

North Carolina - Guilford County

The certificate (s) of

Mary D. Wilkinson

Mallison

10/20/98

RECORDED

KATHERINE LEE PAYNE
REGISTER OF DEEDS
GUILFORD COUNTY, NC

10/20/1998	GUILFORD CO. NC	
1 MISC DOCUMENTS	188161	\$6.00
27 MISC DOC ADDN PGS		\$54.00
1 PROBATE FEE		\$2.00

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.

KATHERINE LEE PAYNE, REGISTER OF DEEDS

Katherine Lee Payne

Assistant/Deputy Register of Deeds

BOOK: 4760
PAGE(S): 0929 - 10, 0952

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Prepared by and return to:
Donna K. Blumberg, Smith Helms Mulliss & Moore, L.L.P.
P.O. Box 21927, Greensboro, North Carolina 27420

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DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
MILL POINTE

THIS DECLARATION is made on the date hereinafter set forth by Westminster Homes, Inc., a North Carolina corporation, hereinafter referred to as "Declarant."

WITNESSETH

WHEREAS, Declarant is the owner of certain property in the County of Guilford, State of North Carolina, which is more particularly described as follows:

ALL of that certain parcel of land shown on the plat entitled "Section 1, Mill Pointe Subdivision, AKA Netherstone" which appears of record in the Office of the Register of Deeds of Guilford County, North Carolina, in Plat Book 130, Page 79, SAVE AND EXCEPT Lot 77 as shown thereon.

WHEREAS, it is the intent of the Declarant hereby to cause the above-described property to be subjected to this Declaration of Covenants, Conditions and Restrictions.

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, such 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

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ARTICLE I
DEFINITIONS

SECTION 1. "Association" shall mean and refer to Mill Pointe Homeowners Association, Inc., 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, as hereinafter defined, including contract sellers, 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.

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 of that land designated "Common Area" or "Open Space" as shown on the plat entitled "Section 1, Mill Pointe Subdivision, AKA Netherstone" which appears of record in the Office of the Register of Deeds of Guilford County, North Carolina, in Plat Book 130, Page 79; provided, however, that any land designated as "Open Space" which is dedicated to public use on such plat and which is accepted for maintenance purposes by a public authority shall not be part of the Common Area.

Declarant reserves the right, in its sole discretion, to convey from time to time additional property to the Association, which property may include all or any portion of the Properties, including any additional land annexed by Declarant pursuant to Article X, Section 4 hereof and the Association shall accept any such conveyance of additional property and thereafter such additional property shall be held and maintained by the Association as Common Area.

Improvements, which may include, but shall not be limited to, roadways, retention or detention ponds or erosion control devices, may be located on such additional Common Area. The Association shall maintain any retention or detention ponds and any erosion control devices located on the Common Area described above or on any other Common Area hereafter conveyed to the Association by Declarant that are required to be maintained by the governmental office(s) having jurisdiction for watershed protection as directed by such governmental office(s). In the event the Association is dissolved or otherwise defaults on its obligation to maintain any such pond or erosion control device, 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 a pro rata share of the cost of the maintenance of such pond or erosion control device.

Declarant does not contemplate the construction of any recreational improvements or amenities within the Common Area (e.g. swimming pool, tennis courts, clubhouse, etc.).

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 Westminster Homes, Inc., as well as its successors and assigns, if Declarant shall make an express conveyance of its rights as developer hereunder to such successor or assign, all of which rights, including Declarant's voting rights, are assignable and may be apportioned on a lot-by-lot basis.

SECTION 7. "Lot" shall mean and refer to any separately numbered plot of land shown upon any now or subsequently recorded subdivision map of the Properties with the exception of Common Area and dedicated streets and shall include any dwelling and other improvements constructed thereon. Declarant hereby reserves the right to reconfigure, from time to time and without the consent of the Owners or the Members of the Association, the boundaries of any Lot or Lots owned by Declarant and to thereby create additional Lots, eliminate existing Lots or create additional Common Area, provided, however, in no event shall the Properties contain a greater number of Lots than the number from time to time permitted by, nor shall any Lot within the Properties contain fewer square feet than the minimum number of square feet from time to time required by the City of High Point or other appropriate local governmental authority. If Declarant elects to exercise its right to revise the boundaries of one or more Lots owned by Declarant, Declarant shall record a revised plat of the affected Lot or Lots. Upon the recording by Declarant of such a revised plat, each lot shown on the previously recorded plat or plats, the boundaries of which are revised by the revised plat, shall cease to be a "Lot" as defined in this Declaration and each newly configured lot shown on the revised plat shall be a "Lot" as defined in this Declaration.

SECTION 8. "FHA" shall mean and refer to the Federal Housing Administration of the Department of Housing and Urban Development and "VA" shall mean and refer to the Department of Veterans Affairs

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 by an Owner for any period during which any assessment against his Lot remains unpaid; and, for a period not to exceed sixty (60) days, for any infraction of its published rules and regulations;

(c) the right of the Association to dedicate or transfer non-exclusive easements on, over and upon all or any part of the Common Area for such purposes and subject to such conditions as may be agreed to by the Association's Board of Directors; provided, however, no such dedication or transfer shall be effective unless an instrument executed on behalf of the Association by its duly authorized officers, agreeing to such dedication or transfer, has been recorded;

(d) the right of the Association, with the consent of the Members entitled to cast at least two-thirds (2/3) of the votes of each class of Members, to dedicate to any public agency, authority or utility, or to transfer to any other party, fee title to all or any part of the Common Area for such purposes and subject to such conditions as may be agreed to by the Members consenting to such dedication or transfer, provided, however no such dedication or transfer shall interfere with or obstruct utility service to, or ingress, egress and regress to or from, the Lots or any remaining Common Area or cause any Lot or any remaining Common Area to fail to comply with applicable laws, regulations or ordinances;

(e) the right of the Association to impose rules and regulations for the use and enjoyment of the Common Area and improvements thereon, which regulations may further restrict the use of the Common Area;

(f) the right of the Association to borrow money for the purpose of improving the Common Area and facilities thereon and, with the assent of the Members entitled to cast at least two-thirds (2/3) of the votes of each class of Members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred (any such mortgage shall be effective if it is executed on behalf of the Association by its duly authorized officers and recites that the requisite consent of Members has been obtained and documented in the Minute Book of the Association) provided, however, no mortgage, encumbrance or hypothecation or foreclosure of the lien thereby created, shall interfere with or obstruct utility service to, or ingress, egress and regress to or from, the Lots or any remaining Common Area or cause any Lot or any remaining Common Area to fail to comply with applicable laws, regulations or ordinances, and

(g) subject to the prior written consent of FHA or VA, in the event FHA or VA insured loans have been obtained secured by Lots, 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 conveyances of Common Areas or unintentional encroachments of improvements onto portions of the Common Areas or for the purpose of enhancing the utility of the Common Areas to be retained by the Association

SECTION 2 DELEGATION OF USE Any Owner may delegate, in accordance with the By-Laws, his rights of enjoyment of the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside on the Lot of such Owner.

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SECTION 3. LEASES OF LOTS. Any Lease Agreement between an Owner and a lessee for the lease of such Owner's Lot shall provide that the terms of the Lease shall be subject in all respects to the provisions of this Declaration of Covenants, Conditions and Restrictions, the Articles of Incorporation and By-Laws of the Association and that any failure by the lessee to comply with the terms of such document shall be a default under the terms of the lease. All leases of Lots shall be in writing. Other than the foregoing there is no restriction on the right of any Owner to lease his Lot.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

SECTION 1. The voting Members of the Association shall be the Class A Members and the Class B Members defined below.

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

Class A. The Class A Members shall be every person or entity who or which is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, except Declarant during the period Declarant is a Class B Member as defined below. The foregoing is not intended to include persons or entities who hold an interest in a Lot merely as security for the performance of an obligation. Such membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. 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 for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B Members shall be the Declarant and Declarant shall be entitled to three (3) votes for each lot shown on the subdivision plan for "Mill Pointe" (a/k/a "Netherstone") approved by the City of High Point or other appropriate local governmental authority, as that plan is from time to time amended and approved, which lot either is owned by Declarant or is under contract or option to purchase by Declarant. 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:

(i) when the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership; however, the Class B membership shall be reinstated if thereafter, and before the time stated in subparagraph (b) below, the subdivision plan for "Mill Pointe" (a/k/a "Netherstone") is amended to add additional lots sufficient to give the Class B membership a total number of votes (with the Class B membership entitled to three (3) votes for each lot owned or under contract or option) to exceed those of the

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Class A membership and the amended Plan is approved by the City of High Point or other appropriate local governmental authority; or,

(ii) six (6) years from the date this Declaration is recorded in the Office of the Register of Deeds, Guilford County, North Carolina.

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: (a) to the Association: (i) annual assessments or charges; (ii) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided; and (b) to the appropriate governmental taxing authority: (i) a pro rata share of ad valorem taxes levied against the Common Area; and (ii) 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. 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 property 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 Owner of such property 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 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 maintenance of water and sewer mains in and upon the Common Area, the maintenance of open spaces and streets which have not been accepted for dedication by a public authority, roadway medians and islands (including medians and islands located in dedicated rights-of-way within the Properties), drives and parking areas within the Common Area, the procurement and maintenance of insurance in accordance with the By-Laws, the maintenance of dams and ponds, including retention or detention ponds, or other bodies of water, if any, located within the Common Area, the maintenance of entranceways, landscaping and lighting of Common Area, road medians and islands and entranceways, the cost of operating, maintaining and repairing any street lights erected by the Association or the Declarant in the rights-of-way of streets (whether public or private) or in any other easement provided therefor within the Properties, the payment of charges for garbage collection and municipal water and sewer services furnished to the Common Area, the

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employment of attorneys and other agents to represent the Association when necessary; the provision of adequate reserves for the replacement of capital improvements including, without limiting the generality of the foregoing, paving, and any other major expense for which the Association is responsible, and such other needs as may arise.

(b) The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Area and those other portions of the Properties which the Association may be obligated to maintain. Such reserve fund is to be established out of regular assessments for common expense.

(c) 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 Properties, 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 to the Association by any Owner, the same may be commingled with monies paid to the Association by the other 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 any 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 fund 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 December 31 of the year of the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Two Hundred Forty and NO/100 Dollars (\$240.00) per Lot, and may be collected in monthly installments of TWENTY and No/100 Dollars (\$20.00).

(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 ten percent (10%) 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 the Members entitled to cast at least 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.

(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.

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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 the Members entitled to cast at least 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, quarterly or semi-annual basis, as determined by the Members approving such assessments.

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 of this Article 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. Both annual and special assessments must be fixed at a uniform rate for all Lots; provided, however, that so long as the dwelling on any Lot owned by Declarant is unoccupied as a residence, the amount of the assessment for each such Lot shall be an amount equal to twenty-five percent (25%) of the regular assessments fixed for each Lot.

SECTION 7. DATE AND COMMENCEMENT OF ANNUAL ASSESSMENTS: DUE DATES. The annual assessments provided for herein shall commence as to a Lot on the first day of the month following the date such Lot is made subject to this Declaration. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. At least thirty (30) days in advance of each annual assessment period, the Board of Directors shall establish an annual budget and fix the amount of the annual assessments in advance for the following year. In the event the Board of Directors shall fail to fix the amount of annual assessments described above, the assessment fixed for the immediately preceding year shall continue in effect until a new assessment amount is fixed. Upon adoption by the Board of the budget and annual assessments amount, the Board shall deliver copies of same to every Owner subject thereto, provided, however, that failure to deliver a copy of the budget and annual assessments amount shall not affect the liability of Owners for assessments. The due dates shall be established by the Board of Directors. Annual assessments may be collected on a monthly, quarterly or semi-annual basis, as determined by the Association's 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.

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SECTION 8 WORKING CAPITAL ASSESSMENTS. In addition to the annual assessments authorized above, at the time of the closing of the first sale of each Lot, the purchaser(s) thereof shall pay to the Association an amount equal to two-twelfths (2/12ths) of the then current annual assessment established by the Association. Such funds shall be used by the Association to establish a Working Capital Fund, the purpose of which is to insure that the Association will have sufficient monies available to meet its initial operational needs. No such payments made into the Working Capital Fund shall be considered advance or current payment of regular assessments. All monies paid into the Working Capital Fund shall be held and administered by the Association in accordance with the terms of the Declaration and these Bylaws.

SECTION 9. 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 ten percent (10%) 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 nonuse of the Common Area or abandonment of his Lot nor shall damage to or destruction of any improvements on any Lot by fire or other casualty result in any abatement or diminution of the assessments provided for herein.

SECTION 10. 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 11. 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

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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 12. EXEMPT PROPERTY. All property dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit 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 VI

ARCHITECTURAL CONTROL

SECTION 1. IMPROVEMENTS. No improvements, alteration, repair, change in paint color, excavation, change in grade, planting, landscaping or other work which in any way alters the exterior of any Lot or the improvements located thereon from their natural or improved state existing on the date such Lot was first conveyed in fee by the Declarant to an Owner other than Declarant shall be commenced, erected or maintained upon any Lot and no building, fence, wall, residence or other structure shall be commenced, erected, maintained, improved, altered or removed, until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association or by an architectural committee composed of three (3) or more representatives appointed by the Board (the "Architectural Control Committee"). Notwithstanding the foregoing, landscaping improvements consisting of plant materials native to the area and commonly used in residential landscaping which do not interfere with the sight lines of motorists at intersections of the streets and/or driveways located within the Properties shall not require approval by the Board of Directors or the Architectural Control Committee. Further, nothing herein contained shall prevent or interfere with the right of Declarant to improve and develop the Properties, including the Lots, as Declarant chooses, so long as said development follows the general plan of development of the Properties previously approved by the City of High Point or other appropriate local governmental authority. Accordingly, Declarant need not seek or obtain the approval of the Architectural Control Committee for improvements erected on the Properties by or at the direction of Declarant. In addition, for so long as Declarant owns any Lot or has the right to annex any Additional Property pursuant to Section 4, Article X hereof, Declarant may approve any plans and specifications rejected by the Board of Directors or the Architectural Control Committee for the construction or alteration of improvements on any Lot provided the construction or alteration approved by Declarant comport with the general scheme of development approved by the City of High Point or other appropriate local governmental authority. Such approval by Declarant shall operate and have the same effect as approval by the Board of Directors or the Architectural Control Committee.

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Provided, however, that the Association shall first give written notice to the Owner of the specific items of exterior maintenance or repair the Association intends to perform and the Owner shall have twenty (20) days from the date of mailing of said notice within which to perform such exterior maintenance himself or herself. The determination as to whether an Owner has neglected or failed to maintain his or her Lot and/or dwelling in a manner consistent with other Lots and dwellings within the Properties shall be made by the Board of Directors of the Association, in its sole discretion. 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 the Article.

In the event the Association performs such exterior maintenance, repair or replacement, 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

RESTRICTIONS

SECTION 1. LAND USE AND BUILDING TYPE. No Lot shall be used except for single-family residential, street or park purposes. No building or other structure shall be erected, altered, placed, or permitted to remain on any Lot other than one detached single family dwelling not to exceed two and one-half stories in height, a private garage for not more than three cars and one (1) accessory building erected on a permanent foundation which is incidental to the residential use of the Lot. Notwithstanding the foregoing, Westminster shall have the right to maintain one or more sales offices and one or more model homes in dwellings located on lots owned or leased by Westminster for the promotion and sales of Lots and dwellings within the Properties.

SECTION 2. DWELLING SPECIFICATIONS. No dwelling shall be erected or allowed to remain on a Lot if the heated area of the main structure, exclusive of open porches, decks and garages, shall be less than one thousand two hundred (1,200) square feet.

SECTION 3. BUILDING SETBACKS. No building shall be located on any Lot nearer to the front or rear Lot line, or to any side street or Lot line, than shall be permitted under applicable local ordinances in effect at the time such building is to be constructed or as permitted by the City of High Point Board of Adjustment or other appropriate local governmental authority pursuant to a variance of such ordinances

SECTION 4. 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 including, without limitation, the storing or parking of inoperative motor vehicles or the maintenance of or repair to motor vehicles except within completely enclosed garages constructed in conformity with these covenants and applicable laws and ordinances.

SECTION 5. SIGNS. Except for signs erected by Declarant or the Association within any easement area which is a part of the Common Area and signs erected by Declarant on Lots

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owned or leased by Declarant advertising the sale and promotion of Lots within the Properties, no sign shall be placed or allowed to remain on any Lot except for ONE (1) "For Sale" sign, or one other temporary sign to advertise a yard sale or other temporary activity on the Lot and such other temporary sign shall not be permitted to remain on any Lot for more than SEVENTY TWO (72) consecutive hours. No sign deemed by Declarant or the Association to be a nuisance or a detriment to the Properties shall be permitted or allowed to remain on any lot within the Properties

SECTION 6. OUTSIDE ANTENNAS. Except for "dish" antennas designed to receive direct broadcast satellite service, including direct-to-home satellite service, one meter (39") or less in diameter, antennas designed to receive video programming services via MMDS (wireless cable) and antennas designed to receive television broadcast signals, no outside antennas or satellite dishes and no free standing transmission or receiving towers shall be erected on any Lot within the Properties without the prior written permission of the Architectural Review Committee. Except as otherwise reasonably required in order to receive the intended signal, any antenna or satellite dish erected on any Lot within the Properties shall be affixed to the dwelling, shall be a color which blends with its surrounds, shall have a mask only as high as reasonably necessary to receive the intended signal and shall not be visible from any street.

SECTION 7. RESUBDIVISION OF LOT, STREETS, FENCES AND WALLS. Except with the express written consent of Declarant for so long as Declarant shall own any Lot within the Properties or shall have the right to annex any Additional Property pursuant to the provisions of Section 4, Article X hereof, and thereafter except with the express written consent of the Architectural Control Committee of the Association, no Lot shall be resubdivided into a lot smaller than or different from the Lot shown on the recorded plat and no street shall be laid out or opened across or through any Lot. Except for fences erected by Declarant or the Association, no fence, wall or other enclosure shall be erected or allowed to remain on any Lot unless the height, materials and location of the same have been approved by Architectural Control Committee as provided in Article V of this Declaration. No fence on any Lot shall be permitted to extend nearer to any front street than the front building line of the residence located on that Lot. Any metal fencing allowed by the Architectural Control Committee shall be suitably screened where visible from a street

SECTION 8. METAL STORAGE BUILDINGS, MOBILE HOMES, MANUFACTURED HOMES, TEMPORARY STRUCTURES, ETC. No metal storage building of a temporary or permanent character shall be permitted on any Lot. No mobile home, manufactured home, trailer, or other like structure shall be located on any Lot. No structure of a temporary character, recreational or other vehicle, trailer, tent, shack, garage, barn or other out building shall be used on any Lot at any time as a residence either temporarily or permanently. Notwithstanding anything herein to the contrary, Westminster, its agents, employees and contractors, may maintain trailers and other temporary structures to facilitate the construction of improvements within the Properties

SECTION 9. ANIMALS. No animals, livestock or poultry of any kind shall be raised or kept on any Lot, except that dogs, cats or other household pets may be kept on Lots provided

that said animals are kept in compliance with applicable local ordinances and are not kept for commercial purposes and further provided that they are kept and maintained in compliance with (i) all laws and ordinances of the State of North Carolina, Guilford County and the City of High Point relating thereto, and (ii) such rules and regulations pertaining thereto as the Board of Directors may adopt from time to time.

SECTION 10. WAIVER OF MINOR VIOLATIONS. Both the Declarant and the Board of Directors of the Association shall have the right to waive minor violations of, and allow minor variances from, the restrictions contained in Section 2 of this Article, where the same resulted unintentionally or without gross carelessness on the part of any Owner (including, without limitation, Declarant) and/or is not materially harmful to the Properties. Any such waiver granted shall be in writing, and any matter so waived shall no longer be deemed a violation of these covenants.

SECTION 11. LAKES AND PONDS. The use of any lake or pond which is a part of the Common Area is subject to rules and regulations from time to time promulgated by the Association, which rules and regulations, in the sole discretion of the Board of Directors of the Association, may prohibit or limit the use of boats, fishing and swimming. In addition, such rules and regulations may provide for access to any such lake or pond only through designated portions of the Common Area.

SECTION 12. PARKING. Each Lot shall contain sufficient off-street paved parking space for at least two (2) automobiles. No automobiles, trucks, motorcycles, recreational vehicles or boats shall be parked on any street within Mill Pointe for a period in excess of 24 hours. No boat, trailers, vans (except for vehicle mini-vans), recreational vehicles, campers or other like vehicles or equipment shall be parked or stored in any area on a Lot except inside an enclosed building or behind screening erected in accordance with the terms and provisions of this Declaration.

ARTICLE VIII

EASEMENTS

SECTION 1. UTILITY AND DRAINAGE EASEMENTS. Easements for installation and maintenance of utilities (including cable television service) and drainage facilities are reserved as indicated on recorded plats. In addition, Declarant reserves, for itself and on behalf of the Association, additional easements and rights-of-way for the installation and maintenance of utilities (including cable television service) and drainage facilities over the rear TEN (10) feet of any Lot and over each side FIVE (5) feet of any Lot. 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 drainage 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 appropriate governmental entity (and any other person or firm providing services to the Properties under agreement with or at the direction of the Association) over all Common Area as may be

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reasonably necessary for the setting, removal and reading of water meters, and the maintenance and replacement of water, sewer and drainage facilities and for the fighting of fires and collection of garbage. The Association shall have the power and the authority to grant and establish upon, over and across the Common Area such additional easements as are necessary or desirable for the providing of service or utilities to the Common Area or Lots.

SECTION 2. SIGN EASEMENTS. Declarant and the Association shall each have the right to erect within the Common Area subdivision signs and landscaping and lighting surrounding same. In addition, easements for the maintenance of subdivision signs and landscaping and lighting surrounding same are reserved as indicated on recorded plats. Declarant hereby reserves unto itself and grants, gives and conveys to the Association a perpetual, non-exclusive easement over the portions of Lots designated as "sign easements" on the plats of the Properties, now or hereafter recorded, to place, maintain, repair and replace subdivision signs and the lighting fixtures and landscaping surrounding same. The Association shall be responsible for maintaining, repairing and replacing any such signs, landscaping and lighting and the costs of such maintenance, repair and replacement shall be part of the common expenses of the Association, payable by the Owners as set out in Article IV hereof. In addition, Declarant, for so long as Declarant owns any lot shown on the subdivision plan for "Mill Point" (a/k/a "Netherstone") approved by the City of High Point, or other appropriate local governmental authority, as that plan is from time to time amended and approved, shall have the right to erect and maintain within the Common Area and on those portions of any Lot designated "sign easement" signs advertising and promoting the sale of lots and dwellings within the Properties. As to the easements reserved and granted above with respect to those portions of Lots designated "sign easement," Declarant hereby reserves unto itself and gives, grants and conveys to the Association the right of ingress, egress and regress over other portions of such Lots as shall be reasonably necessary to effectuate the purposes stated above. The easements hereby granted shall run with the land in perpetuity and be binding upon and inure to the benefit of all persons and entities now owning or subsequently acquiring all or a part of the Property.

SECTION 3. EASEMENT RESERVED BY DECLARANT. Declarant hereby reserves such easements on, across and over the Common Area as shall be reasonably necessary for (i) the exercise by Declarant of any right herein reserved, including, without limitation, Declarant's right, should Declarant elect, to annex the Additional Property, as hereinafter defined and (ii) the development by Declarant, its successors or assigns, of the Additional Property, should Declarant elect not to annex the Additional Property, including, without limitation, easements for ingress, egress and regress over private roads and streets now or hereafter erected on the Properties and easements for the use of utility lines, fixtures and/or their connections located within the Common Area for the purpose of providing water, light, power, telephone, sewage and sanitary service to the Additional Property.

SECTION 4. ADDITIONAL DRAINAGE EASEMENTS. In order to implement effective and adequate erosion control, the Association shall have the right to enter upon any portion of the Properties before and after improvements have been constructed thereon for the purpose of performing any grading or constructing and maintaining erosion prevention devices.

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provided, however, no such activities shall interfere with any permanent improvements constructed on the Properties.

ARTICLE IX

RIGHTS RESERVED UNTO INSTITUTIONAL LENDERS

SECTION 1. ENTITIES CONSTITUTING INSTITUTIONAL LENDERS.

"Institutional Lender" as the term is used herein shall mean and refer to banks, savings and loan associations, insurance companies or other firms or entities customarily affording loans secured by first liens on residences, and eligible insurers and governmental guarantors.

SECTION 2. OBLIGATION OF ASSOCIATION TO INSTITUTIONAL LENDERS.

So long as any Institutional Lender shall hold any first lien upon any Lot, or shall be the Owner of any Lot, such Institutional Lender shall have the following rights:

(a) To inspect the books and records of the Association during normal business hours and to be furnished with at least one (1) copy of the annual financial statement and report of the Association prepared by a certified public accountant designated by the Board of Directors of the Association, such financial statement or report to be furnished by April 15 of each calendar year.

(b) To be given notice by the Association of the call of any meeting of the membership to be held for the purpose of considering any proposed amendment to this Declaration of Covenants, Conditions and Restrictions or the Articles of Incorporation or By-Laws of the Association or of any proposed abandonment or termination of the Association or the effectuation of any decision to terminate professional management of the Association and assume self-management by the Association.

(c) To receive notice of any condemnation or casualty loss affecting the Common Areas or any portion thereof.

(d) To be notified of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

(e) To have the right to approve of any alienation, release, transfer, hypothecation or other encumbrance of the Common Areas, other than those specific rights vested in the Association under Article II hereof.

(f) To be given notice of any delinquency in the payment of any assessment or charge (which delinquency remains uncured for a period of sixty (60) days) by any Owner owning a Lot encumbered by a mortgage held by the Institutional Lender, such notice to be given in writing and to be sent to the principal office of such Institutional Lender, or to the place which it may designate in writing.

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SECTION 3. REQUIREMENTS OF INSTITUTIONAL LENDER. Whenever any Institutional Lender desires to avail itself of the provisions of this Article, it shall furnish written notice thereof to the Association by CERTIFIED MAIL at the address shown in the Articles of Incorporation identifying the Lot or Lots upon which any such Institutional Lender holds any first lien or identifying any Lot or Lots owned by such Institutional Lender and such notice shall designate the place to which notices, reports or information are to be given by the Association to such Institutional Lender

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, the Articles of Incorporation or By-Laws of the Association. 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 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 unless terminated or amended as hereinafter provided. This Declaration may be terminated or amended during the first twenty year period with the consent of the Owners entitled to cast at least ninety percent (90%) of the votes of the Association and thereafter with the consent of the Owners entitled to cast at least seventy-five percent (75%) of the votes of the Association; provided, however, this Declaration may not be terminated without Declarant's consent for so long as Declarant owns any Lot or may annex Additional Property pursuant to the provisions hereinafter set forth, no amendment purporting to revoke or curtail any right herein conferred to Declarant shall be effective unless executed by Declarant, and no amendment relating to the maintenance or ownership of any permanent detention or retention pond shall be effective unless reviewed and approved by the governmental office having jurisdiction for watershed protection. Any amendment must (1) be executed on behalf of the Association by its duly authorized officers, (2) contain an attestation by the officers executing the amendment on behalf of the Association that the requisite Owner approval has been obtained and is evidenced by written acknowledgment(s) signed by the Owners approving the amendment and made a part of the Minute Book of the Association, and (3) be properly recorded in the Office of the Register of Deeds, Guilford County, North Carolina. For the purpose of this section, additions to existing property by Declarant pursuant to Section 4 of this Article shall not constitute an "amendment."

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In the event this Declaration is terminated in accordance with the provisions hereinabove provided, 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 a pro rata share of the cost of the maintenance of all permanent retention or detention ponds.

SECTION 4. ANNEXATION.

(a) Except as provided in Subsection (b) of this Section 4, additional residential property and Common Area may be annexed to the Properties only with the consent of the Members entitled to cast two-thirds (2/3) of the votes of each class.

(b) Additional land within the area described in the metes and bounds description attached hereto as Schedule "A" and incorporated herein by reference, together with any other property located adjacent to the Properties (collectively, the "Additional Property") may be annexed by the Declarant without the consent of Members within six (6) years of the date of this instrument, provided that, in the event FHA or VA insured loans have been obtained to purchase Lots, FHA and VA determine that the annexation is in accord with the general plan from time to time approved by them. For the purpose of determining whether property is adjacent to the Properties, the rights of way of public roads and utilities, as well as rivers and streams, shall be deemed not to separate otherwise adjacent property. Declarant shall have no obligation of any kind to annex any or all of the Additional Property and, should Declarant elect to annex all or any portion of the Additional Property, Declarant shall have no obligation of any kind to annex the Additional Property in any particular sequential order. Should Declarant elect to annex all or any portion of the Additional Property and accordingly to subject such property to the terms and conditions of this Declaration, Declarant reserves the right, with regard to all or any part of the Additional Property annexed by Declarant, to make such complementary additions and/or modifications of the covenants and restrictions contained in this Declaration (including, without limitation, those contained in Section 2 of Article VII hereof) as Declarant may deem necessary or convenient; provided, however, such additions and/or modifications shall not modify this Declaration with respect to the properties previously subjected thereto, and, in the event FHA or VA insured loans have been obtained to purchase Lots, FHA and VA determine that any such complimentary additions and/or modifications are in accord with the general plan from time to time approved by them. With regard to any portion of the Additional Property not annexed by Declarant, Declarant makes no representations with regard to the use of such property or the exterior appearance, design, size or intended purpose of any improvements now or hereafter erected on such property.

SECTION 5. FHA/VA APPROVAL. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Department of Veterans Affairs provided that FHA or VA loans have been obtained to purchase Lots: annexation of additional properties, dedication of Common Area and amendment of this Declaration of Covenants, Conditions and Restrictions or the Articles of Incorporation or the Bylaws of the Association.

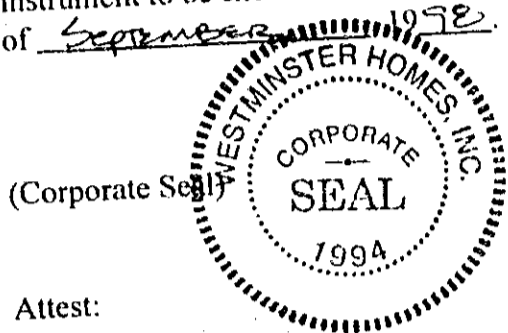
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SECTION 6. AMPLIFICATION. The Provisions of this Declaration are amplified by the Articles of Incorporation and Bylaws of the Association; but no such amplification shall alter or amend any of the rights or obligations of the Owners set forth in this Declaration. Declarant intends that the provisions of this Declaration on the one hand, and the Articles of Incorporation and Bylaws of the Association on the other be interpreted, construed, and applied to avoid inconsistencies or conflicting results. If such conflict necessarily results, however, Declarant intends that the provisions of this Declaration control anything contained in the Articles of Incorporation or Bylaws of the Association.

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IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused this instrument to be executed in its name and its corporate seal hereto affixed as of the 21st day of September 1998.



Westminster Homes, Inc., a North Carolina corporation

By: [Signature]
VICE President

Attest:
Michelle Wilson
Asst. Secretary

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NORTH CAROLINA

Alamance COUNTY

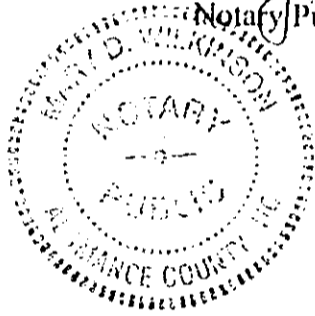
I, the undersigned Notary Public, do hereby certify that Michelle Wilburn personally appeared before me this day and acknowledged that she is the Asst. Secretary of Westminster Homes, Inc., a North Carolina corporation, and that by authority duly given, and as the act of the corporation, the foregoing instrument was signed in its name by its VICE President, sealed with its corporate seal, and attested by herself as its Asst. Secretary.

WITNESS my hand and official seal this 21st day of September, 1998.

Mary E. Wilburn
Notary Public

My Commission Expires:

8/10/2003



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SCHEDULE "A"

BEING ALL of that property located in High Point Township, Guilford County, North Carolina, and being described as follow:

TRACT ONE

BEGINNING at an NIP in the southern margin of the right of way of Old Mill Road, the same being the northwest corner of property now or formally owned by Evelyn C. Raper and Willie G. Raper as recorded in Book 1445 at Page 159, thence with the lines of Raper the following three bearing breaks: South 41° 24' 28" East 52.51 feet to a point, South 00° 07' 01" East 187.35 feet to a point, and South 86° 26' 28" East 86.82 feet to a point in the western line of property now or formerly owned by Evangelical Holiness Missionary Association as recorded in Book 1162 at Page 634; thence with the western line of the property of Evangelical Holiness Missionary Association South 00° 07' 01" East 147.60 feet to a point; thence North 86° 34' 01" West 173.62 feet to a point in the southeast corner of property now or formally owned by Charles L. Sells and Mary E. Sells as recorded Book 3526 at Page 140, Tract 2; thence with the eastern line of Sells, Tract 2, North 00° 08' 19" West 340.40 feet to a point in the southern margin of the right of way of Old Mill Road; thence with the southern margin of the right of way of Old Mill Road North 60° 56' 38" East 59.56 feet to a NIP in the northwest corner of the property now or formally owned by Evelyn C. Raper and Willie G. Raper as recorded in Book 1445 at Page 159, the point and place of BEGINNING, containing 1.001 acres, and being the property now or formerly conveyed to Herbert Raper and Betty J. Raper by deed recorded in Book 4067 at Page 952, this description is taken from a Boundary Survey for Westminster Homes, Inc. entitled Old Mill Road, prepared by Borum, Wade & Associates, P.A. dated 10-30-97.

TRACT TWO

BEGINNING at an EIP in the southern margin of the right of way of Old Mill Road the northeast corner of property now or formerly owned by Evelyn C. Raper and Willie G. Raper as recorded in Book 1445 at Page 159, thence with the southern margin of the right of way of Old Mill Road North $53^{\circ} 01' 40''$ East 88.57 feet to a point; thence South $87^{\circ} 03' 21''$ East 21.91 feet to a point; thence South $79^{\circ} 58' 05''$ East 142.17 feet to an EIP in the northwest corner of property now or formerly owned by J.W. and Sara Curtis as recorded in Book 2029 at Page 104; thence with the western line of Curtis South $00^{\circ} 04' 41''$ East 1680.42 feet to an EIP in the northern line of Lot 32 of Sailing Point Subdivision, Section One, as recorded in Plat Book 91 at Page 125; thence with the northern line of Sailing Point Subdivision North $85^{\circ} 21' 41''$ West 83.33 feet to an EIP; thence continuing with the northern line of Sailing Point Subdivision, Section One, North $85^{\circ} 21' 41''$ West 151.41 feet to a NIP, the southeast corner of property now or formally owned by Charles L. and Mary E. Sells as recorded in Book 3526 at Page 140, Tract 1, thence with the eastern line of Sells (Tract 1) North $00^{\circ} 00' 08''$ West 1184.05 feet to a point in the southeast corner of property now or formerly owned by Herbert Raper and Betty J. Raper as recorded in Book 4067 at Page 952; thence with the eastern line of Raper North $00^{\circ} 07' 01''$ West 147.60 feet to a point in the southeast corner of property now or formerly owned by Evelyn C. Raper and Willie G. Raper as recorded in Book 1445 at Page 159; thence continuing with the eastern line of Raper North $00^{\circ} 07' 01''$ West 302.40 feet to an EIP in the southern margin of the right of way of Old Mill Road, the point and place of **BEGINNING**, containing 8.987 acres, and being the property formerly conveyed to Evangelical Holiness Missionary Association as recorded in Book 1162 at Page 634, this description being taken from a Boundary Survey for

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Westminster Homes, Inc. entitled Old Mill Road, prepared by Borum, Wade & Associates, P.A. dated 10-30-97.

TRACT THREE

BEGINNING at a point in the southern margin of the right of way of Old Mill Road, said point being located the following three bearing breaks from the northeast corner of property now or formerly owned by Evelyn C. Raper and Willie G. Raper as recorded in Book 1445 at Page 159: With the southern margin of the right of way of Old Mill Road North 53° 01' 40" East 88.57 feet to a point, South 87° 03' 21" East 21.91 feet to a point, and North 00° 57' 00" East 23.39 feet to a point in the southern margin of the right of way of Old Mill Road, **THE TRUE POINT AND PLACE OF BEGINNING**, thence with the southern margin of the right of way of Old Mill Road North 46° 49' 00" East 41.00 feet to a point; thence continuing with the southern margin of the right of way of Old Mill Road North 40° 13' 00" East 100.00 feet to an EIP, said EIP being located in the southwest corner of property now or formerly owned by Church of God of Prophecy as recorded in Book 2858 at Page 67; thence with the property of Church of God of Prophecy the following three bearing breaks: South 76° 43' 06" East 148.68 feet to an EIP, South 43° 04' 20" East 99.98 feet to an EIP, and South 00° 44' 56" West 74.85 feet to a point; thence South 84° 48' 25" East 40.27 feet to an EIP in the northwest corner of property now or formerly owned by Church of God of Prophecy as recorded in Book 3416 at Page 89; thence with the western line of the property of Church of God of Prophecy South 00° 09' 00" East 1664.12 feet to an EIP in the northern line of Lot 34 of the Sailing Point Subdivision, Section One, as recorded in Plat Book 91 at Page 125; thence with the northern line of Sailing Point Subdivision, Section One, North 85° 24' 11" West 93.01 feet to an EIP and North 85° 24' 11" West 116.69 feet to an EIP in the northern line

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of Lot 32 of said subdivision, the same being the southeast corner of the property now or formerly owned by Evangelical Holiness Missionary Association as recorded in Book 1162 at Page 634; thence with the eastern line of the property of Evangelical Holiness Missionary Association North $00^{\circ} 04' 41''$ West 1680.42 feet to an EIP in the southern line of property now or formerly owned by J.W. and Sara Curtis as recorded in Book 2308 at Page 403; thence with the southern line of the property of Curtis North $79^{\circ} 58' 05''$ West 142.17 feet to a point; thence continuing with the line of Curtis North $00^{\circ} 57' 00''$ East 23.39 feet to a point in the southern margin of the right of way of Old Mill Road, the point and place of BEGINNING, containing 8.784 acres, and being the property formerly conveyed to J.W. and Sara Curtis as recorded in Book 2029 at Page 104 and Book 2308 at Page 403, this description taken from a Boundary Survey for Westminster Homes, Inc. entitled Old Mill Road, prepared by Borum, Wade & Associates, P.A. dated 10-30-97.

TRACT FOUR

BEGINNING at a NIP in the southern margin of the right of way of Old Mill Road, said NIP being located the following two bearing breaks from the northwest corner of property now or formerly owned by Evelyn C. Raper and Willie G. Raper as recorded in Book 1445 at Page 159: With the southern margin of the right of way of Old Mill Road South $60^{\circ} 56' 38''$ West 59.56 feet to a point and South $60^{\circ} 56' 38''$ West 70.03 feet to a NIP, the northeast corner of property now or formally owned by Fred and Louise Sells as recorded in Book 1047 at Page 189, **THE TRUE POINT AND PLACE OF BEGINNING**, thence with the eastern line of Sells South $00^{\circ} 21' 28''$ East 302.78 feet to a point; thence continuing with the eastern line of Sells South $00^{\circ} 02' 52''$ East 1166.90 feet to a point in the northern line of property now or formerly owned by City of High Point as recorded in Book 2419 at Page

369; thence South 84° 45' 39" East 141.08 feet to a stone; thence South 02° 27' 16" West 10.78 feet to an EIP, the northwest corner of Lot 31 of Sailing Point Subdivision, Section One, as recorded in Plat Book 91 at Page 125; thence with the northern line of Lot 31 of said subdivision South 85° 21' 41" East 92.81 feet to a NIP, the southwest of corner of property now or formerly owned by Evangelical Holiness Missionary Association as recorded in Book 1162 at Page 634; thence with the western line of Evangelical Holiness Missionary Association property North 00° 00' 08" West 1184.05 feet to a point; thence with the lines of property now or formerly owned by Herbert Raper and Betty J. Raper as recorded in Book 4067 at Page 952 North 86° 34' 01" West 173.62 feet to a point and North 00° 08' 19" West 340.40 feet to a point in the southern margin of the right of way of Old Mill Road; thence with the southern margin of the right of way of Old Mill Road South 60° 56' 38" West 70.03 feet to a NIP, the point and place of BEGINNING, containing 6.732 acres and being the property formerly conveyed to Charles L. and Mary E. Sells as recorded in Book 3526 at Page 140, Tract 1 (containing 6.283 acres) and Tract 2 (containing 0.449 acres), this description being taken from a Boundary Survey for Westminster Homes, Inc. entitled Old Mill Road, prepared by Borum, Wade & Associates, P.A. dated 10-30-97.

TRACT FIVE

BEGINNING at a NIP in the southern margin of Old Mill Road, said NIP being located the following two bearing breaks from the northwest corner of property now or formerly owned by Evelyn C. Raper and Willie G. Raper as recorded in Book 1445 at Page 159: With the southern margin of Old Mill Road South 60° 56' 38" West 59.56 feet to a point and South 60° 56' 38" West 70.03 feet to a NIP, **THE TRUE POINT AND PLACE OF BEGINNING**, thence with the western line of property now or formerly owned

by Charles L. and Mary E. Sells as recorded in Book 3526 at Page 140 the following two bearing breaks: South $00^{\circ} 21' 28''$ East 302.78 feet to a point and South $00^{\circ} 02' 52''$ East 1166.90 feet to a point in the northern line of property now or formerly owned by the City of High Point as recorded in Book 2419 at Page 369; thence North $84^{\circ} 45' 39''$ West 111.28 feet to a NIP, the northwest corner of City of High Point property as recorded in Book 2419 at Page 369 and the northeast corner of property now or formerly owned by the City of High Point as recorded in Book 2456 at Page 62; thence North $85^{\circ} 27' 19''$ West 212.87 feet to an EIP, the northeast corner of the Detention Pond area for Huntington Park Subdivision as recorded in Plat Book 116 at Page 37; thence with the Detention Pond area North $85^{\circ} 27' 19''$ West 26.72 feet to an EIP in stump; thence along the eastern line of property now or formerly owned by High Point Elk's Lodge #1155 as recorded in Book 2422 at Page 351 the following two bearing breaks: North $00^{\circ} 51' 29''$ East 148.30 feet to an EIP and North $27^{\circ} 54' 37''$ West 538.92 feet to a NIP; thence with the line of property now or formerly owned by Charles L. Sells as recorded in Book 2236 at Page 734 the following four bearing breaks: North $44^{\circ} 53' 27''$ East 62.82 feet to an EIP, North $44^{\circ} 53' 27''$ East 180.07 feet to an EIP, North $27^{\circ} 45' 18''$ West 150.00 feet to an EIP, and North $55^{\circ} 00' 06''$ West 164.84 feet to a point, said point being located South $85^{\circ} 52' 56''$ West 98.19 feet from an EIP in the southern margin of the right of way of Old Mill Road; thence with the line of property now or formerly owned by John Lloyd Bridges as recorded in Book 2839 at Page 943 the following two bearing breaks: North $85^{\circ} 52' 56''$ East 349.92 feet to an EIP and North $08^{\circ} 47' 37''$ East 260.44 feet to an EIP in the southern margin of the right of way of Old Mill Road; thence with the southern margin of the right of way of Old Mill Road North $60^{\circ} 56' 38''$ East 276.22 feet to a NIP, the point and place of BEGINNING, containing 13.327

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acres and being the property formerly conveyed to Fred and Louise Sells as recorded in Book 1047 at Page 189, this description being taken from a Boundary Survey for Westminster Homes, Inc. entitled Old Mill Road, prepared by Borum, Wade & Associates, P.A. dated 10-30-97.

TRACT SIX

BEGINNING at a NIP in the southern margin of the right of way of Old Mill Road, the same being the northwest corner of property now or formerly owned by Evelyn C. Raper and Willie G. Raper as recorded in Book 1445 at Page 159 and the northeast corner of property formerly owned by Herbert Raper and Betty J. Raper as recorded in Book 4067 at Page 952, thence with the eastern line of Herbert Raper and Betty J. Raper South the following two bearing breaks: South $41^{\circ} 24' 28''$ East 52.51 feet to a point and South $00^{\circ} 07' 01''$ East 187.35 feet to a point; thence continuing with the line of Herbert Raper and Betty J. Raper South $86^{\circ} 26' 28''$ East 86.82 feet to a point in the western line of property formerly owned by Evangelical Holiness Missionary Association as recorded in Book 1162 at Page 634; thence with the western line of Evangelical Holiness Missionary Association North $00^{\circ} 07' 01''$ West 302.40 feet to an EIP in the southern margin of the right of way of Old Mill Road; thence with the southern margin of the right of way of Old Mill Road South $59^{\circ} 52' 59''$ West 140.06 feet to a NIP in the northwest corner of the property now or formerly owned by Evelyn C. Raper and Willie G. Raper as recorded in Book 1445 at Page 159, the point and place of **BEGINNING**. This description is taken from a Boundary Survey for Westminster Homes, Inc. entitled Old Mill Road, prepared by Borum, Wade & Associates, P.A., dated 10-30-97, and last revised 5-18-98.

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