

**AMENDMENT TO COVENANTS, CONDITIONS AND RESTRICTIONS FOR
LAKESIDE MANOR AT CAROLINA LAKES**

THIS AMENDMENT TO COVENANTS, CONDITIONS AND RESTRICTIONS FOR LAKESIDE MANOR AT CAROLINA LAKES (hereinafter, "Amendment") is made this the 28th day of March 2009 by VILLAGE PARK AT WINDING LANE, LLC ("Declarant").

WITNESSETH

WHEREAS, Declarant, as developer of certain property located in Harnett County and known as Lakeside Manor at Carolina Lakes, made and caused the Declaration of Covenants, Conditions and Restrictions for Lakeside Manor at Carolina Lakes – Phase I to be recorded in Book 2493, Page 796, Harnett County Registry and the Declaration of Covenants, Conditions and Restrictions for Carolina Lakes Phase VII – Block "T1" (collectively, together with any future supplements or amendments thereto, hereinafter, the "Lakeside Manor Covenants");

WHEREAS, the real property subject to the Lakeside Manor Covenants, as set forth therein, is more particularly described as follows:

All of the land shown on the plats entitled "Carolina Lakes, Phase VIII, Block T (Lakeside Manor)" as recorded in Plat Book 2008, Pages 87-93, Harnett County Registry; and

All of the land shown on the plats entitled "Carolina Lakes Phase VII – Block "T1" recorded in Plat Book F, Page 495D in the Office of the Register of Deeds of Harnett County, North Carolina, dated September 6, 1995.

(collectively hereinafter, the "Properties"; each lot which is a part of the Properties shall be referred to hereinafter as a "Lot")

WHEREAS, the Properties are part of the subdivision in Harnett County known as Carolina Lakes and Declarant, a successor of Carolina Lakes Corporation, hereby wishes to secure payment of dues to Carolina Lakes Property Owners Association, Inc. (hereinafter "Carolina Lakes Association") for the membership granted to all Carolina Lakes Subdivision lots, including the Properties.

WHEREAS, Carolina Lakes Association shall have as its members all lot owners of the Carolina Lakes Subdivision, including every owner of a lot included in the Properties.

WHEREAS, Article XIII, Section 3 of the Lakeside Manor Covenants provides that the Lakeside Manor Covenants "may be...amended with the consent of the Members entitled to cast at least 80% of the votes of the Association";

WHEREAS, the Lakeside Manor Covenants have not expired and Declarant, an owner of a portion of the Properties, are entitled to cast at least 80% of the votes of the Association;

WHEREAS, the Properties adjoin an existing residential development known as Carolina Lakes Block S (that is also part of "Carolina Lakes Subdivision"), which is subject to the Reservations and Restrictions for Carolina Lakes Block S as recorded in Book 815, Page 336, Harnett County Registry (the "Carolina Lakes Declaration") and governed by the Carolina Lakes Association. These covenants are not applicable at this time to any of the Properties;

WHEREAS, Carolina Lakes Subdivision contains common areas and amenities owned or leased by the Carolina Lakes Association for the use and benefit of property owners (the "Amenities"); and

WHEREAS, the parties hereto desire to confirm the rights of owners of the Properties to use and access the Amenities upon the terms and conditions set forth herein.

NOW THEREFORE, the parties do hereby declare that the Properties described above shall be sold and conveyed subject to the following provisions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Properties and the cohesiveness of use and development of the Properties and Carolina Lakes Subdivision; that the following provisions shall run with the Properties and shall be binding on all parties having or acquiring any right, title or interest in the Properties or any part thereof and shall inure to the benefit of each owner, or successor in interest or assignee thereof, of the Properties or any part thereof:

Article I
Association and Membership

Every owner of a Lot who is subject to the Lakeside Manor Covenants shall be a member of the Carolina Lakes Association (in addition to being a member of the Lakeside Manor Association, as set forth in the Lakeside Manor Covenants). The Carolina Lakes Association is governed, in part, by the Articles of Incorporation and Bylaws adopted by it. Membership shall be appurtenant to and may not be separated from ownership of any building unit or lot that is subject to the Lakeside Manor Covenants. Such members shall notify the secretary of the Carolina Lakes Association in writing of the name of his delegate. Every owner's membership rights shall be subject to the following: (1) The right of the Carolina Lakes Association to borrow money, as provided in the Articles of Incorporation for the Carolina Lakes Association; and (2) The right of the Carolina Lakes Association to levy such assessments and special assessments upon its members as are necessary with limitations as set forth below to: (i) care for

and maintain to reasonable standards the easements required to be maintained by the Carolina Lakes Association, including all roads, amenities, and easements that are shown on the recorded plats of the Properties and Additional Properties as set forth below; (ii) provide for the best interest and welfare of the Carolina Lakes Association; and (iii) to protect property values and quality of life in the Carolina Lakes Subdivision which includes the Properties.

Article II
Covenant for Maintenance Assessment

A. Creation of the lien and Personal Obligation of Assessments: The parties hereto, for each Lot owned within the Properties, hereby covenants, and each owner of any building unit or lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, and whether or not such deed was accepted before or after the recordation of this Amendment, is deemed to covenant and agree to pay, or have paid on their behalf by the Lakeside Manor Association, to the Carolina Lakes Association: (1) assessments or charges and (2) special assessments for extraordinary maintenance and capital improvements. The assessments, together with interest, late fees, costs, and reasonable attorney's fees for collection, shall be a charge on the land and shall be a continuing lien upon the building unit or lot against which each such assessment is made. No lien will be created against Lakeside Manor Association under any circumstance. Each such assessment, together with interest, costs, late fees and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of the building unit or lot at the time when the assessment fell due. The Carolina Lakes Association shall also have the authority, through the Board of Directors, to establish, fix and levy a special assessment on any building unit to secure the liability of the owner thereof to the Carolina Lakes Association arising from breach by such owner of any of the provisions of this Amendment, which breach shall require the expenditure of time and money or both, by the Carolina Lakes Association for repair or remedy. Each owner for himself, his heirs, successors and assigns covenants to pay, or have paid on their behalf by the Lakeside Manor Association, each assessment levied by the Carolina Lakes Association on the parcel described in such conveyance to him within thirty (30) days after receipt of an invoice for the same, and further covenants that if said charge shall not be paid within thirty (30) days from the date that said invoice is deposited, postage prepaid in the United States mail, in an envelope addressed to such owner at the address of the parcel or to such other address as said Owner shall have designated in a writing to the Carolina Lakes Association, the amount of such charge shall become a lien upon said owner's building unit or lot and shall continue to be such lien until fully paid. No special assessment may be positioned by Carolina Lakes Association on any part or whole of the Properties without being equally apportioned to all Carolina Lakes Association members in all phases.

B. Purpose of Assessments: The assessments levied by the Carolina Lakes Association shall be used exclusively to maintain the Amenities and to promote the recreation, health, safety, and welfare of the residents of the Properties, the employment of counsel, accountants and other professionals for the Carolina Lakes Association when necessary, and such other needs as may arise.

C. Effect of Nonpayment of Assessments: Remedies of the Association: Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eight percent (8%) per annum; this rate may be increased in the discretion of the Board of Directors provided such increase does not exceed the highest rate of interest permitted by North Carolina law. The Carolina Lakes Association may bring an action at law against the owner personally obligated to pay the same, and/or foreclose the lien against the building unit or lot. No owner may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his building unit or lot.

D. Subordination of the Lien to Mortgages and Ad Valorem Taxes: The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage (or deed of trust) and ad valorem taxes. Sale or transfer of any building unit or lot shall not affect the assessment lien. However, the sale or transfer of any building unit or lot pursuant to such mortgage or tax foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such building unit or lot or owner thereof from liability for any assessments thereafter becoming due or from the lien thereof.

E. Rate of Annual Assessments. The annual assessment charged by the Carolina Lakes Association with respect to a Lot shall not exceed Five Hundred and 00/100 Dollars (\$500) for an improved Lot and Two Hundred Fifty and 00/100 Dollars (\$250) for an unimproved Lot. The rate of assessments shall be equivalent for the respective classes, improved and unimproved lots, for all members of the Carolina Lakes Association. Declarant shall be exempt from any and all special assessment for any Lot owned by Declarant. Total annual assessments will be charged at a rate of one dollar (\$1) per lot improved or unimproved that is owned by Declarant. Any Featured Builder designated by the Lakeside Manor Association (in accordance with the Lakeside Manor Covenants and the Articles of Incorporation and Bylaws of the Lakeside Manor Association) shall pay no more than One Hundred Fifty and 00/100 Dollars (\$150) per lot annually for any Lot owned by a Featured Builder, paid no later than the date of property sale to end user. Assessments are pro-rated from time of purchase if not owned on the first day of a full calendar year.

F. Limitation on Annual and Special Assessments. Featured Builders and Declarant shall not be responsible for any additional fees or charges by Carolina Lakes Association, including but not limited to road use fees or building charges. All special assessments must have the written approval of Declarant prior to being applicable to the Properties.

G. Increasing or Decreasing Assessments. Carolina Lakes Association may decrease assessments at any time. Increasing of assessments by Carolina Lakes Association must be by vote of the members who will require a thirty five percent (35%) approval of the members of the Properties and Declarant approval if Declarant owns ten or more lots. Featured Builders and Declarant annual dues may not be increased without expressed written approval from each respective party. Nothing contained herein alters, removes, or waives the ability of

Lakeside Manor Association to increase or decrease dues as set out in the restrictions.

ARTICLE III

Limitation on Powers Carolina Lakes Association

The intent of this Amendment is not to subject the Properties to the Restrictions of Carolina Lakes Covenants in any other phase from 1 to 7. With respect to the Properties, the Carolina Lakes Association shall have only the rights and powers specifically set forth herein. The Lakeside Manor Covenants, as amended hereby, shall continue in full force and effect with respect to the Properties. The Carolina Lakes Covenants shall not affect and not be enforceable against the Properties by Carolina Lakes Association. Nothing herein adopts any alternate restrictions on the properties.

Establishment of a system of fines for violations of Reservations and Restrictions will be conducted by the Lakeside Manor Association. No fines may target any of the Properties unequally in respect to all phases in Carolina Lakes.

The Architectural Committee shall be burdened by the Lakeside Manor Association rules and regulations and no owner of the Properties will be burdened with needing approval from the Architectural Committee.

Lakeside Manor Association may at any time reduce their responsibilities and grant them to Carolina Lakes Association by way of expressed written document, however at any time Lakeside Manor Association may revoke any granted future powers to Carolina Lakes Association.

ARTICLE IV

Use of Amenities

The owners of the Properties shall have a perpetual non-exclusive easement for use, access and enjoyment of the Amenities and the right of ingress, egress, and regress, from the Properties herein described to Buffalo Lakes Road over the streets shown on the plats of Carolina Lakes Subdivision recorded in the Harnett County Registry.

A perpetual non-exclusive rights, access, use, and easement for egress, ingress, enjoyment, and regress over and upon those certain parcels of land that are Association amenities, including but not limited to, all lakes, access areas, clubhouse, tennis courts, swimming pools, security gates, streets, roads, jogging trails, club dock and all other amenities and common areas throughout Carolina Lakes Subdivision shall be available to all owners and shall run with the land. The easement herein described is subject to the same rules and regulations regarding the use of such easement as exist regarding other property owners in Carolina Lakes Subdivision. The easements as they exist now may not be reduced or limited by any party.

ARTICLE V

Additional Property

Any property added to the Lakeside Manor Covenants shall be included as a part of the

"Properties" under this Amendment and shall be subject to the terms and provisions hereof, regardless of whether the supplement or amendment to the Lakeside Manor Covenants specifically references this Amendment.

Article VI
Amendment

Any amendment to this instrument shall be prohibited without the expressed written approval of the Declarant. Declarant may modify this amendment at any time acting alone.

Article VII
General

Except as specifically amended by this Amendment, the remaining provisions of the Covenants shall remain in full force and effect in every respect and are hereby acknowledged and confirmed by reference.

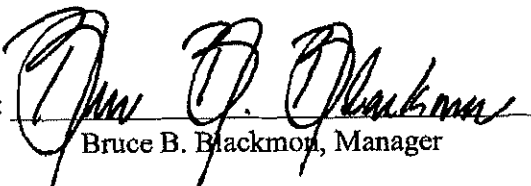
This Amendment is intended to satisfy any and all requirements to include the Properties into Carolina Lakes Association.

This Amendment shall be effective upon recordation in the office of the Harnett County Register of Deeds.

IN WITNESS WHEREOF, the undersigned, being a manager of VILLAGE PARK AT WINDING LANE, LLC, herein, has caused this instrument to be duly executed this 23 day of March, 2009.

VILLAGE PARK AT WINDING LANE, LLC,
A North Carolina limited liability company

By:


Bruce B. Blackmon, Manager

STATE OF NORTH CAROLINA

COUNTY OF Mecklenburg

I, a Notary Public for the County and State aforesaid, do hereby certify that the foregoing instrument was voluntarily executed for the purposes therein stated by **Bruce B. Blackmon**, a Manager of Village Park at Winding Lane, LLC, a North Carolina limited liability company and that he, as Manager, being authorized to do so, executed the foregoing on behalf of the limited liability company and is personally known to me. Witness my hand and official seal this 23 day of March, 2009.

Notary Public in and for the State of North Carolina
Printed Name:

Patty K. Jouty

Notary Public

My Commission Expires: May 18, 2012

