

Return To: Guthrie, Davis
719 E. Blvd, Charlotte, NC 28203

NORTH CAROLINA
MCDOWELL COUNTRY

566 848

MUTUAL AGREEMENT

THIS AGREEMENT is made and entered into this the 17th day of August 1998 by and between Blue Ridge Country Club I Ltd., a Florida Limited Partnership, hereinafter also referred to as "Party of the First Part", Blue Ridge Country Club Property Owners Association, Inc., a North Carolina non-profit corporation, hereinafter also referred to as "Party of the Second Part" or "POA", and Downing Blue Ridge, LLC, a North Carolina Limited Liability Company, also herein referred to as "Party of the Third Part";

WHEREAS, Party of the First Part is the owner of that property known as Blue Ridge Country Club Subdivision (the "Subdivision") and of record in Book 468 Page 818 of the McDowell Country Registry, and is also known as the "Declarant" under those Declaration of Covenants, Conditions and Restrictions of record in Book 425 Page 706, and as amended in Book 512 Page 421 and Book 522 Page 97 of the McDowell County Registry; and

WHEREAS, Party of the Second Part is the owner of that property known as the Sewage Treatment Parcel, such property being of record in Book 522 Page 94 of the McDowell Country Registry, and is the governing body of the Property Owners of Blue Ridge Subdivision; and

WHEREAS, Party of the Third Part is now the owner of the golf course which adjoins the property of Party of the First Part and Party of the Second Part, such property of record in Book 566 Page 830 of the McDowell County Registry (the "Golf Course"); and

WHEREAS, the parties wish to set forth the various agreements which exist between them;

NOW THEREFORE, in consideration of ten dollars, the mutual covenants contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereby agree as follow:

1. Party of the Third Part, its successors and assigns, is hereby granted a perpetual non-exclusive easement appurtenant to hook onto and otherwise use and enjoy all utility lines and utility facilities located on or in the property of Party of the First Part and the property of Party of the Second Part including without limitation electrical, gas, cable, telephone, water, sewer and facilities and all other utilities of every description.

2. Party of the Third Part shall pay to the Party of the First or Second Part, whichever applicable, the sum of \$50.00 per month for water and sewer service for the Golf Pro Shop and for the Inn/Village facility, provided, however, that if the area known as Mulligans is added to the usage of Party of the Third Part, then an additional \$50.00 per month shall be added. Should Party of the First or Second Part increase the rates generally charged for water and sewer service provided to each Owner of a Home Site (as defined by the Declaration), Party of the Third Part shall also pay such additional charges. For purposes of such increases, the golf Pro Shop facility and the Inn/Village facility shall each be charged an amount equal to 1.6 times the charge for a single Home Site for each Owner of a Home Site (as defined in the Declaration). In the event that Party of the

Third Part makes additions or alterations to their property, then their access fees shall increase proportionately.

3. Party of the First Part and Party of the Second Part hereby assign, grant and convey to Party of the Third Part any and all rights and privileges granted to or reserved for the "Club" as that term is defined in Article 1, Section 4, of the Declaration, subject to the terms of any lease agreement existing on the property known as "Mulligans".

4. Party of the First Part and Party of the Second Part hereby release and discharge Party of the Third Part from any obligation to convey the Common Area as provided by Article IV Section 1 of the Declaration. Provided, that Party of the Third Part shall have the right, but not the obligation, to hereinafter convey the Common Area (as defined in the Declaration) to Party of the First Part or Party of the Second Part subject to such easements and restrictions as Party of the Third Part may deem appropriate.

5. It is understood and agreed that the Party of the Second Part, the Property Owners Association, shall maintain all Common Areas as defined in that Declaration of Covenants, Conditions and Restrictions of Record in Book 522 page 97 of the McDowell County Registry, specifically to include the Entrance Road and Designated Maintenance Items as defined therein, notwithstanding ownership of same by Party of the Third Part.

6. Party of the Third Part shall provide either memberships to the golf course or access to daily fee play to all current and future property owners in the Blue Ridge Country Club Subdivision. Rates payable by such property owners shall be equal to the lowest applicable rate available to any non-member player and property owners shall be subject to only those restrictions applicable to all players. If golf course memberships shall be available, property owners on today's date shall be deemed members and shall thereafter be obligated to pay all ordinary fees of membership. Any person becoming a property owner subsequent to today's date shall have the right to a golf club membership (if such memberships are available) at the then prevailing market rate for such memberships.

7. Party of the Third Part hereby grants a personal license unto Richard McDonald and Edward J. Meyer for golfing privileges at Blue Ridge Country Club at no cost throughout their natural lives; provided, however, that in the event of a sale or transfer of the property of Party of the Third Part, then Party of The Third Part shall use reasonable effort to continue the license use of Richard McDonald and Edward J. Meyer, but this shall not run with the land nor shall such license be assignable.

8. Party of the Third Part hereby affirms a lease unto the Party of the First Part office space in the existing exercise room of the Village Center at a cost of \$200.00 per month with all future annual adjustments in rental equal to the year to year change in the Consumer Price Index (Atlanta - All Categories) which is more particularly set forth in a separate written lease agreement. The term of this lease shall be for a period of time which shall expire one year after Party of the First Part conveys all of its property of record in Book 468 page 818 of the McDowell County Registry.

To have and to hold the said rights and covenants to the parties, their successors and assigns, in title forever, it being agreed that the rights and easements hereby granted to Party of the Third Part are appurtenant to and run with the Golf Course (and are also for the benefit of, and

maybe enforced by, any lender to Party of the Third Part which secures any loan by a lien on the Golf Course, including Branch Banking and Trust Company the current lender to the Party of the Third Part and any successors and assigns), and that the rights and easements hereby granted to Party of the Second Part are appurtenant to and run with the Sewage Treatment Plant, and that the rights and easements hereby granted to party of the First Part are appurtenant to and run with the Subdivision.

WHEREFORE the parties set their hands and seals on the date first above written.

BLUE RIDGE COUNTRY CLUB I, LTD., (SEAL)
a Florida Limited Partnership,
By its General Partner:
Blue Ridge Country Club Inc., a Florida Corporation

by: Edward J. Meyer
Edward J. Meyer,
President of Blue Ridge Country Club, Inc.

Attest:
Cristina A. Graham
Asst. Secretary
[Corporate Seal]

Blue Ridge Country Club Property Owners Association, Inc.

By: Edward J. Meyer
Edward J. Meyer, President

Attest:
Cristina A. Graham
Asst. Secretary
[Corporate Seal]

Downing Blue Ridge, LLC, a North Carolina limited liability company [SEAL]

By: Wayne Downing
Wayne Downing, Member and Manager

566 851

NORTH CAROLINA
COUNTY OF Mecklenburg

I, a Notary Public of the County and State aforesaid, certify that **Cristina L. Graham**, personally came before me this day and acknowledged that she is the Assistant Secretary of **Blue Ridge Country Club, Inc.** a Florida Corporation that is a General Partner of Blue Ridge Country Club I, Ltd., a Florida Limited Partnership, and that by authority duly given and as the act of the corporation, and on behalf of the Limited Partnership, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested to by her as its Assistant Secretary. Further appeared before me **Edward J. Meyer**, who, being first duly sworn, states that he is the President of Blue Ridge Country Club, Inc., a Florida corporation that is a General Partner of Blue Ridge Country Club I, Ltd., a Florida Limited Partnership, and that the seal affixed to the foregoing instrument is the corporate seal of the corporation and that the writing was signed and sealed by him in behalf of the corporation as the General Partner of Blue Ridge Country Club I, Ltd., by its authority duly given. And the President acknowledged the writing to be the act and deed of the corporation as General Partner of Blue Ridge Country Club I, Ltd.

WITNESS my hand and official stamp or seal, this 17th day of August 1998.

My Commission expires:
My Commission Expires March 27, 2002

J. Manfredi
Notary Public



NORTH CAROLINA
COUNTY OF Mecklenburg

I, a Notary Public of the County and State aforesaid, certify that Cristina L. Graham personally came before me this day and acknowledged that she is ___ Secretary of Blue Ridge Country Club Property Owners 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 _____ as its Secretary.

Witness my hand and official stamp or seal, this the 17th day of August, 1998.

My Commission expires:
My Commission Expires March 27, 2002

J. Manfredi
Notary Public



566 852

NORTH CAROLINA
COUNTY OF Mecklenburg

I, T. Manfredi, a Notary Public for said County and State, do hereby certify that Wayne Downing, manager of Downing Blue Ridge, LLC, a limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

Witness my hand and official stamp or seal, this the 17th day of August, 1998.

My Commission expires:

My Commission Expires March 27, 2002

T. Manfredi
Notary Public



FILED NO.

Aug 18 12 27 PM '98

PATRICIA A REEL
REGISTER OF DEEDS
MCDOWELL COUNTY, NC

NORTH CAROLINA

MCDOWELL COUNTY

The foregoing certificates of T. MANFREDI, NOTARY PUBLIC are certified to be correct.
Filed for registration at 12:27 PM this 18th day of August, 1998 in Book 566 Page 848.

PATRICIA A. REEL
REGISTER OF DEEDS

BY Caroleen A. Reel
DEPUTY