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KAY F. PATSEAVOURAS
REGISTER OF DEEDS
GUILFORD COUNTY, NC
JUL 11 12 03 PM '88

NORTH CAROLINA
GUILFORD COUNTY

DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
BARRINGTON PLACE

THIS DECLARATION, made on the date hereinafter set forth by
CORNWALLIS DEVELOPMENT CO., hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Cornwallis Development Co. is the owner of certain
property in the County of Guilford, State of North Carolina, which
is more particularly described as:

All of that certain parcel of land shown on the plat
entitled "Barrington Place, Section 1," which appears of
record in the Office of the Register of Deeds of
Guilford County, North Carolina, in Plat Book 90
Page 130.

NOW, THEREFORE, Declarant hereby declares that all of the
property described above shall be held, sold and conveyed subject
to the following easements, restrictions, covenants and
conditions, which are for the purpose of protecting the value and
desirability of, and which shall run with the real property and
be binding on all parties having any right, title or interest in
the described properties or any part thereof, their heirs,
successors and assigns, and shall inure to the benefit of each
owner thereof.

ARTICLE I

DEFINITIONS

SECTION 1. "Association" shall mean and refer to BARRINGTON
PLACE ASSOCIATION, its successors and assigns.

SECTION 2. "Owner" shall mean and refer to the record Owner,
whether one or more persons or entities, of a fee simple title to
any Lot which is a part of the Properties, but excluding those
having such interest merely as security for the performance of an
obligation.

SECTION 3. "Properties" shall mean and refer to that certain
real property hereinabove described, and such additions thereto
as may hereafter be brought within the jurisdiction of the
Association.

1 MISCELLANEOUS DOCUM 1330097 5.00
18 MISC DOCUMENTS ADDN PG(S) 36.00
1 PROBATE FEE 1.00

BK 3674 PG 2075

SECTION 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described as follows:

All that land designated "Common Area" as shown on the plat entitled "Barrington Place, Section 1," which appears of record in the Office of the Register of Deeds of Guilford County, North Carolina, in Plat Book 90, Page 130.

SECTION 5. "Member" shall mean and refer to every person or entity who holds membership with voting rights in the Association.

SECTION 6. "Declarant" shall mean and refer to Cornwallis Development Co., its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

SECTION 7. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties, with the exception of Common Area.

ARTICLE II

PROPERTY RIGHTS

SECTION 1. OWNERS' EASEMENTS OF ENJOYMENT. Every Owner shall have a 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 following provisions:

(a) the right of the Association to permit the use of and to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and the right to the use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and, for a period not to exceed sixty (60) consecutive days for any infraction of its published rules and regulations;

(c) the right of the Association to grant easements and rights of way, to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility (including any entity authorized by the City of Greensboro to supply cable television service) for such purposes and subject to such conditions as may be agreed to by the Board of Directors of the Association. No such dedication or transfer shall be effective unless an instrument signed by a majority of the Board of

Directors, agreeing to such dedication or transfer, has been recorded;

(d) the right of the Association to impose regulations for the use and enjoyment of the Common Area and improvements thereon, which regulations may further restrict the use of the Common Area, and specifically including the right to make permanent and temporary assignments of parking spaces and to establish regulations concerning the use thereof; and

(e) the right of the Association to exchange portions of Common Area with the Declarant for substantially equal areas of the Properties for the purpose of eliminating unintentional encroachments of houses or other improvements onto portions of the Common Areas.

SECTION 2. DELEGATION OF USE. Any Owner may delegate his right of enjoyment to the Common Area and recreational facilities to the members of his "immediate family" (as that term is hereinafter defined), to his guests, and to other persons permitted under the terms of Article VII, Section 1, hereof, subject to such rules and regulations as may be established from time to time by the Association.

SECTION 3. OWNER'S EASEMENTS

(a) Each Owner of a Lot shall have the right, exclusive of all other Owners but subject to the rights of the Association as set forth in this Declaration, to the use of the driveway associated with and serving his Lot. The respective driveways are appropriately shown and designated on the recorded plat of the Properties.

(b) The heating, ventilating and air-conditioning equipment and related lines, pipes and conduits (the "HV/AC Equipment") serving certain Lots may be located on the Common Area in close proximity to the Lots served. Each Owner of a Lot whose HV/AC Equipment is or may be placed on the Common Area is hereby granted a perpetual, non-exclusive easement to and over that portion of the Common Area where such HV/AC Equipment is located, together with an easement of ingress, egress and regress across the Common Area for the purpose of repairing and maintaining such Equipment. This easement includes the right to disturb the surface of the Common Area if necessary to effect repairs and maintenance; provided, however, each Lot Owner shall be responsible for the repair and restoration of the Common Area to its state prior to any disturbance or damage caused by the maintenance and repair of the HV/AC Equipment. In the event a Lot Owner fails to restore or repair the Common Area as herein required, the Association may effect such restoration or repair and the cost thereof shall become a part of the annual assessment or charge set forth in

Article IV, Section 1, and subject to the lien rights described in said Article.

(c) Access to each dwelling unit (and its related deck) located on a Lot may be provided by steps placed on the Common Area. Each Owner is hereby granted a perpetual non-exclusive easement to and over that portion of the Common Area where such steps are located for the placement of the steps thereon, together with an easement of ingress, egress and regress across such portion of the Common Area.

SECTION 4. PARKING RIGHTS AND RESTRICTIONS. Owners and the other persons defined in Article VII, Section 1 ("Authorized Users") shall be permitted to park motor vehicles only in their respective garages and in the driveways serving their respective Lots. Guests, invitees and licensees of Owners and of Authorized Users shall be permitted to park on the Common Area drives and roadways only for brief periods of time on an irregular, infrequent basis.

Violations of this Section shall constitute a nuisance and, in addition to all other remedies available to it at law and in equity, the Association shall have the right:

(a) to assess fines against an Owner for violations by him and by Authorized Users of his Lot; and

(b) to remove the offending vehicle from the Common Area upon the commission of a second offense by an Owner or the Authorized Users of his Lot. The costs of such removal and any storage fees shall be the responsibility of the Owner and the Authorized User.

The fines described in paragraph (a) and the costs and fees described in paragraph (b) above shall be deemed to be assessments as set forth in Article IV of this Declaration and if not paid within thirty (30) days after notice and demand therefor, the Association shall be entitled to the remedies set forth in Article IV, Section 8.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

SECTION 1. Every Owner of a Lot which is subject to a lien for assessments 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.

SECTION 2. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners other than the Declarant. Class A Members shall be entitled to one (1) vote for

each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote or votes for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant 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 occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, provided, however, that the Class B membership shall be reinstated if after such conversion and before the time stated in subparagraph (b) below, additional lands are annexed to the Properties pursuant to the provisions of Article X, Section 4, herein, containing a sufficient number of Lots to give the Class B Member a total number of votes in excess of the Class A Members; or,

(b) on December 31, 1994.

SECTION 3. RIGHT OF DECLARANT TO REPRESENTATION ON BOARD OF DIRECTORS OF THE ASSOCIATION. Notwithstanding anything to the contrary herein, until December 31, 1994, Declarant shall have the right to designate and select a majority of the Board of Directors of the Association. Whenever Declarant shall be entitled to designate and select any person or persons to serve on any Board of Directors of the Association, the manner in which such person or persons shall be designated shall be as provided in the Articles of Incorporation and/or By-Laws of the Association. Declarant shall have the right to remove any person or persons selected by it to act and serve on said Board of Directors and to replace such person or persons with another person or other persons to act and serve in the place of any Director or Directors so removed for the remainder of the unexpired term of any Director or Directors so removed. Any Director designated and selected by Declarant need not be the Owner of a Lot in Barrington Place. However, Declarant shall be responsible, pursuant to the provisions of Article IV, for the payment of assessments which may be levied by the Association against any Lot or Lots owned by Declarant, and for complying with the remaining terms and provisions hereof in the same manner as any other Owner. Any representative of Declarant serving on the Board of Directors of Association shall not be required to disqualify himself from any vote upon any contract or matter between Declarant and the Association where Declarant may have a pecuniary or other interest. Similarly, Declarant, as a member of the Association, shall not be required to disqualify itself upon any contract or matter between Declarant and the Association where Declarant may have a pecuniary or other interest.

ARTICLE IV

COVENANT FOR MAINTENANCE AND ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner for any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association (1) annual assessments or charges; (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided; and (3) to the appropriate governmental taxing authority: (a) a pro rata share of ad valorem taxes levied against the Common Area; and, (b) a pro rata share of assessments for public improvements to or for the benefit of the Common Area if the Association shall default in the payment of either or both for a period of six (6) months, all as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for the delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

SECTION 2. PURPOSE OF ASSESSMENTS.

(a) The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and in particular for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose and related to the exterior maintenance of the dwellings situated upon Lots or for the use and enjoyment of the Common Area, including but not limited to, the costs of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Area, the procurement and maintenance of insurance in accordance with the By-Laws, the payment of charges for garbage collection service for the Properties, the employment of attorneys to represent the Association when necessary, and such other needs as may arise.

(b) All monies collected by the Association shall be treated as the separate property of the Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the Property, or to the proper undertaking of all acts and duties imposed upon it by virtue of this

Declaration, the Articles of Incorporation and the By-Laws of the Association. As monies for any assessment are paid unto the Association by any Lot Owner, the same may be commingled with monies paid to the Association by the other Lot Owners. Although all funds and common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Lot. When a Lot Owner shall cease to be a member of the Association by reason of his divestment of ownership of his Lot, by whatever means, the Association shall not be required to account to such Owner for any share of the funds or assets of the Association, or which may have been paid to the Association by such Owner, as all monies which any Owner has paid to the Association shall be and constitute an asset of the Association which may be used in the operation and management of the Properties.

SECTION 3. MAXIMUM ANNUAL ASSESSMENT. Until January 1 of the year immediately following the year of conveyance of the first Lot to an Owner, the maximum assessment shall be One Hundred Fifty and No/100 Dollars (\$150.00) per Lot per month, which shall be deemed to be a rate of maximum annual assessment of One Thousand Eight Hundred and No/100 Dollars (\$1,800.00) per Lot per year.

(a) The maximum annual assessment for the calendar year immediately following the year in which conveyance of the first Lot to an Owner is made and for each calendar year thereafter shall be established by the Board of Directors and may be increased by the Board of Directors without approval by the membership by an amount not to exceed twenty percent (20%) of the maximum annual assessment of the previous year.

(b) The maximum annual assessment for the calendar year immediately following the year in which conveyance of the first Lot to an Owner is made and for each calendar year thereafter may be increased without limit 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 annual assessment at an amount not in excess of the maximum, subject to the provisions of Section 6 of this Article.

SECTION 4. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments authorized above, the Association may levy, in any calendar year, a special assessment for the purpose of defraying in whole or in part the costs of any construction, reconstruction, repair or replacement of a capital

improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose. All special assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

SECTION 5. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership 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 one half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

SECTION 6. RATE OF ANNUAL ASSESSMENT.

(a) With the exceptions set forth in subsection (b) of this Article IV, Section 6, and set forth in subsection (b) of Article V, Section 4, both annual and special assessments must be fixed at a uniform rate.

(b) The annual assessment for any Lot owned by Declarant and unoccupied as a residence shall be an amount not to exceed fifty percent (50%) of the regular assessment for all other Lots.

SECTION 7. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS; DUE DATES. The annual assessments provided for herein shall be collected on a monthly basis and shall commence for each Lot conveyed by the Declarant to an Owner on the first day of the first month following the conveyance of such Lot. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year after conveyance of such Lot. The annual assessments for Lots owned by Declarant and unoccupied as a residence shall be in an amount established in accordance with the provisions of Article IV, Section 6(b) and shall commence as to a particular Lot at the time the dwelling situated on that Lot is completed and ready for occupancy.

At least thirty (30) days in advance of each annual assessment period, the Board of Directors shall fix the amount of the annual assessment to every Owner subject thereto. The due dates 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.

SECTION 8. 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 twelve percent (12%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien created herein against the property in the same manner as prescribed by the laws of the State of North Carolina for the foreclosures of deeds of trust, and interest, costs and reasonable attorney's fees for representation of the Association in such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area or abandonment of his Lot.

SECTION 9. EFFECT OF DEFAULT IN PAYMENT OF AD VALOREM TAXES OR ASSESSMENTS FOR PUBLIC IMPROVEMENTS BY ASSOCIATION. Upon default by the Association in the payment to the governmental authority entitled thereto of any ad valorem taxes levied against the Common Area or assessments for public improvements to the Common Area, which default shall continue for a period of six (6) months, each Owner of a Lot in the development shall become personally obligated to pay to the taxing or assessing governmental authority a portion of such unpaid taxes or assessments in an amount determined by dividing the total taxes and/or assessments due the governmental authority by the total number of Lots in the development. If such sum is not paid by the Owner within thirty (30) days following receipt of notice of the amount due, then such sum shall become a continuing lien on the Lot of the then Owner, his heirs, devisees, personal representatives and assigns, and the taxing or assessing governmental authority may either bring an action at law or may elect to foreclose the lien against the Lot of the Owner.

SECTION 10. SUBORDINATION OF THE LIEN TO MORTGAGES. The liens provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien or liens provided for in the preceding section. However, the sale or transfer of any Lot which is subject to any such first mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to the payment thereof which become due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof,

but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage or deed of trust.

SECTION 11. EXEMPT PROPERTY. All property dedicated to, and accepted by, a local public authority and all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE V

ARCHITECTURAL CONTROL

SECTION 1. THE ARCHITECTURAL CONTROL COMMITTEE. An Architectural Control Committee consisting of five (5) or more persons shall be appointed by the Class B Member. At such time as the Class B membership expires, the Committee shall be appointed by the Board of Directors of the Association.

SECTION 2. PURPOSE. The Architectural Control Committee shall regulate the external design, appearance, use, location and maintenance of the Properties and of improvements thereon in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography.

SECTION 3. CONDITIONS. Except as expressly provided herein, no improvements, alterations, repairs, change of paint colors, plantings, excavations, changes in grade or other work which in any way alters the exterior of any Lot or the improvements located thereon from its natural or improved state existing on the date such Lot was first conveyed in fee by the Declarant to an Owner shall be made or done without the prior written approval of the Architectural Control Committee. No building, fence, wall, residence or other structure shall be commenced, erected, maintained or improved, altered, removed, made or done without the prior written approval of the Architectural Control Committee.

SECTION 4. PROCEDURES.

a) Any person desiring to make any improvement, alteration or change described in Section 3 above shall submit the plans and specifications therefor, showing the nature, kind, shape, height, materials and location of the same, to the Architectural Control Committee which shall evaluate such plans and specifications in light of the purpose of this Article as set forth in Section 2 above. In the event the Committee fails to approve, modify or disapprove in writing an application within sixty (60) days after plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully

complied with. The applicant may appeal an adverse Architectural Control Committee decision to the Board of Directors of the Association which may reverse or modify such decision by a two-thirds (2/3) vote of the Directors.

b) As part of the original construction of the dwellings on each Lot, Declarant has provided the structural framing for a rear roof dormer. An Owner may add a roof dormer to the rear of his dwelling, in the location where the structural framing has been provided, if he submits the plans and specifications therefor, showing the nature, kind, shape, height, materials and location thereof to the Architectural Control Committee. The Committee shall evaluate such plans and specifications to determine if the rear dormer matches the existing front dormer and the exterior of the dwelling. The review of the Architectural Control Committee shall be limited to such evaluation. In the event the Committee fails to approve, modify or disapprove in writing such plans and specifications within sixty (60) days after submission to it, approval will not be required and this Article will be deemed to have been fully complied with. The applicant may appeal an adverse Architectural Control Committee decision to the Board of Directors of the Association which may reverse or modify such decision by a two-thirds (2/3) vote of the Directors.

c) With the exception of rear roof dormers added pursuant to the procedures specified herein, the Architectural Control Committee, as a condition to the granting of approval of any request made under this Article, may require that the Owner requesting such change be liable for any cost of maintaining or repairing the approved project. If such condition is imposed, the Owner shall evidence his consent thereto by a written document in recordable form satisfactory to the Architectural Control Committee. Thereafter, the Owner, and any subsequent Owner of the Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree that any cost of maintenance and repair of such improvement shall be a part of the annual assessment or charge set forth in Article IV, Section 1, and subject to the lien rights described in said Article IV.

ARTICLE VI

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each dwelling on each Lot which is subject to assessments hereunder, as follows: Paint, repair, replace and care of roofs, gutters, downspouts, exterior building surfaces, decks, steps, grass, trees, shrubs, walks and other exterior improvements, including rear roof dormers added by Owners in accordance with the provisions of Article V, Section 4. Such exterior maintenance

shall not include: glass surfaces; window and door screens; and leaks around dormers added by Owners. In order to enable the Association to accomplish the foregoing, there is hereby reserved to the Association the right to unobstructed access over and upon each Lot at all reasonable times to perform maintenance as provided in this Article.

In the event that the need for maintenance, repair or replacement is caused through the willful or negligent act of the Owner, his family, guest or invitees, or is caused by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircrafts, vehicles and smoke, as the foregoing are defined and explained in North Carolina Standard Fire and Extended Coverage insurance policies, the cost of such maintenance, replacement or repairs shall be added to and become a part of the assessment to which such Lot is subject.

ARTICLE VII

USE RESTRICTIONS

SECTION 1. LAND USE AND BUILDING TYPE. No Lot shall be used except for single-family residential purposes and such use shall be limited to:

- (a) The Owner;
- (b) Members of the Owner's immediate family or members of the immediate family of the Owner's spouse. For purposes of this Declaration "immediate family" shall mean lineal ancestors or descendants of the Owner or the Owner's spouse;
- (c) A tenant of an Owner holding a leasehold estate of at least one (1) year under a written lease agreement, which lease agreement shall have the prior written approval of the Board of Directors before the tenant takes possession;
- (d) Such other occupancies as may be approved from time to time by the Board of Directors upon prior written application therefor by the Owner. Such application shall set forth the type, nature and duration of the proposed occupancy arrangement, the name and relationship of the proposed occupant and such other pertinent information as the Board may require;
- (e) Temporary use of a Lot or Lots by Declarant as a sales office and/or model.

SECTION 2. DWELLING SPECIFICATIONS. No dwelling shall be permitted having a heated ground area of the main structure, exclusive of one-story open porches, of less than eighteen hundred (1,800) square feet.

SECTION 3. NUISANCE. No noxious or offensive activity shall be conducted upon any Lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. Owners of Lots with garages shall keep the interior of such garages in a neat and orderly condition and shall keep garage doors closed as much as practical.

SECTION 4. ANIMALS. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes and further provided that they are kept and maintained in compliance with all laws and ordinances of the City of Greensboro and the County of Guilford relating thereto.

SECTION 5. OUTSIDE ANTENNAS. No outside radio or television antennas shall be erected on any Lot or dwelling within the Properties unless and until permission for the same has been granted by the Board of Directors of the Association or its Architectural Control Committee.

SECTION 6. BOATS, TRAILERS AND CERTAIN MOTOR VEHICLES. No boats, buses, trailers, campers or recreational vehicles shall be parked on any Lot or on the Common Area; provided, however, such boats or vehicles may be parked in a garage on a Lot if such boat or vehicle can be fully covered by the garage with the garage door closed.

ARTICLE VIII

EASEMENTS

SECTION 1. UTILITIES. Easements for installation and maintenance of utilities (including cable television service) and drainage facilities are reserved as shown on the recorded plat. Within these easements no structures, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. An easement is hereby established for the benefit of the City of Greensboro over all Common Areas as may be reasonably necessary for the setting, removal and reading of water meters, the maintenance and replacement of water, sewer and drainage facilities, for affording police protection, and for the fighting of fires and collection of garbage.

SECTION 2. UNINTENTIONAL ENCROACHMENTS. In the event that any improvements on a Lot shall encroach upon any Common Area or upon any other Lot for any reason not caused by the purposeful or negligent act of the Owner or agents of such Owner, then an

easement appurtenant to such Lot shall exist for the continuance of such encroachment upon the Common Area or other Lot for so long as such encroachment shall naturally exist; and, in the event that any portion of the Common Area shall encroach upon any Lot, then an easement shall exist for the continuance of such encroachment of the Common Area into any such Lot for so long as such encroachment shall naturally exist.

ARTICLE IX

PARTY WALLS

SECTION 1. GENERAL RULES OF LAW TO APPLY. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence, or willful acts or omissions shall apply thereto.

SECTION 2. REPAIR AND MAINTENANCE. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

SECTION 3. DESTRUCTION BY FIRE OR OTHER CASUALTY. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

SECTION 4. WEATHERPROOFING. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

SECTION 5. RIGHT TO CONTRIBUTION RUNS WITH LAND. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

SECTION 6. ARBITRATION. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

ARTICLE X
GENERAL PROVISIONS

SECTION 1. ENFORCEMENT. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association shall have the right to request that law enforcement, public safety and animal control officers come on the Properties to facilitate the enforcement of the laws, codes and ordinances of any governmental authority.

SECTION 2. SEVERABILITY. Invalidation of any one of the covenants or restrictions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect.

SECTION 3. AMENDMENT. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners, provided that no amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvements, as herein provided, or affect any lien for the payment thereof established herein. Any amendment must be properly recorded.

SECTION 4. ANNEXATION.

(a) Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of Members.

(b) Additional land within the area described in the metes and bounds description attached hereto as SCHEDULE A and incorporated herein by reference may be annexed by the Declarant without the consent of Members until December 31, 1997.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused this instrument to be executed by its duly

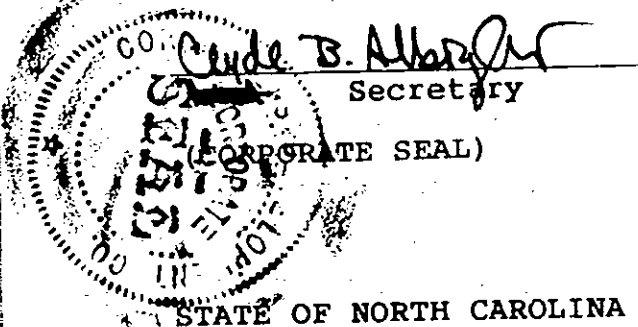
authorized officers and its corporate seal to be hereunto affixed,
this the 1st day of July, 1988.

CORNWALLIS DEVELOPMENT CO.

BY:

C. B. Albright
President

ATTEST:



STATE OF NORTH CAROLINA
COUNTY OF GUILFORD

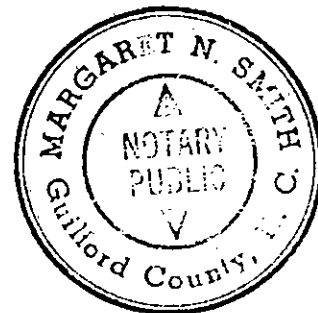
I, Margaret N. Smith, a Notary Public, do hereby
certify that Claude B. Albright personally appeared before me
this day and acknowledged that he is the Secretary of
CORNWALLIS DEVELOPMENT CO., a corporation, and that by authority
duly given, and as the act of the corporation, the foregoing
instrument was signed in its name by its President, sealed with
its corporate seal, and attested by him as its Secretary.

WITNESS my hand and official seal this 6th day of July,
1988.

Margaret N. Smith
NOTARY PUBLIC

My Commission Expires:

Oct. 1, 1988

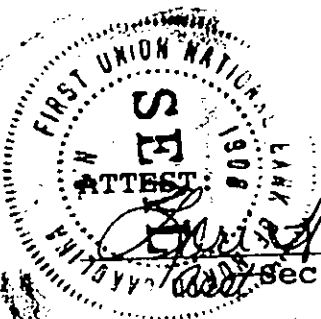


FIRST UNION NATIONAL BANK OF NORTH CAROLINA, as holder of a promissory note secured by a deed of trust on the property described in this Declaration of Covenants, Conditions and Restrictions, said deed of trust being recorded in Book 3600, Page 536, Guilford County Registry, and JERRY M. HIGHSMITH, as Trustee under said deed of trust, join in the execution hereof for the purpose of subjecting the aforesaid deed of trust to the terms and provisions of this Declaration of Covenants, Conditions and Restrictions.

FIRST UNION NATIONAL BANK OF
NORTH CAROLINA,

BY:

J. M. Highsmith
President



W. H. Haddock
Secretary

J. M. Highsmith (SEAL)
Trustee

STATE OF NORTH CAROLINA
COUNTY OF GUILFORD

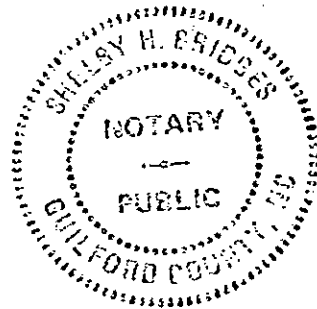
I, Shelby H. Bridges, a Notary Public, do hereby
certify that Carl N. Haddock personally appeared before
me this day and acknowledged that he is the ASST.
Secretary of FIRST UNION NATIONAL BANK OF NORTH CAROLINA, a
corporation, and that by authority duly given, and as the act of
the corporation, the foregoing instrument was signed in its name
by its VICE President, sealed with its corporate seal,
and attested by her as its ASST. Secretary.

WITNESS my hand and official seal this the 6th day
of July, 1988

Shelby H. Bridges
NOTARY PUBLIC

My Commission Expires:

11/2/91



NORTH CAROLINA
GUILFORD COUNTY

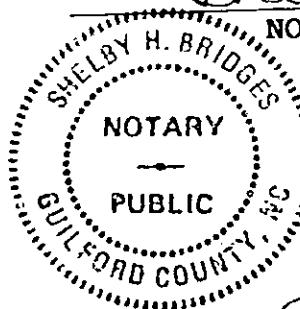
I, Shelby H. Bridges, a Notary Public, do hereby
certify that JERRY M. HIGHSMITH, Trustee, personally appeared
before me this day and acknowledged the due execution of the
foregoing instrument.

WITNESS my hand and official seal this the 6th day
of July, 1988

Shelby H. Bridges
NOTARY PUBLIC

My Commission Expires:

11/2/91



North Carolina - Guilford County

The certificate(s) of Jerry M. Highsmith
Shelby H. Bridges

A Notary (Notaries) Public is (are) certified to
be correct. This instrument and this certificate are
duly registered at the date and time shown herein.
KAY F. PASTSEAVOURAS, REGISTER OF DEEDS

[Signature]
DEPUTY REGISTER OF DEEDS

SCHEDULE "A"

Beginning at an existing iron post in the western margin of North Elm Street, said existing iron post being the northeastern corner of Phase One, Section One, Land's End as recorded in Plat Book 82, Page 23, Guilford County Public Registry, thence following the northern line of Phase One, Section One, Land's End, as recorded in Plat Book 82, Page 23, and following the northern line of Phase One, Section Two, Land's End, as recorded in Plat Book 83, page 86, Guilford County Public Registry, South 65 deg. 35 min. 10 sec. West 714.91 feet to an existing iron post, (being the same line with a grid North bearing as the North 64 deg. 11 min. 17 sec. East magnetic North bearing shown on Plat Book 82, Page 23 and Plat Book 83, Page 86), thence North 42 deg. 40 min. 51 sec. West 1006.93 feet to an iron post in the southern right of way of Waldron Drive, (being the same line with a grid North bearing as the magnetic North 44 deg. 04 min. 44 sec. East bearing shown in that Deed of Trust from Cornwallis Development Co., to Jerry M. Highsmith, Trustee, recorded in Book 3479, Page 388, Guilford County Public Registry), thence with the curve of Waldron Drive, a chord distance of 101.80 feet to an iron post, said curve having a bearing of 65 deg. 14 min. 10 sec. East, an arc of 101.89, and a radius of 696.66 feet, thence North 60 deg. 02 min. 48 sec. East 509.68 feet to an iron post in the intersection of the southern right of way of Waldron Drive and the western right of way of North Elm Street, thence with a curve having a chord bearing of South 40 deg. 02 min. 57 sec. East 320.05 chord feet to an iron post, said curve having a radius of 905.88 feet and an arc of 321.74 feet, thence South 50 deg. 32 min. 22 sec. East 651.53 feet to an existing iron pin, thence with a curve having a delta of 35 deg. 40 min. 00 sec. and an arc of 122.78 feet a bearing of South 47 deg. 34 min. 28 sec. East 122.73 chord feet to an existing iron post, the point and place of beginning, being 14.55 acres, more or less, according to a survey by Ragsdale Consultants, P.A., dated 12-2-86.