

NORTH CAROLINA
PITT COUNTY

DECLARATION OF COVENANTS
CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made this 27 day of August, 1985, by "Rownetree Woods", a joint venture consisting of Collice C. Moore, and Westminster Company, a North Carolina Corporation and having an office in the City of Greenville, North Carolina, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain property near the City of Greenville, County of Pitt, State of North Carolina, which is more particularly described as follows:

See Instrument recorded
in Book 381 Page 267

Please see attached Exhibit "A".

See Instrument recorded
in Book 385 Page 5

See Instrument recorded
in Book 416 Page 535

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 property 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 Rowntree Woods 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, or a fee simple title to any lot which is a part of the Properties, including contract seller, 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 hereinbefore described, and such additions thereto as 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:

Please see attached Exhibit "B".

Section 5 "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

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

-3-

ARTICLE II
PROPERTY RIGHTS

Section 1 Owner's Easement 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 charge reasonable admission and other fees for the use of any recreational facility situate upon the Common Area;

(b) The right of the Association to limit the number of guests of members;

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

(d) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer has been recorded;

(e) The right of Individual Owners to the exclusive use of parking spaces as provided in this article;

(f) 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.

Section 2 Delegation of Use - Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3 Parking Rights - Ownership of each lot shall entitle the Owner or Owners thereof to the use of not more than two (2) automobile parking spaces, which shall be as near and convenient to said lot as reasonably possible, together with the right of ingress and egress in and upon said parking area. The Association shall permanently assign one (1) vehicle space for each dwelling.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1 Every owner of a Lot which is subject to assessment 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 with the exception of the Declarant and shall be entitled to one 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 (1) vote be cast with respect to any Lot.

Class B - The Class B member(s) 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 Class A membership equals the total votes outstanding in the Class B membership, or
- (b) upon six (6) years after the date of the Declaration.

ARTICLE IV
COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1 Creation of the Lien and Personal Obligation of Assessment - The Declarant, for each Lot owned with the Properties, hereby covenants, and each Owner of 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, and
- (2) special assessments for capital improvements, such assessments to be established and collected 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 property against which each assessment is made. Each such assessment, together with interest, cost and reasonable attorney's fees, shall also be the personal obligation of the

-5-

person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2 Purpose of Assessments - The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvements and maintenance of the Common Area, and of the homes situated upon the Properties.

Section 3 Maximum Annual Assessment - Until January 1 of the year immediately following the conveyances of the first lot to an Owner the maximum annual assessment shall be _____

(a) From and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased above 5% 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. The Board of Directors may fix the annual assessment to an amount not in excess of the maximum.

Section 4 Special Assessments for Capital Improvements - In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost 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.

Section 5 Notice and Quorum for Any Action Authorized Under Section 3 and 4 - Written notice of any meeting called for the purpose of taking any action authorized under Section 3 and 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or 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 requirements, and the required quorum and the subsequent meeting shall be one half (1/2) of the required quorum at the

-8-

preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6 Uniform Rate of Assessment - Both annual and special assessments must be fixed at a uniform rate for all lots and may be collected on a monthly basis. The amount of the annual assessment for lots owned by Class "B" members shall not be less than 25% of the amount of the annual assessment on lots owned by Class "A" members.

Section 7 Date of Commencement of Annual Assessments; Due Dates - The annual assessments provided for herein shall commence as to all lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix that amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors and the Board of Directors shall have the authority to require the assessment to be paid in pro-rated monthly installments. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessment on a specified lot has been paid.

Section 8 Effect of Nonpayment of Assessments - Remedies of the Association - Any assessment not paid within thirty days (30) after the due date shall bear interest from the due date at the rate of six (6) percent per annum. The Association may bring and action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area or abandonment of his lot.

Section 9 Subordination of the Lien to Mortgages - The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such

-7-

sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due of from the lien thereof.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected, or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, material, and location of the same shall be 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. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said 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.

ARTICLE VI

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 the 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 of liability for property damage due to negligence or willfull acts or omissions shall apply thereto.

Section 2 Sharing of Repair and Maintenance - The cost of reasonable repair and maintenance of a party wall shall be shared by the Owner who makes 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 Owner to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omission.

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 the 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 VII

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: paint, repair, replacement and care of roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces.

In the event that the need for maintenance, or repair of a lot or the Improvements thereon is caused through 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, or repairs, shall be added to and become a part of the assessment to which such Lot is subject.

ARTICLE VIII

USE RESTRICTIONS

Section 1 Land Use and Building Type - No Lot shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to

-9-

remain on any Lot other than one single family townhouse dwelling not to exceed two and one-half stories in height. Any building erected, altered, placed or permitted to remain on any lot shall be subject to the provisions of the Article V of this Declaration of Covenants, Conditions, and Restrictions relating to architectural control.

Section 2 Nuisances - No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 3 Temporary Structures - No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence either temporarily or permanently.

Section 4 Recreational Vehicles - No boat, motor boat, camper, trailer, motor or mobile home, or similar type vehicle, shall be permitted to remain on any portion of the Properties, unless by consent of the Association in which event such vehicles shall be placed in the area or areas designated by the Association.

Section 5 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 are at all times properly leashed or confined in approved fenced area.

Section 6 Outside Antennas - No outside radio or television antennas shall be erected on any Lot or dwelling unit within the Properties unless and until permission for the same has been granted by the Board of Directors of the Association of its architectural control committee.

Section 7 Window Coverings - All drapes, curtains, or other similar materials hung at windows, or in any manner so as to be visible from the outside of any building erected upon any Lot shall be of white or neutral background or material.

Section 8 Exterior Lights - All light bulbs or other lights installed in any fixture located on the exterior of any building or any lot shall be clear, white, or non-frost lights or bulbs.

ARTICLE IX
EASEMENTS

Section 1 Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of drainage, or which may obstruct or retard the flow of water.

Section 2 The Association, acting through its officers, agents, servants and/or employees shall have the right of unobstructed access at all reasonable times to all properties as may be reasonably necessary to perform the exterior maintenance called for in the Article VII of the declaration.

Section 3 Easements are also reserved over those portions of the Common Area that may be necessary or required to accommodate overhanging eaves or other cantilevered construction which may encroach upon the Common Area on the air and light space above the Common Area.

ARTICLE X
GENERAL PROVISIONS

Section 1 Enforcement - The Association, or any Owner, shall have the right to enforce, by an proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this 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.

Section 2 Severability - Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions 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, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically

-11-

extended for successive periods of ten (10) years. The covenants and restrictions of this Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety (90) percent of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75) percent of the Lot Owners, provided that no amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvement, as herein provided, or affect any lien for the payment thereof established herein. Any amendment must be properly recorded.

Section 4 Annexation - 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. Additional land within the area described in the metes and bound description attached hereto as Exhibit A and incorporated herein by reference may be annexed by the Declarant without the consent of members within ten (10) years of the date of this instrument provided that the FHA and VA determine that the annexation is in accord with the general plan hereto for approval by them.

Section 5 FHA/VA Approvals - As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, Collice C. Moore, individually, and Westminster Company herein has caused this Declaration to be signed in its corporate name by its Vice President and attested by its Assistant Secretary and sealed with its corporate seal, all on the day and year first above written.



CORPORATE SEAL

ATTEST

[Signature]
 Assistant Secretary

ROWMETREE WOODS, a joint venture

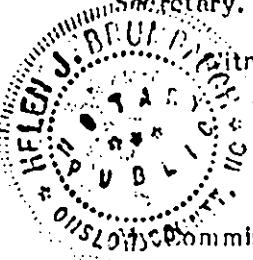
BY: *[Signature]*
 COLLICE C. MOORE

WESTMINSTER COMPANY

BY: *[Signature]*
 Vice President

NORTH CAROLINA
Onslow COUNTY

I, Helen J. Brumbaugh, a Notary Public in and for the aforesaid County and State certify that Dana W. Williams personally appeared before me this day and acknowledged that he/she is Asst. Secretary of WESTMINSTEC, a corporation organized under the laws of the State of North Carolina and having an office in the City of Greensboro, North Carolina, 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 the Corporate Seal, and attested by him as its Secretary.

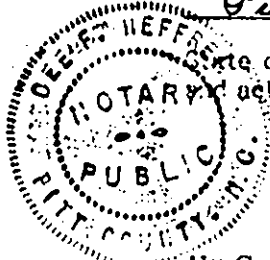


Witness my hand and notarial seal this the 28 day of Aug, 1985.

Helen J. Brumbaugh
Notary Public

NORTH CAROLINA
Pitt COUNTY

I, Dee F. Heffner, a Notary Public in and for the aforesaid County and State do hereby certify that Collice C. Moore did personally appear before me this day and acknowledged the due execution of the foregoing instrument.



Witness my hand and notarial seal this the 29 day of Aug, 1985.

Dee F. Heffner
Notary Public

My Commission Expires:
Feb. 12, 1988

NORTH CAROLINA: Pitt COUNTY
The foregoing certificates of Helen J. Brumbaugh N. P. of Onslow Co., NC
and Dee F. Heffner N. P. of Pitt Co., NC
are certified to be correct.

Filed for registration at 9:50 o'clock P M this 3rd day of September 1985

By Elvira T. Allred Register of Deeds

EXHIBIT "A"

That certain lot or parcel of land lying and being situate in Falkland Township, Pitt County, North Carolina and being more particularly described as follows:

Beginning at a concrete monument located at or near the northwest corner of intersection of right of way lines of State Road 1204 and Cedar creek Road and running from said beginning point, S. 03-00 E. a chord distance of 35.36 feet to a point in the northwest right of way line of NCSR 1204 thence along and with said right of way line S. 42-00 W. 479.68 feet to an iron stake, a corner; thence N. 29-41 W. 457.02 feet to a point, a corner; thence N. 60-19 E. 161.35 feet to a point; thence S. 70-00 E. 131.79 feet to a point, thence N. 42-00 E. 145.96 feet to a point in the western right of way line of Cedar creek Road, a corner; thence S. 57-03-09 E. a chord distance of 78.67 feet to a point, thence S. 48-00 E. 158.31 feet to the point and place of beginning.

SAVE AND EXCEPT those certain buildings and building areas marked as buildings 5 and 6 on that certain map entitled "Rownetree Woods Townhomes, Section I" and drawn by Rivers & Associates, Inc., R.L.S. recorded in Map Book 32, Page 265 of the Pitt County Registry.

Also conveyed herewith is the following tract together with the improvements located thereon, to wit:

BEGINNING at a point located in the northern right of way line of State Road 1204, said Beginning Point also being the southeast corner of the pool and tennis courts property as shown on the Rownetree Woods Townhomes, Section I map as recorded in Map Book 32 at Page 265 of the Pitt County Registry, and running from said beginning point, S. 42-04 W. 139.47 feet along the northern right of way line of NCSR 1204 to a point; thence S. 87-02 W. a chord distance of 35.40 feet to a point in the eastern right of way line of Cedar creek Road, a corner; thence N. 48-00 W. 158.31 feet along the eastern right of way line of Cedar creek Road to a point; thence N. 56-38-03 W. a chord distance of 90.08 feet to a point, a corner; thence N. 59-00 E. 158.0 feet to a point, a corner; thence S. 31-00 E. 20.0 feet to a point; thence S. 75-52-34 E. 70.43 feet to a point; thence S. 47-56 E. 145.0 feet to the Point and Place of Beginning.

EXHIBIT "B"

That certain lot or parcel of land lying and being situate in Falkland Township, Pitt County, North Carolina and being more particularly described as follows:

Beginning at a concrete monument located at or near the northwest corner of intersection of right of way lines of State Road 1204 and Cedar creek Road and running from said beginning point, S. 03-00 E. a chord distance of 35.36 feet to a point in the northwest right of way line of NCSR 1204 thence along and with said right of way line S. 42-00 W. 479.68 feet to an iron stake, a corner; thence N. 29-41 W. 457.02 feet to a point, a corner; thence N. 60-19 E. 161.35 feet to a point; thence S. 70-00 E. 131.79 feet to a point, thence N. 42-00 E. 145.96 feet to a point in the western right of way line of Cedar creek Road, a corner; thence S. 57-03-09 E. a chord distance of 78.67 feet to a point, thence S. 48-00 E. 158.31 feet to the point and place of beginning.

SAVE AND EXCEPT those certain buildings and building areas marked as buildings 1, 2, 3, 4, 5 and 6 on that certain map entitled "Rowntree Woods Townhomes, Section I" and drawn by Rivers & Associates, Inc., R.L.S. recorded in Map Book 32, Page 265 of the Pitt County Registry.

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