

STATE OF NORTH CAROLINA
 ONSLOW COUNTY

AMENDMENT TO DECLARATION OF
 MASTER COVENANTS, CONDITIONS AND
 RESTRICTIONS FOR ESCOBA BAY
 EQUESTRIAN AND YACHTING
 COMMUNITY

THIS AMENDMENT, made on the date hereinafter set forth,
 by CEPCO, INC. (the "Declarant") and ESCOBA BAY HOMEOWNER'S
 ASSOCIATION, INC. (the "Association"):

W I T N E S S E T H :

WHEREAS, certain property that is owned by the
 Declarant is subject to the Declaration of Master Covenants,
 Conditions and Restrictions for Escoba Bay Equestrian and
 Yachting Community (the "Declaration"), as recorded in Book 861,
 Page 321, Onslow County Registry; and

WHEREAS, the Declarant desires said Declaration to be
 amended to provide that said property be developed in a manner
 that is consistent with the plans and specifications relative to
 storm water runoff controls which have been approved by the North
 Carolina Department of Natural Resources and Community
 Development;

NOW THEREFORE, in consideration of the mutual covenants
 contained herein, ONE DOLLAR (\$1.00) and other good and valuable
 consideration, the receipt of which is hereby acknowledged, the
 parties hereby agree to amend the said Declaration as follows:

1. Article IV is amended by adding a new Section 17 as
 follows:

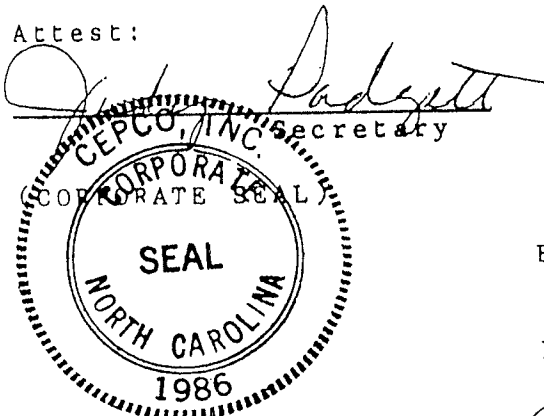
Section 17. Built-Upon Surface Area: The
 Declarant hereby covenants for itself, its
 successors and assigns, that the aggregate
 built-upon area within Escoba Bay shall not
 exceed twenty-five percent (25%) of the total
 surface area included in Escoba Bay, in
 accordance with storm water runoff regulations
 adopted by the North Carolina Department of
 Natural Resources and Community Development.
 The Association and/or the Architectural
 Committee, in its review of any plans for
 construction submitted by any lot owner, shall
 approve or deny said plans in compliance with
 this restriction. This restriction shall be
 for the benefit of the State of North Carolina
 as well as the owners of lots in Escoba Bay.

This the 18th day of February, 1988.

CEPCO, INC.

BY: John H. Harden Jr.
President

Attest:



ESCOBA BAY HOMEOWNERS ASSOCIATION, INC.

BY: John H. Harden Jr.
President

Attest:

Stephanie F. Li
Secretary

(CORPORATE SEAL)

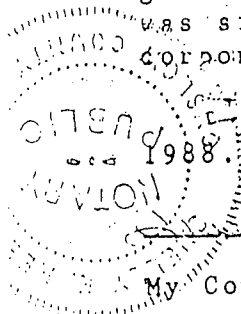


STATE OF NORTH CAROLINA

COUNTY OF ONSLOW

I, a Notary Public of said County and State, do hereby certify that Judy Padgett personally came before me this day and acknowledged that (s)he is Secretary of CEPCO, INC., a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by its Secretary.

Witness my hand and seal, this 18 day of February,

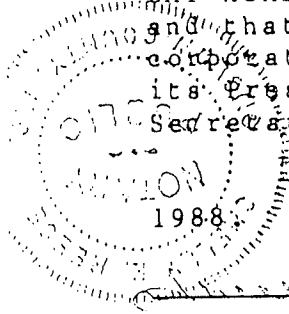


STATE OF NORTH CAROLINA

COUNTY OF ONSLOW

I, a Notary Public of said County and State, do hereby certify that Stephanie F. Li personally came before me this day and acknowledged that (s)he is Secretary of ESCOBA BAY HOMEOWNERS ASSOCIATION, INC., a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by its Secretary.

Witness my hand and seal, this 18 day of February,



Shelly E. Reece
NOTARY PUBLIC
My Commission Expires: 10-2-92

NORTH CAROLINA, ONSLOW COUNTY
The foregoing certificate(s) of _____

Shelly E. Reece

Notary(ies) Public is (are) certified to be correct. This instrument was presented for registration and recorded in this office in Book 867 Page 197 This 19th day of February 1988 A.D., at 2:11 o'clock P. M. By Shelly E. Reece Register of Deeds, Onslow County