration, that the Condominium Property shall not be repaired or reconstructed after fire or other casualty, the condominium shall be terminated and this Declaration revoked. The determination not to repair or reconstruct after a fire or other casualty shall be evidenced by a certificate of the Condominium Association, signed by the President and the Secretary of the Condominium Association, certifying as to the facts effecting the termination, which certificate shall become effective upon being duly recorded in the Office of the Register of Deeds of Mecklenburg County.

3. **Condemnation.** In the event that one or more Units or any part thereof shall be taken in condemnation or by eminent domain, and the consent of all Owners shall not be expressed in amendments to this Declaration and the Bylaws, duly recorded within sixty (60) days after such taking as provided in Article XI of this Declaration, the condominium shall be terminated and this Declaration revoked. Such taking shall be evidenced by certificate of the Condominium Association, signed by the President and Secretary of the Condominium Association, certifying as to the facts effecting the termination, which certificate shall become effective sixty (60) days following the taking, upon the certificate being duly recorded in the Office of the Register of Deeds of Mecklenburg County.

ARTICLE XIII.

AMENDMENTS

1. **By Owners.** This Declaration may be amended by the vote of the Unit Owners owning at least seventy-five percent (75%) of the Percentage Interests; provided that no such amendment shall be effective until placed in writing, executed and acknowledged by Unit Owners owning at least seventy-five percent (75%) of the Percentage Interests, and filed for registration in the Office of the Register of Deeds of Mecklenburg County; and provided, further, that if a larger vote is required to take or refrain from taking a specific action, as set forth in the Act or this Declaration, no amendment shall be made unless and until the Unit Owners holding such larger Percentage Interest in the Common Areas and Facilities execute such amending instrument. All persons or entities who own or hereafter acquire any interest in the Condominium Property shall be bound to abide by any amendment to this Declaration, upon the same being adopted as provided herein and duly set forth in an amended Declaration, and duly recorded as provided herein. Notwithstanding anything to the contrary contained in this Declaration or the Bylaws attached hereto, no change or amendment to this Declaration or the Bylaws shall affect or change the Percentage Interests resulting from expansion of the Condominium Property as set out in Article IX, or shall allow the partitioning of the Common Areas and Facilities, or shall limit the rights of Unit Owners with respect to leasing of Units as set out in Section 15 of Article IV hereof, unless

all Unit Owners and all holders of Institutional Mortgages upon the Units shall have given their written approval thereof. No amendment made by the Unit Owners shall be effective prior to January 1, 1984, without the consent of the Declarant, so long as the Declarant owns any Unit.

2. Restriction on Amendments. No amendment to this Declaration or to the Bylaws shall be adopted or passed which shall impair or prejudice the rights and priorities of the holder of an Institutional Mortgage encumbering any of the Units in the Condominium Property.

ARTICLE XIV.

ADDITION OF LAND AND UNITS PERCENTAGE INTEREST OF COMMON ELEMENTS

1. Supplementary Declaration. Any one or more or all of Phases II, III and IV and the Off-site Recreational Facility as described in Exhibit A may be added to the Condominium Property by Declarant by the filing of a Supplementary Declaration, which describes or identifies the property to be added, specifically incorporates the terms and conditions of this Declaration and makes the property described therein subject to this Declaration. Notwithstanding the foregoing, Phases III and IV may not be added to the Condominium Property prior to the addition of Phase II thereto. In addition, such Supplementary Declaration shall have attached thereto the site surveys, air surveys and certificates required by the Act, if not previously a part of this Declaration, together with such other provisions as are deemed necessary by Declarant. Upon such recording, the property described in the Supplementary Declaration shall become part of the Condominium Property as if such property had been included in this Declaration. By accepting a deed subject to this Declaration and any applicable Supplementary Declaration, the Unit Owners agree to such additions to the Condominium Property. Addition of such properties to the Condominium Property may be accomplished in one or more such Supplementary Declarations filed from time to time, but in no event after seven (7) years from the date of first recording of this instrument in the Office of the Register of Deeds of Mecklenburg County, North Carolina.

2. Percentage Interest. As the result of recording of this Declaration, the Percentage Interest of each Unit Owner in Phase I is established in the percentages of Phase I set out in the chart attached hereto as Exhibit X and made part of this Section 2 of Article XIV by reference. In the event Phases II, III and/or IV become a part of the Condominium Property as permitted in Section 1 of this Article XIV, the Percentage Interest of each Unit Owner in the Common Areas and Facilities shall be reduced, depending on the Phase or Phases added and the total combination of Phases subject to this Declaration. (Addition of the Off-site Recreational Facility or Phase IV in an unimproved state [see Section 5 of Article XIV] shall not alter the Percentage Interests.) To determine the Percentage Interest of each Unit that is or may become part of the Condominium Property, it is necessary to determine the number of Phases that are or will become subject to this Declaration by virtue of recording of this Declaration and Supplementary Declarations, and find the appropriate column headed by the Phase numbers identifying those particular included Phases, and in that column find the Percentage Interest listed for the appropriate Unit. The appropriate stated Percentage Interest, as shown on the chart hereafter, is the Percentage Interest appurtenant to ownership of each Unit in Swan Run Condominium. By acceptance of a deed to a Unit, each Owner, for himself, his heirs, successors and assigns, agrees that Declarant, without need for further consent or joinder of any Unit Owner, may add any one or all of Phases II, III and IV described in Exhibit A to the Condominium Property, and upon the recording

by Declarant of the Supplementary Declaration, the Percentage Interests shall be automatically changed to the appropriate Percentage Interest shown on the chart for the number of Phases then subject to this Declaration. In the event Phase IV is added to the Condominium Property in an unimproved state, no change in Percentage Interest shall result from such addition. No Supplementary Declaration may change the Percentage Interests other than as shown on the chart, unless the Supplementary Declaration is joined by one hundred percent (100%) of Unit Owners in the manner required for amendment of the Declaration to change Percentage Interests of ownership in Common Areas and Facilities.

3. Supplementary Declaration to Add Property. Each Owner and his respective mortgagees, by acceptance of a deed conveying a Unit or a mortgage encumbering such Unit, as the case may be, hereby irrevocably appoint Declarant his or their Attorney-in-Fact, such power of attorney being coupled with an interest, and authorize, direct and empower such Attorney, at the option of the Attorney, in the event that Declarant exercises the rights reserved in Section 1 of this Article XIV to add to the Condominium Property, to execute, acknowledge and record for and in the name of such Owner and any such mortgagee a Supplementary Declaration for such purpose, and for and in the name of such respective mortgagees a consent and joinder to such Supplementary Declaration. Such Supplementary Declaration may amend this Declaration in such respects as Declarant may deem advisable in order to effectuate the addition of such properties to the Condominium Property.

4. Effect of Additions. In the event that any additional lands are added to the Condominium Property pursuant to Section 1 of this Article XIV, (a) such additional lands shall be considered within the definition of Condominium Property for all purposes of this Declaration, specifically including without limitation the extension of the jurisdiction, functions, duties and membership of the Condominium Association to such annexed properties, and (b) all voting by Owners hereunder shall be aggregated, it being intended that any voting requirements need not be fulfilled separately for the real property described as Phase I and for each tract of additional lands described in a Supplementary Declaration or other documentation.

5. Phase IV. In the event Declarant adds Phase II to the Condominium Property as herein provided, Declarant may at its option include in the Supplementary Declaration accomplishing that addition a restriction providing that Phase IV shall be used only for recreational purposes for a period terminating on the first to occur of the addition of Phase IV to the Condominium Property as provided in Section 1 of this Article XIV or the passage of seven (7) years from the recording of this instrument and a provision providing for the automatic addition of the land in Phase IV to the Condominium Property if such land has not been improved as provided in the Plans and added to the Condominium Property within seven (7) years from the date of recording this instrument. If the land in Phase IV is added to the Condominium Property in an unimproved state, such addition shall not change the Percentage Interests of the Unit Owners.

ARTICLE XV.

RECREATIONAL FACILITIES

Declarant has not and does not plan to construct any recreational facilities within the boundaries of Phase I. Declarant, however, does own an existing swimming pool, clubhouse and laundry facility ("Off-site Recreational Facility") located to the West of the Swan Run Condominiums on Swans Run Road, and more particularly described in Exhibit A. This Offsite Recreational Facility has been used for a number of years by the tenants of the existing one hundred forty-two (142) apartment units which make up proposed Phases I, II and III of Swan Run Condominiums. Until the first to occur of (i) the filing by Declarant of a Supplementary Declaration adding the Off-site Recreational Facility to the Condominium Property as permitted in Section 1 of Article XIV of this Declaration, or (ii) the filing by Declarant of a Supplementary Declaration adding a Phase to the Condominium Property which contains a swimming pool, Declarant agrees to grant, to each Unit Owner and the dependents of each Unit Owner residing in the Unit, the privilege to use the Off-site Recreational Facility, provided such Unit Owner pays to Declarant an annual fee for that use privilege. The annual fee shall be \$36.00 if paid in 1980. The fee for subsequent years is subject to being increased at Declarant's option by no more than five percent (5%) per year.

In the event both Phases II and III have been added to the Condominium Property and Declarant has not constructed a pool on either Phase II or Phase III, Declarant shall add the Off-site Recreational Facility to the Common Areas and Facilities by filing a Supplementary Declaration as provided in Section 1 of Article XIV of this Declaration. If, however, a pool is constructed on either Phase II or Phase III, and such Phase is added to the Condominium Property, the Unit Owners' right to use the Off-site Recreational Facility shall terminate upon the filing of such Supplementary Declaration and the return to each Unit Owner of a pro rata portion of the annual fee paid for such use privilege.

ARTICLE XVI.

GENERAL PROVISIONS

1. Covenants Running with the Land. All provisions of this Declaration shall be construed to be covenants running with the land, and with every part thereof and interest therein including, but not limited to, every Unit and the appurtenances thereto; and each and every provision of the Declaration shall bind and inure to the benefit of all Unit Owners and claimants of the land or any part thereof or interest therein and their heirs, executors, administrators, successors and assigns.

2. Duration. So long as North Carolina law limits the period during which covenants restricting lands to certain uses may run, it shall be the duty of the Board of Directors to cause the covenants contained herein, as amended from time to time, to be extended when necessary by filing a document bearing the signatures of a Majority of the then Owners reaffirming and newly adopting the Declaration and covenants then existing in order that the same may continue to be covenants running with the land. Such adoption by a Majority shall be binding on all, and each Owner of any Unit, by acceptance of a deed therefor, is deemed to agree that the Declaration and covenants may be extended as provided in this Section 2.

3. Bylaws. A true copy of the Bylaws of the Condominium Association, which together with this Declaration shall govern the administration of the Condominium, is attached hereto as Exhibit B, and, by reference, made a part hereof.

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4. Enforcement. Each Owner shall comply strictly with the Bylaws and with the administrative Rules and Regulations adopted pursuant thereto and to this Declaration, as either of the same may be lawfully amended from time to time, and with the covenants, conditions and restrictions set forth in this Declaration or in the deed of his or her Unit. Failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief, or both, maintainable by the Board of Directors on behalf of the Condominium Association or by an aggrieved Owner. Failure by the Condominium Association or by any Owner to enforce any of the foregoing shall in no event be deemed waiver of the right to do so thereafter.

5. Rule Against Perpetuities. If any covenant, condition, restriction or other provision of this Declaration shall be unlawful, void or voidable, for violation of the Rule Against Perpetuities, then such provisions shall continue only until 21 years after the death of the last person of the following group of persons living at the date of the recording of this Declaration: Susan Christine Barry, Forest Tomlinson Wester, George Wesley Buck and Jonathan Brooks Lucas, all minors and residents of Mecklenburg County, North Carolina, as of the date of first recording of this Declaration.

6. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

7. Interpretation. The provisions of this Declaration and the Bylaws shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of the Condominium Property.

8. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any of the provisions hereof.

9. Law Controlling. This Declaration and the Bylaws attached hereto shall be construed and controlled by and under the laws of the State of North Carolina; provided, however, that if there are conflicts or inconsistencies in the Act, this Declaration or the Bylaws, the terms and provisions of the Act and this Declaration (in that order) shall prevail and the Unit Owners covenant to vote in favor of such amendments as will remove such conflict or inconsistencies, except that where the Act, the Declaration or the Bylaws conflict and the provisions of the Act are merely enabling and not mandatory, the provisions of the Declaration or the Bylaws (in that order) shall control.

10. Lender's Rights. Any holder of an Institutional Mortgage on a Unit will, upon request, be entitled to: (1) inspect the books and records of the Condominium Association during normal business hours; (2) receive an annual audited financial statement of the Condominium Association within ninety (90) days following the end of any fiscal year of the Condominium Association; (3) receive written notice of all meetings of the Condominium Association and be permitted to designate a representative to attend all such meetings; and (4) receive written notification from the Condominium Association of any default in the performance by the Owner of the Unit subject to its Mortgage of any obligation under this Declaration or the Bylaws.

11. Severability. Invalidation of any covenant, condition, restriction or other provision of this Declaration or of the Bylaws shall not affect the validity or enforceability of the remaining portions thereof.

ARTICLE XVII.

SPECIAL PROVISIONS CONCERNING VETERAN'S
ADMINISTRATION, DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT, FEDERAL HOME LOAN MORTGAGE
CORPORATION AND FEDERAL NATIONAL MORTGAGE ASSOCIATION

In the event the Declarant shall seek to obtain approval of this Declaration and the plan of development of its property in order that the Units will be eligible for loans approved, guaranteed or insured by the Veteran's Administration ("VA"), the Department of Housing and Urban Development ("HUD"), the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal National Mortgage Association ("FNMA") or other governmental agency, it is possible that such agency or agencies will require changes in this Declaration and/or the attachments thereto in order to make the Units eligible for such loans. In such event, Declarant, without the consent or approval of any other Owner, shall have the right to amend this Declaration, and the amendment shall become effective upon recordation of the amendment, along with attached evidence of approval by the appropriate governmental agency, in the Office of the Register of Deeds of Mecklenburg County, North Carolina. A letter from an official, or a current published regulation, guideline or statement of policy, of the VA, HUD, FHMLC, FNMA or such other agency shall be deemed conclusive evidence for all purposes of such agency's requirement of changes. Each Owner and his respective mortgagees, by acceptance of a deed conveying a Unit or a mortgage encumbering such Unit, as the case may be, hereby irrevocably appoint Declarant his or their Attorney-in-Fact, such power of attorney being coupled with an interest, and authorize, direct and empower Declarant, in the event that Declarant exercises the rights reserved in this Article XVII, to amend this Declaration as provided herein, to execute, acknowledge and record for and in the name of such Owner and any such mortgagee an amendment for such purpose, and for and in the name of such respective mortgagees to execute a consent and joinder to such amendment or amendments.

ATTACHED HERETO AS EXHIBIT Y IS A SUBORDINATION AGREEMENT SUBORDINATING THAT PURCHASE MONEY DEED OF TRUST DATED FEBRUARY 4, 1980, FROM SWAN RUN COMPANY TO PAUL H. EFIRD, III, TRUSTEE FOR SWAN RUN DUPLEXES AS RECORDED IN BOOK 4277 AT PAGE 580 IN THE MECKLENBURG PUBLIC REGISTRY, AS MODIFIED, TO THIS DECLARATION.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be signed and sealed by its General Partners as of the day and year first above written.

SWAN RUN COMPANY

By: COWGILL ENTERPRISES, INC.,
General Partner

ATTEST:

Michael J. Cowgill
Secretary

By: *Wendell R. Smith*
President

[CORPORATE SEAL]

(Signatures continued)

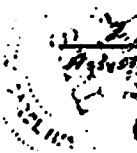
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By: PROVIDENCE INVESTMENTS, LTD.,
General Partner

By: ABG, INC., General Partner

By: *William J. Hill*
President

ATTEST:

Walter E. Latta
Secretary

(CORPORATE SEAL)

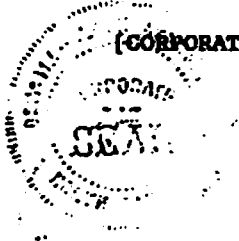
By: COWGILL-OLSON AGENCY, INC.,
General Partner

ATTEST:

James Lambert
Secretary

By: *W. J. Olson*
President

(CORPORATE SEAL)



By: *Calvin K. Fercho* (SEAL)
Calvin K. Fercho,
General Partner

REC 9078 2075
4360 0924

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

This 23rd day of October, 1980, personally came before me WARREN T. COWGILL, who, being by me duly sworn, says that he is the -- President of COWGILL ENTERPRISES, INC., a general partner of SWAN RUN COMPANY, and that the seal affixed to the foregoing instrument in writing is the corporate seal of the company, and that said writing was signed and sealed by him, in behalf of said corporation, by its authority duly given. And the said WARREN T. COWGILL acknowledged the said writing to be the act and deed of said corporation.

Sharon Th. Shumaker
Notary Public

My Commission Expires:
January 29, 1983

[NOTARIAL SEAL]

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

This 24th day of October, 1980, personally came before me William Garith Alken, who, being by me duly sworn, says that he is the -- President of ABC, INC., a general partner of PROVIDENCE INVESTMENTS, LTD., a general partner of SWAN RUN COMPANY, and that the seal affixed to the foregoing instrument in writing is the corporate seal of the company, and that said writing was signed and sealed by him, in behalf of said corporation, by its authority duly given. And the said President acknowledged the said writing to be the act and deed of said corporation.

Sharon Th. Shumaker
Notary Public

My Commission Expires:
January 29, 1983

[NOTARIAL SEAL]

STATE OF North Dakota
COUNTY OF Cass

DEED BOOK
4360 0925

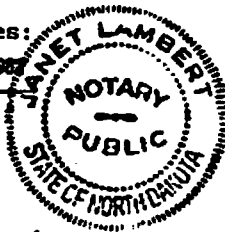
This 17th day of October, 1980, personally came before me Donis J. Olson, who, being by me duly sworn, says that he is the _____ President of COWGILL-OLSON AGENCY, INC., a general partner of SWAN RUN COMPANY, and that the seal affixed to the foregoing instrument in writing is the corporate seal of the company, and that said writing was signed and sealed by him, in behalf of said corporation, by its authority duly given. And the said _____ President acknowledged the said writing to be the act and deed of said corporation.

Janet Lambert
Notary Public

My Commission Expires:

My Commission Expires FEB. 19, 1982

[NOTARIAL SEAL]



STATE OF North Dakota
COUNTY OF Cass

I, Janet Lambert, a Notary Public for said County and State, do hereby certify that CALVIN K. FERCHO, personally appeared before me this day and, being duly sworn, says that he is a general partner of SWAN RUN COMPANY and acknowledged the due execution of the foregoing instrument on behalf of said partnership.

WITNESS my hand and notarial seal, this 17th day of October, 1980.

Janet Lambert
Notary Public

My Commission Expires:

My Commission Expires FEB. 19, 1982

[NOTARIAL SEAL]



PHASE I - SWAN RUN:

BEGINNING at an iron which is located in the southerly margin of the right-of-way of Swans Run Road (60 foot right-of-way) at the point where said margin intersects with the easterly margin of the right-of-way of Circles End (60 foot right-of-way) and runs thence with said margin of Swans Run Road the following three courses and distances: (1) N 48-06 E 31.87 feet to an iron; (2) N 36-35-30 E 67.95 feet to an iron; and (3) N 52-35-30 E 44.16 feet to an iron; thence S 56-28-10 E 47.34 feet to an iron in a common boundary line with the Candlewyck subdivision as shown on a map recorded in Map Book 18 at Page 64 in the Mecklenburg Public Registry; thence with said common boundary line S 23-36-30 E 814.63 feet to an iron; thence S 24-35-30 E 183.41 feet to an iron; thence S 65-58 W 213.85 feet to an iron which is located in the westerly margin of the right-of-way of Circles End; thence running with said margin of the right-of-way of Circles End N 24-02 W 93.37 feet to an iron which is located at the intersection of said margin of Circles End with the southerly margin of the right-of-way of Lammers Lane (60 foot right-of-way); thence with said margin of the right-of-way of Lammers Lane S 65-58 W 378.93 feet to an iron which is located in the southwesterly margin of the right-of-way of Bon Rea Drive (60 foot right-of-way); thence running with said margin of the right-of-way of Bon Rea Drive the following three courses and distances: (1) N 24-09 W 33.13 feet to an iron; (2) with the arc of a circular curve to the left having a radius of 134.47 feet, an arc distance of 146.92 feet to an iron; and (3) N 88-45 W 46.03 feet to an iron; thence crossing Bon Rea Drive N 9-23 W 322.35 feet to an iron; thence N 18-18 W 267.81 feet to an iron which is located in the southerly margin of the right-of-way of Swans Run Road; thence running with said margin of the right-of-way of Swans Run Road the following four courses and distances: (1) N 49-07 E 100 feet to an iron; (2) N 48-36 E 300 feet to an iron; (3) N 48-06 E 5.09 feet to an iron which is located at the intersection of said margin of the right-of-way of Swans Run Road with the westerly margin of the right-of-way of Circles End; and (4) crossing Circles End N 48-06 E 63.04 feet to the point and place of BEGINNING, containing 12.74 acres according to a survey entitled "Swan Run Condominium (Phase I)", prepared by Robinson & Sawyer, Inc., Engineers-Surveyors, and dated August 1980.

PHASE II - SWAN RUN

BEGINNING at an iron, which iron is located at the intersection of the easterly most margin of the right-of-way of Swans Run Road (60 foot right-of-way) and the northerly most margin of the right-of-way of Bon-Rea Drive (60 foot right-of-way) and running thence with the northerly most margin of the right-of-way of Bon-Rea Drive S 86-45 E 212.85 feet to a point; thence crossing Bon-Rea Drive S 9-32 E 61.48 feet to a point in the southerly most margin of the right-of-way of Bon-Rea Drive; thence with said margin of the right-of-way of Bon-Rea Drive three courses and distances as follows: (1) S 86-45 E 46.03 feet to a point; (2) with the arc of a circular curve to the right having a radius of 134.47 feet, an arc distance of 146.92 feet to a point; and (3) S 24-09 E 33.13 feet to a point; thence crossing Bon-Rea Drive N 65-58 E 60.00 feet to a point in the easterly most margin of the right-of-way of Bon-Rea Drive; thence with the easterly most margin of the right-of-way of Bon-Rea Drive three courses and distances as follows: (1) S 24-90 E 470.0 feet to a point; (2) with the arc of a circular curve to the left having a radius of 126.46 feet, an arc distance of 143.85 feet to a point; and (3) S 89-19-30 E 214.49 feet to a point at the intersection of said margin of the right-of-way of Bon-Rea Drive with the westerly most margin of the right-of-way of Circles End (60 foot right-of-way); thence with said margin of the right-of-way of Circles End three courses and distances as follows: (1) with the arc of a circular curve to the left having a radius of 359.31 feet an arc distance of 4.50 feet to a point; (2) with the arc of a circular curve to the left having a radius of 272.76 feet an arc distance of 161.94 feet to a point; and (3) N 24-02 W 424.50 feet to a point; thence crossing Circles End N 65-58 E 213.85 feet to an iron in a common boundary line with the Eli B. Springs property (now or formerly); thence with said common boundary line S 24-35-30 E 819.98 feet to an old iron; thence S 73-27 W 767.58 feet to an iron; thence N 24-09 W 813.16 feet to an iron; thence S 65-51 W 75.0 feet to an iron; thence S 77-36 W 190 feet to an iron in the easterly most margin of the right-of-way of Swans Run Road; thence with the easterly most margin of the right-of-way of Swans Run Road two courses and distances as follows: (1) N 0-36 E 261.67 feet to a point; which point is located at an intersection with the southerly most boundary of Bon-Rea Drive; and (2) the southerly most boundary of Bon-Rea Drive; and (2) N 0-07 E 60.09 feet to the point or place of BEGINNING; containing 12.07 acres according to a survey entitled "Swan Run Condominium (Phase II)", prepared by Robinson & Sawyer, Inc., Engineers-Surveyors, and dated August 1980.

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PHASE III - SWAN RUN:

Tract 1:

BEGINNING at an iron which is located at the intersection of the westerly margin of the right-of-way of Swans Run Road (60 foot right-of-way) with the southerly margin of the right-of-way of Bon Rea Drive (60 foot right-of-way) and running thence with said margin of the right-of-way of Swans Run Road N 0-07 E 312.09 feet to an iron; thence N 89-53 W 165.76 feet to an iron; thence S 15-40 W 153.09 feet to an iron; thence S 51-32 W 56.27 feet to an iron; thence S 3-35 E 164.10 feet to an iron which is located in the southerly margin of the right-of-way of Bon Rea Drive; thence with said margin of the right-of-way of Bon Rea Drive in a southwesterly direction and with the arc of a circular curve to the left having a radius of 374.87 feet, an arc distance of 75.60 feet to an iron; thence S 11-08 W 289.0 feet to an iron; thence S 89-05-30 E 360.33 feet to an iron which is located in the westerly margin of the right-of-way of Swans Run Road; thence running with said margin of the right-of-way of Swans Run Road, the following two courses and distances: (1) N 4-0 W 48.0 feet to an iron; and (2) N 0-36 E 314.86 feet to the point and place of BEGINNING, containing 4.16 acres according to a survey entitled "Swan Run Condominium (Phase III)", prepared by Robinson & Sawyer, Inc., Engineers-Surveyors, and dated August 1980.

Tract 2:

BEGINNING at an iron in the easterly most margin of the right-of-way of Swans Run Road (60 foot right-of-way), said iron being located N 0-07 E 270.06 feet from the intersection of the easterly most margin of the right-of-way of Swans Run Road and the northerly margin of the right-of-way of Bon Rea Drive (60 foot right-of-way), and running thence from said point of BEGINNING and continuing with said margin of the right-of-way of Swans Run Road the following four courses and distances: (1) N 0-07 E 3.11 feet to a point; (2) N 5-34 E 93.75 feet to a point; (3) N 24-31 E 89.70 feet to a point; and (4) N 37-53-30 E 63.56 feet to a point; thence S 18-81 E 267.81 feet to a point; thence N 81-15 W 171.45 feet to the point and place of BEGINNING, containing .56 acre according to a survey entitled "Swan Run Condominium (Phase III)", prepared by Robinson & Sawyer, Inc., Engineers-Surveyors, and dated August 1980.

PHASE IV - SWAN RUN:

BEGINNING at a point formed by the intersection of the southerly most margin of the right-of-way of Lammers Lane (60 foot right-of-way) and the easterly most margin of the right-of-way of Bon-Rea Drive (60 foot right-of-way) and running thence with the southerly most right-of-way of Lammers Lane N 65-58 E 318.93 feet to a point; thence with the westerly most margin of the right-of-way of Circles End (60 foot right-of-way) three courses and distances as follows: (1) S 24-02 E 517.87 feet to a point; (2) with the arc of a circular curve to the right having a radius of 272.76 feet, an arc distance of 161.94 feet to a point; and (3) with the arc of a circular curve to the right having a radius of 359.31 feet, an arc distance of 4.50 feet to a point; thence with the northerly most margin of the right-of-way of Bon-Rea Drive as it curves in a northwesterly direction three courses and distances as follows: (1) N 89-19-30 W 214.49 feet to a point; (2) with the arc of a circular curve to the right having a radius of 126.46 feet, an arc distance of 143.85 feet to a point; and (3) N 24-09 W 470.0 feet to the point or place of BEGINNING, containing 4.47 acres according to a survey entitled "Swan Run Condominium (Phase IV)", prepared by Robinson & Sawyer, Inc., Engineers-Surveyors, and dated September 1980.

4360 0930

EXHIBIT A
Page 5 of 5EXHIBIT AOFF-SITE RECREATIONAL FACILITIES

BEGINNING at an iron located in the westerly margin of Swans Run Road, said iron being located in a southerly direction along said margin of Swans Run Road, a distance of 843.98 feet from the intersection of said margin of Swans Run Road with the southerly margin of Bon Rea Drive; and runs thence from said BEGINNING N 87-55 W 199.96 feet to an iron; thence S 15-28 E 80 feet to an iron; thence S 74-32 W 150 feet to an iron; thence S 15-28 E 75 feet to an iron; thence S 74-32 W 167.49 feet; thence in an arc curve to the right having a radius of 191.93 feet, a distance of 82.46 feet; thence S 15-28 E 45 feet; thence N 74-32 E 479.16 feet to an iron located in the westerly margin of Swans Run Road; thence with the westerly margin of Swans Run Road N 12-28 W 220 feet to the point or place of BEGINNING, all as shown on a survey of Robinson & Sawyer, Inc., Engineers-Surveyors, dated July 30, 1968, as updated December 17, 1979.

Amendment ①

4537/291

5/17/82

Prepared By:
SWAN RUN ASSOCIATION OF UNIT OWNERS, INC.

MARCH 20, 1982

PRESENTED FOR REGISTRATION
MAY 17 2 11 PM '82
CHARLES REGISTERED DEEDS RECORDER'S OFFICE

I hereby approve the proposal to amend the Bylaws of the Swan Run Association of Unit Owners, Inc., with respect to Section 4.3, Page 2, "Annual Meetings" to read as follows:

"The annual meetings of the members shall be held on the third Saturday in March of each year, at 10:00 A.M., Eastern Standard Time."

83

NAME	ADDRESS	NAME	ADDRESS
W. R. Cawill	7207 SW		
"	1212 LAMERS		
"	4535 Bon Run	Jerry & Wally Mason	3140 Circle End
Mary D. McNally	3330 Circle End		
Theresa G. Ashby	7211 SWAN RUN	Following names by	
Richard Scott	3221 Circle End	Muriel Bryson	
William Bennett	3323 Circle End	W. H. Egerton - 3102 C.E.	
Nick Weber/Bernard	3231 Circle End	Minnie Johnson - 3210 C.E.	
Kenneth Kalamonick	3233 Circle End	Pauline Lemire - 3301 C.E.	
Robert Bottom	1211 Lillian Way	Carl Callahan - 3320 C.E.	
Carlton Matney	4537 Bon Run	Carl Callahan - 3331 C.E.	
Robert Coraunt	3312 Circle End	Albert Campbell - 4527 Bon Run	
"	3343 Circle End	Howard Glynn - 1217 Lillian	
"	4525 Bon Run	Paul Peckella - 7213 Bon Run	
		Carol De Witt - 7215 Bon Run	
Judy & Ken McConnell	7221 Lillian Way		
Lisa B. Taylor	7202 Lillian Way	Gene Schaefer - 3220 C.E.	
John Carthage	3211 Circle End	Pat Case by Peter Amstar	7213 Lillian Way
Patricia Swartz	3341 Circle End		
Margaret Nip	7222 Lillian Way	Jeff Hub - 3212 C.E.	
John P. Deane	7220 Lillian Way	Edward J. Smith - 3333 C.E.	
Paul McKee	7210 Lillian Way	Michael - 3232 Circle End	
Ann Bowen	3200 Circle End	Bill Epps by Steve Johnson	
Steph Manning		Steve Johnson - 7212 Lillian	
	3142 Circle End		

7203 Lillian Way
Matthews, N.C. 28105

FEE 5.00
< 5.00
CRSH 5.00

1512 88542 000
05/17/82

Prepared By:
SWAN RUN ASSOCIATION OF UNIT OWNERS, INC.

MARCH, 1982

SENT FOR REGISTRATION
MAY 17 2 11 PM '82
CHARLES REGISTER
NECKLEBURG CO. N.C.

DEED BOOK PAGE
4537 0292

I hereby approve the proposal to amend the Bylaws of the Swan Run Association of Unit Owners, Inc., with respect to Section 5.2, Page 4, "Annual Meetings" to read as follows:

"From and after the date of the first annual membership meeting there shall be five directors; provided, however, that upon the adding of Phase II, Phase III and/or Phase IV to Swan Run Condominium in accordance with the terms of the Declaration the number of Directors shall be increased by two (2) from and after the date each such phase is so added."

84

Marie Bryson
7212 Lillian Way
Matthews, N.C. 28105

NAME	ADDRESS	NAME	ADDRESS
L. C. Smith	3321 Circle End	Terri & Wally Martin	3140 Circle End
Kathryn Curran	3341 Circle End		
Margaret Nip	7222 Lillian Way	Following names by	
John E. Hoffman	7222 Lillian Way	Theresa Bryson	
Angela & Mary McConnell	7222 Lillian Way	M. H. Epperson	- 3201 C.E.
Delores Scott	3221 Circle End	Marnie Johnson	- 3210 C.E.
William Johnson	3223 Circle End	Pauline Lemire	- 3301 C.E.
Johnnie Johnson	3231 Circle End	Carl Callaband	- 3330 C.E.
Nicki Weber/Bernard Kalanowski	3233 Circle End	Carl Callaband	- 3331 C.E.
Bernard Kalanowski	3233 Circle End		
Peggy Bottom	7211 Lillian Way	Robert Campbell	- 4577 Bonita
Blitha Minkah	4537 Bonita	Howard Glynn	- 7212 Lillian
James J. Clement	3312 Circle End	Paul Picarella	- 7213 Lillian
"	3343	Carol DeWitt	- 7215 Lillian
"	4135 Bonita		
Mary C. Ashley	7211 SWAN RUN RD	Silene Schaefer	3220 C.E.
Mary D. McNally	3330 Circle End	Pat Cove by Peter Amator	7213 Lillian Way
Wendy Ruppert	4535 Bonita		
"	7207 SW	Jeff H. Long	3212 C.E.
"	7212 Jones	Alfred W. Smith	3333 C.E.
Russ B. Dixon	7202 Lillian Way	Michael Kahn	3252 Circle End
Rick Nicklas	7210 Lillian Way	Bill Eggs by Steve Jenson	
Ann Bowen	3200 Circle End	Steve Jenson	7212 Lillian
Betsy Manning			
3142 Circle End			

FEE 5.00
CASH 5.00
CASH 5.00

15:12 08543 000
05/17/82

Amendment 2

4614/48

R) 1/11/83

4814 0088

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

AMENDMENT TO DECLARATION OF UNIT OWNERSHIP UNDER CHAPTER 47A OF THE NORTH CAROLINA GENERAL STATUTES FOR SWAN RUN CONDOMINIUMS, PHASE I

131

THIS AMENDMENT TO DECLARATION is made and executed this 1st day of November, 1982, by DILROAD CORPORATION, N.V., a Netherlands Antilles corporation, hereinafter called the "Declarant" and by the Unit Owners and Institutional Mortgagees listed on the signature page hereof:

PRESENTED FOR REGISTRATION
NOV 11 3 40 PM '82
CHARLES E. SPURGEON
REGISTER OF DEEDS
MECKLENBURG CO. N.C.

W I T N E S S E T H:

WHEREAS, Dilroad Corporation N.V. is the owner of proposed Phases II, III and IV of Swan Run Condominium as described in Exhibit A attached to the Declaration of Unit Ownership under Chapter 47A of the North Carolina General Statutes for Swan Run Condominium Phase I recorded in Book 4360, Page 884, in the Mecklenburg Public Registry ("Declaration") and shown on Plans recorded in Unit Ownership File No. 96 in the Mecklenburg Public Registry ("Plans") pursuant to a Deed recorded in Book 4485 at Page 770 in the Mecklenburg Public Registry and, in that capacity, is the successor to Swan Run Company as the Declarant under the aforesaid Declaration; and

WHEREAS, the Declarant and the Unit Owners and Institutional Mortgagees (as defined in the Declaration), executing this Amendment and representing at least seventy-five percent (75%) of the percentage of ownership interest of Unit Owners in Phase I of the Swan Run Condominium and all of the holders of Institutional Mortgages on Units in Phase I of the Swan Run Condominium desire to amend the Declaration as more specifically hereinafter set forth.

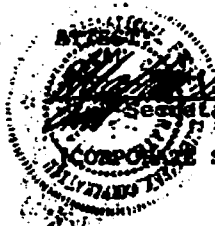
NOW, THEREFORE, in consideration of the premises and other valuable consideration, the receipt of which is hereby acknowledged, the parties executing this Amendment, for themselves, their heirs, successors and assigns, do hereby amend the Declaration by deleting Article XV contained therein. Except as hereby amended, the Declaration is ratified and shall remain in full force and effect.

Swan Run Company, the original Declarant, joins in the execution hereof, for the sole purpose of evidencing its consent to and agreement with the terms of this Amendment.

4614 0009

IN WITNESS WHEREOF, the parties hereto have executed this Amendment under seal as of the day and year first above written.

DILROAD CORPORATION N.D.
BY INTERNATIONAL PROPERTY INVESTMENT CORPORATION, ITS ATTORNEY-IN-FACT


Secretary
[CORPORATE SEAL]

By: [Signature]
President

SWAN RUN COMPANY
BY CONGILL ENTERPRISES, INC.,
ITS GENERAL PARTNER

ATTEST:
[Signature]
Secretary
[CORPORATE SEAL]

By: [Signature]
President

[Signature]
Witness
[Signature]
Witness

[Signature] (SEAL)
Bernard F. Kolanowski
Owner of Unit No. 33

[Signature] (SEAL)
Andrew J. McConnell
Owner of Unit No. 20

[Signature]
Witness

[Signature] (SEAL)
Mary N. McConnell
Owner of Unit No. 20

[Signature]
Witness

[Signature] (SEAL)
Carlotta A. Mubarek
Owner of Unit No. 46

Witness

[Signature] (SEAL)
Ruth B. Taylor
Owner of Unit No. 38

[Signature]
Witness

[Signature] (SEAL)
Marya Creel Ashley
Owner of Unit No. 40

Witness

[Signature] (SEAL)
J. Wesley Johnson, Jr.
Owner of Unit No. 8

Witness

[Signature] (SEAL)
Nancy S. Johnson
Owner of Unit No. 8

Witness

[Signature] (SEAL)
Ann Jackson Bowen
Owner of Unit No. 29

Witness

[Signature] (SEAL)
Patrick W. Cave
Owner of Unit No. 18

Witness

[Signature] (SEAL)
Michael O. Rankin
Owner of Unit No. 24

Witness

[Signature] (SEAL)
Kay M. Rankin
Owner of Unit No. 24

DEED BOOK 12345

4814 0070

STATE OF NORTH CAROLINA

COUNTY OF GASTON

Before me, Kathy Jenkins (Ballard), a Notary Public of and for said County and State, certify that Merle Bryson personally appeared before me this day and duly stated that in her presence Bernard P. Kolanowski, Andrew J. McConnell, Mary H. McConnell, Carlotta A. Mubarek, Marya Creel Ashley, Howard Glazier, Richard Lee McRae, Herbert J. Brauner, Muriel Brauner, Paul Peorella, Rose Peorella, Chesley D. Giles, Judith S. Giles, Stephen L. Freeman, Vicki A. Weber, Bernard P. Kolanowski, Martha Jean Guzman, Susan E. Hardaway, John E. LaGasse, Pauline C. Lemire, Philip A. Guller, Carl Freeman, Jr., Eugene Botteron, Eugene Proffit, and Donna Proffit signed the foregoing instrument.

WITNESS my hand and notarial seal, this 29th day of

November, 1982.



Kathy Jenkins (Ballard)

NOTARY PUBLIC

My Commission Expires:

7/4/84

FEE	66.50
<>	66.50
CASH	66.50

15:48 #1217 000
01/11/83

4614 0071

IN WITNESS WHEREOF, the parties hereto have executed this Amendment under seal as of the day and year first above written.

DILROAD CORPORATION N.D.
BY INTERNATIONAL PROPERTY INVESTMENT CORPORATION, ITS ATTORNEY-IN-FACT

ATTEST:

Secretary
(CORPORATE SEAL)

By: _____
President

SWAN RUN COMPANY
BY COWGILL ENTERPRISES, INC.,
ITS GENERAL PARTNER

ATTEST:

Secretary
(CORPORATE SEAL)

By: _____
President

Witness
Bernard F. Kolanowski (SEAL)
Owner of Unit No. 33

Witness
Andrew J. McConnell (SEAL)
Owner of Unit No. 20

Witness
Mary H. McConnell (SEAL)
Owner of Unit No. 20

Witness
Carlotta A. Mubarek (SEAL)
Owner of Unit No. 46

Witness
Ruth B. Taylor (SEAL)
Owner of Unit No. 38

Witness
Manya Creel Ashley (SEAL)
Owner of Unit No. 40

Witness
J. Wesley Johnson, Jr. (SEAL)
Owner of Unit No. 8

Witness
Nancy S. Johnson (SEAL)
Owner of Unit No. 8

Witness
Ann Jackson Bowen (SEAL)
Owner of Unit No. 29

Witness
Patrick W. Cave (SEAL)
Owner of Unit No. 18

X *Mary O. Rankin* _____ (SEAL)
Witness
Michael O. Rankin
Owner of Unit No. 24

X *Mary O. Rankin* _____ (SEAL)
Witness
Kay M. Rankin
Owner of Unit No. 24

4614 0072

STATE OF North Carolina
COUNTY OF Mecklenburg

I, Mark B. Queen, a Notary Public in and for
said County and State, certify that ^{Nancy} ~~Michael~~ O. Rankin
personally appeared before me this day, and being duly sworn, stated
that in his presence Kay M. Rankin and Michael O Rankin

signed the foregoing instrument.

WITNESS my hand and notarial seal, this 11th day of
November, 1982.

Mark B Queen
Notary Public
Mark B. Queen



My Commission Expires:

4614 0073

Witness Richard S. Felkner (SEAL)
Owner of Unit No. 28

Witness Sheridan D. Felkner (SEAL)
Owner of Unit No. 28

X Diane L. Carey *X Carroll F. Dewitt* (SEAL)
Witness Carroll F. Dewitt
Owner of Unit No. 42

X Diane L. Carey *X Mary Dewitt* (SEAL)
Witness Mary Dewitt
Owner of Unit No. 42

Witness Chesley D. Giles (SEAL)
Owner of Unit No. 14

Witness Judith S. Giles (SEAL)
Owner of Unit No. 14

Witness Carmelo A. Caltabiano (SEAL)
Owner of Unit No. 36

Witness Leonard Clementi (SEAL)
Owner of Unit No. 43

Witness Delbert Campbell (SEAL)
Owner of Unit No. 44

Witness Leonard Clementi (SEAL)
Owner of Unit No. 50

Witness Larry Feldman (SEAL)
Owner of Unit No. 7

Witness William Houston Epperson, Jr. (SEAL)
Owner of Unit No. 30

Witness Sara Scroggs Epperson (SEAL)
Owner of Unit No. 30

Witness Stephen L. Freeman (SEAL)
Owner of Unit No. 47

Witness Vicki A. Weber (SEAL)
Owner of Unit No. 32

Witness Bernard F. Kolanowski (SEAL)
Owner of Unit No. 32

Witness Lelane Scott (SEAL)
Owner of Unit No. 6

RECEIVED

NOV 15 1982

INDEX BOOK: 12700

4614 0074

STATE OF New York
COUNTY OF Suffolk

I, Diane L. Carey, a Notary Public in and for
said County and State, certify that Carroll / Mary DeWitt
personally appeared before me this day, and being duly sworn, stated
that in his presence they signed

signed the foregoing instrument.

WITNESS my hand and notarial seal, this 12 day of
November, 1982.

Diane L. Carey
Notary Public



My Commission Expires:
1/20/83

INDEX BOOK PAGE

4614 0078

Witness _____ (SEAL)
William C. Pitts
Owner of Unit No. 23

Witness _____ (SEAL)
Frederick J. Kochin, Jr.
Owner of Unit No. 35

Witness _____ (SEAL)
Eugene Botteron
Owner of Unit No. 16

Witness _____ (SEAL)
Mayme Rarr Tillman
Owner of Unit No. 31

X *James P. Riley* _____ (SEAL)
Witness _____
X *Mary D. McNally* _____
Mary D. McNally
Owner of Unit No. 25

Witness _____ (SEAL)
Lamar B. Castles
Owner of Unit No. 12

Witness _____ (SEAL)
William Buonopane
Owner of Unit No. 49

12
/

DEED BOOK (PAGE)

4614 0078

STATE OF North Carolina
COUNTY OF Mecklenburg

I, RUTH E. WALL, a Notary Public in and for
said County and State, certify that MARY D. McNALLY
personally appeared before me this day, and being duly sworn, stated
that ~~in his presence~~ she

signed the foregoing instrument.

WITNESS my hand and notarial seal, this 10th day of

November, 1982.

Ruth E. Wall
Notary Public



By Commission Expires:

10-24-86

4614 0077

Witness Leonard William Smith (SEAL)
Owner of Unit No. 37

Witness Martha Jean Guzman (SEAL)
Owner of Unit No. 37

Witness G. William Epps (SEAL)
Owner of Unit No. 48

Witness Charles R. Baumiller (SEAL)
Owner of Unit No. 48

Witness Warren T. Cowgill (SEAL)
Owner of Unit No. 45

Witness Mildred J. Cowgill (SEAL)
Owner of Unit No. 45

Witness James R. Gossett (SEAL)
Owner of Unit No. 39

Witness Linda C. Gossett (SEAL)
Owner of Unit No. 39

Witness Susan Evans Hardaway (SEAL)
Owner of Unit No. 9

Witness Julia Elizabeth Manning (SEAL)
Owner of Unit No. 2

Witness John E. LaCasse (SEAL)
Owner of Unit No. 19

Witness Pauline C. Lemire (SEAL)
Owner of Unit No. 34

X Carol Venable X Jeffrey R. Gruber (SEAL)
Witness Jeffrey R. Gruber
Owner of Unit No. 4 Tony C. Gruber

Witness Philip A. Galler (SEAL)
Owner of Unit No. 22

Witness Carmelo A. Caltabiano (SEAL)
Owner of Unit No. 11

Witness J. Nelson Lord (SEAL)
Owner of Unit No. 27

Witness Walter Carl Freeman, Jr. (SEAL)
Owner of Unit No. 26

STATE OF North Carolina

COUNTY OF Durham

I, Kay Wilson, a Notary Public in and for
said County and State, certify that Jeffrey K. Lewis & B. Baker
personally appeared before me this day, and being duly sworn, stated
that in his presence they

signed the foregoing instrument.

WITNESS my hand and notarial seal, this 16th day of

September, 1982.



Kay L. Wilson
Notary Public

4614 0078

X Jane Blackwelder Witness Richard S. Felkner Owner of Unit No. 28 (SEAL)

X Jane Blackwelder Witness Sheridan D. Felkner Owner of Unit No. 28 (SEAL)

Witness Carroll P. Dewitt Owner of Unit No. 42 (SEAL)

Witness Mary Dewitt Owner of Unit No. 42 (SEAL)

Witness Chesley D. Giles Owner of Unit No. 14 (SEAL)

Witness Judith S. Giles Owner of Unit No. 14 (SEAL)

Witness Carmelo A. Caltabiano Owner of Unit No. 36 (SEAL)

Witness Leonard Clementi Owner of Unit No. 43 (SEAL)

Witness Helbert Campbell Owner of Unit No. 44 (SEAL)

Witness Leonard Clementi Owner of Unit No. 50 (SEAL)

Witness Larry Feldman Owner of Unit No. 7 (SEAL)

Witness William Houston Epperson, Jr. Owner of Unit No. 30 (SEAL)

Witness Sara Scruggs Epperson Owner of Unit No. 30 (SEAL)

Witness Stephen L. Freeman Owner of Unit No. 47 (SEAL)

Witness Vicki A. Weber Owner of Unit No. 32 (SEAL)

Witness Bernard P. Kolanowski Owner of Unit No. 32 (SEAL)

Witness LeLama Scott Owner of Unit No. 6 (SEAL)

4614 0080

STATE OF Ill. Cook
COUNTY OF DeKalb

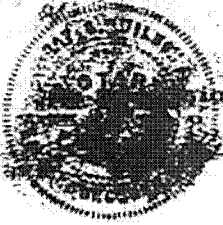
I, Larry L. Hesse, a Notary Public in and for
said County and State, certify that Richard S. Hesse ^{D. Hesse}
personally appeared before me this day, and being duly sworn, stated
that in his presence they

signed the foregoing instrument.

WITNESS my hand and notarial seal, this 15 day of

March, 1982.

Larry L. Hesse
Notary Public



My Commission Expires: 3/31/1986

4814 0081

Witness	Glen A. Schaefer Owner of Unit No. <u>5</u>	(SEAL)
Witness	Steven L. Schaefer Owner of Unit No. <u>5</u>	(SEAL)
Witness	George C. Johns Owner of Unit No. <u>3</u>	(SEAL)
Witness	Jeffrey G. Johns Owner of Unit No. <u>3</u>	(SEAL)
Witness	Walter Lee Marcin Owner of Unit No. <u>1</u>	(SEAL)
Witness	Sharon Murdock Marcin Owner of Unit No. <u>1</u>	(SEAL)
Witness	Charles Roger Nix Owner of Unit No. <u>21</u>	(SEAL)
Witness	Mary Byrd Nix Owner of Unit No. <u>21</u>	(SEAL)
<i>In Bryson</i> Witness	<i>Howard Glazier</i> Howard Glazier Owner of Unit No. <u>17</u>	(SEAL)
Witness	Leonard Clementi Owner of Unit No. <u>10</u>	(SEAL)
Witness	Theresa Clementi Owner of Unit No. <u>10</u>	(SEAL)
Witness	Lee D. Clementi Owner of Unit No. <u>10</u>	(SEAL)
<i>In Bryson</i> Witness	<i>Richard Lee McCabe</i> Richard Lee McCabe Owner of Unit No. <u>15</u>	(SEAL)
<i>In Bryson</i> Witness	<i>Herbert J. Brauner</i> Herbert J. Brauner Owner of Unit No. <u>13</u>	(SEAL)
<i>In Bryson</i> Witness	<i>Muriel Brauner</i> Muriel Brauner Owner of Unit No. <u>13</u>	(SEAL)
<i>In Bryson</i> Witness	<i>Paul Pecorella</i> Paul Pecorella Owner of Unit No. <u>41</u>	(SEAL)
<i>In Bryson</i> Witness	<i>Rose Pecorella</i> Rose Pecorella Owner of Unit No. <u>41</u>	(SEAL)

OVERBOOK: (FRESH)

4614 0082

Witness	Richard S. Felkner Owner of Unit No. <u>28</u>	(SEAL)
Witness	Shoridan D. Felkner Owner of Unit No. <u>28</u>	(SEAL)
Witness	Carroll F. Dewitt Owner of Unit No. <u>42</u>	(SEAL)
Witness	Mary Dewitt Owner of Unit No. <u>42</u>	(SEAL)
<i>In Bryan</i> Witness	<i>[Signature]</i> Chesley D. Giles Owner of Unit No. <u>14</u>	(SEAL)
<i>In Bryan</i> Witness	<i>[Signature]</i> Judith S. Giles Owner of Unit No. <u>14</u>	(SEAL)
Witness	Carmelo A. Caltabiano Owner of Unit No. <u>36</u>	(SEAL)
Witness	Leonard Clementi Owner of Unit No. <u>43</u>	(SEAL)
Witness	Delbert Campbell Owner of Unit No. <u>44</u>	(SEAL)
Witness	Leonard Clementi Owner of Unit No. <u>50</u>	(SEAL)
Witness	Larry Feldman Owner of Unit No. <u>7</u>	(SEAL)
Witness	William Houston Epperson, Jr. Owner of Unit No. <u>30</u>	(SEAL)
Witness	Sara Scruggs Epperson Owner of Unit No. <u>30</u>	(SEAL)
<i>In Bryan</i> Witness	<i>[Signature]</i> Stephen L. Freeman Owner of Unit No. <u>47</u>	(SEAL)
<i>In Bryan</i> Witness	<i>[Signature]</i> Vicki A. Weber Owner of Unit No. <u>32</u>	(SEAL)
<i>In Bryan</i> Witness	<i>[Signature]</i> Bernard F. Kolanowski Owner of Unit No. <u>32</u>	(SEAL)
Witness	LeLame Scott Owner of Unit No. <u>6</u>	(SEAL)

4614 0083

Witness	Leonard William Smith Owner of Unit No. <u>37</u>	(SEAL)
<i>In Bryan</i> Witness	<i>Matilda Jean Guzman</i> Matilda Jean Guzman Owner of Unit No. <u>37</u>	(SEAL)
Witness	G. William Epps Owner of Unit No. <u>48</u>	(SEAL)
Witness	Charles W. Baumiller Owner of Unit No. <u>48</u>	(SEAL)
Witness	Warren T. Cowgill Owner of Unit No. <u>45</u>	(SEAL)
Witness	Mildred J. Cowgill Owner of Unit No. <u>45</u>	(SEAL)
Witness	James R. Gossett Owner of Unit No. <u>39</u>	(SEAL)
Witness	Linda C. Gossett Owner of Unit No. <u>39</u>	(SEAL)
<i>In Bryan</i> Witness	<i>Susan E. Hardaway</i> Susan Evans Hardaway Owner of Unit No. <u>9</u>	(SEAL)
Witness	Julia Elizabeth Manning Owner of Unit No. <u>2</u>	(SEAL)
<i>In Bryan</i> Witness	<i>John E. LaGasse</i> John E. LaGasse Owner of Unit No. <u>19</u>	(SEAL)
<i>In Bryan</i> Witness	<i>Pauline C. Lepore</i> Pauline C. Lepore Owner of Unit No. <u>34</u>	(SEAL)
Witness	Jeffrey K. Gruber Owner of Unit No. <u>4</u>	(SEAL)
<i>In Bryan</i> Witness	<i>Philip A. Guller</i> Philip A. Guller Owner of Unit No. <u>22</u>	(SEAL)
Witness	Carmelo A. Caltabiano Owner of Unit No. <u>11</u>	(SEAL)
Witness	J. Nelson Dord Owner of Unit No. <u>27</u>	(SEAL)
<i>In Bryan</i> Witness	<i>Carl Freeman, Jr.</i> Carl Freeman, Jr. Owner of Unit No. <u>26</u>	(SEAL)

4614 0064

Witness William C. Pitts (SEAL)
Owner of Unit No. 23

Witness Frederick J. Keahn, Jr. (SEAL)
Owner of Unit No. 35

Dr. Boyson Witness Eugene Botteron (SEAL)
Owner of Unit No. 16

Witness Mayme Parr Tillman (SEAL)
Owner of Unit No. 31

Witness Mary D. McNally (SEAL)
Owner of Unit No. 25

Witness Lamar B. Castles (SEAL)
Owner of Unit No. 12

Witness William Buonopane (SEAL)
Owner of Unit No. 49

Dr. Boyson Witness Eugene Proffitt (SEAL)
Owner of Unit No. 35

Dr. Boyson Witness Donna Proffitt (SEAL)
Owner of Unit No. 35

4614 0085

IN WITNESS WHEREOF, the parties hereto have executed this Amendment under seal as of the day and year first above written.

DILROAD CORPORATION N.D.
BY INTERNATIONAL PROPERTY INVESTMENT CORPORATION, ITS ATTORNEY-IN-FACT

ATTEST:

Secretary
[CORPORATE SEAL]

By: _____
President

SWAN RUN COMPANY
BY COWGILL ENTERPRISES, INC.,
ITS GENERAL PARTNER

ATTEST:

Secretary
[CORPORATE SEAL]

By: _____
President

Witness (SEAL)

Bernard P. Kolanowski
Owner of Unit No. 33

Witness (SEAL)

Andrew W. McConnell
Owner of Unit No. 20

Witness (SEAL)

Mary N. McConnell
Owner of Unit No. 20

Witness (SEAL)

Carlotta A. Mabarek
Owner of Unit No. 46

Ruth B. Taylor

Witness (SEAL)

Ruth B. Taylor
Ruth B. Taylor
Owner of Unit No. 38

Witness (SEAL)

Manya Creel Ashley
Owner of Unit No. 40

Witness (SEAL)

J. Wesley Johnson, Jr.
Owner of Unit No. 8

Witness (SEAL)

Nancy S. Johnson
Owner of Unit No. 8

Ann Jackson Bowen

Witness (SEAL)

Ann Jackson Bowen
Ann Jackson Bowen
Owner of Unit No. 29

Witness (SEAL)

Patrick W. Cave
Owner of Unit No. 18

Witness (SEAL)

Michael O. Rankin
Owner of Unit No. 24

Witness (SEAL)

Kay M. Rankin
Owner of Unit No. 24

Witness	Glen A. Schaefer Owner of Unit No. <u>5</u>	(SEAL)
Witness	Steven L. Schaefer Owner of Unit No. <u>5</u>	(SEAL)
Witness	George C. Johns Owner of Unit No. <u>3</u>	(SEAL)
Witness	Jeffrey G. Johns Owner of Unit No. <u>3</u>	(SEAL)
<i>Paul Hansen</i> Witness	<i>Walter L. Marcin</i> Walter L. Marcin Owner of Unit No. <u>1</u>	(SEAL)
<i>Paul Hansen</i> Witness	<i>Sharon Murdock Marcin</i> Sharon Murdock Marcin Owner of Unit No. <u>1</u>	(SEAL)
<i>Paul Hansen</i> Witness	<i>Charles R. Nix</i> Charles Roger Nix Owner of Unit No. <u>21</u>	(SEAL)
<i>Paul Hansen</i> Witness	<i>Mary B. Nix</i> Mary B. Nix Owner of Unit No. <u>21</u>	(SEAL)
Witness	Howard Glazier Owner of Unit No. <u>17</u>	(SEAL)
<i>Paul Hansen</i> Witness	<i>Leonard Clementi</i> Leonard Clementi Owner of Unit No. <u>10</u>	(SEAL)
<i>Paul Hansen</i> Witness	<i>Theresa Clementi</i> Theresa Clementi Owner of Unit No. <u>10</u>	(SEAL)
<i>Paul Hansen</i> Witness	<i>Lee D. Clementi</i> Lee D. Clementi Owner of Unit No. <u>10</u>	(SEAL)
Witness	Richard Lee McRae Owner of Unit No. <u>15</u>	(SEAL)
Witness	Herbert J. Brauner Owner of Unit No. <u>13</u>	(SEAL)
Witness	Muriel Brauner Owner of Unit No. <u>13</u>	(SEAL)
Witness	Paul Pecorella Owner of Unit No. <u>41</u>	(SEAL)
Witness	Rose Pecorella Owner of Unit No. <u>41</u>	(SEAL)

Witness	Richard S. Felkner Owner of Unit No. <u>28</u>	(SEAL)
Witness	Sheridan D. Felkner Owner of Unit No. <u>28</u>	(SEAL)
Witness	Carroll F. Dewitt Owner of Unit No. <u>42</u>	(SEAL)
Witness	Mary Dewitt Owner of Unit No. <u>42</u>	(SEAL)
Witness	Chesley D. Giles Owner of Unit No. <u>14</u>	(SEAL)
Witness	Judith S. Giles Owner of Unit No. <u>14</u>	(SEAL)
Witness	Carmelo A. Caltabiano Owner of Unit No. <u>36</u>	(SEAL)
<i>Am. Haven</i> Witness	<i>Leonard Clementi</i> Leonard Clementi Owner of Unit No. <u>43</u>	(SEAL)
Witness	Delbert Campbell Owner of Unit No. <u>44</u>	(SEAL)
<i>Am. Haven</i> Witness	<i>Leonard Clementi</i> Leonard Clementi Owner of Unit No. <u>50</u>	(SEAL)
Witness	Larry Feldman Owner of Unit No. <u>7</u>	(SEAL)
<i>Am. Haven</i> Witness	<i>William Houston Epperson, Jr.</i> William Houston Epperson, Jr. Owner of Unit No. <u>30</u>	(SEAL)
<i>Am. Haven</i> Witness	<i>Sara Scruggs Epperson</i> Sara Scruggs Epperson Owner of Unit No. <u>30</u>	(SEAL)
Witness	Stephen L. Freeman Owner of Unit No. <u>47</u>	(SEAL)
Witness	Vicki A. Weber Owner of Unit No. <u>32</u>	(SEAL)
Witness	Bernard F. Kolanowski Owner of Unit No. <u>32</u>	(SEAL)
<i>Am. Haven</i> Witness	<i>LeLaine Scott</i> LeLaine Scott Owner of Unit No. <u>6</u>	(SEAL)

Ann Hansen
Witness

General William Smith (SEAL)
Leonard William Smith
Owner of Unit No. 37

Witness

Martha Jean Guzman (SEAL)
Owner of Unit No. 37

Witness

G. William Epps (SEAL)
Owner of Unit No. 48

Witness

Charles R. Baumiller (SEAL)
Owner of Unit No. 48

Witness

Warren T. Cowgill (SEAL)
Owner of Unit No. 45

Witness

Mildred J. Cowgill (SEAL)
Owner of Unit No. 45

Witness

James R. Gossett (SEAL)
Owner of Unit No. 39

Witness

Linda C. Gossett (SEAL)
Owner of Unit No. 39

Witness

Susan Evans Hardaway (SEAL)
Owner of Unit No. 9

Ann Hansen
Witness

Julia Elizabeth Manning (SEAL)
Julia Elizabeth Manning
Owner of Unit No. 2

Witness

John E. LaGasse (SEAL)
Owner of Unit No. 19

Witness

Pauline C. Lemire (SEAL)
Owner of Unit No. 34

Witness

Jeffrey K. Gruber (SEAL)
Owner of Unit No. 4

Witness

Phillip A. Guller (SEAL)
Owner of Unit No. 22

Witness

Carmelo A. Caltabiano (SEAL)
Owner of Unit No. 11

Witness

J. Nelson Lord (SEAL)
Owner of Unit No. 37

Witness

Walter Carl Freeman, Jr. (SEAL)
Owner of Unit No. 26

DEED BOOK (PART)

4614 0089

Witness _____ (SEAL)
William C. Pitts
Owner of Unit No. 23

Witness _____ (SEAL)
Frederick J. Koehn, Jr.
Owner of Unit No. 35

Witness _____ (SEAL)
Eugene Botteron
Owner of Unit No. 16

Am. H. H. H.
Witness _____ (SEAL)
Mayme Fay Tillman
Mayme Fay Tillman
Owner of Unit No. 31

Witness _____ (SEAL)
Mary D. McNally
Owner of Unit No. 25

Witness _____ (SEAL)
Lamar B. Castles
Owner of Unit No. 12

Witness _____ (SEAL)
William Buonopane
Owner of Unit No. 49

INDEX BOOK (PAGE)

4614 0000

STATE OF NORTH CAROLINA

COUNTY OF GASTON

Before me, Kathy Jenkins (Ballard), a Notary Public of and for said County and State, certify that Anne J^{ACKSON} Bowen personally appeared before me this day and duly stated that in her presence Ruth B. Taylor, Walter L. Marcin, Sharon Murdock Marcin, Charles R. Nix, Mary B. Nix, Leonard Clementi, Theresa Clementi, Lee D. Clementi, Leonard Clementi, Leonard Clementi, William Houston Epperson, Jr., Sara Scruggs Epperson, LeLame Scott, Leonard William Smith, Julia Elizabeth Manning, and Mayme Parr Tillman signed the foregoing instrument.

WITNESS my hand and notarial seal, this 29th day of November, 1982.



Kathy Jenkins (Ballard)
NOTARY PUBLIC

My Commission Expires:
7/4/84



4814 0001

STATE OF NORTH CAROLINA
COUNTY OF GASTON

Before me, Kathy Jenkins (Ballard), a Notary Public of and for said County and State, this day personally appeared Anne Jackson Bowen who duly acknowledged the execution of the foregoing instrument, for the purposes therein expressed.

This 29th day of November, 1982.



Kathy Jenkins (Ballard)
Notary Public

My commission expires: 7/4/84

4614 0092

Richard A. Munn
Witness

Glen A. Schaefer (SEAL)
Glen A. Schaefer
Owner of Unit No. 5

Steven L. Schaefer
Witness

Steven L. Schaefer (SEAL)
Steven L. Schaefer
Owner of Unit No. 5

Witness

(SEAL)
George C. Johns
Owner of Unit No. 3

Witness

(SEAL)
Jeffrey G. Johns
Owner of Unit No. 3

Witness

(SEAL)
Walter Lee Marcin
Owner of Unit No. 1

Witness

(SEAL)
Sharon Murdock Marcin
Owner of Unit No. 1

Witness

(SEAL)
Charles Roger Nix
Owner of Unit No. 21

Witness

(SEAL)
Mary Byrd Nix
Owner of Unit No. 21

Witness

(SEAL)
Howard Glazier
Owner of Unit No. 17

Witness

(SEAL)
Leonard Clementi
Owner of Unit No. 10

Witness

(SEAL)
Theresa Clementi
Owner of Unit No. 10

Witness

(SEAL)
Lee D. Clementi
Owner of Unit No. 10

Witness

(SEAL)
Richard Lee McRae
Owner of Unit No. 15

Witness

(SEAL)
Berbert J. Brauner
Owner of Unit No. 13

Witness

(SEAL)
Muriel Brauner
Owner of Unit No. 13

Witness

(SEAL)
Paul Pecorella
Owner of Unit No. 41

Witness

(SEAL)
Rose Pecorella
Owner of Unit No. 41

25

4614 0093

STATE OF Virginia
CITY OF Virginia Beach
COUNTY OF Virginia Beach

I, Joseph W. Sanderlin, a Notary Public in and for
said County and State, certify that Steven S. Schaefer
personally appeared before me this day, and being duly sworn, stated
that in his presence he

signed the foregoing instrument.

WITNESS my hand and notarial seal, this 8th day of
November, 1982.

Joseph W. Sanderlin
Notary Public

My Commission Expires:
~~8-82~~ 9-10-84



STATE OF PENNSYLVANIA

COUNTY OF WASHINGTON

I, Carol B. Boyer, a Notary Public in and for said County and State, certify that Glenn A. Schaefer personally appeared before me this day, and being duly sworn, stated that ~~in his presence~~ he

signed the foregoing instrument.

WITNESS my hand and notarial seal, this 10th day of November, 1982.



Carol B. Boyer
Notary Public

Commission Expires:
CAROL B. BOYER, NOTARY PUBLIC
WASHINGTON COUNTY, PENNSYLVANIA
BY EXPIRES JULY 9, 1985
Member, Pennsylvania Association of Notaries

4614 0095

IN WITNESS WHEREOF, the parties hereto have executed this Amendment under seal as of the day and year first above written.

DILROAD CORPORATION N.D.
BY INTERNATIONAL PROPERTY INVESTMENT CORPORATION, ITS ATTORNEY-IN-FACT

ATTEST:

Secretary
[CORPORATE SEAL]

By: _____
President

SWAN RUN COMPANY
BY COWGILL ENTERPRISES, INC.,
ITS GENERAL PARTNER

ATTEST:

Secretary
[CORPORATE SEAL]

By: _____
President

- _____
Witness Bernard P. Kolanowski (SEAL)
Owner of Unit No. 33
- _____
Witness Andrew J. McConnell (SEAL)
Owner of Unit No. 20
- _____
Witness Mary H. McConnell (SEAL)
Owner of Unit No. 20
- _____
Witness Carlotta A. Mubarek (SEAL)
Owner of Unit No. 46
- _____
Witness Ruth B. Taylor (SEAL)
Owner of Unit No. 38
- _____
Witness Many Creel Ashley (SEAL)
Owner of Unit No. 40
- _____
Witness J. Wesley Johnson, Jr. (SEAL)
Owner of Unit No. 8
- _____
Witness Nancy S. Johnson (SEAL)
Owner of Unit No. 8
- _____
Witness Ann Jackson Bowen (SEAL)
Owner of Unit No. 29
- Elizabeth J. Macher* _____
Witness Patrick W. Cave (SEAL)
Owner of Unit No. 18
- _____
Witness Michael O. Rankin (SEAL)
Owner of Unit No. 24
- _____
Witness Kay M. Rankin (SEAL)
Owner of Unit No. 24

STATE OF North Carolina
COUNTY OF Wake

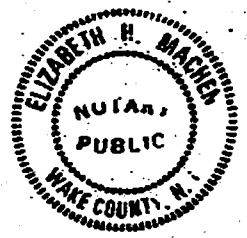
I, Elizabeth A. Macher, a Notary Public in and for
said County and State, certify that Patrick W. Cove
personally appeared before me this day, and being duly sworn, stated
~~that in his presence~~ and acknowledged the execution of the
foregoing instrument.

~~signed the foregoing instrument.~~

WITNESS my hand and notarial seal, this 9th day of
November, 1982.

Elizabeth A. Macher
Notary Public

My Commission Expires: 7/24/85



4614 0087

Witness	Leonard William Smith Owner of Unit No. <u>37</u>	(SEAL)
Witness	Martha Joan Guzman Owner of Unit No. <u>37</u>	(SEAL)
Witness	W. T. Cowgill Owner of Unit No. <u>48</u>	(SEAL)
Witness	<i>Calvin K. Percho</i> Calvin K. Percho Owner of Unit No. <u>48</u>	(SEAL)
Witness	<i>Warren T. Cowgill</i> Warren T. Cowgill Owner of Unit No. <u>45</u>	(SEAL) ✓
Witness	Mildred J. Cowgill Owner of Unit No. <u>45</u>	(SEAL)
Witness	<i>Warren T. Cowgill</i> Warren T. Cowgill Owner of Unit No. <u>39</u>	(SEAL) ✓
Witness	<i>Calvin K. Percho</i> Calvin K. Percho Owner of Unit No. <u>39</u>	(SEAL)
Witness	Susan Evans Hardaway Owner of Unit No. <u>9</u>	(SEAL)
Witness	Julia Elizabeth Manning Owner of Unit No. <u>2</u>	(SEAL)
Witness	John E. LaGasse Owner of Unit No. <u>19</u>	(SEAL)
Witness	Pauline C. Lemire Owner of Unit No. <u>34</u>	(SEAL)
Witness	Jeffrey K. Gruber Owner of Unit No. <u>6</u>	(SEAL)
Witness	Philip A. Guller Owner of Unit No. <u>22</u>	(SEAL)
Witness	Carmelo A. Caltabiano Owner of Unit No. <u>11</u>	(SEAL)
Witness	J. Nelson Lord Owner of Unit No. <u>27</u>	(SEAL)
Witness	Walter Carl Freeman, Jr. Owner of Unit No. <u>26</u>	(SEAL)

4614 0088

- Witness _____ (SEAL)
Leonard William Smith
Owner of Unit No. 37
- Witness _____ (SEAL)
Martha Joan Guzman
Owner of Unit No. 37
- Witness _____ (SEAL)
G. William Epps
Owner of Unit No. 48
- Witness _____ (SEAL)
Charles R. Baumiller
Owner of Unit No. 48
- Witness *Mildred J.* _____ (SEAL)
Michael J. Cowgill
Owner of Unit No. 45
- Witness _____ (SEAL)
Mildred J. Cowgill
Owner of Unit No. 45
- Witness _____ (SEAL)
James R. Gossett
Owner of Unit No. 39
- Witness _____ (SEAL)
Linda C. Gossett
Owner of Unit No. 39
- Witness _____ (SEAL)
Susan Evans Hardaway
Owner of Unit No. 9
- Witness _____ (SEAL)
Julia Elizabeth Manning
Owner of Unit No. 2
- Witness _____ (SEAL)
John E. LaGasse
Owner of Unit No. 19
- Witness _____ (SEAL)
Pauline C. Lemire
Owner of Unit No. 34
- Witness _____ (SEAL)
Jeffrey K. Gamber
Owner of Unit No. 4
- Witness _____ (SEAL)
Philip A. Guller
Owner of Unit No. 22
- Witness _____ (SEAL)
Carmelo A. Caltabiano
Owner of Unit No. 11
- Witness _____ (SEAL)
J. Nelson Lord
Owner of Unit No. 27
- Witness _____ (SEAL)
Walter Carl Freeman, Jr.
Owner of Unit No. 26

4614 0099

HOLDERS OF MORTGAGES:

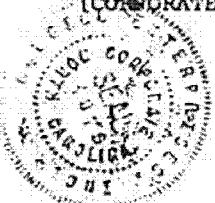
COWGILL ENTERPRISES, INC.

By Warren T. Cowgill
President

ATTEST:

Mildred S. Cowgill
Secretary

[CORPORATE SEAL]



Warren T. Cowgill (SEAL)
Warren T. Cowgill

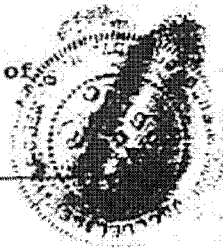
STATE OF North Carolina
COUNTY OF Mecklenberg

I, a Notary Public of the County and State aforesaid, certify that Mildred S. Cowgill personally came before me this day and acknowledged that she is Secretary of COWGILL ENTERPRISES, 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 her as its Secretary.

WITNESS my hand and notarial seal, this 19th day of November, 1982.

My Commission Expires:
My Commission Expires February 5, 1985

Suzanne H. Essex
Notary Public



STATE OF North Carolina
COUNTY OF Mecklenberg

I, Suzanne H. Essex, a Notary Public of the County and State aforesaid, certify that WARREN T. COWGILL ^{and Mildred S. Cowgill} personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and notarial seal, this 19th day of November, 1982.

My Commission Expires:
My Commission Expires February 5, 1985

Suzanne H. Essex
Notary Public



DEED BOOK (PAGE)

4614 0100

HOLDERS OF MORTGAGES:

FIRST FEDERAL SAVINGS AND LOAN
ASSOCIATION

By J. J. Helling Jr.
Vice President



Sandra A. Nolan
Secretary

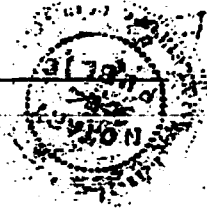
[CORPORATE SEAL]

STATE OF North Carolina
COUNTY OF Rockingham

I, a Notary Public of the County and State aforesaid, certify that Sandra A. Nolan personally came before me this day and acknowledged that she is Secretary of FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation organized and existing under the laws of the United States, 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 her as its Secretary.

WITNESS my hand and notarial seal, this 13 day of November, 1982.

Walter Allen
Notary Public



My Commission Expires:
7-17-84

DEED BOOK: [REDACTED]

4614 0101

HOLDERS OF MORTGAGES:

NORTH CAROLINA FEDERAL SAVINGS
AND LOAN ASSOCIATION


By [Signature]
President

ATTEST:
[Signature]
Secretary
[CORPORATE SEAL]

STATE OF N.C.
COUNTY OF Stanly

I, a Notary Public of the County and State aforesaid, certify that [Signature] personally came before me this day and acknowledged that she is ^{first} Secretary of NORTH CAROLINA FEDERAL SAVINGS AND LOAN ASSOCIATION, 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 her as its ^{first} Secretary.

WITNESS my hand and notarial seal, this 22 day of November, 1982.

[Signature]
Notary Public


My Commission Expires:
7-30-85

DEEDBOOK 12345

4614 0102

HOLDERS OF MORTGAGES:

BRANCH BANKING AND TRUST COMPANY

By *William E. Peterson*
Vice President

ATTEST:

William E. Peterson
Secretary *Asst Cashier*

(CORPORATE SEAL)

STATE OF *North Carolina*
COUNTY OF *Mecklenburg*

I, a Notary Public of the County and State aforesaid, certify that *William E. Peterson* personally came before me this day and acknowledged that *he* is ^{*Asst Cashier*} Secretary of BRANCH BANKING AND TRUST COMPANY, 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 *him* as its Secretary. *Asst Cashier*

WITNESS my hand and notarial seal, this *17* day of *November*, 1982.

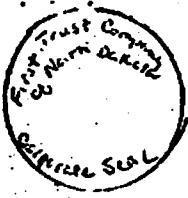
Lisa P. Conder Braun
Notary Public



My Commission Expires:

7-8-85

4614 0103



HOLDERS OF MORTGAGES:

FIRST TRUST COMPANY OF NORTH DAKOTA AS TRUSTEE FOR FERCHO EYE CLINIC, LTD., PENSION TRUST

ATTEST

E. O. Gunderson
Secretary

By Henry J. [Signature]
Vice President

[CORPORATE SEAL]

Calvin K. Fercho (SEAL)
Calvin K. Fercho

STATE OF NORTH DAKOTA

COUNTY OF CASS

I, a Notary Public of the County and State aforesaid, certify that E. O. Gunderson personally came before me this day and acknowledged that he is ^{Asst} Secretary of FIRST TRUST COMPANY OF NORTH DAKOTA AS TRUSTEE FOR FERCHO EYE CLINIC, LTD., PENSION TRUST, and that by authority duly given and as the act of the corporation in its capacity as Trustee, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by _____ as its Secretary as Trustee for Fercho Eye Clinic, Ltd., Pension Trust.

WITNESS my hand and notarial seal, this 29 day of December, 1982.

My Commission Expires:
VIRGINIA M. CARLSON
Notary Public, CASS COUNTY, N. DAK.
My Commission Expires SEPT. 3, 1987

Virginia M. Carlson
Notary Public

STATE OF N. Dak.
COUNTY OF Cass

I, Arlyne [Signature], a Notary Public of the County and State aforesaid, certify that CALVIN K. FERCHO personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and notarial seal, this 24 day of Nov, 1982.

My Commission Expires:
9-24-86

Arlyne [Signature]
Notary Public

DEED BOOK: (PAGE)

4614 0104

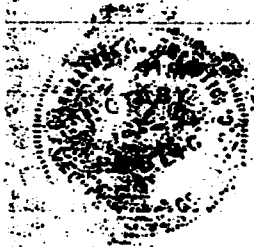
STATE OF NORTH CAROLINA)
)
COUNTY OF MECKLENBURG)

This 4th day of January, 1982, personally came before me JALLAL S. NASRI, President of INTERNATIONAL PROPERTY INVESTMENT CORPORATION, who, being by me duly sworn, says that he is President of INTERNATIONAL PROPERTY INVESTMENT CORPORATION, a North Carolina corporation, and that the seal affixed to the foregoing instrument in writing is the corporate seal of said corporation, and that the said writing was signed and sealed by him in behalf of said corporation, in its capacity as attorney-in-fact for DILROAD CORPORATION, N. D., and that the authority of INTERNATIONAL PROPERTY INVESTMENT CORPORATION to execute and acknowledge said instrument as attorney-in-fact for DILROAD CORPORATION, N. D. is contained in an instrument duly executed, acknowledged, and attached hereto as Exhibit A, and that this instrument was executed under and by virtue of the authority given by said instrument granting said Power of Attorney; that the said JALLAL S. NASRI, as President of INTERNATIONAL PROPERTY INVESTMENT CORPORATION, acknowledged the due execution of the foregoing and annexed instrument for the purposes therein expressed for and in behalf of the said DILROAD CORPORATION, N. D.

Witness my hand and notarial seal this 4th day of January, 1983.

J. S. Nasri
Notary Public

My Commission expires: 9/16/84



4614 0105

STATE OF N.C.

COUNTY OF Mecklenburg

This 29th day of Dec., 1982, personally came before

me WARREN T. COWGILL, who, being by me duly sworn, says that he is the President of COWGILL ENTERPRISES, INC., a general partner of Swan Run Company, and that the seal affixed to the foregoing instrument in writing is the corporate seal of the company, and that said writing was signed and sealed by him, on behalf of said corporation in its capacity as general partner of Swan Run Company, by authority duly given. And the said Warren T. Cowgill acknowledged the said writing to be the act and deed of said corporation in its capacity as general partner of Swan Run Company.

My Commission Expires:

Jarvis R. Roefe
Notary Public

4-25-85



STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

The foregoing certificates of Kathy Jenkins (Ballard), a Notary Public for Gaston County and the State of North Carolina; Elizabeth H. Macken, a Notary Public for Wake County and the State of North Carolina; Cecelyn H. Flour, a Notary Public for Stanly County and the State of North Carolina; Mark D. Queen, a Notary Public for Hanes County and the State of North Carolina; Virginia R. Roefe, Constance R. Ruppel, Ruth E. Wall, Ray S. Wilson, Josephine E. Eason, Myrtle Mills, and Lisa P. Gamber (Queen), Notaries Public for Mecklenburg County and the State of North Carolina; Arlene Blanton, and Virginia H. Carlson, Notaries Public for the State of North Carolina; Stone L. Croy, a Notary Public for the State of New York; James H. Kenderlin, a Notary Public for the Commonwealth of Virginia; Carol B. Boyer, a Notary Public for the Commonwealth of Pennsylvania;

are certified to be correct.

This 11th day of January 1983.

CHARLES E. CROWDER, REGISTER OF DEEDS

By: Deborah M. Martin
Deputy

See pages 106 thru 109.