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MECKLENBURG CO. N.C.

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WEDGEWOOD, PHASES II AND III

THIS DECLARATION is made this 4th day of April,
1990, by FIRST COLONY GROUP, LTD., a North Carolina corpora-
tion, referred to in this instrument as "Developer."

STATEMENT OF PURPOSE

Developer is the owner of that certain parcel of land
which is known as Wedgewood, Phases II and III located in
Long Creek Township, Mecklenburg County, North Carolina,
more particularly described in Exhibit A attached hereto and
incorporated herein by reference (the "Submitted Property").

Developer is the owner of certain real property in
Mecklenburg County, located within the community more
particularly described in Exhibit B attached hereto (the
"Master Amenities Tract").

It is in the best interest of Developer, as well as to
the benefit, interest and advantage of each person or other
entity later acquiring any property in Wedgewood, Phases II
and III that certain covenants, conditions, easements,
assessments, liens and restrictions governing and regulating
the use and occupancy of the same be established, fixed and
set forth and declared to be covenants running with the
land.

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Developer desires to provide for the preservation of
the values and amenities and the desirability and attrac-
tiveness of the real property in Wedgewood, Phases II and
III and for the continued maintenance and operation of such
recreational and common areas as may be provided.

DECLARATION

In consideration of the premises and for the purposes
stated, Developer hereby declares that all of the Submitted
Property shall be held, sold and conveyed subject to the
following easements, restrictions, covenants and conditions
(all of which are collectively referred to in this instru-
ment as "restrictions"), which restrictions shall be con-
strued as covenants running with the land and shall be

Drawn by and Mail to: Cheryl D. Steele
Horack, Talley, Pharr & Lowndes, P.A.
2600 One First Union Center
301 South College Street
Charlotte, North Carolina 28202-6038



binding on all parties having any right, title or interest in the described real property or any part thereof, and their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I: DEFINITIONS

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

(1.1) "Association" shall mean Wedgewood Homeowners Association, Inc., a nonprofit corporation organized and existing under the laws of the State of North Carolina and its successors and assigns.

(1.2) "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of Wedgewood, Phases II and III, including those having such interest merely as security for the performance of an obligation.

(1.3) "Properties" shall mean the Submitted Property and such real property as may subsequently be brought within the jurisdiction of the Association.

(1.4) "Common Area" shall mean all real property owned by the Association in Wedgewood, Phases II and III for the common use and enjoyment of members of the Association lying within the boundaries of the Properties including the Master Amenities Tract. Common Areas, with respect to the Properties subject to this Declaration, shall be shown on the plats of Wedgewood, Phases II and III recorded in the Mecklenburg County Public Registry and designated thereon as "Common Area" or "Common Open Space."

(1.5) "Lot" shall mean any numbered plot of land to be used for residential purposes shown upon any recorded subdivision plat of the Properties subject to this Declaration.

(1.6) "Developer" shall mean and refer to First Colony Group, Ltd., and its successors and assigns and to any person, firm or corporation which shall hereafter become vested with title, at any given time, to ten or more undeveloped lots for the purpose of causing residence building(s) to be constructed thereon, and any such successor in title to First Colony Group, Ltd. shall be a Developer during such period of time as said party is vested with title to ten or more lots so long as said lots are undeveloped, developed but un conveyed, or improvements constructed thereon are unoccupied; but only during such period.

(1.7) "Person" shall mean a natural person, as well as a corporation, partnership, firm, association, trust or other legal entity. The use of the masculine pronoun shall include the neuter and feminine, and the use of the singular shall include the plural where the context so requires.

(1.8) "Wedgewood, Phases II and III" shall mean the Submitted Property described in Exhibits "A" and "B", together with such additions thereto as may from time to time be designated by Developer in accordance with Article II hereof, whether or not such additions are contiguous with or adjoin the boundary lines of the Submitted Property.

(1.9) "FHA and VA" shall mean and refer to the Federal Housing Administration, U.S. Department of Housing and Urban Development, and the Veteran's Administration, respectively. If either or both of these federal agencies shall hereafter cease to exist or perform the same or similar functions they now serve, references hereto to FHA or VA shall be deemed to mean and refer to such agency or agencies as may succeed to the duties and services now performed by either or both of these departments.

(1.10) "Master Amenities Tract" shall mean that certain real property in Mecklenburg County, North Carolina, described in Exhibit "B" attached hereto which shall include a swimming pool, tennis courts, and cabana for the benefit of each person or other entity acquiring any property in Wedgewood, Phases II and III and each person acquiring use privileges to such property.

(1.11) "Club Members" shall mean those persons, other than the record Owner or Developer, who shall contract with the Association to use the Master Amenities Tract.

ARTICLE II: PROPERTY SUBJECT TO THIS DECLARATION

The Submitted Property shall be held, transferred, sold, conveyed and occupied subject to this Declaration. Only the Submitted Property is hereby made subject to this Declaration; provided, however, Developer shall have the right to subject other real property to these restrictions as provided in Section 2.2.

(2.2) Without further assent or permit, Developer hereby shall have the right within seven (7) years from the date of this Declaration, exercisable from time to time, to subject other real property within the area described on Exhibit C attached hereto in order to extend the scheme of this Declaration to other property to be developed as part of Wedgewood, Phases II and III and thereby bring such additional properties within the jurisdiction of the Association (provided that the FHA and the VA determine that the

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annexation of such area is in accord with Developer's general plan of development of Wedgewood, Phases II and III as previously approved by them, if such determination and approval are necessary), provided further that such annexation shall not result in more than a total of four hundred fifty (450) lots being developed by Developer or its successors or assigns on the property described on Exhibit A and Exhibit C attached hereto.

(2.3) Any addition of real property shall be made by filing of record one or more Supplemental Declarations in respect to the property to be then made subject to this Declaration, and the jurisdiction of the Association shall thereby then extend to such property and subject such addition to the assessments provided in this instrument for a just and proportionate share of the Association's expenses. Each Supplemental Declaration may contain such complementary additions and modifications of the covenants, conditions and restrictions contained herein as may be necessary to reflect the different character of the added properties and as are not inconsistent with the provisions of this Declaration.

(2.4) Upon the opening of any recreational facility by Developer for use by the Owners and Club Members, Developer shall convey the Master Amenities Tract to the Association. The recreational facilities in the Master Amenities Tract are collectively referred to herein as the "Recreational Area" and comprise a portion of the Common Area. Prior to such conveyance, Developer may, by subsequent amendment, withdraw from the operation of this Declaration and the covenants, conditions, restrictions, easements, charges and liens set forth herein, that certain 5.65 acre tract of land described on attached Exhibit "B" as the Master Amenities Tract and substitute hereunder a new Master Amenities Tract from the property described on attached Exhibit "C"; provided, however, any property substituted in accordance with this Paragraph shall not be less than 5.65 acres and shall be reasonably accessible to all Owners within the community.

(2.5) Without further assent or permit, Developer shall hereby have the right within seven (7) years from the date of this Declaration, exercisable from time to time, to subject the Properties described on Exhibit A attached hereto to such complementary additions and modifications of the covenants, conditions and restrictions contained herein as may be necessary to reflect the different character of certain properties within the Submitted Properties.

ARTICLE III: PROPERTY RIGHTS

(3.1) Owner's Easements of Enjoyment. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot subject to the provisions of this Declaration, including but not limited to the following:

(a) The right of the Association to limit the use of the Common Area to Owners, their families and guests and Club Members;

(b) The right of the Association to suspend the voting rights of an Owner for any period during which any assessment against his Lot remains unpaid, or for any infraction of the Association's published rules and regulations, if any;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Association members. No such dedication or transfer shall be effective after the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership unless the members entitled to at least two-thirds (2/3) of the vote appurtenant to Class A Lots and Class B Lots agree to such dedication or transfer and signify their agreement by a signed and recorded written document, provided that this paragraph shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of electrical, telephone, cablevision, water and sewerage utilities and drainage facilities upon, over, under and across the Common Area without the assent of the membership if such easements are requisite for the convenient use and enjoyment of the Properties.

(d) The Board of Directors of the Association shall have the right to dedicate or transfer all or any part of the Common Area to third parties provided the Association acquires in return other Common Area of equal or greater value.

(3.2) Delegation and Use. The right and easement of enjoyment granted to every Owner in Section 3.1 of this Article may be exercised by members of Owner's family and guests thereof. An Owner may delegate to his tenants his rights of enjoyment in and to the Common Area and such facilities thereon as may be

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provided, in accordance with the Association's Bylaws and rules and regulations, if any.

ARTICLE IV: MEMBERSHIP AND VOTING RIGHTS

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

(4.2) Voting and Voting Rights. The Association shall have two classes of voting membership:

(a) Class A. Class A members shall be all Owners with the exception of Developer and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

(b) Class B. The Class B member shall be Developer and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever first occurs:

(i) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; provided that the Class B Lots shall be reinstated with all rights, privileges and responsibilities, if after conversion of the Class B Lots to Class A Lots hereunder, additional land containing Lots is annexed to the existing property pursuant to Article II, Section 2 hereof; or

(ii) Seven years from the date of this Declaration.

(4.3) Suspension of Rights. During any period in which a member shall be in default in the payment of any annual, special or other periodic assessment levied by the Association, the voting rights of such member may be suspended by the Board of Directors until such assessment, is paid. In the event of violation by a member of any rules or regulations established by the Board of Directors, such member's voting rights may be suspended by the board after a hearing. Such hearings shall only be held by the board or a committee thereof after giving a member ten (10) days prior written notice specifying each alleged violation and setting the time, place and date of the hearing. Determination of

the violation shall be made by a majority vote of the board or the committee thereof. During any period in which a member shall be in default in the payment of any monthly, special or other periodic assessment levied by the Association or in violation of any rules or regulations established by the Board of Directors, such member shall be subject to a fine imposed by the Board of Directors which shall be the personal obligation of the person who is the Owner of such Lot at the time when the fine was levied.

ARTICLE V: COVENANT FOR MAINTENANCE ASSESSMENTS

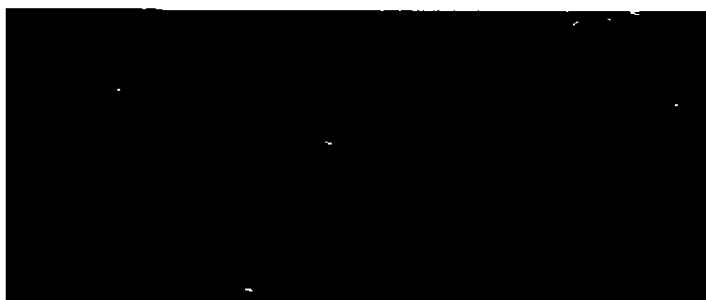
(5.1) Purpose of Assessment. The assessments levied by the Association shall be used: (a) to provide funds for maintenance, upkeep, landscaping and beautification of the Common Area in Wedgewood, Phases II and III; (b) to provide services for the Association members to promote the health, safety and welfare of the residents of Wedgewood, Phases II and III, and in particular for the acquisition, improvement and maintenance of properties, services and facilities related to the use and enjoyment of the Common Area, including but not limited to the cost of repair, replacement and additions thereto; (c) for the payment of taxes assessed against the Common Area, for insurance related to the Common Area, for the employment of attorneys, accountants and other professionals to represent the Association when necessary or useful, the employment of security personnel; and (d) the provision of any service which is not readily available from any governmental authority related to the use, occupancy and enjoyment of the properties and which the Association shall decide to provide.

(5.2) Creation of the Lien and Personal Obligation of Assessments. The Developer, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a Deed therefor, whether or not it shall be so expressed in said Deed, is deemed to covenant and agree to pay to the Association;

(a) Monthly assessments ("Monthly Assessments") for the purposes specified in Section 5.1 in the amount hereinafter set forth; and

(b) Special assessments ("Special Assessments") for the purposes specified in Section 5.1 as may be approved by the members, to be established, and collected as provided herein.

In order to secure payment of the Monthly and Special Assessments, such charges as may be levied by the Association against any Lot, together with interest, costs of collection and reasonable attorney's fees, shall be a continuing lien upon the Lot against which each such



assessment or charge is made. Each such assessment, together with interest, fines, late charges, costs of collection and reasonable attorney's fees shall also be the personal obligation of the person who is the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to an Owner's successor in title unless expressly assumed by them. Such assumption shall not relieve an Owner of his obligation.

(5.3) Exempt Property. The assessments, charges and liens created under this Article shall not apply to the Common Area, nor shall they apply to any Lot the title to which is vested either in any first mortgagee subsequent to foreclosure or in the Secretary of Housing and Urban Development or the Administrator of Veterans Affairs or any other state or federal governmental agency which acquires title by reason of such agency's guarantee or insurance of a foreclosed mortgage loan; provided, however, that upon the resale of such property by such first mortgagee or such governmental agency the assessments shall again accrue on such Lot. Any Lot which Developer may hereafter designate for common use as part of the Common Areas shall also be exempt by a local public authority, and all land granted to or used by a utility company shall be exempt from the assessments created herein.

(5.4) Maximum Monthly Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum Monthly Assessment shall be Thirty Dollars (\$30.00) on each Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum Monthly Assessment may be increased each year not more than ten percent (10%) above the maximum Monthly Assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum Monthly Assessment may be increased above ten percent (10%) of the previous year's Monthly Assessment by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the Monthly Assessment at an amount not in excess of the maximum herein provided.

(5.5) Special Assessments. In addition to the Monthly Assessment authorized above, the Association may levy, in any assessment year, a Special Assessment applicable to that year only provided that any such assessment

shall have the assent of two-thirds (2/3) of the votes of each class of the Association members who are voting in person or by proxy at a meeting duly called for this purpose.

(5.6) Notice and Quorum for Any Action Authorized Under Sections 5.4 and 5.5. Written notice of any meeting called for the purpose of taking any action authorized under Sections 5.4 and 5.5 of this Article shall be sent to all members not less than ten (10) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence in person or by proxy of members entitled to cast sixty percent (60%) of all the votes of each class shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be two-thirds (2/3) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than six (6) months following the preceding meeting.

(5.7) Date of Commencement of Monthly Assessments; Due Dates; Certificate of Payment. The Monthly Assessments shall commence as to all Lots on the first day of the month following the date such property is submitted to the provisions of this Declaration. From the date on which the Monthly Assessments commence on a Lot until the date on which the Lot is sold by the Developer to a purchaser, the Developer shall be liable for Monthly Assessments at a rate which is one-third of the rate otherwise payable. The first Monthly Assessment shall be adjusted according to the number of days remaining in the calendar month when filed. At least thirty (30) days before January 1 of each year, the Board of Directors shall fix the amount of the Monthly Assessment against each Lot and in the event the Board elects not to fix such assessment rate as herein provided, the amount of the prior year's Monthly Assessment shall be the fixed amount. Written notice of any change in assessment rate shall be sent to every owner. The Monthly Assessments shall be due and payable in advance on the first day of each month and the due dates for the payment of Special Assessments shall be established by the Board of Directors. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid to date.

(5.8) Effect of Non-Payment of Assessment; Remedies of the Association. Notwithstanding Section 5.7 hereof, the Developer may, at its election, postpone in whole or in part the date on which the assessment shall commence provided that the Developer maintains the Common Area for which no assessment is being collected during the period of such postponement. Any assessment not paid within fifteen (15)

days after the due date shall be assessed a late charge as determined by the Board of Directors and bear interest from the due date at an annual rate of eight percent (8%) but in no event above the then maximum legal rate, and to the extent allowed by law. The Association, or its agent or representative, may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot to which the assessment relates, and interest, costs and reasonable attorney's fees for such action or foreclosure shall be added to the amount of such assessment to the extent allowed by law. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

(5.9) Subordination of the Lien to First Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first priority deed of trust or first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any first mortgage pursuant to a foreclosure thereof or under a power of sale or any proceeding in lieu of foreclosure thereof shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof.

(5.10) Collection Upon Sale by Developer. Upon the sale of a Lot by Developer, the purchaser shall pay to the Association at the closing of the sale that amount of money that is equal to that portion of the Monthly Assessment attributable to the balance of the month in which the closing takes place. Any amounts prepaid by the Developer shall be refunded by the Association. Any Special Assessment made before, but falling due after, the date of closing of the sale of a Lot by Developer shall be paid in full to the Association by the purchaser at the closing of the sale. In addition such purchaser shall pay an amount equal to two months of the initial Monthly Assessment as a contribution to the Working Capital Fund of the Association.

ARTICLE VI: USE RESTRICTIONS

(6.1) Residential Use. All Lots shall be used for residential purposes only.

(6.2) Building Line Requirements. Minimum setback lines which may be shown on any recorded plat of the Properties are not necessarily intended to create uniformity of setbacks; they are meant primarily to avoid overcrowding and monotony. It is intended that setbacks may be staggered where appropriate so as to preserve the trees and other

natural vegetation, and to insure each Owner the greatest benefit and enjoyment of the Common Areas. Any deviation from the building line requirements not in excess of ten (10) percent thereof shall not be construed as a violation of the building line requirements.

(6.3) Animals and Pets. No animals, livestock or poultry of any kind shall be raised, bred, pastured, or maintained on any Lot, except household pets which may be kept thereon for the sole pleasure and use of the occupants, but not for any commercial use or purpose and no more than three (3) pets over the age of six (6) months shall be permitted at any time. Birds shall be confined in cages.

(6.4) Nuisances. No offensive or illegal activity shall be carried on upon any Lot, nor shall anything be done thereof which is or may become an annoyance or nuisance to any other Owner. No Lot shall be used in whole or in part for storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such Lot to appear in any unclean or untidy condition or that is unsightly; nor shall any substance, thing or material be kept upon any Lot that will emit a foul odor or that will cause any noise that will or might disturb the peace and quiet of the occupants of surrounding Lots. No trash, rubbish, stored materials, wrecked, unlicensed or inoperable vehicles, boats and/or trailers, recreational vehicles, or similar unsightly items shall be allowed to remain on any Lot outside an enclosed structure. However, the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish and other such debris for pick up by governmental and other similar garbage and trash removal service units. In the event any Owner fails or refuses to keep his Lot free from unsightly objects, weeds or underbrush in a manner satisfactory to a majority of the Association Board of Directors, the Association may, through its agent or representative, five days after posting a notice on such Lot or mailing a notice return receipt requested to the Owner thereof at his property requesting the Owner to comply with the requirements of this paragraph, enter and remove all such unsightly objects, debris or other vegetation at Owner's expense and Owner, by acquiring any Lot subject to this Declaration, agrees to pay such costs incurred by the Association in the enforcement of this paragraph promptly upon demand. No such entry as provided herein shall be deemed a trespass.

(6.5) Clotheslines, Garbage Cans, Etc. All clothes lines, garbage cans, lawnmowers and similar equipment shall be kept, in an enclosed structure or screened by adequate planting or fencing so as to conceal same from the view of neighboring Owner and Streets. Incinerators for garbage, trash or other refuse shall not be used nor permitted to be erected or placed on any Lot.

(6.6) Use of Common Areas. No planting or gardening by individual Owners shall be done upon any Common Area. Except for the right of easement of enjoyment in and to the Common Areas herein given to each Owner, Owners are hereby prohibited and restricted from using any of the Common Area except as may be allowed and prescribed by the Association's Board of Directors or as expressly provided for herein. It is Developer's intent that this paragraph inure to the mutual benefit of all Owners within the Properties.

(6.7) Maintenance.

(a) Exterior maintenance, upkeep and repair to the main dwelling on each Lot, yard, fence, walkway and shrubbery shall be the sole responsibility and expense of the Owner of the Lot subject to such reasonable requirements as may from time to time be established by the Committee to insure the continuity and harmony of exterior design of Wedgewood, Phases II and III. Should a majority of the Association Board of Directors determine that any Owner has failed or refused to discharge properly his obligations with respect to such maintenance, upkeep and repairs, the Association, through its agent or representative, may provide same as it may deem necessary and proper.

(b) All Lots, together with the exterior of all improvements thereon, shall be maintained in a neat and attractive condition by their respective Owners. Such maintenance shall include, but shall not be limited to, painting, repairing, replacing or caring for roofs, gutters, downspouts, building surfaces, trees, shrubs, walks or other exterior improvements. In the event an Owner shall fail to maintain the premises and the improvements thereon in a manner satisfactory to the Association Board of Directors, the Association may, through its agent or representative, after approval by two-thirds (2/3) vote of the Board, have the right to enter upon said Lot and repair, maintain and restore the Lot and the exterior of the buildings and any other improvements thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject and the Owner shall be personally liable to the Association for the costs of such maintenance, and the cost, until paid, shall be a permanent charge and lien upon such Lot, enforceable to the same extent and collectible as provided for in Article V. Such entry as provided herein shall not be a trespass, nor shall the Association be liable for doing anything reasonably necessary or appropriate in connection with carrying out those provisions, provided such entry shall be at reasonable times and places so as not to interfere with the right of quiet enjoyment of the individual Lot Owner.

ARTICLE VII: EASEMENTS

(7.1) General. Each Lot now or hereafter subjected to this Declaration shall be subject to all easements shown or set forth on the recorded plat or plats of survey upon which such Lot is shown. No structure of any type shall be erected or placed upon any part of a Lot or the Common Area which will interfere with rights and use of any and all easements shown on said recorded plat.

(7.2) Utility and Drainage. An easement on each Lot is hereby reserved by Developer for itself and its successors and assigns along, over, under and upon a strip of land ten (10) feet in width along the rear lot lines of all Lots shown on recorded plats, and easements five (5) feet in width along the front and side lot lines of all Lots shown on recorded plats, in addition to such other easements as may appear on a recorded subdivision plat for Wedgewood, Phases II and III. The purpose of these easements shall be to provide, install, maintain, construct and operate drainage facilities now or in the future and utility service lines to, from or for each of the Lots. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities, or which may change the direction or flow of drainage channels in the easements except for party walls located on a portion of the side line or lines of a Lot. The easement area of each and all improvements in it shall be maintained continuously by Owner, except for those improvements for which a public authority or utility company is responsible. With ten (10) days prior written notice to Owner, Developer may exercise the right to remove obstructions in such easements upon Owner's failure to do so. For the purpose of this covenant, Developer reserves the right to modify or extinguish the herein reserved easements along any Lot lines when in its sole discretion adequate reserved easements are otherwise available for the installation of drainage facilities and/or utility service lines. For the duration of these restrictions, no such utilities shall be permitted to occupy or otherwise encroach upon any of the easement areas reserved without first obtaining the prior written consent of Developer; provided, however, local service from utilities within easement areas to residences constructed upon any such Lots may be established without first obtaining separate consents therefor from Developer. The Association may likewise reserve and grant easements for the installation and maintenance of sewerage, utility and drainage facilities in, across, under and over the Common Area.

(7.3) Control of Signs. Developer shall have the right to place permanent and temporary directional and advertising signs for Wedgewood, Phases II and III on the

Common Area and unsold Lots until one hundred percent (100%) of the Lots have been sold.

(7.4) Emergency. There is hereby reserved without further assent or permit and to the extent allowed by law, a general easement to all firemen, ambulance personnel, police men and security guards employed by Developer and all similar persons to enter upon the Properties or any portion thereof, in the performance of their respective duties.

ARTICLE VIII: GENERAL PROVISIONS

(8.1) Covenants Running with the Land. All provisions of this Declaration shall be construed to be covenants running with the land, and with every part thereof and interest therein, and every Owner or any other person or legal entity claiming an interest in any Lot, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of this Declaration.

(8.2) Duration. The covenants, conditions and restrictions of this Declaration shall be binding for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive and additional periods of ten (10) years each.

(8.3) Amendment. This Declaration may be amended or terminated during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Owners, and thereafter may be amended or terminated by an instrument signed by not less than seventy-five percent (75%) of the Owners. Any such amendment or termination shall not be effective until an instrument evidencing such change has been filed of record in the Mecklenburg County Public Registry.

(8.4) FHA/VA Approval. In the event the Developer, its successors or assigns, has arranged for and provided purchasers of Lots with FHA insured or VA mortgage loans, then as long as any Class B lot exists, as provided in Article VI hereof, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, other than as provided in Article II hereof, deeding, mortgaging or dedication of Common Area to persons other than the Association and amendment of this Declaration.

(8.5) Enforcement. If any Owner shall violate or attempt to violate any of these restrictions, failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief, or both, maintainable by the Board of Directors on behalf of

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the Association, or, in proper case, by an aggrieved Owner. Any failure by Association or any other Owner to enforce any of the foregoing restrictions or other provisions shall in no event be deemed a waiver of their right to do so thereafter. Invalidation of any covenant, condition or restriction or other provision of this Declaration shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

(8.6) Headings. Headings are inserted only for convenience and are in no way to be constructed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer.

(8.7) Unintentional Violation of Restrictions. In the event of unintentional violation of any of the foregoing restrictions with respect to any Lot, the Developer or its successors reserves the right (by and with the mutual written consent of the then Owner or Owners of such Lot) to change, amend, or release any of the foregoing restrictions as the same may apply to that particular Lot.

(8.8) Severability. The provisions of this Declaration are severable and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder hereof.

IN WITNESS WHEREOF, the Developer has caused this Declaration to be executed under seal on the day and year first above written.

[CORPORATE SEAL]

FIRST COLONY GROUP, LTD.

ATTEST:

Chief Robin Belcher
Asst. Secretary

By: *W. Randall Foster*
1968 President

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STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 4th day of April, 1990, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came W. Kendall Foster, who, being duly sworn, says that he is Vice President of FIRST COLONY GROUP, LTD., and that the seal affixed to the foregoing instrument in writing is the corporate seal of said corporation, and that he signed and sealed said instrument on behalf of said corporation by its authority duly given. And the said Vice President acknowledged said instrument to be the act and deed of said corporation.

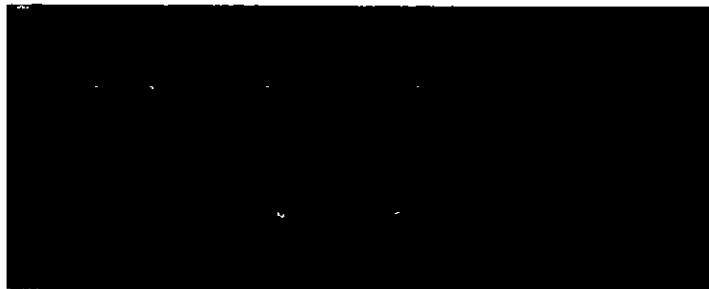
WITNESS my hand and seal this 4th day of April, 1990.

Polly S. Hart

Notary Public

My Commission Expires: 9-22-92

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EXHIBIT A

Beginning at a point in the centerline of the 60 foot right-of-way of Mt. Holly-Huntersville Road (SR #2004), said point marking the common corner of that property conveyed to St. Mark's Episcopal Church in Deed Book 1870 at Page 119 and that property conveyed to First Colony Group, Ltd. in Deed Book 6183 at Page 634, both in the Mecklenburg County Public Registry, said point also being located approximately 1/2 mile east of the intersection of the centerline of the 60 foot right-of-way of Beatties Ford Road and the aforesaid Mt. Holly-Huntersville Road; thence running from said Beginning Point along the centerline of Mt. Holly-Huntersville Road, North 46-50-34 East 371.61 feet to a point; thence leaving the centerline of Mt. Holly-Huntersville Road and running South 40-14-58 East 29.86 feet to a point marking the northwesternmost corner of that property conveyed to John C. Blythe in Deed Book 4404 at Page 602 in the Mecklenburg County Public Registry; thence running along the margin of the aforesaid John C. Blythe property (now or formerly) the following three (3) courses and distances: (1) South 40-14-58 East 29.86 feet to an iron pipe, (2) South 40-14-58 East 669.72 feet to an iron pipe, and (3) North 46-49-53 East 299.84 feet to an iron pipe in the line of the property conveyed to John Lee Blythe as described in deed recorded in Book 1723 at Page 304 in the Mecklenburg County Public Registry; thence along three (3) lines of the aforesaid John Lee Blythe property (now or formerly) as follows: (1) South 40-16-33 East 113.33 feet to an iron rod, (2) North 11-03-33 East 330.37 feet to an iron rod, and (3) North 26-50-28 West 603.99 feet to a point (passing an axle at 595.29 feet); thence North 42-08-28 East 682.95 feet to an iron pin within the right-of-way of Mt. Holly-Huntersville Road; thence South 35-51-14 East 297.33 feet (passing a spike in the southerly margin of Mt. Holly-Huntersville Road at 43.94 feet) to an iron bolt marking the southwesternmost corner of that property conveyed to Elizabeth Vance Wilson (now or formerly); thence along the line of the aforesaid Elizabeth Vance Wilson property (now or formerly) the following two (2) courses and distances: (1) North 86-22-51 East 759.29 feet to an iron rod, and (2) North 73-30-07 East 216.12 feet to an iron pipe marking the common corner of aforesaid Elizabeth Vance Wilson property, property conveyed to AMT Group in Deed Book 5641 at Page 300, and property conveyed to First Colony Group, Ltd. in Deed Book 6183 at Page 634, all in the Mecklenburg County Public Registry; thence along two (2) lines of the aforesaid AMT Group property (now or formerly) as follows: (1) South 61-58-27 East 111.54 feet to an iron pin, and (2) North 60-01-55 East 286.74 feet to a bolt marking a common corner of the aforesaid AMT Group Property (now or formerly) and property conveyed to Julian W. Vance in Deed Book 5843 at Page 138 in the Mecklenburg County Public Registry; thence along four (4) lines of the aforesaid Julian W. Vance property (now or formerly) as follows: (1) South 47-44-33 East 197.94 feet to an iron

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pin, (2) South 48-31-43 East 227.96 feet to an iron pin, (3) North 45-34-02 East 109.18 feet to a spike, and (4) North 19-39-14 West 362.43 feet to a spike marking a common corner of the aforesaid AMT Group property (now or formerly) and the aforesaid Julian W. Vance property (now or formerly); thence running along the line of the aforesaid AMT Group property (now or formerly) North 37-36-17 West 315.99 feet to an iron pin located in the southerly margin of Westmin-Ster Park, Map No. 2, as shown on map recorded in Map Book 11 at Page 61 in the Mecklenburg County Public Registry; thence along the southerly margin of the aforesaid Westmin-Ster Park, Map No. 2 property as follows: (1) North 65-43-41 East 278.58 feet to an iron pipe, and (2) North 65-44-04 East 512.80 feet to an iron pin marking the northwesternmost corner of that property conveyed to Long Creek Baptist Church in Deed Book 4089 at Page 772 in the Mecklenburg County Public Registry; thence along two (2) lines of the aforesaid Long Creek Baptist Church property (now or formerly) as follows: (1) South 31-16-11 East 128.21 feet to an iron pipe, (2) North 64-58-28 East 253.06 feet (passing an iron pipe at 221.69 feet) to the centerline of the sixty foot right-of-way of Vance Road (State Road 2113); thence running along the centerline of the aforesaid Vance Road the following two (2) courses and distances: (1) with the arc of a circular curve to the left having a radius of 922.74 feet, an arc distance of 42.04 and a chord bearing and distance of South 40-58-15 East 42.04 feet to a point, and (2) South 42-16-34 East 562.67 feet to a point marking the northernmost corner of that property conveyed to Edwin Lee Blythe in Deed Book 3010 at Page 585 in the Mecklenburg County Public Registry; thence running along the line of the aforesaid Edwin Lee Blythe property (now or formerly) and that property conveyed to Franklin Webb Blythe in Deed Book 1602 at Page 1 in the Mecklenburg County Public Registry South 67-34-33 West 814.98 feet (passing an iron pin at 31.90 feet) to an iron pipe; thence along two (2) lines of the aforesaid Franklin Webb Blythe property (now or formerly) as follows: (1) South 36-28-43 East 801.30 feet to an iron pin, and (2) North 60-37-35 East 313.48 feet to a concrete monument; thence running along a new line on the proposed Outer Belt the following five (5) courses and distances: (1) South 21-44-08 West 100.26 feet to a concrete monument, (2) with the arc of a circular curve to the right having a radius of 1,241.46 feet and an arc distance of 500.0 feet and a chord bearing and distance of South 33-16-25 West 496.63 feet to a concrete monument, (3) with the arc of a circular curve to the right having a radius of 4,553.10 feet, an arc distance of 1,639.89 feet and a chord bearing and distance of South 55-07-47 West 1,631.04 feet to a concrete monument, (4) with the arc of a circular curve to the right having a radius of 5,375.0 feet, an arc distance of 782.07 feet and a chord bearing and distance of South 69-36-58 West 781.38 feet to a concrete monument, and (5) South 73-47-04 West 279.18 feet to an iron pin marking the easternmost corner of the property conveyed to First Colony Group, Ltd. in Deed Book 6183 at Page 617 in the Mecklenburg

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County Public Registry; thence along two (2) lines of the aforesaid First Colony Group, Ltd. property (now or formerly) as follows: (1) North 65-17-20 West 628.57 feet to an iron pin, and (2) South 85-02-24 West 171.51 feet to an iron pin marking a common corner of the aforesaid First Colony Group, Ltd. property (now or formerly) and that property conveyed to John Joseph Neely and James William Neely in Deed Book 4098 at Page 263 in the Mecklenburg County Public Registry, and thence running along the property lines of the aforesaid John Joseph Neely and James William Neely property (now or formerly) and property conveyed to R. D. Whitley, Sr. in Deed Book 4098 at Page 703 in the Mecklenburg County Public Registry and St. Mark's Episcopal Church in Deed Book 1870 at Page 119 in the Mecklenburg County Public Registry, as follows: (1) North 43-37-41 West 540.30 feet to an iron pipe, (2) North 47-06-45 West 446.41 feet to a stone, (3) North 20-56-43 East 40.54 feet to an iron rod, and (4) North 43-15-55 West 254.66 feet (passing an iron pin at 225.27 feet to the Point and Place of Beginning and containing 147.83 acres, as shown on survey for Wedgewood, Phases II and III, dated March 23, 1990, by Edward L. Killough, N.C.R.L.S., to which survey reference is hereby made for a more particular description of the property.

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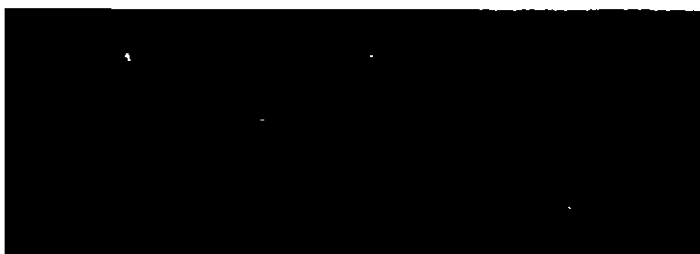
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EXHIBIT B

Master Amenities Tract

BEGINNING at a point in the westerly right-of-way margin of a 50-foot proposed street known as Babbitt Way, said point being located South 63-01-01 East 427.29 feet from a common corner of property conveyed to First Colony Group, Ltd. in Deed Book 6183 at Page 634, property to AMT Group in Deed Book 5641 at Page 300 and property to Elizabeth Vance Wilson in Deed Book 1793 at Page 23 all in the Mecklenburg County Public Registry; thence running from said Beginning Point in a southeasterly direction along the westerly right-of-way margin of the proposed Babbitt Way the following two (2) courses and distances: (1) with the arc of a circular curve to the right having a radius of 325.00 feet an arc distance of 169.39 feet and a chord bearing and distance of South 29-09-46 East 167.48 feet to a point, and (2) South 14-13-53 East 280.69 feet to a point marking the intersection of the aforementioned margin of Babbitt Way and the northerly margin of a 50-foot proposed street known as Londonshire Drive; thence running with the northerly right-of-way margin of Londonshire Drive the following five (5) courses and distances: (1) with the arc of a circular curve to the right having a radius of 20.00 feet an arc distance of 28.99 feet and a chord bearing and distance of South 27-17-54 West 26.52 feet to a point, (2) with the arc of a circular curve to the left having a radius of 352.38 feet an arc distance of 81.37 feet and a chord bearing and distance of South 62-12-47 West 81.19 feet to a point, (3) South 55-35-52 West 50.00 feet to a point, (4) with the arc of a circular curve to the right having a radius of 1,038.58 feet, an arc distance of 271.86 feet and a chord bearing and distance of South 63-05-48 West 271.08 feet to a point, and (5) South 70-35-43 West 51.52 feet to a point; thence leaving the aforesaid margin of Londonshire Drive and running North 39-20-19 West 281.29 feet to a point; thence North 02-34-18 East 190.82 feet to a point; thence North 61-08-23 East 496.37 feet to the Point and Place of Beginning and containing 5.65 acres and designated as "Amenity Area" as shown on survey of Wedgewood, Phase II and III, by Edward L. Killough, N.C.R.L.S., dated March 23, 1990, said survey reference is hereby made for a more particular description of the property.

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EXHIBIT C

TRACT 1:

BEGINNING at an iron pipe marking the southeast corner of property owned by Elizabeth Vance Wilson as described in deed book 1793 at page 23 in the Mecklenburg County Public Registry, said iron pipe also being a common corner with First Colony Group, Ltd. (deed book 6183 at page 634); thence with Wilson's eastern line N 29-00-48 W 502.90 feet to an iron pin in the southerly line of Walter F. Battle (deed book 1968 at page 240) thence with Battle's southerly line N 88-28-06 E 279.73 feet to an iron pipe, said iron pipe being the southwest corner of WESTMIN-STER PARK SUBDIVISION MAP 2 (Map Book 11 at page 61); thence with two lines of WESTMIN-STER PARK N 88-24-42 E 352.35 feet to a stone; thence N 65-43-41 E 43.31 feet to a point; thence S 37-36-17 E 315.99 feet to a large spike; thence S 19-39-14 E 362.43 feet to a large spike; thence S 45-34-02 W 109.18 feet to an iron pin; thence N 48-31-43 W 227.96 feet to an iron pin; thence N 47-44-33 W 197.94 feet to an iron bolt; thence S 60-01-55 W 286.74 feet to an iron pin; thence N 61-58-27 W 111.54 feet to the point of BEGINNING and containing 8.00 acres as shown on a survey prepared by Edward L. Killough, NCRLS No. L-1519 dated October 31, 1989.

TRACT 2:

Any portion of that property conveyed to First Colony Group, Ltd. in Deed Book 6183 at Page 634, Book 6183 at Page 617, Book 6183 at Page 612, Book 6183 at Page 204, Book 6183 at Page 220, Book 6183 at Page 112 and Book 6180 at Page 638 in the Mecklenburg County Public Registry.

TRACT 3:

Any portion of that property conveyed to John C. Blythe in Deed Book 4404 at Page 602 in the Mecklenburg County Public Registry.

TRACT 4:

Any portion of that property conveyed to John Lee Blythe in Deed Book 1723 at Page 304 in the Mecklenburg County Public Registry.



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TRACT 5:

Any of that property conveyed to Elizabeth Vance Wilson in Deed Book 2103 at Page 302 and Book 1793 at Page 23 in the Mecklenburg County Public Registry.

TRACT 6:

Any portion of that property conveyed to Julian W. Vance in Deed Book 5643 at Page 138 in the Mecklenburg County Public Registry.

TRACT 7:

Any portion of that property conveyed to Long Creek Baptist Church in Deed Book 4479 at Page 613 and Book 4089 at Page 772 in the Mecklenburg County Public Registry.

TRACT 8:

Any of that property conveyed to Edwin Lee Blythe in Deed Book 3010 at Page 585 in the Mecklenburg County Public Registry.

TRACT 9:

Any portion of that property conveyed to Franklin Webb Blythe in Deed Book 1602 at Page 1 in the Mecklenburg County Public Registry.

TRACT 10:

Any portion of that property conveyed to Floyd M. Blythe in Deed Book 4622 at Page 66 in the Mecklenburg County Public Registry.

TRACT 11:

Any portion of that property conveyed to Russell Kakaley in Deed Book 4263 at Page 175 in the Mecklenburg County Public Registry.

TRACT 12:

Any portion of that property conveyed to First Colony Group, Ltd. in Deed Book 6183 at Page 617 in the Mecklenburg County Public Registry.



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TRACT 13:

Any portion of that property conveyed to John Joseph Neely and James William Neely recorded in Deed Book 4098 at Page 263 in the Mecklenburg County Public Registry.

TRACT 14:

Any portion of that real property conveyed to R. D. Whitley, Sr. in Deed Book 4098 at Page 703 in the Mecklenburg County Public Registry.

TRACT 15:

Any portion of that property conveyed to St. Mark's Episcopal Church in Deed Book 1870 at Page 119 in the Mecklenburg County Public Registry.

State of North Carolina, County of Mecklenburg
The foregoing Certificate(s) of Polly S. Hart

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

ANNE A. POWERS, REGISTER OF DEEDS

By

Mary A. Powers Deputy - Register of Deeds

