FOR REGISTRATION JUDITH A. GIBSON
REGISTER OF DEEDS
MECKLENBURG COUNTY, NC
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COPY

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PARK SOUTH STATION TOWNHOMES

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PARK SOUTH STATION TOWNHOMES (as hereafter amended and supplemented, "Declaration" or "Townhome Declaration") is made and entered into as of the 28th day of December, 2006, by J&B DEVELOPMENT AND MANAGEMENT, INC., a North Carolina corporation ("Declarant").

STATEMENT OF PURPOSE

1. Declarant desires to create on the Property (as defined below) a residential community of townhomes (the "Townhomes") together with any private streets, roads, bike paths, footways, Common Areas, open spaces, landscaping, entrances, drainage facilities, access easements, site lighting and signage, and any recreation area(s) and any other common facilities shown on any Recorded Plat (as hereinafter defined) (hereinafter sometimes referred to collectively herein as the "Facilities") for the benefit of the Townhomes. The Property is shown on Exhibit A attached hereto. The Property shall not include any real property intended to be developed as condominium buildings as shown on any recorded plat of the Property.

2. The Townhomes represent part of a larger residential community known as Park South Station (the "Community"), which includes the Townhomes as well as condominiums. The Community is shown on Exhibit B attached hereto. As a part of the Community, the Townhomes are subject to that Master Declaration of Covenants, Conditions and Restrictions for Park South Station dated of even date herewith and recorded in the Mecklenburg County Register of Deeds (as hereafter amended and supplemented, the "Master Declaration").

3. Declarant desires to provide for the preservation of the values and amenities in the Townhomes and for the maintenance of the Facilities and Common Areas in a manner consistent with the Master Declaration and, to this end, desires to subject the Property to the covenants, conditions, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is, and are, for the benefit of the Property and each owner of a portion thereof.

4. Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the Townhomes, to create an entity to which should be delegated and assigned the powers of maintaining, administering, operating and replacing the Townhomes and Facilities, administering and enforcing these covenants, conditions and restrictions, and collecting and disbursing the assessments and charges hereinafter created. Declarant has caused or will cause to be incorporated under the laws of the State of North Carolina a nonprofit corporation to be known as the Park

Drawn by and mail to:
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South Station Townhome Association, Inc. ("Townhome Association"), for the purpose of exercising the functions aforesaid.

DECLARATION

NOW THEREFORE, the Declarant declares that the Property and any additions thereto, is and shall be held, used, transferred, sold, conveyed and occupied subject to the terms, conditions and provisions of the covenants, conditions, restrictions, charges and liens (sometimes referred to herein as "covenants and restrictions") as hereinafter set forth. The covenants and restrictions imposed herein shall be in addition to, and not in lieu of, any other covenants, conditions, easements, or restrictions currently encumbering any portion of the Townhomes, including without limitation the Master Declaration.

ARTICLE ONE
PROPERTY SUBJECT TO THIS DECLARATION

1.1 Property. That certain parcel of real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration (the "Property") is located in Mecklenburg County, North Carolina, and more particularly described on Exhibit A attached hereto and made a part hereof by this reference.

1.2 Additions to Property. The Declarant, its successors and assigns, shall have the right but not the obligation, without further consent of the Association or its Members, to bring within the scheme and operation of this Declaration all or any portions of any real property that adjoins or is in the immediate vicinity of the Property or is part of the other portions of Park South Station, as added to under the terms hereof from time to time. The additions authorized under this and the succeeding subsection shall be made by filing of record in the Office of the Register of Deeds of Mecklenburg County one or more Supplementary Declarations of Covenants, Conditions and Restrictions with respect to such additional property or properties, executed by the Declarant and, if different, the owner(s) of the additional property, which shall extend the operation and effect of the Declaration to such additional property or properties (hereinafter sometimes referred to as a "Supplemental Declaration"). Any Supplemental Declaration(s) may specify such additional specific use restrictions and other covenants, conditions and restrictions to be applicable to the added property and may contain such complementary additions and modifications of this Declaration as may be necessary or convenient, in the sole judgment of the Declarant and, if different owner(s), the owner(s) of the additional property, to reflect and adapt to any difference in character of the added properties.

1.3 Access Easement Reserved. The Declarant reserves unto itself for the benefit of Declarant, its successors and/or assigns, a non-exclusive and alienable easement and right of ingress, egress and regress over and across all private streets and roads within the Property, if any, for access to and from other real property of Declarant or its successors and/or assigns. Such easement shall continue until that time when all new construction has ceased on the Property, and any damage caused by Declarant, its agents, successors and/or assigns to the private streets and roads within the Property when exercising its rights created by this Section 1.3 shall be repaired at the expense of Declarant, its successors, or assigns. In addition, an easement and right of ingress, egress and regress over and across all private streets and roads within the Property, if any, is hereby granted to any applicable government agency, for the purpose of fulfilling their duties, including, without limitation, law enforcement, fire protection, garbage collection, delivery of the mail, and any other service related to keeping the peace and preserving the general welfare.

1.4. Relation to North Carolina Planned Community Act. The North Carolina Planned Community Act, N.C.G.S. 47F-101 et seq., as the same may be amended from time to time ("Act"), shall apply to the Property, and the Association shall have, but not be limited to, all the powers, rights and privileges which may be exercised by a Planned Community (as defined in the Act) pursuant to the Act, even if such powers, rights or privileges are not specifically set forth herein or in the Association's Articles of Incorporation or Bylaws.

1.5 Reservation of Right to Change Site Plan and Product Types. Notwithstanding anything else herein or in any other applicable declaration to the contrary, the Declarant has the right without the approval of any other person or entity to change or revise the site plans for the Community and/or to change the type of housing products included within the Community at any time without notice.

ARTICLE TWO
ADDITIONAL DECLARATIONS AND ASSOCIATIONS

2.1 Master Declaration/Association. Additional covenants and restrictions applicable to the Property are contained in the Master Declaration. The Master Declaration establishes an association (the "Master Association") for the purposes of administration and enforcement of the Master Declaration. To the extent the Master Declaration governs the Property, the covenants and restrictions contained in the Master Declarations shall control and take precedence over the covenants and restrictions contained in this Declaration. This Declaration shall control in regard to any issues exclusive to the Property as described on Exhibit A hereto and not applicable to other portions of the Community. The Master Association shall govern the Property to the extent provided in the Master Declaration except for issues exclusive to the Property or to the extent the Master Association has delegated such responsibility to the Association as provided in the Master Declaration.

ARTICLE THREE
DEFINITIONS

The following words when used in this Declaration or any amended or Supplemental Declaration (unless the context shall require otherwise) shall have the following meanings:

3.1. "Assessment(s)" shall mean and refer to the assessment(s) and charges levied by the Association against Members who are the Owners of Lots or Dwelling Units in the Property and shall include annual, special and Special Individual Assessments as described in Article Ten of this Declaration.

3.2. "Association" or "Townhome Association" shall mean and refer to the Park South Station Townhome Association, Inc., a North Carolina non-profit corporation.

3.3. "Board" shall mean and refer to the Board of Directors of the Association.

3.4. "Bylaws" shall mean and refer to the bylaws of the Association and all amendments thereto.

3.5. "Common Expenses" shall mean and refer to:

a. Expenses of administration, operation, utilities, maintenance, repair or replacement of the Common Areas, including payment of taxes and public assessments levied against the Common Areas.

b. Expenses declared Common Expenses by the provisions of this Declaration or the Bylaws.

c. Expenses agreed upon from time to time as Common Expenses by the Association and lawfully assessed against Members who are Owners in the Property, in accordance with the Bylaws or this Declaration.

d. Any valid charge against the Association or against the Common Areas as a whole.

e. Any expenses incurred by the Association in connection with the discharge of its duties hereunder and under the Bylaws and its articles of incorporation.

3.6. "Common Property(ies)", "Common Element(s)" or "Common Area(s)" shall mean and refer to those areas described or referred to as "Townhome Common Open Space", "Townhome COS", "Townhome Common Property", "Townhome Common Area" or words of like import in any declaration of covenants, conditions and restrictions to which the Property is submitted or subjected by the Declarant, or shown on any Recorded Plat in a like manner, subject to special rights and limitations, if any, granted to or imposed on Owners of particular Lots or Dwelling Units. The Common Area shall also include any stormwater device that serves more than one (1) Lot, any utility line located outside public street rights-of-way and public utility easements, and serving more than one (1) Lot. The Common Properties do not include the Limited Common Properties or the Master Common Properties as defined in the Master Declaration or shown on any Recorded Plat. The Association shall be responsible only for those Common Properties specifically designated herein or any Recorded Plat as "Townhome" Common Properties, shown as "COS" on any exhibit attached hereto or otherwise designed or designated as for the use and benefit of only those Owners in the townhome Property as the term "Property" is defined in this Declaration; all other Common Properties outside of the townhome Property shall be the responsibility of the Master Association or the Condominium Association, as the case may be.

3.7. "Declarant" shall mean and refer to J&B Development and Management, Inc., a North Carolina corporation, and Piston, LLC, a North Carolina limited liability company, their successors and assigns, and any person or entity who is specifically assigned the rights and interests of Declarant hereunder or under a separate instrument executed by the Declarant and recorded in the Mecklenburg County Register of Deeds. Declarant is the entity that has been granted the right, power, authority, duty or obligation to exercise the powers of the Declarant to ensure the development and maintenance of the Property as herein set forth.

3.8. "Dwelling Unit" shall mean and refer to any improvement or portion thereof situated on an Improved Lot intended for use and occupancy as one (1) single family dwelling, irrespective of the number of Owners thereof (or the form of ownership) located within the Property and shall, unless otherwise specified, include within its meaning (by way of illustration, but not limitation) single family attached homes, such as townhouses and patio or zero lot line homes. Where appropriate by context, the term shall include both the improvements and the real property on which the improvements are situated.

3.9. "Facilities" shall have the meaning assigned to it in the Recitals of this Declaration.

3.10. "FHA" shall mean and refer to the Federal Housing Authority of the United States Department of Housing and Urban Development.

3.11. "Improved Lot" shall mean and refer to any Lot on which the improvements constructed thereon are sufficiently complete to be occupied as a Dwelling Unit.

3.12. Reserved.

3.13. "Limited Common Expense" shall mean and refer to the expense of administration, operation, maintenance, repair or replacement of Limited Common Areas or any valid charge against the Limited Common Areas as a whole. Such expenses shall be assessed against those Lots or Dwelling Units having the exclusive or special rights in the use or enjoyment of the Limited Common Areas.

3.14. "Limited Common Area(s)" shall mean and refer to those areas of land (including without limitation any joint driveways) and improvements described or referred to in any declaration of covenants, conditions and restrictions or amendment or supplement thereto to which any portion of the Property is submitted or subjected by the Declarant or shown on or designated on any Recorded Plat as "Limited Open Space", "Limited Open Spaces", "Limited Common Property", "Limited Common Properties", "Limited Common Area" or "Limited Common Areas" (whether previously designated on a Recorded Plat or in a recorded instrument as "Common Open Space", "Common Open Spaces", "Common Property", "Common Properties", "Common Area" or "Common Areas"), and intended for the use only of the Owners of particular Lots or Dwelling Units to the exclusion of other Owners and other Members. Any property so

designated shall be for the exclusive use of the Owners of the Dwelling Units or Lots so designated or shown in such declaration or Recorded Plat.

3.15. "Lot" shall mean and refer to any numbered parcel of land within the Property which is intended for use as a site for a Dwelling Unit, as shown upon any Recorded Plat of any part of the Property and labeled thereon as a "Lot", and shall not include Common Areas, Limited Common Areas or any property in the Property not yet subdivided for sale as an individual lot. No property in the Property shall be developed as a Dwelling Unit until designated as a Lot on a Recorded Plat. Property designated as a Lot may later be designated for some other use on a Recorded Plat.

3.16. "Master Association" shall have the meaning assigned to it in Article Two of this Declaration.

3.17. "Master Declaration" shall have the meaning assigned to it in Article Two of this Declaration.

3.18. "Member" shall mean a member of the Association and shall refer to an Owner in the Property.

3.19. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Dwelling Unit situated upon the Property. Notwithstanding any applicable theory of any lien or mortgage law, "Owner" shall not mean or refer to any mortgagee or trust beneficiary unless and until such mortgagee of trust beneficiary has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. (Note: the words "Member" and "Owner" are meant to describe all of the owners of Lots or Dwelling Units interchangeably as semantics dictate throughout this Declaration.)

3.20. "Property" shall mean that real property described on Exhibit A attached hereto, less any property designated for the development of any condominium building on any Recorded Plat.

3.21. "Recorded Instrument" shall mean and refer to any document relating to the Property, or any portion thereof, recorded in the Mecklenburg County Register of Deeds and executed by the Declarant (during Class II membership, and by the Association otherwise) to show its consent thereto (and by any other Owner(s) of property described therein and affected thereby if different). In any case in which the designation or description of the same property described in two different Recorded Instruments is different (for example, property is designated as a Lot in one instrument and a street in another, or legal boundaries of areas are described differently in different Recorded Instruments), the designation and description on the later-recorded of the Recorded Instruments shall control.

3.22. "Recorded Plat" shall mean and refer to any map of the Property, or any portion thereof, recorded in the Mecklenburg County Register of Deeds and executed by the Declarant (during Class II membership, and by the Association otherwise) to show its consent thereto (and by any Owner(s) of such property whose survey is shown thereon if different). In any case in which the designation and/or boundary lines of the same property shown on two different Recorded Plats are different (for example, property is designated as a street on one plat and as a Lot on the other, or boundary lines are shown differently on two different Recorded Plats), the designation and boundary lines on the later-recorded of the Recorded Plats shall control.

3.23. "Special Individual Assessments" shall have the meaning assigned to it in Section 10.5 of this Declaration.

3.24. "Supplemental Declaration" shall have the meaning assigned to it in Section 1.2 of this Declaration.

3.25. "Townhomes" shall have the meaning assigned to it in the Recitals of this Declaration.

3.26. "Townhome Lot" shall refer to the Lots intended or shown on any Recorded Plat for the construction of single-family attached Dwelling Units.

3.27. "VA" shall mean and refer to the United States Department of Veterans Affairs.

ARTICLE FOUR
DURATION; NOTICES; ENFORCEMENT; SEVERABILITY

4.1 Duration. The covenants and restrictions of this Declaration shall run with the land, and shall inure to the benefit of and be enforceable by Declarant, the Association or any Owner, its and their respective legal representatives, heirs, successors, and assigns, for the term of the Master Declaration, as amended and executed from time to time. This Declaration may be amended in accordance with the provisions of Article 13 hereof. Amendments made in conformity with that Article may alter any portion of the Declaration hereof, including but not limited to the duration and amendment provisions hereof.

4.2 Termination. The termination of this Declaration shall require both the assent of Declarant, as long as Declarant owns any Lot or any other portion of the Property, and the assent of at least eighty percent (80%) of the votes in the Association, taken at a meeting duly called and held for this purpose, and shall be evidenced by a termination agreement recorded in the Mecklenburg County Register of Deeds and otherwise complying with the terms of North Carolina General Statutes Section 47F-2-118.

4.3 Notices. Any notice required to be sent to any Member or Owner, under the provisions of this Declaration, shall be deemed to have been properly sent when delivered by hand delivery with the delivery person providing an affidavit of delivery, or when mailed, postage prepaid, registered or certified mail, return receipt requested, or deposited with an overnight courier (such as, but not limited to Federal Express) and addressed to the person at the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing. In the event that a Member or Owner's address is absent from the Association's records, the notice may be sent to the address listed on the Mecklenburg County tax records at the time of the mailing. The sender shall not be required to cause title to any Lot or Dwelling Unit to be examined. Notice to any one of the Owners, if title to a Lot or Dwelling Unit is held by more than one, shall constitute notice to all Owners of that Lot or Dwelling Unit. An address printed on a check or other correspondence from a Member to the Association shall not by itself constitute sufficient notice of change of address of that Member.

4.4 Enforcement.

a. The Association, Declarant and/or any Owner may enforce these covenants and restrictions. Enforcement of these covenants and restrictions shall be by an appropriate civil proceeding against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, or both, and against the land to enforce any lien created by these covenants and restrictions; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall not be deemed a waiver of the right to do so thereafter.

b. The Association may impose fines or suspend privileges or services in the event of an Owner's failure to comply with the requirements of this Declaration or any architectural guidelines or rules and regulations promulgated in accordance with these covenants and restrictions. (The Association shall have the right to promulgate reasonable rules and regulations from time to time which are in harmony with these covenants and restrictions.) In such circumstances, the Owner shall have been sent a letter notifying him of the violation and providing a period of no less than fifteen (15) days for the violation to be corrected. If the Owner fails to address the violation during such period, the Board may vote to impose a fine or suspend privileges or both, or the Board may have previously promulgated a schedule of fines and privileges which may be imposed and/or suspended in particular cases and may delegate authority to an officer or duly-appointed manager of the Association to impose the same according to the approved schedule. The Association shall inform the Owner of the same in writing. The Owner shall have the right to appeal the decision and shall have an opportunity to be heard by the Board on such appeal, but the fine shall accrue during such period unless waived or

suspended by the Board pending the outcome of the appeal. If it is decided that a fine should be imposed, a fine not to exceed one hundred dollars ($100.00) may be imposed for the violation and without further hearing, for each day after the fifteenth (15th) day that the violation occurs. Such fines shall be Assessments secured by liens as more particularly described in Article Ten hereof. If it is decided that a suspension of privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured. The Board shall adopt a written collections and appeals policy or policies setting forth in more detail the procedures that its officers, agents and attorneys shall use in collecting assessments, fines and other charges from owners. This subsection (b) sets forth "a specific procedure for the imposition of fines or suspension of planned community privileges or services" pursuant to Section 3-107.1 of the Act.

4.5 Severability. Invalidation of any one of these covenants and restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

ARTICLE FIVE
DESIGN REVIEW

5.1 Master Association Control. The Property shall be subject to the design review provisions contained in Master Declaration and shall be subject to the authority of the Master Association contained therein. The Master Association may delegate all or some responsibility for the review, approval and enforcement of the design restrictions set forth in the Master Declaration as to the townhomes to the Townhome Association.

ARTICLE SIX
RESTRICTIONS ON USE AND RIGHTS OF THE ASSOCIATION, DECLARANT AND OWNERS

6.1 Permissible Uses. No Lot shall be used except for such purposes as are allowed pursuant to the Master Association.

6.2 Division of Lots; No Time Sharing; Leasing.

a. No Lot shall be further subdivided into multiple Dwelling Units.

b. No Lot or ownership interest may be subdivided to permit time sharing or other devices to effect interval ownership. For purposes of this section "time sharing" or "other devices to effect interval ownership" shall include, but not be limited to, ownership arrangements, including uses of corporation, trusts, partnerships, leases or tenancies in common, in which four or more persons or entities, not members of a single household, have acquired, by means other than will, descent, inheritance or operation of law, an ownership interest (directly or indirectly, equitable or legal) in the same Dwelling Unit and such owners have a formal or informal right-to-use or similar agreement.

c. Leasing of any Dwelling Unit shall be subject to Section 6.2(c) of the Master Declaration.

6.3 Utilities and Other Easements. All utility lines of every type, including but not limited to water, electricity, gas telephone, sewage and television cables, running from the main trunk line or service location to any Dwelling Unit must be underground. The Declarant reserves unto itself, its successors and assigns, a perpetual alienable and releasable easement and right on, over and under the ground to erect, maintain and use water, irrigation, electric, gas, telephone, sewage and television cables, and any other utilities lines and conduits for the purpose of bringing public or other services, at this time known or unknown, to the Property on, in, under and over the streets or roads and over any Lot shown on any Recorded Plat of the Property, within ten (10) feet of each front property line, within ten (10) feet along the rear property line of each Lot and over such other areas as are so identified on any recorded plats of the Property, provided that existing Dwelling Units shall not be disturbed. In addition, the Association may cut, in the above described easements, as well as any where else that such may be required, at its own expense, drainways for surface water and/or to

install underground storm drainage wherever and whenever such action is required by applicable health, sanitation or other state or local authorities, or in order to maintain reasonable standards of health, safety and appearance. In addition, along street fronting property lines, in the ten (10) foot easement hereby reserved, Declarant also reserves the right to install, maintain and repair bike and pedestrian paths, street lights and/or street-side landscaping, which right shall automatically transfer to the Association at any time(s) when there is no Class II membership. Any easements first identified on recorded instruments or Recorded Plats of property no longer owned by the Declarant must be consented to on the Recorded Plat or other recorded instrument by the Owner of such property. The Declarant may, but is not required to, release any of the easements reserved herein as to any Lot for which it deems such easement is unnecessary for the efficient development and operation of the Property, but it may do so only until two years after Class II membership has last terminated.

6.4 Intentionally omitted.

6.5 Construction, Settling and Overhangs. Each Lot and the Common Area shall be and is subject to an easement for encroachments created by construction, settling and overhangs, as originally designed or constructed, so long as such encroachments exist. Every portion of a Lot and each Dwelling Unit constructed thereon and contributing to the support of an abutting Dwelling Unit shall be burdened with an easement of support for the benefit of such abutting Dwelling Unit. If adjoining Dwelling Units are partially or totally destroyed, and then rebuilt, the Owners of the Lots so affected agree that minor encroachments from the adjacent Lots or Common Area resulting from construction shall be permitted and that a valid easement for such encroachments shall exist.

6.6. Rear Yard Access Easements. Declarant hereby reserves and declares a perpetual appurtenant five (5) foot wide access easement across the rear of each Lot and adjoining and parallel with the rear property line of such Lot for the benefit of the adjoining Lots for the purpose of accessing the rear yards of each Lot, to the extent the same is required by any Lot Owner to reach the rear yard of his own Lot. This easement shall create no right of access in or to the general public or to any person who is not the Owner or agent of the Owner of a townhome Lot in the Property, and this easement shall only be exercised by an Owner for accessing his own Lot by foot. No Owner of any Lot shall erect any barrier which would impair or prevent the use of this easement.

ARTICLE SEVEN
ADDITIONAL RIGHTS RESERVED TO DECLARANT

7.1 Withdrawal of Property. The Declarant reserves the right to amend this Declaration, so long as it has a right to annex additional property pursuant to Article One, for the purpose of removing any portion of the Property which has not yet been improved with structures from the coverage of this Declaration, provided such withdrawal does not reduce the total number of Lots then subject to the Declaration by more than ten percent (10%). Such amendment shall not require the consent of any person other than the Owner(s) of the property to be withdrawn, if not the Declarant, and, if required, the FHA or the VA. If the property is or includes Common Area, the Association must first consent to such withdrawal. The Declarant shall not have the right to withdraw any of the Property from the terms of this Declaration without the consent of at least two-thirds of the Lot Owners other than the Declarant.

7.2 Right to Develop. The Declarant and its employees, agents, contractors and designees shall have a right of access and use and an easement over and upon all of the Common Areas for the purpose of making, constructing and installing such improvements to the Common Areas as it deems appropriate in its sole discretion. Damage done to the Common Areas shall be repaired, with the Common Area being restored to its original condition, to the extent such repair and restoration is reasonably practicable. Every person that acquires any interest in the Property acknowledges that the Community is a master planned communities, the development of which is likely to extend over many years, and agrees not to protest, challenge or otherwise object to (a) changes in uses or density of property outside the Property, or (b) changes in the site plan filed with the County of Mecklenburg in connection with the Property as it relates to property outside the Property. Declarant shall have the right, without the consent or approval of the Owners, to add Common Area (unless such addition would increase the total acreage of the Common Area in the Property by more than fifteen (15)

percent), change Dwelling Unit types for new property added to the Residences, and, subject to Section 7.1 above, withdraw real property from the development.

7.3 Right to Transfer or Assign Declarant Rights. Any or all of the special rights and obligations of the Declarant set forth in this Declaration or the Bylaws may be transferred in whole or in part to other persons; provided, the transfer shall not reduce an obligation nor enlarge a right beyond that which the Declarant has under this Declaration or the Bylaws. No such transfer or assignment shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the Mecklenburg County Register of Deeds. The foregoing sentence shall not preclude Declarant from permitting other persons to exercise, on a one time or limited basis, any right reserved to Declarant in this Declaration where Declarant does not intend to transfer such right in its entirety, and in such case it shall not be necessary to record any written assignment unless necessary to evidence Declarant's consent to such exercise.

7.4. Declarant's Right to Unilaterally Amend; Control of Board.

a. Reservation of Development Rights. Pursuant to N.C. Gen. Stat. § 47F-1-103(28), Declarant hereby reserves unto itself for so long as it owns any interest in any Lot in the Property the right, without further notice and without the joinder or consent of any Owner, (i) to add real estate to the Property, (ii) to create Lots, Units, Common Elements or limited Common Elements, (iii) to subdivide Lots or Units, (iv) to realign or change the boundaries of any Common Elements, (v) to withdraw real estate from the Property or from the Common Elements, and (vi) to amend this Declaration in order to ensure development of the Property in accordance with Declarant's development plan for the Property, or for the exercise of any development right or Special Declarant Right (collectively, "Development Rights").

b. Reservation of Special Declarant Rights. Pursuant to N.C. Gen. Stat. § 47F-1-103(28), Declarant hereby reserves unto itself for so long as it owns any interest in any Lot in the Property the right, without further notice and without the joinder or consent of any Owner, (i) to exercise Special Declarant Rights as reserved elsewhere in this Declaration, (ii) to complete improvements indicated on plats and plans recorded before, with or pursuant to this Declaration, (iii) to exercise any Development Right, (iv) to maintain sales offices, management offices, signs advertising the Property, and models, (v) to use easements through the Common Elements for making improvements within the Property or within real estate which may be added to the Property, (vi) to make the Property part of a larger planned community or group of planned communities, (vii) to make the Property part of a Master Association, and (viii) to appoint or remove any Director or officer of the Association or of any Master Association during any period when Class II membership exists (collectively, "Special Declarant Rights").

ARTICLE EIGHT
MEMBERSHIP; VOTING RIGHTS IN THE ASSOCIATION
RIGHTS AND RESPONSIBILITIES OF THE ASSOCIATION

8.1 Membership. Every person or entity who is a record Owner of a fee simple interest in any Lot or Dwelling Unit in the Property is subject by this and any other declarations made in connection herewith to all rights, responsibilities and assessments of the Association and shall be a Member of the Association, provided, however, that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a Member.

8.2 Voting Classes. The Association shall have two (2) classes of voting memberships:

a. Class I. The Class I Members shall be all Owners of Lots or Dwelling Units within the Property, other than the Declarant as long as Class II membership exists. Any Class I Member in the Property shall be entitled to one (1) vote for each Lot or Dwelling Unit which it owns. In the case of multiple ownership of any Lot or Dwelling Unit, however, those multiple Owners shall be treated collectively as one Owner.

b. Class II. The Class II Member shall be the Declarant, who shall be entitled to six (6) votes for each Lot or Dwelling Unit owned by it within the Property. The Class II membership shall cease and be converted to Class I membership on the happening of the first to occur of the following events:

i. Declarant no longer owns any Lot within the Property, or
ii. December 31, 2014.

c. If the Class II membership has been terminated or has expired and subsequently additional properties owned by the Declarant thereafter become subject to this Declaration pursuant to Section 1.2, the Class II membership shall immediately be reinstated as of the date such additional properties become subject to this Declaration and shall not terminate until Declarant no longer owns any Lot within the entirety of the property then comprising the Property.

8.3 Voting; Proxies.

a. In the event only one of the multiple Owners of a Lot or Dwelling Unit is present at a meeting of the Association, the Owner who is present is entitled to cast all the votes allocated to that Lot or Dwelling Unit. If more than one of the multiple Owners are present, the votes allocated to that Lot or Dwelling Unit may be cast only in accordance with the agreement of a majority in interest of the multiple Owners. Majority agreement is conclusively presumed if any one of the multiple Owners casts the votes allocated to that Lot or Dwelling Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot or Dwelling Unit.

b. Votes allocated to a Lot or Dwelling Unit may be cast pursuant to a proxy duly executed by an Owner. If a Lot or Dwelling Unit is owned by more than one person, each Owner of the Lot or Dwelling Unit may vote or register protest to the casting of votes by the other Owners of the Lot or Dwelling Unit through a duly executed proxy. An Owner may not revoke a proxy given pursuant to this Section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated. A proxy terminates 11 months after its date, unless it specifies a shorter term.

c. No votes allocated to a Lot or Dwelling Unit owned by the Association may be cast.

8.4 Rights and Responsibilities of the Association. Subject to the rights of Owners and Declarant as set forth in this Declaration, and the rights of the Master Association as set forth in the Master Declaration, the Association has exclusive management and control of the Common Areas and all improvements thereon and all furnishings, equipment and other personal property relating thereto as well as certain Limited Common Areas as provided in this Declaration. The Association's duties with respect to such Common Areas include, but are not limited to, the following:

a. maintenance of the Common Areas;

b. management, operation, maintenance, repair, servicing, replacement and renewal of all landscaping, improvements, equipment and personal property constituting part of the Common Areas or located upon the Common Areas so as to keep all of the foregoing in good, clean, attractive, sanitary, safe and serviceable condition, order and repair;

c. all landscaping of the Common Areas;

d. maintenance of adequate public liability insurance insuring the Association and its officers and directors, and adequate property casualty or hazard insurance with a minimum replacement value of eighty percent (80%) after application of any deductibles, for the benefit of the Association with respect to the Common Areas, all of the foregoing insurance policies being maintained and insurance proceeds being used in compliance with the provisions of North Carolina General Statutes Section 47F-3-113 as amended from time to time;

e. payment of all taxes and assessments validly levied, assessed or imposed with respect to the Common Areas;

f. maintenance of private streets and recreational and other facilities located on the Common Areas;

g. payment of assessments for public and private capital improvements made to or for the benefit of the Common Areas;

h. payment of the costs associated with the Irrigation Infrastructure and the Potable Water Infrastructure, as provided in Article Seven of the Master Declaration, including payment of the charges of the applicable water provider, should the Master Association choose to delegate such responsibilities to the Association; and

i. maintenance and repair of the yards and exteriors of the Townhomes, and insurance upon the same as more specifically set forth herein, and reconstruction of any Townhome suffering casualty damage, subject to the availability of insurance proceeds and the provisions and conditions of this Declaration.

j. The Association may in its discretion also provide other services as and to the extent the Association deems appropriate, such as, but not limited to, security services or devices, including but not limited to operation of the entry guard house and any other security gates, security personnel and overall traffic control.

8.5 Intentionally omitted.

8.6 Third-Party Services. The Association may obtain and pay for the services of any person or firm to manage its affairs to the extent the Board deems advisable, as well as such other person or firm as the Board determines is necessary or desirable, whether such person or firm is furnished or employed directly by the Association or by any person or firm with whom it contracts. Without limitation, the Board may obtain and pay for legal, accounting, engineering or other professional services necessary or desirable in connection with the Common Areas or the enforcement of this Declaration, the Association's Articles of Incorporation, Bylaws, rules or regulations. The Association may, acting through its Board, contract with the Master Association, other residential associations or commercial entities, neighborhoods or clubs to provide services or perform services on behalf of the Association and its Members.

8.7 Ownership By The Association. The Association may acquire, hold, exchange and dispose of real property and tangible and intangible personal property, subject to such restrictions as from time to time may be contained in this Declaration, the Association's Articles of Incorporation or the Bylaws.

8.8 Rules and Regulations. The Association, from time to time, may adopt, alter, amend, rescind and enforce reasonable rules and regulations governing use and operation of the Common Areas and the general governance and operation of the Property, which rules and regulations shall be consistent with the rights and duties established by this Declaration. The validity of the Association's rules and regulations, and their enforcement, shall be determined by a standard of reasonableness for the purpose of protecting the value and desirability of the Property and the peaceful coexistence of all the Owners.

8.9 Non-Performance By Owner. The Association may perform any duty required of an Owner hereunder or under the Bylaws and assess the costs thereof against the Owner's Lot(s) or Dwelling Unit(s), as a Special Individual Assessment in accordance with the provisions of Sections 10.5 hereof. The Association shall first provide fifteen (15) days' written notice to the Owner of its intention to perform such duties and charge the Owner for the cost thereof, and it shall so perform the duties and charge the Owner for the cost thereof only if the duties are not fully performed at the end of the fifteen (15) day period.

8.10 Landscaping. The Association shall provide for or perform itself the services of landscaping and maintenance of right-of-way dedication areas on or adjacent to the Property so as to ensure an aesthetically pleasing and

uniform look along roads, streets, rights-of-way, and Common Areas that are within or adjacent to the Property. Expenses of the Association in performing these tasks shall be a Common Expense.

8.11 Limitation on Litigation of the Association. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of seventy-five percent (75%) of the Members. This Section shall not apply, however, to (a) actions brought by the Association to obtain injunctive relief to enforce the provisions of this Declaration, (b) the imposition and collection of assessments as provided in Section 10.1, 10.4, 10.5, and 10.10 and (c) proceedings involving challenges to ad valorem taxes. This Section shall not be amended unless such amendment so made by the Declarant or is approved by a vote of seventy-five percent (75%) of the Members.

8.12 Lessees. If any Dwelling Unit is rented or leased and the tenant thereof is violating these covenants or the rules or regulations of the Association and Owner of the same is unable or unwilling to correct and/or cure such violations, then, after reasonable written notice provided to the Owner at his or her last known address as well as to the tenant, the Association shall have the power to evict the renter as provided by North Carolina law, and to execute upon any such eviction, and each Owner hereby irrevocably appoints the Association as his or her attorney-in-fact for such purpose and agrees to pay the costs thereof including reasonable attorneys fees.

ARTICLE NINE
PROPERTY RIGHTS IN THE COMMON AREAS

9.1 Members' Easements of Enjoyment. Subject to the provisions of this Declaration, every Member shall have a right and easement of enjoyment in and to all of the Common Areas and the Facilities and such easement shall be appurtenant to and shall pass with the title to every Lot or Dwelling Unit in the Property.

9.2 Delegation of Use. Any Owner may delegate its rights of enjoyment of the Common Areas and the Facilities to the members of its family, its tenants, contract purchasers who reside on the property, or its guests.

9.3 Title to Common Areas. The Declarant may retain the legal title to any Common Areas shown on any Recorded Plat of the Property, until such times as it has completed improvements, if any, thereon and until such times as Declarant so wishes and/or, in the opinion of the Declarant, the Association is able to maintain the same but, notwithstanding any provision to the contrary herein, the Declarant hereby covenants, for itself, its successors and assigns, that it shall convey, and upon such conveyance the Association shall accept, any such Common Areas to the Association or the Master Association not later than December 31, 2014. The Common Areas cannot be mortgaged or conveyed to any entity besides the Association or the Master Association without a vote in favor by at least eighty percent (80%) of the votes in the Association.

9.4 Extent of Members' Easements. The rights of Members of the Association shall in no way be altered or restricted because of the location of Common Areas in any additions to the Property or other parts of the Community in which such Member is not a resident. The use of Common Areas belonging to the Association shall be a membership entitlement. The rights and easements of enjoyment created herein shall be subject, however, to the following:

a. the right of the Declarant, in its sole discretion, to grade, pave or otherwise improve any road or street shown on any Recorded Plat;

b. the right of the Association to formulate, publish and enforce reasonable rules and regulations concerning the use and enjoyment of the Common Areas, including the right to limit the number of guests, to regulate hours of operations and behavior, and to curtail any use or uses it deems necessary for either the protection of the Facilities or the peace and tranquility of adjoining residents;

c. the right of the Association, as provided in its Articles of Incorporation or Bylaws, to suspend the enjoyment rights of any Member for any period during which any assessment of that Member remains unpaid, and for any infraction of any published rules and regulations adopted by the Board;

d. the right of the Association to lease and use any of the Common Areas for functions, lessons, or special events and to allow the lessee to charge admission or other fees for functions, lessons, or special events;

e. the right of the Association or its assignee to charge reasonable admission and other fees for use of any of the Association's Facilities situated upon its Common Areas; and

f. the right of the Association to dedicate or transfer all or any part of the Common Areas (which includes streets and roads) or private water/sewer lines to any public agency, authority or utility (public or private) for such purposes and subject to such conditions as may be agreed to by the Members. Except as provided below, no such dedication or transfer shall be effective unless at least eighty percent (80%) of the votes in the Association are cast in favor of such dedication or transfer and the Owners of such votes signify their agreement in writing; provided that, notwithstanding the foregoing, the Association and the Declarant shall each have the right, power and authority to grant easements and rights-of-way for the installation and maintenance of drainage facilities and of utilities, whether private, public or quasi-public, including cable television, water, gas and sewer upon, over, under and across any Common Area, without the assent of the Members when, in the sole opinion of the Declarant or the Board, as applicable, such easements are required or reasonably necessary for the development and/or the convenient use and enjoyment of the Property and, in the sole opinion of the Declarant or said Board, as applicable, will not unreasonably interfere with the overall use and enjoyment of the Common Areas; and provided further this subsection shall not preclude the Board from conveying at such purchase price as the Board deems appropriate strips or portions of the Common Areas to any Owner in order to resolve any gap, gore, overlap or other boundary line conflict or to make the Lot more usable as a homesite provided such conveyance does not in the good faith judgment of the Board adversely affect the overall use and enjoyment of the Common Areas; and

g. the right of Declarant or the Association to convey portions of the Common Properties to appropriate Neighborhood Associations.

9.5 Conveyance or Encumbrance of Common Areas. Portions of the Common Area may be conveyed or subjected to a security interest by the Association provided at least eighty percent (80%) of the votes in the Association are cast in favor of such conveyance or encumbrance and the Owners of such votes signify their agreement in writing. Proceeds of the sale or financing of a Common Area shall be an asset of the Association. The Association, on behalf of the Owners, may contract to convey Common Area or subject it to a security interest, but the contract is not enforceable against the Association until approved by the Members of the Association as described herein. Thereafter, the Association has all powers necessary and appropriate to effect the conveyance or encumbrance, free and clear of any interest of any Owner or the Association in or to the Common Area conveyed or encumbered, including the power to execute deeds or other instruments. Any purported conveyance, encumbrance, or other voluntary transfer of Common Area, unless made pursuant to this Section, is void. No conveyance or encumbrance of Common Area pursuant to this Section may deprive any Lot or Dwelling Unit of its rights of access and support.

9.5 Outside Use of Common Areas. The Master Association may, upon approval of the Association, permit Owners in other neighborhoods in the Community to use all or a portion of any Common Area upon payment of reasonable user fees, which fees shall be used to offset the Common Expenses attributable to such Common Area.

9.6 Limited Common Property.

a. Certain portions of the Property, including Common Areas, may be designated as Limited Common Area and reserved for the exclusive use or primary benefit of Owners and occupants within a particular Neighborhood or Neighborhoods, or may be conveyed by Declarant or the Association to the appropriate Neighborhood Association. The

provisions of the Master Declarations regarding Limited Common Areas shall apply to the Property covered by this Declaration.

9.7 Owners' Personal Property. The Association or the Declarant shall not be liable in any manner for the safekeeping, condition or loss of any vehicle or other personal property belonging to or used by an Owner or his family, guests or invitees, located on or used in the Common Areas or the Limited Common Areas.

ARTICLE TEN
COVENANT FOR PAYMENT OF ASSESSMENTS

10.1 Creation of the Lien and Personal Obligation for Assessments. Except for Declarant and Builders, whose obligations to pay Assessments are set forth in Sections 10.12 and 10.13 below, each Member who is the owner of any Lot or Dwelling Unit, by acceptance of a deed therefor, and all other Members, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to and does hereby covenant and agree to pay as limited below, to the Association:

a. annual assessments or charges as herein or in the Bylaws provided,

b. special assessments for capital improvements (such annual and special assessments to be fixed, established, and collected from time to time as herein or in the Bylaws provided); and

c. Special Individual Assessments, as defined and described in Section 10.5.

d. The annual and special Assessments and any Special Individual Assessments of an Owner and any fines, liquidated damages or summary charges as herein or in the Bylaws provided, together with such interest thereon and costs of collection thereof as herein provided, shall be a charge on the land and shall be a continuing lien upon the Lot or Dwelling Units against which each such Assessment is made. Each such Assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person or persons jointly and severally, who is (are) the Owner(s) of such properties at the time when the Assessment fell due.

10.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, access, maintenance of property values, security, safety and welfare of the residents of the Property and other Members, and in particular for:

a. improvement, maintenance, and replacement of any of the Association's Common Areas including, without limitation, the Facilities;

b. payment of the Common Expenses;

c. maintenance of the exteriors of the Dwelling Units and related improvements on Improved Lots in the Property, including siding, thresholds, the exterior of window and doors frames, paint, gutters, roofs, foundations, walkways, lawns and landscaping, but not including repair or replacement of any window glass or maintenance of any improvement added to a Dwelling Unit after completion of initial construction thereof by the Owner or occupant of such Dwelling Unit;

d. establishment of capital replacement reserves; and

e. acquisition of services and facilities devoted to the foregoing purposes or for the use and enjoyment of the Association's Common Areas, including but not limited to, the cost of repairs, replacements, additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against those

Common Areas, the procurement and maintenance of insurance related to those Common Areas, its recreational facilities and use in accordance with the Bylaws, the employment of attorneys to represent the Association if necessary, and such other requirements as are necessary to perform all of the aforesaid functions and purposes.

10.3 Assessment of Uniform Rates. Both annual and special assessments shall be fixed at uniform rates for every similar Lot or Dwelling Unit receiving similar services within the Property; provided, however, that it is envisioned that the Dwelling Units which differ in nominal Lot size (currently planned are Lots of nominal front width of 22, 28 and 40 feet, subject to change without notice), or which differ in size of garage (currently planned are Dwelling Units with no garages as well as one- and two-care garages, subject to change without notice), may be treated differently with regard to Assessments due to differences in repair reserve requirements and insurance, maintenance and landscaping expenses, for example. The Owner(s) of some Dwelling Unit(s) may also be subject to an assessment for the maintenance, improvement and replacement of any Limited Common Areas located on or adjacent to the Lot on which such Dwelling Unit is located. Assessments paid to the Association shall not in any way diminish or offset any Assessments due and owing under the terms of the Master Declaration to the Master Association unless otherwise specifically provided.

10.4 Special Assessments for Capital Improvements.

a. In addition to the regular annual Assessments, the Association may levy in any assessment year, a special Assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of professional or consulting fees, any construction or reconstruction, unexpected repairs or replacement of any capital improvement located upon the Association's Common Areas, or Limited Common Areas (in the discretion of the Association), including the necessary fixtures and personal property related thereto, provided that any such Assessment shall have the consent of two-thirds (2/3) of the votes of the Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall have been sent to all Members in accordance with the provisions of the Bylaws for such special meetings.

b. In addition to the foregoing special Assessment approved by the Members, as described in the preceding paragraph, the Association may levy a special Assessment, in the event of emergencies in which the Association perceives an immediate threat to persons or to property, without the consent of the Members. The amount of such Assessment, however, may not exceed $500.00 per Lot or Dwelling Unit per year.

10.5 Special Individual Assessments. In addition to the regular annual Assessments and the special Assessments for capital improvements described above, the Association may levy, from time to time, on a particular Lot or Dwelling Unit rather than on all Lots, Dwelling Units or types of Lots or Dwelling Units in the Property, special individual Assessments, immediately due and payable, consisting of any fines assessed by the Association under authority contained herein or in the Bylaws for an Owner's violations of the terms and conditions of this Declaration, any liquidated damages or summary charges imposed under authority contained in the Bylaws, together with costs, fees and expenses (including reasonable attorneys' fees) incurred by the Association incidental to the enforcement of any rules and regulations, the collection of Assessments (both annual and special) or the collection of damages or charges arising under the Bylaws.

10.6 Application of Surplus Funds. Any surplus funds of the Association remaining after payment of or provision for Common Expenses (including expenses for special Assessments described in Section 10.4 hereof), the funding of a reasonable operating expense surplus, and any prepayment of reserves, as determined in the Board's sole discretion, shall be paid to the existing Owners in proportion to their Commons Expense liabilities or credited to them to reduce their future Common Expense Assessments, the election of which application of the funds shall be made by the Board.

10.7 Date of Commencement of Annual Assessment: Due Dates. The regular annual Assessments provided for herein shall be paid (as determined by the Board) in monthly, quarterly, semiannual, or annual installments. The payment of the regular annual Assessment by Owners shall commence as to each Lot or Dwelling Unit, on the first day of the

month following the conveyance of that property by the Declarant. The first regular annual Assessment shall be adjusted according to the number of months remaining in the calendar year. The Board shall fix the amount of the annual Assessment at least fifteen (15) days in advance of each regular annual Assessment period. Written notice of the regular annual Assessment shall be sent to every Member subject thereto. The due dates shall be established by the Board. The Association, upon any qualified demand (as determined by the Board) at any time, shall furnish a certificate in writing signed by an officer of the Association setting forth whether any specific Assessment has been paid. Such properly executed certificate of the Association as to the status of the Assessment is binding upon the Association as of the date of its issuance. The first Assessments levied against any additions to the Property not now subject to Assessment, at a time other than the beginning of any Assessment period, shall be an amount which bears the same relationship to the regular annual Assessment as the remaining number of months in that year bear to twelve. The due date of any special Assessment under Section 10.4 or any other Assessments permitted by the Declaration shall be fixed in the resolution or resolutions authorizing such Assessment.

10.8 Duties of the Board of Directors.

a. The Board of Directors of the Association shall fix the amount of the Assessment or Assessments against each Member, for each Assessment period, at least fifteen (15) days in advance of such date or period and shall, at that time, prepare a roster of the Members and Assessments applicable thereto which shall be kept in the office of the Association, or at any other place designated by the Board upon notice to the Members, and which shall be open to inspection by any Member. Unless otherwise provided by the Board of Directors of the Association, the annual Assessment Period shall be deemed the calendar year commencing January 1st and ending December 31st of any year. The Board of Directors of the Association shall have the right to change the Annual Assessment Period to a fiscal year other than a calendar year by vote of the Board of Directors.

b. Within thirty (30) days after adoption of any proposed budget for the Townhomes, the Board shall provide to all Owners a summary of the budget and a notice of the meeting to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. The Board shall set a date for a meeting of the Owners to consider ratification of the budget, such meeting to be held not less than ten (10) nor more than sixty (60) days after mailing of the summary and notice. There shall be no requirement that a quorum be present at the meeting. The budget shall be deemed ratified at the meeting unless at that meeting a majority of the Owners in the Association reject the budget. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners (or the initial budget if no other budget has been ratified by the Owners) shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board.

10.9 Judgments Against Association. Assessments to pay a judgment against the Association may be made only against the Lots or Dwelling Units at the time the judgment was entered, in proportion to their Common Expense liabilities. If Common Expense liabilities are reallocated, Common Expense Assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated Common Expense liabilities.

10.10 Effect of Non-Payment of an Owner's Assessment; Personal Obligation of the Owner; Lien; Remedies of Association.

a. If the Assessments of an Owner are not paid within thirty (30) days following the date due (being the dates referred to in Section 10.7), then such Assessments shall become delinquent and shall, together with such interest thereon and costs of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot(s) or Dwelling Unit(s), as appropriate, from and after the time of the filing of a claim of lien with the Clerk of Superior Court of Mecklenburg County, which lien shall bind such Lot(s) or Dwelling Unit(s), as appropriate, in the hands of the then-Owner, his heirs, devisees, personal representatives, successors and assigns. The personal obligation of the then Owner to pay such Assessment shall remain his personal obligation for the statutory period; and, in addition, shall pass to his successors in title (as an encumbrance or lien against the Lot or Dwelling Unit, as appropriate) unless expressly waived by the Board.

b. If the Assessment(s) is not paid within thirty (30) days after the due date, the Assessment(s) shall bear interest from the date of delinquency at the rate of one and one-half percent (1.5%) per month (or the highest rate allowed by law, whichever is less), and the Board, acting on behalf of the Association, may authorize its officers to bring appropriate civil action against the Owner personally obligated to pay the same or to file a claim of lien and foreclose such lien against any such Lot(s) or Dwelling Unit(s), as appropriate, in like manner as a mortgage on real estate under power of sale under Article 2A of Chapter 45 of the North Carolina General Statutes, and there shall be added to the amount of such Assessment, the costs of such action and reasonable attorneys' fees or other cost incurred by the officers of the Association pursuant to authority of the Board. A claim of lien shall specify the name and address of the Association, the name of the record owner of the Lot or Dwelling Unit at the time the claim of lien is filed, a description of the Lot or Dwelling Unit, and the amount of the lien claimed. In the event a judgment is obtained against any Owner for such Assessments, such judgment shall include interest on the Assessment as above provided and a reasonable attorney's fee to be fixed by the court, together with the costs of the action. In addition, the Board may set a schedule of late fees also due and payable if an Assessment is not paid within thirty (30) days after the due date, which late fees shall be in addition to the other changes described herein.

10.11 Subordination of the Lien on an Owner's Property to Mortgages or Deeds of the Trust. The lien on an Owner's property of the Assessments provided for herein shall be absolutely subordinate to the lien of any first mortgage or deed of trust now or hereafter placed upon any Lot(s) or Dwelling Unit(s), subject to Assessment. The subordination shall not relieve any Lot(s) or Dwelling Unit(s), from liability for any Assessments now or hereafter due and payable, but the lien thereby created shall be secondary and subordinate to any first mortgage or deed of trust as if said lien were a second mortgage, irrespective of when such first mortgage or deed of trust was executed and recorded. The sale or transfer of a Lot, Improved Lot or Dwelling Unit shall not affect any lien for Assessments. However, the sale or transfer of a Lot or Dwelling Unit that is subject to a first mortgage or first deed of trust, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such Assessments as to the payment thereof which became due prior to such sale or transfer. The extinguished Assessments shall be collectable as a Common Expense from all Owners. No such sale or transfer shall relieve a Lot or Dwelling Unit from liability for any assessments thereafter becoming due, or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any such first mortgage or first deed of trust.

10.12 Exempt Property. The following property subject to this Declaration shall be exempted from the Assessments, charges and liens created herein:

a. all Common Areas as defined in Article Three of this Declaration;

b. all Limited Common Areas as defined in Article Three of this Declaration;

c. all properties exempted from taxation by the laws of the State of North Carolina, upon the terms and to the extent of such legal exemption (Homestead exemptions shall not be considered an exemption); and

d. all Lots or Dwelling Units owned by the Declarant to the extent the provisions of Section 10.13 apply thereto.

10.13 Declarant's Obligations for Assessments. As long as and whenever the Declarant owns twenty-five percent (25%) or more of the Lots comprising the Property from time to time, the Declarant's obligation for Assessments on unsold Lots subject to this Declaration will be limited to the difference between the actual operating costs of the Association and the Assessments levied on the existing Members other than the Declarant. In no event, however, will the Declarant be required to make a deficiency contribution in any amount greater than the Builder Rate (defined below) on unsold Lot(s) owned by Declarant. Such advances by Declarant shall, at the request of Declarant, by evidenced by promissory notes from the Association in favor of Declarant, but the failure of Declarant to request the same shall not invalidate the debt to Declarant. Whenever the Declarant owns less than twenty-five percent (25%) of the Lots in the

Property, Declarant shall pay Assessments at the Builder Rate (as hereinafter defined) for each Lot owned by the Declarant, and the Declarant shall not have any obligation to make a deficiency contribution.

10.14 Builders' Obligations for Assessments.

a. Notwithstanding anything to the contrary in Section 10.3 or Section 10.7, for each Lot or Dwelling Unit owned or constructed by a builder who do not intend to live in the improvement they are constructing or causing to be constructed ("Builders"), a one-time capital contribution shall be paid by the Builder to the Declarant pursuant to the following schedule (Lot sizes are nominal, not actual):

i.	22 foot wide Lots:	$500.00.
ii.	28 foot wide Lots:	$590.00.
iii.	Lots larger than 28 feet wide:	$670.00.

The foregoing payment shall be paid at the purchase of Lot from the Declarant and shall be in lieu of regular Assessments for a period of six (6) months. If the Builder still owns the Lot after six (6) months, subparagraph (b) below shall apply to the Builder's obligation to pay Assessments thereafter.

b. The annual Assessments on Lots or Dwelling Units owned by Builders after the above-referenced six (6) month period shall accrue annually at a rate equal to half (50%) of the rate applicable to Owners (other than the Declarant) (such discounted rate herein called the "Builder Rate") from the 180th day after the date of the Builder's purchase of the Lot. Once a Lot or Dwelling Unit is sold by a Builder to any third party which is not a Builder, the new Owner thereof shall pay Assessments at the full rate for each such Lot or Dwelling Unit.

10.15 Maximum Annual Assessment. From and after January 1 of the year immediately following the conveyance of the first Lot or Dwelling Unit from the Declarant, the annual Assessment each year shall be increased no more than twenty percent (20%) of the previous years' Assessment, unless two-thirds or more of each class of the Members present or voting by proxy at a duly called meeting vote to increase the annual Assessments for a given year by more than twenty percent (20%) more than the annual Assessments for the prior year. The Board may fix the annual Assessments at any amount not greater than the maximum described here or determined by the duly called meeting as described above. The limitation in the increase in the annual Assessments herein shall not apply to any change in the maximum amount of the Assessments undertaken as an incident to a) a merger or consolidation in which the Association is authorized by law to participate, b) as an incident to any additions to the Property or submission of additional property pursuant to Section 1.2 of this Declaration, or c) a special emergency Assessment pursuant to Section 10.4(b) hereof.

10.16 Assessments Separate from Assessments Pursuant to Master Declaration. Owners are hereby reminded that Assessments described hereunder are different from and in addition to any and all assessments established in the Master Declaration, and the levying and payment of Assessments pursuant to this Declaration does not diminish, replace, or alter the levying and payment of assessments by and to the Master Association as described in the Master Declaration.

10.17. Attorneys' Fees. In any action brought by the Association to enforce any provisions of the Articles of Incorporation, this Declaration, the Bylaws, or the duly-adopted rules and regulations of the Association, the court may award reasonable attorneys' fees to the prevailing party.

ARTICLE ELEVEN
EXTERIOR MAINTENANCE AND INSURANCE

11.1 Exterior Maintenance. The Association shall provide routine maintenance and repair services for the exterior of each Dwelling Unit in the Property as Common Expenses, but excluding those Dwelling Units in the inventory of their initial builders prior to sale to Owners who intend to use them as residences. Such services shall include

maintenance and repair of all exterior surfaces including roofs, siding, trim, gutters and downspouts, porches, stoops, patios, railings, decks, light fixtures, driveways, walkways and the exterior surfaces of exterior doors, provided the same were originally provided by the original builder of the Dwelling Unit, as well as ordinary lawn and landscaping care. It shall be the duty of the Owner and not the Association to maintain the following: glass surfaces, light bulbs, window and door screens, weather-stripping, and any exterior improvement, including trees, plants, flowers or other landscaping, not originally provided by the original builder of the Dwelling Unit or by the Association. The Board of the Association shall provide the aforesaid maintenance as it determines in its sole discretion in order to uphold the aesthetic quality and property values of the Property, but in any event, upon a regular written schedule. A blanket easement over each Lot and the exterior of each Dwelling Unit in the Property is hereby reserved for the Association to perform such maintenance at all reasonable times.

11.2 Costs of Maintenance. No maintenance performed by an Owner shall have the effect of reducing his liability for payment of Assessments to the Association. Should a need for maintenance be caused by the negligent or intentional acts of an Owner, his family members, guests, tenants, invitees, contractors, employees or agents, the costs of the same shall be a Special Individual Assessment payable by that Owner and enforceable as set forth in Article Ten hereof.

11.3 Association's Duty to Rebuild Townhome Units. After the completion of a Dwelling Unit on a Lot by its initial builder and conveyance of the same to the initial Owner, if such unit suffers casualty damage by fire or other means, the Association shall, with the concurrence of the first mortgagee of the unit, if any, contract to rebuild or repair such damage in accordance with the unit's original plans and specifications upon receipt of the insurance proceeds covering the loss. In the event the insurance proceeds are insufficient to pay all the costs to repair or rebuild, the Board shall levy a Special Assessment upon all Members as required to cover any deficiency.

11.4 Association to Maintain Insurance on Townhome Units. The Association shall maintain property insurance covering each Dwelling Unit and the building in which it is located once each such unit has been conveyed by its Builder to the initial Owner who intends to use it as a residence and thereafter, and the expense of such insurance shall be a Common Expense. The insurance shall name the Board of the Association as Trustee for the Lot Owners, for the benefit of the Lot Owners and their respective mortgagees, as their respective interests may appear. The insurance shall cover not less than 100% of the replacement cost of each Dwelling Unit and building, but not including the cost of the land, driveway, foundation, excavations and other such commonly excluded items. The insurance shall afford coverage against all risks of direct physical loss, including fire and other hazards covered by the standard extended coverage endorsement, as well as such other risks as may be advisable in the Board's discretion. The insurance shall include the following provisions:

a. That each Lot Owner is an insured person under the policy to the extent of his insurable interest;

b. That the insurer waives its right of subrogation against the Lot Owner or member of his household;

c. That no act or omission by the Lot Owner, unless acting within the scope of his actual authority on behalf of the Association, will preclude recovery under the policy;

d. That the policy may not be canceled or significantly modified without at least thirty (30) days prior written notice to all insureds, including any mortgagees; and

e. That the policy shall be considered the primary policy should there be other insurance in the name of the Lot Owner covering the same loss.

f. Any loss covered by the insurance shall be adjusted with the Association, but the proceeds for any loss are payable as directed by the Association and not to any mortgagee. Proceeds shall be held in trust for the benefit of Lot Owners and lienholders as there interests may appear. Proceeds shall be disbursed first for restoration and repair of the

damaged property, and Lot Owners and lienholders shall not be entitled to any portion of the proceeds unless there is a surplus after complete restoration and repair, or the entire Association, including the Master Association, is terminated.

11.5 Insurance to be Maintained by Lot Owner. Each Lot Owner shall, at the time of acquiring possession to his Lot, and during all times of his ownership or use, shall maintain the following insurance:

a. Property insurance covering all of his personal property on the Lot. The insurer under such policy shall waive any right of subrogation against the Association and all other Lot Owners for negligence resulting in a loss to such personal property; and

b. Liability insurance in reasonable amounts covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of such Owner's Lot, including a waiver of subrogation provision as to any rights the insurer may have against the Association or other Lot Owners for any loss.

ARTICLE TWELVE
PARTY WALLS

12.1 General Rules of Law Apply. To the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage resulting from negligence or willful acts or omissions shall apply to each party wall or party fence which is built as part of the original construction upon each Lot and any replacement thereof. If any portion of any structure originally constructed by Declarant, including any party wall, any extension of a party wall, or any common fence, protrudes over an adjoining Lot, or into the Common Area; such structure, wall or fence shall be deemed to be a permitted encroachment upon the adjoining Lot or Common Area, and the Owners and the Association shall neither maintain any action for the removal of the encroaching structure, wall or fence, nor any action for damages. If there is a protrusion as described in the immediately preceding sentence, it shall be deemed that the affected Owners or the Association have granted perpetual easements to the adjoining Owner or Owners for continuing maintenance and use of the encroaching structure, wall or fence. The foregoing provision also shall also apply to any replacements in conformance with the original structure, wall or fence constructed by Declarant. The provisions of this Section shall be perpetual in duration and shall not be affected by an amendment of this Declaration.

12.2 Sharing of Repair and Maintenance. The costs of reasonable repair and maintenance of a party wall shall be shared by the Owners who own such party wall in equal shares, to the extent such maintenance is not the responsibility of the Association under Article VII.

12.3 Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if any other Owner thereafter makes use of the wall, he shall contribute to the cost of restoration thereof in his proportionate share, without prejudice, however, to the right of any such Owner to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions.

12.4 Weatherproofing. Notwithstanding any other provision of this article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

12.5 Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this article shall be appurtenant to the land and shall pass to such Owner's successors in title.

12.6 Easement and Right of Entry for Repair, Maintenance, and Reconstruction. Every Owner shall have an easement and right of entry upon the Lot of any other Owner to the extent reasonably necessary to perform repairs,

maintenance, or reconstruction of a party wall. Such repairs, maintenance, or reconstruction shall be done expeditiously and in a professional manner, and, upon completion of the work, the Owner shall restore the adjoining Lot or Lots to as near the same condition as that which prevailed prior to commencement of the work as is reasonably practicable.

12.7 Certification With Respect to Contribution. If any Owner desires to sell his Lot, he may, in order to assure a prospective purchaser that no adjoining Owner has a right of contribution as provided in this article, request of the adjoining Owner or Owners a certification that no right of contribution exists, whereupon it shall be the duty of each adjoining Owner to make such certification within fifteen (15) days of such request and without charge. If the adjoining Owner claims the right of contribution, the certification shall contain a recital of the amount claimed and the basis therefor, which shall be binding on the adjoining Owner claiming the right.

12.8 Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision of a majority of all such arbitrators shall be binding upon the Owners, who expressly agree to submit to and be bound by such arbitration procedure and decision. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor, the Board shall select an arbitrator for the refusing party. All arbitrators chosen shall be either architects, engineers, general contractors or attorneys licensed as such in North Carolina.

ARTICLE THIRTEEN
AMENDMENT TO DECLARATION

13.1 Owner/Member Initiated.

a. An amendment to this Declaration may be proposed upon a majority vote of the Owners (including the Declarant while the Declarant is an Owner), whether meeting as Owners or by instrument in writing signed by them. Any proposed amendment to this Declaration shall be transmitted in writing to all current Owners, and there shall be called a special meeting of the Owners for a date not sooner than ten (10) days nor later than sixty (60) days from date of notice. It shall be required that each Owner be given written notice of such special meeting, stating the time and place, and reciting the proposed amendment in reasonably detailed form, which notice, if mailed, shall be mailed not less than ten (10) days nor more than sixty (60) days before the date set for such special meeting. Such notices shall be made in compliance with the provisions of Section 4.2 hereof, and after made in compliance therewith, shall be deemed to be properly given. Any Owner may, by written waiver of notice signed by such Owner, waive such notice, and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of notice to such Owner. At the meeting, the amendment proposed must be approved by an affirmative vote of sixty-seven percent (67%) of the votes (with the votes being calculated as provided in Sections 8.2 and 8.3 hereof) of Owners (including the Declarant) entitled to vote in order for such amendment to become effective. At any meeting held to consider such amendment, the written vote of any Owner shall be recognized and counted even if such Owner is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Association prior to or at such meeting. If so approved, such amendment of this Declaration shall be properly transcribed and certified by two (2) officers of the Association, on a form substantially similar to the form attached hereto as Exhibit C, as having been duly adopted and approved by the requisite percentages of Owners and lenders. The original or an executed copy of such amendment, properly executed with the same formalities as a deed, shall be recorded in the Office of the Register of Deeds of Mecklenburg County, and no such amendment to this Declaration shall be effective until so recorded. If any amendment to the Declaration creates an inconsistency in the Bylaws, to the extent such inconsistency exists, the Declaration shall control.

b. Without the prior written consent of the Declarant (during Class II membership), there shall not be allowed any Owner/Member-initiated amendments to this Declaration for a period of five years from the effective date hereof. The above limitation shall in no way limit or diminish Declarant's rights to make amendments to any part of the Declaration under the powers reserved in Section 13.2 below.

c. No amendment may disturb any of the rights allocated to Declarant by this Declaration or any other declaration recorded for the Property, including but not limited to rights incident to the Declarant's control of the Board pursuant to Section 13.2(b)(viii) below, rights included in the Special Declarant Rights, and the Development Rights of Declarant.

13.2. Declarant's Right to Unilaterally Amend; Control of Board. Declarant shall have the right to unilaterally amend this Declaration without the consent or joinder of the Owners as set forth in Section 7.4 hereof.

13.3. When Effective; Recording; Title Searching. An amendment to this Declaration that complies with the provisions of Section 13.1 or Section 13.2 shall be effective when recorded in the Mecklenburg County Register of Deeds. The amendment shall be indexed under the name of the Declarant or its successor, the Association or its successor, or the Owners of the property in the Property. The failure of the amendment to be indexed under all of the foregoing shall not invalidate such amendment so long as the amendment has been indexed under at least one of the foregoing. Anyone searching title on Lots or Dwelling Units in the Property should search under the names of the foregoing to discover amendments to this Declaration that may have occurred after the Lot or Dwelling Unit has been conveyed to an Owner from the Declarant.

ARTICLE FOURTEEN
SEVERABILITY AND GOVERNING LAW

If any provision of this Declaration is found to be invalid by any court, the invalidity of such provision shall not affect the validity of the remaining provisions hereof, and for the purposes hereof all covenants as contained herein shall be deemed to be severable each from each other without qualification. This Declaration and the separate provisions thereof shall be construed and enforced in accordance with the laws of the State of North Carolina without regard to principles of conflict of laws.

SIGNATURES ARE ON THE FOLLOWING PAGE.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be duly executed by authority duly granted as of the date first above written.

J&B DEVELOPMENT AND MANAGEMENT, INC.,
a North Carolina corporation

By: _____
Robert W. Burkett, President

PISTON, LLC, a North Carolina limited liability company, solely to subject its real property to the operation of this Declaration and not as the Declarant or any other obligor or covenantor hereunder

By: _____
Robert W. Burkett, Manager

STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

I, a Notary Public of Cabarrus County, North Carolina, certify that Robert W. Burkett, being personally known to me, personally came before me this day and acknowledged that he is President of J&B Development and Management, 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 him as President.

WITNESS my hand and official stamp or seal, this 19th day of December, 2006.

NOTARY PUBLIC

My Commission Expires:

12/14/08

(NOTARIAL SEAL)

STATE OF NORTH CAROLINA

COUNTY OF CABARRUS

OFFICIAL SEAL
Notary Public North Carolina
CABARRUS COUNTY
ZACHARY M. MORETZ
My Commission Expires

I, a Notary Public of Cabarrus County, North Carolina, certify that Robert W. Burkett, being personally known to me, personally came before me this day and acknowledged that he is Manager of Piston, LLC, a North Carolina limited liability company, and that by authority duly given and as the act of the company, the foregoing instrument was signed in its name by him as Manager.

WITNESS my hand and official stamp or seal, this 19th day of December, 2006.

NOTARY PUBLIC

My Commission Expires: 12/14/08

(NOTARIAL SEAL)

OFFICIAL SEAL
Notary Public North Carolina
CABARRUS COUNTY
ZACHARY M. MORETZ
My Commission Expires

EXHIBIT A

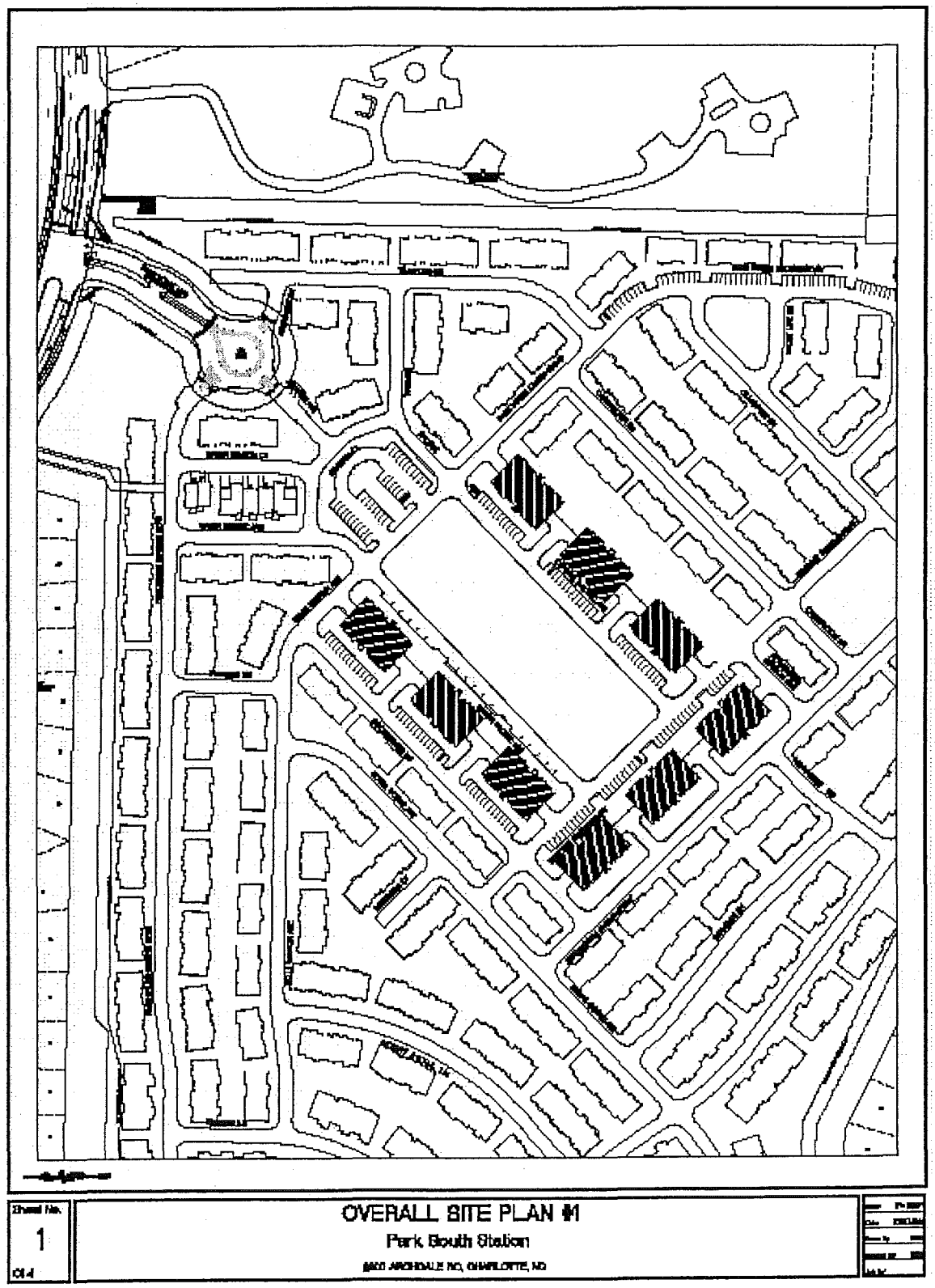
Legal Description of the Property

Mecklenburg County Tax Parcel 173-061-01

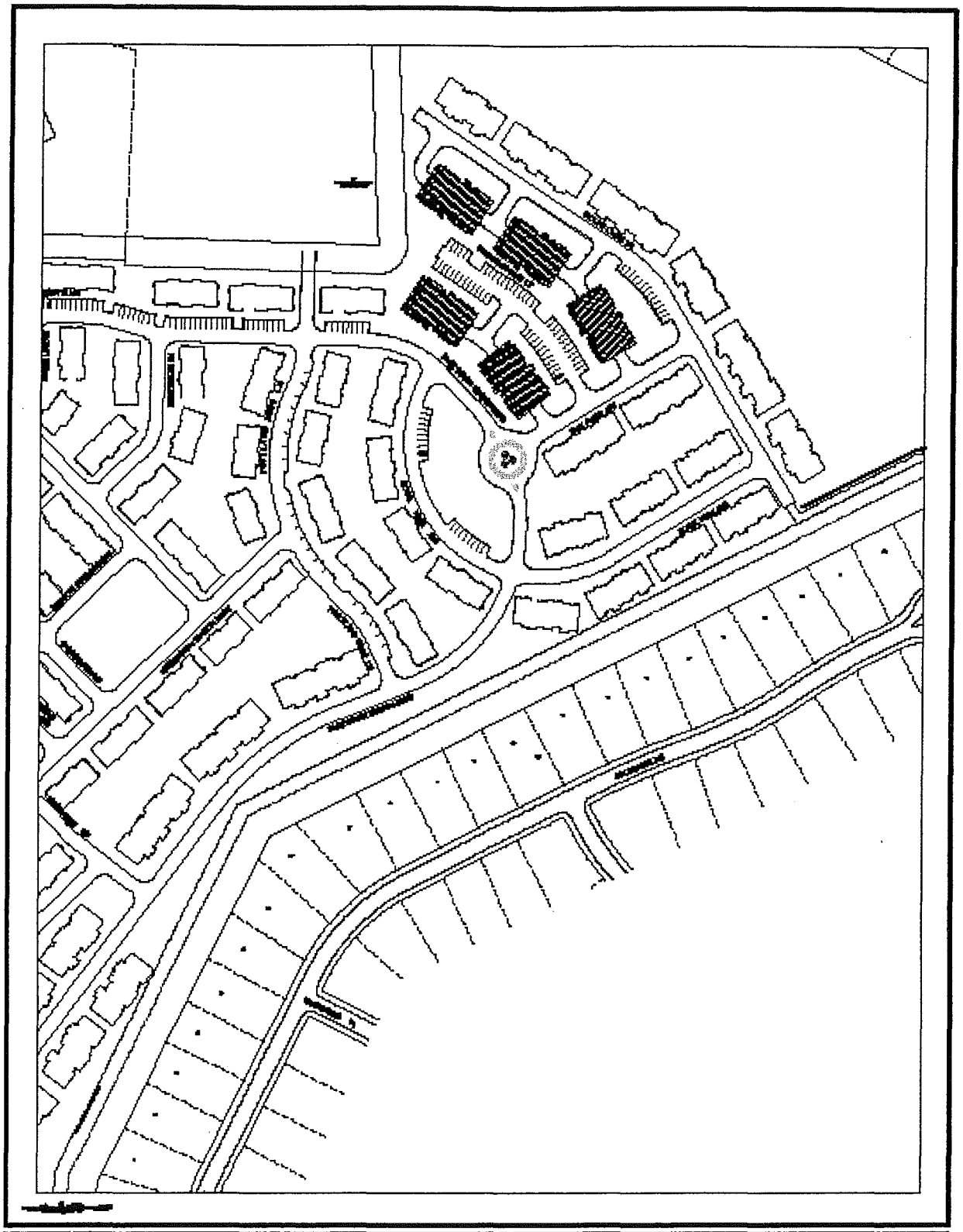
BEGINNING at a new iron rod located on the southerly right of way margin of Archdale Drive (Variable Public R/W), which iron rod is also located in the northwesterly most corner of the property of The City of Charlotte Housing Authority as the same is described in deed recorded in Book 3840 at page 882 in the Mecklenburg Public Registry; thence with the westerly property lines of the aforesaid City of Charlotte Housing Authority property and the property of The City of Charlotte (No Deed Found) S 01-34-38 W 1822.42 feet (crossing an existing concrete monument at 58.25 feet) to an existing concrete monument at the southwesterly most corner of the aforesaid City of Charlotte property; thence with the southerly property line of the aforesaid City of Charlotte property N 87-28-14 E 586.69 feet (crossing an existing iron rod set on line at 503.34 feet) to a point in the centerline of Little Sugar Creek; thence with the aforesaid centerline of Little Sugar Creek four (4) calls and distances as follows: (1) S 11-05-00 W 662.79 feet to a point; (2) S 27-00-11 W 433.92 feet to a point; (3) S 54-03-32 W 456.17 feet to a point; and (4) S 41-16-24 W 180.23 feet to a point; thence with the rear property lines of (i) Lots 122 and 121 of Starmount #5 as shown on map recorded in Map Book 9 at Page 513 in the Mecklenburg Public Registry; (ii) Lots 84 thru 52 of Starmount #4 as shown on map recorded in Map Book 9 at Pages 151 and 153 in the Mecklenburg Public Registry and (iii) Lots 49 thru 30 of Starmount #3 as shown on map recorded in Map Book 9 at Pages 257 and 259 in the Mecklenburg Public Registry, four (4) calls and distances as follows: (1) N 26-44-15 W 1787.97 feet (crossing an existing iron set on line at 80.32 feet) to an existing iron pipe; (2) N 63-34-11 W 670.38 feet to an existing iron pipe; (3) N 86-09-44 W 702.66 feet to a existing concrete monument; and (4) N 01-55-24 W 1378.90 feet to an existing iron rod located in the common rear corner of Lot 30 of the aforesaid Starmount #3 subdivision and Lot 1 of Montclaire #4 as shown on map recorded in Map Book 9 at Page 295 in the Mecklenburg Public Registry; thence with the rear property lines of Lots 3 thru 24 of the aforesaid Montclaire #4 subdivision, S 88-40-24 E 1883.63 feet to an existing concrete monument marking the southeast rear corner of Lot 24 of said Montclaire #4 subdivision; thence with the easterly property line of the aforesaid Lot 24, N 15-17-41 E 163.95 feet to an existing concrete monument located in the southerly right of way margin of Archdale Drive (Variable Public R/W); thence with the southerly right of way margin of the aforesaid Archdale Drive five (5) calls and distances as follows: (1) with the arc of a circular curve to the right, having a radius of 404.57 feet (chord bearing and distance of S 63-41-45 E 96.85 feet) an arc distance of 97.08 feet to a new iron rod; (2) S 56-49-19 E 83.94 feet to a new iron rod; (3) with the arc of a circular curve to the left, having a radius of 448.01 feet (chord bearing and distance of S 61-51-40 E 78.87 feet) an arc distance of 78.97 feet to a new iron rod; (4) with the arc of a circular curve to the left, having a radius of 788.45 feet (chord bearing and distance of S 69-20-48 E 67.02 feet) an arc distance of 67.04 feet to a new iron rod; and (5) with the arc of a circular curve to the left, having a radius of 1197.78 feet (chord bearing and distance of S 77-01-04 E 218.65 feet) an arc distance of 218.95 feet to the Point and Place of Beginning; containing 119.7766 Acres and depicted as "Tract 1" on Survey Prepared For Easlan Capital by R. B. Pharr & Associates, P.A., dated December 29, 2003, last revised December 7, 2005, reference to which survey is hereby made.

SAVE AND EXCEPT any portions of the above property designated for development as a condominium building on any future recorded plat of the property.

EXHIBIT B
Site Plans of the Property



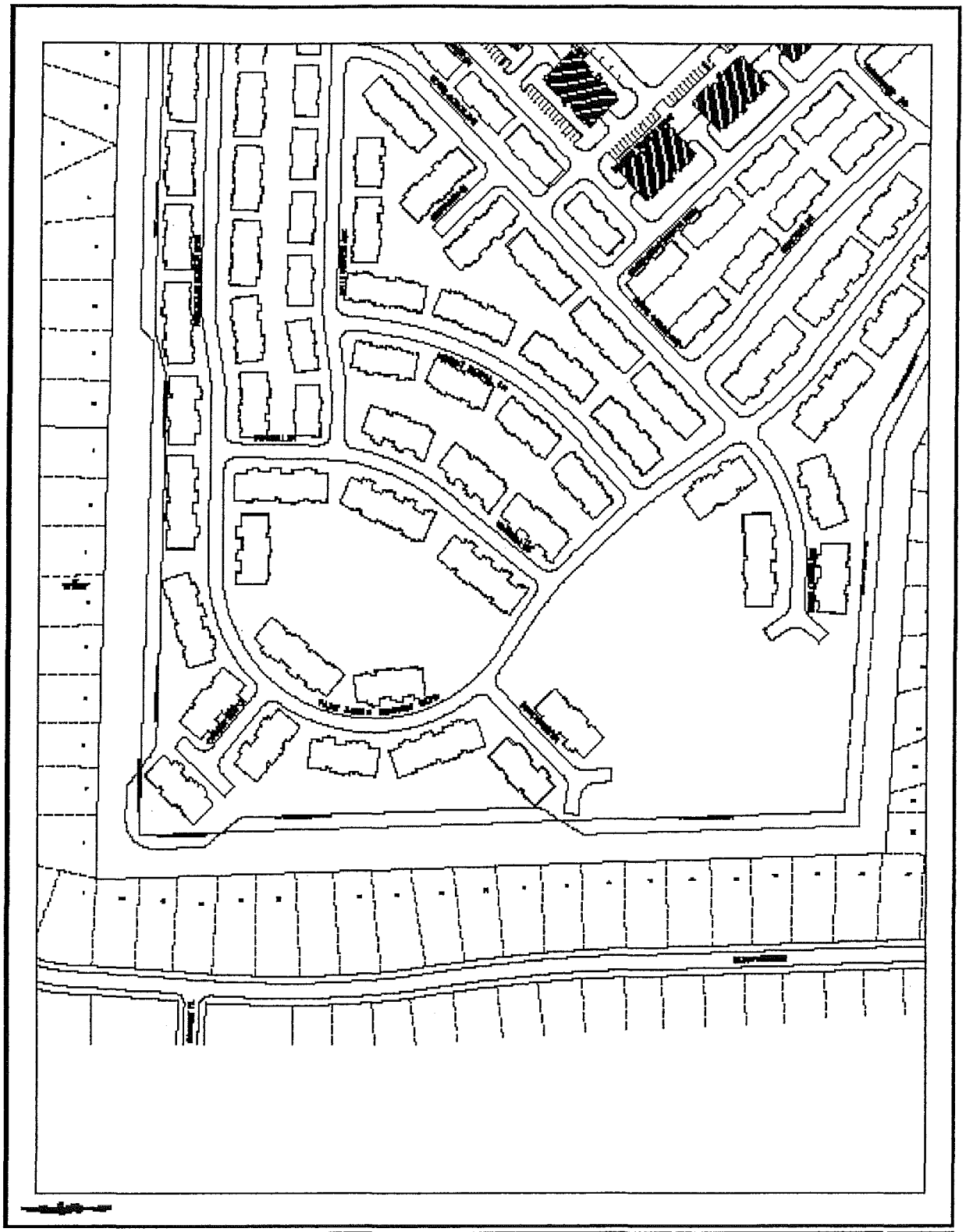
Site plans are preliminary, are provided for general information only, and are subject to change without notice.



Sheet No.	OVERALL SITE PLAN #2	
2	Park South Station	
OF 4	2900 ARCHDALE RD, CHARLOTTE, NC	

and are subject to change without notice.

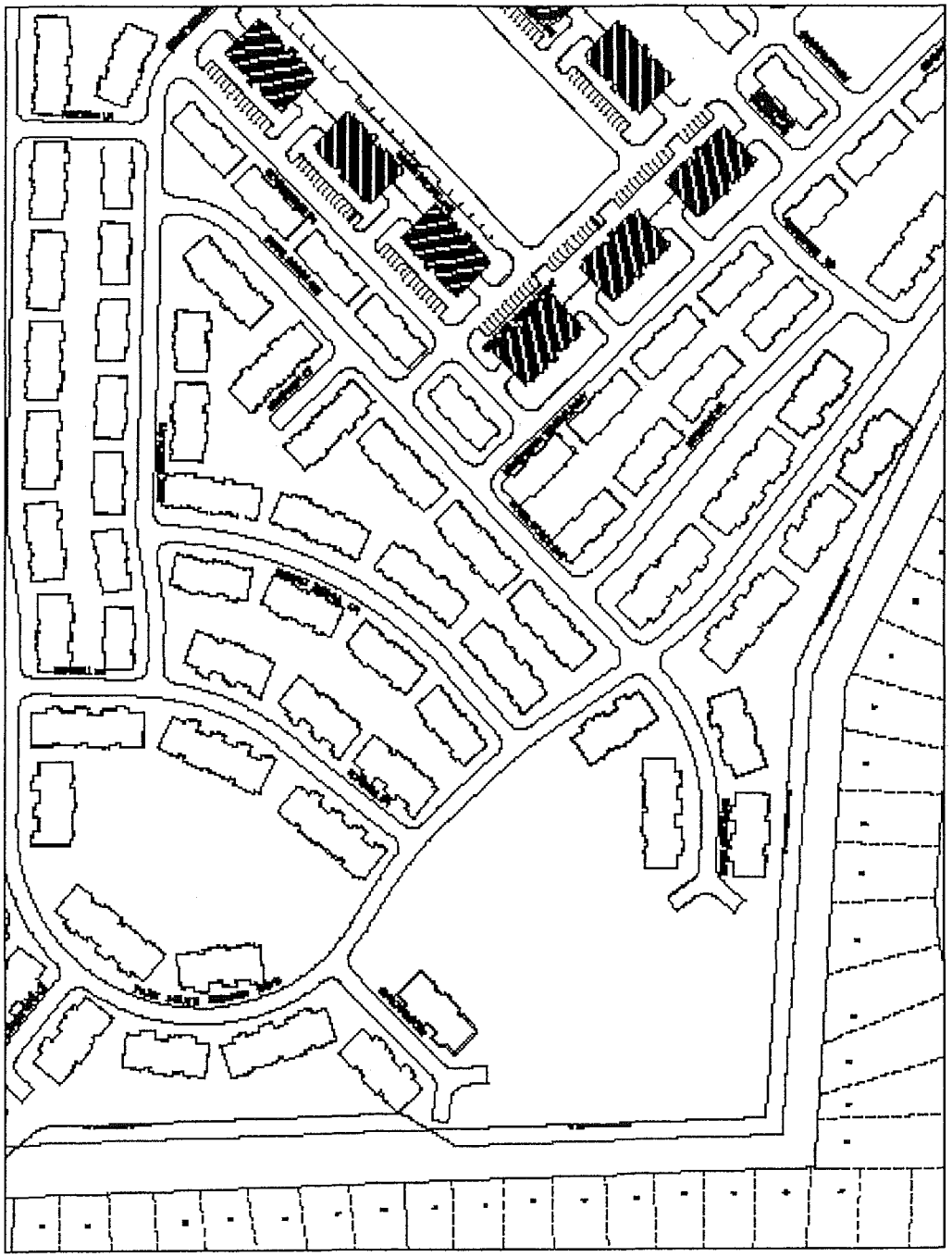
Exhibit B



Sheet No.	OVERALL SITE PLAN #3	
3	Park South Station	
OF 4		

and are subject to change without notice.

Exhibit B



Sheet No.	OVERALL SITE PLAN #4	
4 of 4	Park South Station	
	[illegible] ANDREWS RD, CHARLOTTE, NC	

Exhibit B

EXHIBIT C

Certification of Validity of First Amendment to Declaration of Covenants, Conditions and Restrictions for Park South Station Townhomes (to be attached to amendments to the Declaration)

By the authority of its Board of Directors, the Park South Station Townhome Association, Inc., hereby certifies that the foregoing instrument has been duly adopted and approved by the requisite percentage of Owners of Lots and Dwelling Units in the Park South Station Townhome community and is, therefore, a valid amendment to existing covenants, conditions and restrictions of the Park South Station Townhomes.

This the ___ day of _____, 2_____.

PARK SOUTH STATION TOWNHOME ASSOCIATION, INC.,
a North Carolina non-profit corporation

ATTEST:

_____ By: _____

_____Secretary _____ President