

MRS. JUDITH M. ADAMS
 ASSIGNMENT OF PROVISIONS
 OF DECLARATIONS OF COVENANTS,
 CONDITIONS AND RESTRICTIONS

THIS ASSIGNMENT, made and entered into this the 10th day of July, 1990, by and between WOODLAKE PARTNERS, LIMITED PARTNERSHIP (formerly WOODLAKE PARTNERS), a North Carolina limited partnership, by and through its sole general partner, WOODLAKE PROPERTIES, INC., a North Carolina business corporation (hereinafter referred to as the "Assignor"), and WOODLAKE PROPERTY OWNERS' ASSOCIATION, INC., a North Carolina nonprofit corporation (hereinafter referred to as the "Assignee");

W I T N E S S E T H:

WHEREAS the Assignor (and its predecessor in title, Lake Surf, Inc.) has sold and conveyed certain lots located in the subdivision generally referred to as Woodlake Country Club subdivision, subject to certain Declarations of Covenants, Conditions and Restrictions (however specifically named) as itemized on the attached Schedule A;

WHEREAS Assignor had previously assigned to the Woodlake Country Club Architectural Review Committee all rights of the "Building Committee" and certain other rights specifically provided in that certain Assignment dated March 11, 1988, recorded in Deed Book 599, Page 271, Moore County Registry but specifically excluding the "Assessment" provision of the particular restrictive covenants therein;

WHEREAS each of these Declarations (or amendments thereto) contained a provision generally referred to as the "Developer Assessment," the respective paragraph numbers of which are designated on the attached Schedule A;

WHEREAS simultaneously herewith the Assignor is conveying (subject to conditions herein) ownership of the underlying title to the rights-of-way and common areas of the subdivision for which the funds of the assessment are used for maintenance and upkeep to the Assignee;

WHEREAS as a condition of this conveyance the Assignee has agreed to undertake and assume responsibility for maintenance of said streets, rights-of-way and common areas from the assessment funds, for management of the assessment funds pursuant to this Assignment, the Declarations and the By-Laws of the Assignee;

WHEREAS the parties desire that their agreements be evidenced by a document in writing duly recorded in the office of the Register of Deeds of Moore County, North Carolina.

NOW, THEREFORE, for and in consideration of the premises, the following and other valuable considerations, the Assignor hereby gives, grants and assigns unto the Assignee all rights, interests and obligations of the Assignor pursuant to the "Developer Assessment" provisions, the paragraph and Moore County recordation references of which are itemized on the attached Schedule A, and the Assignee hereby undertakes and assumes the obligations of Assignor with regard to budgeting, calculating, billing, collecting, attaching liens and otherwise enforcing, making expenditures, providing maintenance, reporting to owners and otherwise managing said funds owed and owing for period since January 1, 1989, and providing maintenance of said streets, rights-of-way and common areas from such funds from the date hereof, pursuant to the provisions of the respective Declarations, of paragraph 1 of that certain Subdivision Streets Maintenance Agreement and Disclosure Statement recorded in Deed Book 677, page 98, Moore County Registry, of this Assignment and of the By-Laws of the Association. (In the event of any discrepancy, the terms of the applicable Declarations shall govern.) As a part, parcel and condition of this assignment by Assignor to Assignee, the parties agree as follows:

and conditions of this Assignment.

2. Restrictions on lands retained by Assignor. Assignor, for itself, its successors and assigns, hereby agrees that all properties presently or hereafter owned by it in Woodlake Country Club subdivision (and not presently or hereafter restricted by restrictions with substantially similar provisions, as well as other restrictions deemed reasonable and necessary by Assignor, based upon subdivision of such parcels by recorded plats of residential lots) shall be held, transferred, sold and conveyed subject to the following conditions, reservations, restrictions and covenants:

a. A copy of building plans and site plans (including landscaping plans) and all other documentation reasonably requested shall be submitted to the Woodlake Country Club Architectural Review Committee (the "ARC" or "Committee") at least thirty (30) days prior to commencement of construction, whether initial construction, or alteration, addition or other remodeling of premises (other than interior remodeling not requiring significant change of the floor plan) and no construction shall begin until approved by the Committee. The copies of plans, etc., provided to the Committee may be retained by the Committee. Such approval shall not be unreasonably withheld, but shall be subject to the Rules and Regulations of such Committee as in effect at the time of such submission and all construction shall comply with the conditions of such approval. The Committee shall have the right to inspect all construction to ensure that it is performed in strict accordance with approved plans, specifications and details. Upon completion of construction in compliance with said plans, specifications and details, the Committee shall issue a certificate of completion to the owner. The Committee shall not be liable or responsible for any defects in plans, specifications or details submitted, revised or approved by it in accordance with this provision or the guidelines developed hereunder, nor for any structural or other defect in construction. Minor violations of any applicable Declarations may be waived by the Committee in its sole discretion. The Committee has the right at any time to obtain an injunction to halt construction not in compliance with approved plans, specifications and details as continuance shall cause irreparable harm. The requirements of this provision shall not constitute a lien or encumbrance on any lot on which construction is complete; and any subsequent purchaser thereof for value without notice thereof is in no way affected by the failure of his predecessors in title to comply with the terms hereof with regard to existing improvements thereon (but not replacements or modifications thereof). This provision shall not be applicable to construction of streets, water and sewer lines and facilities or other development improvements not constituting buildings or additions or amendments thereto. Assignor reserves the right to determine, in its sole discretion, all other provisions of any Declarations of Covenants, Conditions and Restrictions to be placed upon its property, if any, including minimum square footage requirements, setbacks, easements or otherwise.

b. With regard to all properties presently owned by Woodlake Partners, Limited Partnership, in or near the Woodlake Country Club subdivision (including but not limited to the golf courses, lake, etc.), which lie within the area surrounded by SR 2014, SR 1001, SR 2017, SR 1825 and SR 2015 and are not presently or hereafter subdivided into individual residential lots and encumbered by restrictive covenants as provided in paragraph c hereafter, Woodlake Partners, Limited Partnership, Assignor herein, for itself, themselves, and their heirs, successors and assigns, covenant and agree to pay to pay to Assignee, its successors and assigns, annually, a sum not to exceed three (3%) percent of the fair market value of the aforesaid premises (or such portion thereof as shall be owned by Woodlake Partners for the particular year in question) as fixed from time to time by the constituted authorities for County and State taxation, for the maintenance and care of the roads, streets, sidewalks, and parks in Woodlake Country Club, police protection, security gates, garbage collection and such other expenses as would be properly chargeable to such a residential subdivision. The total expense for such service in Woodlake Country Club, shall be fixed annually by and audited by Assignee's regular auditor, and if such entire expense so fixed by audit shall be less than three (3%) percent of the fair market value of all real estate in

successors or assigns, shall have the right to file a notice of lien enforceable pursuant to Article 8 of Chapter 44 of the North Carolina General Statutes for nonpayment of this assessment in the Office of the Clerk of Superior Court of Moore County, North Carolina, against the Owner(s) of any lot subject to this assessment for their nonpayment thereof at any time after the latter of (a) the end of the calendar year for which the assessment was charged or (b) the date thirty (30) days following mailing by Assignee of notice of the amount of such lien (such later date being the date such assessment becomes "delinquent" for purposes hereof). Interest at the annual rate of eighteen (18%) percent, beginning with the date above that such assessment becomes delinquent, and shall be charged on such delinquent assessment until such has been paid in full. In a personal, lien or foreclosure action for collection of delinquent assessments, the Assignee shall be entitled to recover as a part of the action the interest, court costs and reasonable attorneys' fees with respect to such action. PROVIDED, HOWEVER, at the request of the Assignor, Assignee shall release and quitclaim to Assignor (or its successor or assign) any tract not presently platted of record, free from the above assessment encumbrance upon the following conditions:

(1) Actual access to such tract is solely from state-maintained roads (and not through the roads of the development to be maintained hereunder), whether or not such tract is adjacent to other tracts in such development;

(2) The owner of such tract, for itself, its successors and assigns, shall execute a recordable document irrevocably waiving, with respect to such tract, any of the services provided from such assessment funds; and

(3) Such tract is conveyed to a third party.

c. In the event and at such time as Declarations of Covenants, Conditions and Restrictions are recorded on any particular area of the subdivision containing provisions substantially similar to the above (as well as other provisions determined by Assignor at its sole discretion), such new Declarations shall govern the property which they encumber from date of such recordation and the restrictions of subparagraphs a. and b. above shall be of no future force and effect on such property (though shall remain valid and enforceable with regard to any prior period after recordation thereof).

3. Platted Rights-of-way. Assignor simultaneously herewith has conveyed to Assignee all right, title and interest in and to the streets and rights-of-way presently platted or existing in Woodlake Country Club (formerly Lake Surf) subdivision, (other than Section 8, pages 1 and 2, as shown in Plat Cabinet 1, Slides 86 and 86B, Moore County Registry) such streets having been listed on Notice of Change of Names of Private Roads recorded in Book 683, page 34, Moore County Registry, and all such existing streets being designated on the Deed from Assignor to Assignee which is recorded of even date herewith, subject to the terms and conditions hereof.

a. Future Rights-of-way. Assignor shall convey or dedicate to the Assignee for the benefit of all property owners at Woodlake Country Club (but not the general public) all future streets, rights-of-way and common areas duly platted, subject to maintenance by the Assignee for which assessments are to be payable hereunder and pursuant to the terms hereof and of the Declarations encumbering same, which are open to use by all property owners at Woodlake Country Club (not restricted to limited access and maintenance by owners in a particular section) and which lie within the area surrounded by SR 2014, SR 1001, SR 2017, SR 1825 and SR 2015. Assignee agrees to accept such conveyance, manage such assessments pursuant to the terms hereof, of the specific Declarations and of the By-Laws of the Assignee, and generally maintain such streets, rights-of-way and common areas. In addition, Assignor and Assignee may agree to inclusion of other proposed or platted streets outside this perimeter (including Section 8 above), but shall not be obligated to do so.

Assignee by the Assignor pursuant hereto shall be restricted to persons not (other than owners, guests and assigns of property owners at Woodlake Country Club subdivision) without the express written consent of Assignor, its successors or assigns, as owner of golf course, clubhouse and recreational facility known as Woodlake Country Club.

c. Relocation of Rights-of-way. Assignor reserves the right to relocate rights-of-way in the subdivision as it deems necessary for reasons of aesthetics, governmental regulation or otherwise in the sole discretion of Assignor; provided, however:

- (1) All property over which the relocated right-of-way shall run must be owned by Assignor or a valid recorded perpetual easement granted by the owner,
- (2) Assignor must be the owner of (or have written consents of all owners of) all property or lots immediately adjacent to the area of existing or platted right-of-way which it intends to relocate,
- (3) The relocated right-of-way and street shall be of similar or better design and quality of construction to the prior street,
- (4) Reasonable access for ingress, egress and regress shall not be denied to property owners because of such construction or relocation
- (5) Assignee agrees to quitclaim to Assignor the title to all rights-of-way so abandoned due to relocation, which abandoned rights-of-way shall be the sole and absolute property of Assignor.

d. Easements. This conveyance is subject to all easements for ingress, egress and regress of property owners at Woodlake Country Club, including but not limited to Assignor (which hereby reserves such easements to all property owned by it as well as cartpaths, crossings, and other uses and accesses appurtenant or reasonably necessary to operation and use of all facilities and properties of Assignor). In addition, Assignor, for itself, its successors and assigns, for Woodlake Water and Sewer Company, Inc., and other utility companies hereby reserves an easement for maintenance, repair, improvement and installation of such utilities; provided, that any damage to the streets, rights-of-way or common areas for such maintenance, etc., shall be repaired by such utility company as soon thereafter as reasonably possible and to a reasonable quality standard. In addition, Assignor reserves a nonexclusive easement to maintain, replace, install and otherwise provide and use flags and lights along Woodlake Boulevard from State Road 2014 up to and including the clubhouse area of Assignor.

e. Accesses. Assignor hereby reserves the right of access for ingress, egress, regress and use for their intended purpose to the streets, rights-of-way and common areas of the subdivision as an appurtenant easement for all properties of Assignor not conveyed by the simultaneous deed herewith, but subject to (or to be subject to) assessment or maintenance hereunder.

f. Security Gates, Signs and Buildings. Presently, three guard houses and/or security building areas are located on the premises: Main entrance area between entrance and exit lanes of Woodlake Boulevard from S. R. 2014 and the "Sales" Building; North gatehouse near Lot 1A, Section 1, on Loblolly Drive; and South gatehouse near the northeast corner of the Cove Villas on River Birch Drive. Also, multiple location and identification signs as may be located within the areas to be deeded herewith, specifically including but are not limited to the large entrance signs and landscaping at the corner of SR 1001 and SR 2014, (at the intersection of SR 2014 and Woodlake (formerly Lake Surf) Boulevard, near the SW corner of Lot 1A, Section 1, Plat Cabinet 2, Slide 147, and in front of the present sales office. Assignor hereby reserves an easement for access to, and exclusive use, maintenance, repair and improvement of the existing guard houses, signs and buildings or any replacement or relocation thereof

building for reasonable maintenance of gates which are maintained from such assessment fund and Assignee shall be responsible therefor.

g. Additional Maintenance. Assignor hereby reserves a nonexclusive easement for construction, installation and maintenance of such additional landscaping, road repair and other maintenance and improvements as it shall deem necessary or desirable from time to time, at the sole expense of Assignor.

h. Fountain and Lake. Ownership and use of the lake, or any part thereof, as well as the fountain located on Woodlake Boulevard at its intersection with Loblolly Drive, is hereby reserved to Assignor. Title thereof and any rights thereto are specifically hereby reserved to Assignor and any conveyance hereunder shall not include title to the lakebed or any part thereof or to the fountain unless specifically provided therein (and not by general inclusion in the description without specific reference to the lakebed and/or fountain as included).

4. Procedures. To the extent reasonably possible, Assignee shall enact and enforce By-Laws, rules and procedures allowing qualification of properties in the Woodlake Country Club subdivision for loans with the Federal National Mortgage Association ("Fannie Mae"), the Veterans Administration ("VA"), the Federal Housing Authority ("FHA") and such other primary lenders as may be interested in residential home mortgages at Woodlake Country Club subdivision, including such financial accountability standards as may allow waiver of requirement for a fidelity bond from the Association. Specifically, the Board of Directors of Assignee must not have the power to increase or decrease the budgeted assessment rate for a particular year by more than 5% above or below the budgeted assessment rate for the prior year, without the vote of at least a majority of owners present (in person or by proxy) at a duly called membership meeting at which a quorum is present. In no event shall the method of determining the voting power of Assignor as a present or future member of Assignee be amended without written consent of Assignor; this Assignment and all deeds pursuant hereto shall be specifically conditioned upon this provision and Assignor hereby reserves a reversion of all such properties pursuant hereto upon any violation hereof.

5. Road Construction. Assignor does not hereby assign and Assignee does not hereby assume responsibility for construction and paving of roads in Sections 7, 10, 11 or areas hereafter platted and developed by Assignor or others. These obligations are more specifically described in paragraph 2 of that certain Subdivision Streets Maintenance Agreement and Disclosure Statement, recorded in Deed Book 677, page 98, Moore County Registry. In addition, nothing herein shall be construed to imply an obligation of Assignee for construction of any roads; neither shall Assignee have any obligation hereunder to pave any roads presently unpaved. Assignor agrees that any roads hereafter improved by Assignor itself and submitted to Assignee hereunder for maintenance thereafter will be constructed substantially in compliance with pertinent portions of construction standards developed by Hobbs, Upchurch and Associates, January 1990, regarding planned improvements in Section Seven, Woodlake Country Club, copies of which have been signed and agreed to by the parties hereto of even date.

6. Reimbursement for 1989 Expenses. Assignee shall reimburse to Assignor the amount of \$50,000.00 advanced by Assignor for such assessable expenses during the year 1989, such reimbursement to be payable as follows: \$25,000.00 on or before November 1, 1990 and the balance on or before November 1, 1991, such indebtedness to be evidenced by a Promissory Note of even date.

7. Binding Effect. The conditions, reservations and protective covenants hereinbefore set forth shall run with the land and shall be binding on the parties hereto, the purchasers thereof, their heirs, successors, executors, administrators, and assigns.

Forth.

(CORPORATE)
(SEAL)
ATTEST:
[Signature]
Secretary

WOODLAKE PARTNERS, LIMITED PARTNERSHIP
By: WOODLAKE PROPERTIES, INC.
General Partner

By: [Signature]
Vice President

WOODLAKE PROPERTY OWNERS' ASSOCIATION,
INC.

By: [Signature]
Harry Robertson
President

(CORPORATE)
(SEAL)
ATTEST:
[Signature]
Secretary

NORTH CAROLINA

MOORE COUNTY

I, a Notary Public of the County and State aforesaid, certify that Francis Chester personally came before me this day and acknowledged that he is the Asst. Secretary of WOODLAKE PROPERTIES, INC., as general partner of WOODLAKE PARTNERS, LIMITED PARTNERSHIP, and pursuant to authority duly given and as the act of the corporation, on behalf of the limited partnership, the annexed instrument was signed in its name by its Vice President, sealed with its corporate seal and attested by him as its Asst. Secretary, on behalf of the limited partnership.

Witness my hand and official stamp or seal, this the 10th day of July, 1990.

[Signature]
Notary Public

My Commission Expires:
10-05-92

NORTH CAROLINA

MOORE COUNTY

I, a Notary Public of the County and State aforesaid, certify that Billie M. Washburn personally came before me this day and acknowledged that she is the Secretary of WOODLAKE PROPERTY OWNERS' ASSOCIATION, INC., a North Carolina nonprofit corporation, and pursuant to authority duly given and as the act of the corporation, the above Assignment was signed in its name by its President, sealed with its corporate seal and attested by her as its Secretary.

Witness my hand and official stamp or seal, this the 10th day of July, 1990.

[Signature]
Notary Public

North Carolina - Moore County

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Sec. 3	MB 11, Page 21	370/228 371/198	13. -----
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