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ROWAN COUNTY NC
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BOBBIE M. EARNHARDT
Register Of Deeds

9:42

STATE OF NORTH CAROLINA
COUNTY OF ROWAN

RESTRICTION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, That H.S. LEWIS DEVELOPMENT CO., INC., a North Carolina corporation (hereinafter referred to as the "Developer") does hereby covenant and agree to and with all persons, firms and corporations hereafter acquiring any of the property hereinafter described in the form and manner following:

WITNESSETH:

THAT WHEREAS, the Developer is the owner of a subdivided tract of land located in the County of Rowan, known as "OLDE MILL," Section One, in Book of Maps at page 4216 and "OLDE MILL", Section Two, in Book of Maps at Page 4217 in the office of the Register of Deeds for Rowan County, North Carolina; and

WHEREAS, the lots are situated as to comprise a neighborhood unit of the aforesaid subdivision known as "OLDE MILL"; and

WHEREAS, it is the intent and purpose of the Developer to erect single family residences on estate lots or tracts in said subdivision or to convey estates or tracts therein to persons, firms or corporations who will erect thereon residences to be used for family purposes; and

WHEREAS, the Developer desires to establish a general plan pertaining to the enjoyment and use of said estate tracts or lots for the benefit of said prospective purchasers, to restrict the use thereof in a uniform manner, and to put all persons on notice of such restrictions.

NOW, THEREFORE, in consideration of the premises and in further consideration of the purchase price to be paid by prospective future purchasers of estates or tracts in the above described subdivision, the Developer does hereby agree and contract that all estates or tracts of "OLDE MILL," Section One, as shown on plats thereof recorded in Book of Maps at Page 4216, and "OLDE MILL", Section Two, as shown on plat thereof recorded in Book of Maps at Page 4217, in the office of the Register of Deeds for Rowan County, North Carolina, shall be sold subject to the restrictions and covenants running with the land, and that all deeds executed and delivered by the Developer for estates or tracts in the aforesaid subdivision shall be made subject to the following restrictions:

ARTICLE I

These covenants and restrictions are to run with the land and shall be binding on the parties herein and all persons, firms and corporations purchasing lots in the said "OLDE MILL," Sections One and Two and those claiming under them for a period of twenty (20) years from the date these covenants are recorded, after which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years each, unless an instrument signed by the majority of the then owners of the lots has been recorded agreeing to change said covenants and restrictions in whole or in part.

ARTICLE II

No buildings, fence, wall, drive or other structure or additions to said structure shall be erected, placed or altered on residential property lots until the proposed building plans and any significant changes thereto, specifications, exterior color or finish, lot plan (showing the proposed location of such building or structure, drives and parking areas) and construction schedule shall have been approved in writing by the Architectural Committee. This Committee will approve as to quality of workmanship and materials, harmony of external design and existing structures, and as to location with respect to topography and finish grade elevation. The purpose and intention of this covenant is to assure that all dwellings placed upon said lots shall be of the quality of workmanship and materials used in said dwellings shall be in harmony with like dwellings within the

short

Tract 2

subdivision. At least one wall on exterior of buildings shall be of masonry, brick or stone and the use of any other siding shall be allowed only with the approval of the Architectural Committee.

ARTICLE III

No residential lot may be divided into more than one building lot, except that portion of one residential lot may be added to an adjoining lot for the purpose of creating one building lot. The ground floor of the main structures, exclusive of one story open porches or garages, shall not be less than 1,600 square feet for a one story dwelling, nor less than 1,000 square feet for the first floor of a two story or split level dwelling, with a total square footage of 1,750 square feet for each two story or split level dwelling.

ARTICLE IV

The location of the structure shall be governed by the following:

- (a) No dwelling shall be located on any lot nearer to the front lot line than the minimum building line (M.B.L.) which shall be forty (40) feet.
- (b) No dwelling shall be located nearer than ten (10) feet to any side nor twenty-five (25) feet to any rear nor twenty (20) feet to any side street interior lot line.
- (c) Clearing of any lot for a dwelling site shall not begin until a member of the Architectural Committee has checked said lot and approved the location of the dwelling thereon.
- (d) No large tree measuring six (6) inches or more in diameter at ground level may be removed without the proper written approval of a member of the Architectural Committee, unless said tree is within ten (10) feet of the prior approved site for a dwelling.
- (e) Home design shall be Williamsburg, Georgian and other similar traditional designs, though transitional designs will be acceptable but judged critically by the Architectural Committee as to design relationship to site topography and vegetation and other surroundings.
- (f) All residences shall be constructed on site and neither used nor prebuilt structures shall be located on any lot for use as residences. Dwellings shall have a garage of at least 20 x 20 feet.
- (g) All structures approved by the Architectural Committee must be completed within one (1) year after the received of such approval; provided, however, the Architectural Committee may waive this requirement if construction delays have been caused by strikes, war fire, acts of God, material shortages or other events which render the completion of construction within such time impossible.
- (h) All driveways, turning areas and parking areas shall be asphalt or concrete surfaced (as determined by the Architectural Committee) and the surfacing must be completed prior to the occupancy of any dwelling on the lot. Driveway construction must be to North Carolina Department of Transportation standards.
- (i) Walkways leading to entrances and from the principal dwelling to other buildings on the lot shall be constructed of materials as determined by the Architectural Committee.

(j) No fence or wall of any nature (other than fences or walls for landscaping purposes approved by the Architectural Committee) shall be maintained or permitted on any lot from the front and side street lines on said lot to the residential structure thereon. Fences constructed from the residential structure to the rear line of the lot shall be constructed of wood or brick and shall not exceed a height of 72 inches. All fences must be approved by the Architectural Committee.

(k) Minimum landscaping for each structure shall include seeding of all lawn areas and/or maintained natural areas and appropriate foundation plantings.

ARTICLE V

No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner lot within the triangle area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street property lines extended. The same sight line limitation shall apply on any lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No trees shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

ARTICLE VI

Easements for installation and maintenance of utilities and drainage facilities are reserved over the side and rear ten (10) feet of each lot except when the side or rear lot lines are exterior property lines of the subdivision in which case the reserved easement shall be fifteen (15) feet. Within these easements, no structures, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change the direction or flow of drainage channels in the easements or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any grading of the soil or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance.

ARTICLE VII

No junk cars, house trailers, transport trucks, tractor trailers, tents, barns or other similar outbuildings shall be placed on any lot at any time, whether temporarily or permanently. Campers and recreational vehicles are excepted to the above rule, provided they cause no sight line interference and are parked to the rear of the front corners of the main dwellings.

ARTICLE VIII

No noxious or offensive activity shall be carried on upon any lot, no businesses, shops, repair shops, beauty shops, barber shops, or any other activity of a commercial nature; nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. No resident shall be permitted to ride power assisted vehicles in any area of the subdivision except on dedicated roads. There shall not be maintained any plants, poultry or animals or device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other property in the neighborhood by the owners thereof, the only exception being that dogs, cats or other household pets

may be kept, provided that they are not kept, bred or maintained for commercial purposes and are kept in accordance with the city animal code.

ARTICLE IX

No member of the Architectural Committee shall receive any compensation for services performed pursuant to this covenant. The Committee's approval or disapproval as required in these covenants shall be in writing. In the event the Committee fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, or in the event that no suit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required and the related covenants shall be deemed to have been fully complied with.

ARTICLE X

It shall be the responsibility of each lot owner to prevent the development of any unclean, unsightly or unkept conditions of buildings or grounds on such lot which shall tend to substantially decrease the value or beauty of the neighborhood as a whole or of specific areas as determined by the Architectural Committee. The Architectural Committee has the right to disapprove any landscaping design which shall not compliment the whole development.

ARTICLE XI

In order to implement an attractive overall appearance to the residential areas, the Architectural Committee, or its representatives, shall have the authority to enter onto any residential lot on which a residence has not been constructed in order to make an inspection and remove trash or cut grass, weeds or underbrush, at the expense of the owner, without said entrance being deemed a trespass.

ARTICLE XII

No signs of any description shall be displayed on any residential lot with the exception of a "For Sale" sign, which sign shall not exceed two (2) feet by three (3) feet in its dimension. Development signs by Developer shall not be subject to this restriction. There shall be located at the entrance of the development signs announcing the name of the subdivision. The Developer reserves the right to go upon the properties on which these signs are located and reserves the right to go upon the properties for the purposes of erecting and maintaining these signs and reserves an easement upon the properties for this purpose. This right may be assigned to the Property Owners Association upon conveyance of the common areas to the association.

ARTICLE XIII

(a) No structures of a temporary nature shall be erected or allowed to remain on any lot unless and until permission for the same has been granted by the Architectural Committee.

(b) No above ground pools over six feet in diameter shall be permitted on any lot in the development. All inground swimming pools located on any lot shall be located to the rear of the rear elevation of the dwelling constructed on the lot and shall be installed so that the pool top and the decking surrounding the pool shall not protrude more than six (6) inches above normal ground level of the lot.

(c) No permanent facilities for drying or airing of any clothing or bedding shall be permitted outdoors on any lot or in any other unenclosed area (including porches and patios) within the properties.

(d) There shall be no automotive access to any lot except from designated roads as shown on the map.

(e) Each owner shall provide space for parking two (2) automobiles on their lot prior to occupancy of any dwelling constructed on such lot in accordance with reasonable standards established by the Architectural Committee. No vehicle shall be parked on any street except on temporary basis. No unlicensed vehicles may be kept on any lot, except in enclosed areas. In addition, there shall be no on-street parking of any vehicles except as shall be necessary on a temporary basis to provide services for resident of such lot or for guests visiting the lot owner.

(f) No mobile travel home, camper, basement, manufactured housing unit, tent, shack, garage, barn or other outbuilding erected in the development shall at any time be used as a residence temporarily or permanently, nor shall any structure of a temporary character be used as a residence.

(g) No television satellite dish over two feet in diameter shall be erected on a lot. The location of such dishes must be approved by the Architectural Committee. No shortwave or other radio transmission station shall be operated on any lot.

(h) Any hedges to be planted shall be approved by the Architectural Committee prior to planting and shall be located only in areas approved by the Architectural Committee. Such hedges shall be kept neatly trimmed and attractive.

(i) All accessory buildings shall be of a permanent construction and shall not be prefabricated. Construction shall be of the same materials and colors as the dwelling and must be approved by the Architectural Committee prior to construction.

(j) Any seasonal decorations other than a front door wreath must be removed within twenty (20) days following the holiday date.

(k) No outdoor utility poles and "T-2" type lights are allowed on any lot other than street lighting installed by the Declarant.

(l) No solar panels shall be permitted on the exterior of any building or on any lot.

(m) No decorative yard ornaments or fixtures are allowed on any lot unless approved by the Architectural Committee.

(n) Any building on any lot which is destroyed in whole or in part by fire, windstorm, flood or other act of God must be rebuilt, or all debris from such building removed and the lot restored to the condition it was in prior to commencement of construction of such building with reasonable promptness; provided, however, that any such reconstruction must be commenced within six (6) months from the date of such destruction or if no reconstruction is to occur, then all such debris must be removed and the lot restored to its prior condition within six (6) months of such destruction. Reconstruction requires Architectural Committee approval.

ARTICLE XIV

Should any person(s), firm(s) or corporation(s) violate or attempt to violate any of the covenants and restrictions contained herein, it shall be the lawful right of any other person(s), firm(s) or corporation(s) owning any of the lots in said subdivision to persecute any proceedings at law or in equity against the person(s), firm(s) or corporation(s) violating or attempting to violate and such covenant or restriction, and either to prevent him or them from doing so, or to recover damages for such violation; it being understood that this right extends not only to the present owners of said subdivision, but also to any future owners therein.

ARTICLE XV

Invalidation of any of these covenants of restrictions by judgment of court order shall in no way effect any of the other provisions which shall remain in full force and effect.

ARTICLE XVI

A. A corporation named OLDE MILL OF ROWAN COUNTY P.O.A., Inc., has been or will be formed pursuant to the rules and requirements of the Nonprofit Corporation Act (Chapter 55A) of the General Statutes of North Carolina as an association of the Owners of Lots. Its purposes are to own, manage, maintain and operate the Community Use Areas and facilities located upon the Community Use Areas; to enforce the restrictions contained herein; and to make and enforce rules and regulations governing the Owners' use and occupation of lots.

B. Each Owner of each lot within the Subdivision shall be a member of the Corporation. The Developer, by this Declaration, and the Owners of individual lots by their acceptance of individual deeds thereto, covenant and agree with respect to the Corporation:

1. That for so long as each is an Owner of a lot within the Subdivision, each will perform all acts necessary to remain in good and current standing as a member of the Corporation.

2. That each shall be subject to the rules and regulations of the Corporation with regard to ownership of a lot; and

3. That any unpaid assessment, whether general or special, levied by the Corporation in accordance with these Restrictions, the Articles or the Bylaws shall be a lien upon the lot upon which such assessment was levied and shall be the personal obligation of the Owner of the lot at the time the assessment fell due.

C. Each membership in the Corporation shall relate to and have a unity of interest with an individual lot which may not be separated from ownership of said lot.

D. The Corporation shall have one class of members who shall be all Owners. Each member shall be entitled to one vote for each lot; provided, however, when more than one person holds an interest in any lot, all such persons shall be members and, the vote for such lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote or any fraction of a vote be cast with respect to any lot.

ARTICLE XVII

The management and administration of the affairs of the Community Use Areas of the Subdivision shall be the sole right and responsibility of the Corporation. The management shall be carried out in accordance with the terms and conditions of these Restrictions, the Articles and the Bylaws of the Corporation, but may be delegated or contracted to managers or management services.

ARTICLE XVIII

The Community Expenses of the Subdivision include:

A. All amounts expended by the Corporation in operating, administering, managing, repairing, replacing and improving the Community Use Areas of the Subdivision; all amounts expended by the Corporation in insuring the Community Use Areas in the Subdivision; all amounts expended by the Corporation in legal, engineering or architectural fees; all similar fees which may be incurred by the Corporation from time to time in performing the functions delegated to the Corporation by these Restrictions; and all

amounts expended in any form by the Corporation in enforcing these Restrictions, the Articles or the Bylaws.

B. All amounts expended by the Corporation in carrying out any duty or discretion as may be required or allowed by the Restrictions, the Articles or the Bylaws.

C. All amounts declared to be Community Expenses in the Bylaws or in these Restrictions.

D. All taxes and special assessments which may be levied from time to time by any governmental authority upon the Community Use Areas in the Subdivision.

ARTICLE XIX

A. The Developer for each lot owned hereby covenants and each Owner of any lot by acceptance of a deed for same (whether or not it shall be so expressed in such deed) is deemed to covenant and agrees to pay to the Corporation annual general assessments or charges as hereinafter provided. The annual general assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge and lien on the land and, subject to the provisions of paragraph "F" of this Article, shall be a continuing lien upon the property against which each such assessment is made. Furthermore, each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the owner of the lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to a successor in title to a lot unless expressly assumed by them but, subject to the provisions of this Declaration, delinquent assessments shall continue to be a lien upon such lot.

B. Until June 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual general assessment shall be One Hundred Dollars (\$75.00) per lot.

1. From and after June 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual general assessment may be increased each year not more than ten percent (10%) above the assessment for the previous year without any vote of the membership.

2. From and after June 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual general assessment may be increased by an amount greater than ten percent (10%) of the assessment for the previous year provided the proposed increase is approved by a vote of two-thirds (2/3) of the members who are voting in person or by proxy at a meeting duly called for this purpose.

3. The Board of Directors may fix the annual general assessment at an amount not in excess of the maximum.

4. Once the annual general assessment has been set, notice of the annual general assessment shall be given to all members. After the initial notice of the assessment, the assessment shall become due and payable as provided by the Board of Directors.

C. Written notice of any meeting called for the purpose of taking any action authorized under Paragraph 2 B) shall be sent to all members not less than thirty (30) 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.

D. The annual general assessments levied by the Corporation shall be used exclusively to improve, maintain and repair the Community Use Areas, to pay the expenses of the Corporation, to pay the cost of lighting the Community Use Areas, to pay the cost of insurance the Corporation determines to purchase and to promote the recreation, health, safety and welfare of the members and to pay taxes levied upon the Community Use Areas.

E. The Corporation shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Corporation setting forth whether the assessments on a specified lot have been paid. A properly executed certificate of the Corporation as to the status of assessment on a lot is binding upon the Corporation as of the date of its issuance. The cemetery lot as designated on the recorded plat of the subdivision shall be conveyed to the corporation, and the maintenance thereof by the corporation shall be a community expense.

F. The lien of the assessments 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 foreclosure of a first mortgage or any proceeding in lieu therefor, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE XX

Special assessments may be levied against lots for such reasons as are provided in these Restrictions, the Articles or the bylaws and on such terms as provided by the Board of Directors or the members. Either the Board of Directors or the members may levy and impose special assessments upon a majority vote. The purposes for which special assessments may be levied include, but are not limited to, providing funds to pay Community Expenses which exceed the general assessment funds then on hand to pay same and providing a contingency funds for capital improvements and extraordinary expenses. Furthermore, special assessments may be assessed against specific lots. In the event the Owner of a lot fails to comply with the provisions of these restrictions, the Corporation may perform such task or remedy such matter and levy the cost of such performance against the Owner of such lot and such lot as a special assessment.

ARTICLE XXI

In the case of a failure of a lot Owner to comply with the terms and provisions contained in the Declaration, the Articles or the Bylaws of the Corporation, the following relief shall be available:

A. The Corporation, an aggrieved lot Owner or Owners within the Subdivision on behalf of the Corporation, or any lot Owner on behalf of all the lot Owners within the Subdivision shall have the right to bring an action and recover sums due, damages, injunctive relief and/or such other and further relief as may be just and appropriate.

B. The Corporation shall have the right to remedy the violation and assess the costs of remedying same against the offending lot Owner as a special assessment.

C. If the violation is the nonpayment of any general or special assessment, the Corporation shall have the right to suspend the offending Owner's voting rights and the use by such Owner, his agents, employees and invitees of the Community Use Areas in the Subdivision for any period during which an assessment against the lot remains unpaid.

D. The remedies provided by this Articles are cumulative and are in addition to any other remedies provided by law.

E. The failure of the Corporation or any person to enforce any restriction contained in these restrictions, the Articles or the Bylaws shall not be deemed to waive the right to enforce such restrictions thereafter as to the same violation or subsequent violation of similar character.

Prior to availing itself of the relief specified herein, the Corporation shall following the hearing procedures as set forth in the Bylaws.

ARTICLE XXIII

A. Every Owner of a lot within the Subdivision, as an appurtenance to such lot, shall have a perpetual easement over and upon the Community Use Areas within the Subdivision for each and every purpose or use to which such Community Use Areas were intended as determined by their type, or for which such Community Use Areas generally are used. Such easements shall be appurtenant to and shall pass with the title to every lot located within the Subdivision, whether or not specifically including in a deed thereto, subject to the following provisions:

1. The Corporation shall have the right to make reasonable rules and regulations respecting the use of same.

2. The Corporation shall have the right to suspend the voting rights of a lot Owner and his right to use the Community Use Areas within the Subdivision for any period during which any due assessment against such Owner's lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its publishing Rules and Regulations.

3. The Corporation shall have the right to charge reasonable admission and other fees for the use of any recreation facility situated upon the Community Use Areas.

B. The Corporation hereinafter may grant easements for utility purposes for the benefit of the Subdivision and the lots nor or hereafter located thereon, over, under, along and through the Community Use Areas. Provided, however, that no such grant of easement shall have a material adverse effect on the use, enjoyment or value of any lot.

C. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Community Use Areas and facilities to the members of his family, his tenants or contract purchasers who reside on the property.

D. Developer shall have the right, at its election, without the consent of any owner or owners, to bring within the coverage and operation of these restrictions additional properties which it may own adjoining the Subdivision as may be developed in the future. The addition to property authorized hereby shall be made by filing of record in the office of the Register of Deeds for rowan County, North Carolina, a Supplementary Declaration of Covenants, Conditions and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of this Declaration to such additional property. The Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or appropriate in the sole judgment of the Developer to reflect the different character, if any, of the added properties and as are not inconsistent with the plan, intent and spirit of this Declaration.

E. Easements and rights of way over and upon each lot for drainage and the installation and maintenance of utilities and services are reserved exclusively to Developer for such purposes as Developer may deem incident and appropriate to its overall

development plan, such easements and rights of way being shown or noted on the aforesaid recorded plat of the Subdivision, which plat is incorporated by reference and made a part hereof for a more particular description of such easements and rights of way.

The easements and right of way areas reserved by Developer on each lot pursuant hereto shall be maintained continuously by the owner but no structures, plantings or other material shall be placed or permitted to remain upon such areas or other activities undertaken thereon which may damage or interfere with the installation or maintenance of utilities or other services, or which may retard, obstruct or reverse the flow of water or which may damage or interfere with established slope ratios or create erosion problems.

Improvements within such areas also shall be maintained by the respective owner except those for which a public authority or utility company is responsible.

F. The rights of the use of utility and service easements and right of way areas as provided and defined herein for any type of cable transmission system is reserved exclusively to Developer, and no other cable transmissions service company or organization shall be permitted to service any lot or combination or lots except with the expressed permission of Developer.

G. Every part, recreation area, recreation facility, dedicated access and other amenities appurtenant to the Subdivision, whether or not shown and delineated on any recorded plat of the Subdivision, shall be considered private and for the sole and exclusive use of the Owners of the lots within the Subdivision. Neither Developer's execution nor the recording of any plat nor any other act of Developer with respect to such areas is, or is intended to be, or shall be construed as a dedication to the public of any such areas, facilities or amenities.

H. The Board of Directors in its discretion may allow reasonable variances and adjustments of these restrictions in order to alleviate practical difficulties and hardship in their enforcement and operation. Any such variances shall not violate the spirit or the intent of this document to create a Subdivision of lots owned in fee by various persons with each such Owner having an easement upon areas owned by the Corporation.

To be effective, a variance hereunder shall be recorded in the Rowan County Register of Deeds office; shall be executed on behalf of the Corporation; and shall refer specifically to this Declaration.

ARTICLE XXIV

The Board of Directors shall establish an Architectural Standards Committee (hereinafter referred to as the "Committee") which shall be composed of five (5) members. The Board of Directors shall have the right to appoint and remove, at any time and without cause, two (2) members. The Developer shall have the right to appoint and remove three (3) members of the Committee so long as the Developer continues to own any portion of the Development Area. At such time as the Developer no longer owns any portion of Development Area, or upon notification by the Developer to the Board of Directors that it does not desire to continue to appoint three (3) members of the Committee, all five (5) members shall be appointed or remove, at any time and without cause, by the Board of Directors.

A. No construction, which term shall include within its definition clearing, excavation, grading and other site work, shall take place except in strict compliance with this Article, until the requirements thereof have been fully met, and until the approval of the Committee has been obtained.

B. The committee shall have exclusive jurisdiction over all original construction on any lot and later changes or additions after approval thereof together with any modifications, additions or alterations, subsequently to be constructed on any lot or made to any improvements initially approved. The Committee shall prepare and, on behalf of the Board of Directors, shall promulgate architectural standard guidelines ("guidelines")

and application and review procedures ("procedures"). the guidelines and procedures shall be those of the Corporation and the Committee shall have the sole and full authority to prepare and to amend the guidelines and procedures. The Committee shall make the guidelines and procedures available to owners, builders and developers who seek to engage in the development of or construction upon the lots and who shall conduct their operations strictly in accordance therewith.

C. The Committee shall have the absolute and exclusive right to disapprove any plans, specifications or details submitted to it in the event the same are not in accordance with any of the provisions of these restrictions and the guidelines; if the design, color scheme or location upon the lot or lots of the proposed improvements are not in harmony with the general surroundings or adjacent structures; if the plans or specifications submitted are incomplete; or in the event the Committee deems the plans, specifications or detail, or any part thereof, to be contrary to the best interests, welfare or rights of all or any part of the real property subject to this Declaration or the owners thereof.

D. The Committee shall approve or disapprove plans, specifications and details submitted in accordance with its procedures within thirty (30) days from the receipt thereof and the decisions of the Committee shall be final and not subject to appeal or review. Provided, however, that plans, specifications and details revised in accordance with Committee recommendations may be resubmitted for determination by the Committee. In the event that the Committee fails to approve or disapprove plans, specifications and details within thirty (30) days after submission of the same to the Committee, approval, for the purposes of this Article shall be deemed to have been given by the Committee.

E. The Committee, or its agent, shall have the right to inspect all construction to ensure that it is performed in strict accordance with the approved plans, specifications and details. Upon completion of the construction in accordance with the approved plans, specification and details, the Committee shall issue a certificate of completion to the owner.

F. Nothing contained herein shall be construed to limit the right of an owner to remodel the interior of his residence or permitted pertinent structures, or to paint the interior of the same any color desired.

G. Neither the Developer nor the Committee nor the Board of Directors or any architecture agent thereof shall be responsible in any way for any defects in plans, specifications or details submitted, revised or approved in accordance with the provisions contained herein or in the guidelines, nor for any structural or other defect in any construction.

H. The requirements of this Article shall not constitute a lien or encumbrance on any lot on which construction is completed, and any subsequent purchaser thereof for value without notice thereof is in no way affected by the failure of his predecessors in title to comply with the terms hereof. The requirements of this Article shall not apply to the Developer with regard to original erection or construction of a dwelling on a lot.

ARTICLE XXV

Until such time as a government entity (state, county or municipality) shall accept responsibility for the maintenance of the streets, the Developer shall maintain the streets within the subdivision in a manner generally as acceptable as exists at the time of the recording of this Agreement, except that there shall be no duty upon the Developer to clear the streets of snow or ice.

IN TESTIMONY WHEREOF, the Developer has caused this instrument to be executed in the manner provided by law, this the 14 day of January, 2002.

H.S. LEWIS DEVELOPMENT, CO., INC.

BY: *[Signature]*
Vice President

ATTEST
[Signature]
Secretary

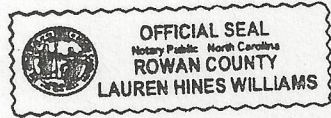
STATE OF NORTH CAROLINA
COUNTY OF ROWAN

I, a Notary Public of the County and State aforesaid, certify that Sydney K. Lewis personally came before me this day and acknowledged that he is Secretary of H.S. LEWIS DEVELOPMENT CO., INC., a corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Vice President, sealed with its corporate seal, and attested by himself as its Secretary.

WITNESS my hand and Notarial seal, this 14 day of January, 2002.

[Signature]
NOTARY PUBLIC

My commission expires: 12-8-2006



STATE OF NORTH CAROLINA
COUNTY OF ROWAN

The foregoing certificate of Lauren Hines Williams, a Notary Public of Rowan County, North Carolina, is certified to be correct.

This 14 day of January, 2002.

BOBBIE M. EARNHARDT, REGISTER OF DEEDS

BY: *[Signature]*
Deputy/Assistant