

STATE OF NORTH CAROLINA)

) DECLARATION OF RESTRICTIONS

COUNTY OF MECKLENBURG)

THIS DECLARATION OF RESTRICTIONS is made this 30th day of October, 1998, by and between The Ryland Group, Inc., a Maryland corporation (hereinafter "Declarant"), and any and all persons, firms or corporations subsequently acquiring any of the property hereinafter described.

STATEMENT OF PURPOSE

Declarant is developing a certain residential subdivision containing 47 lots (hereinafter "Lots") known as GLEN LAUREL, a portion of which is shown on a plat thereof recorded in Map Book 21 at Page 671 (hereinafter "Map") in the Mecklenburg County Public Registry (hereinafter "Development"). Declarant desires to restrict the use and occupancy of the Lots in accordance with a general plan of development as hereinafter set forth for the protection of the Lots and the future owners thereof (hereinafter "Owner" or "Owners").

NOW, THEREFORE, in consideration of the premises, Declarant, for itself, its successors and assigns, hereby, agrees with any and all persons, firms and corporations acquiring any Lots in the Development that the same shall be, and are hereby, subject to the following restrictions, conditions and covenants relating to the use and occupancy thereof:

1. **SUBDIVISION OF LOTS.** No Lot shall be subdivided by sale or otherwise so as to reduce the total Lot area shown on the Map, except by and with the written consent of the Declarant and provided same is also permitted under applicable governmental regulations and private restrictions affecting said Lot.

2. **RIGHT OF FIRST REFUSAL RESPECTING UNIMPROVED LOTS.** Before any unimproved Lot may be sold or resold to any person, firm or corporation by any Owner thereof, except Declarant or its successors, the Owner of such Lot first shall offer in writing to sell the Lot to Declarant, or its successors, at a price and on terms designated by said Owner. If Declarant, or its successor, does not accept or reject in writing said offer of sale within seven (7) days of its receipt of the same, then the Owner of such Lot shall have the right to sell the Lot to any third party; provided, however, the sale of said Lot to such third party shall be at a price and on the terms and conditions not less favorable to said Owner than the offer made to Declarant.

Drawn by and Mail to:

The Ryland Group, Inc.
4801 E. Independence Blvd.
Suite 412
Charlotte, NC 28212

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3. **TRANSFER TO DECLARANT.** In the event that Declarant exercises its right of first refusal pursuant to Paragraph 2 hereof, the Closing of the conveyance of such Lot shall occur within sixty (60) days after receipt by the Owner of written notice from Declarant that it elects to exercise its right of first refusal with respect to such Lot. At the closing, Declarant shall make such payments in cash, by a promissory note, or otherwise to the Owner as described in the third party offer. Owner shall deliver to Declarant a general warranty deed conveying the Lot free and clear of all exceptions, except as may be set forth in the written offer and subject to this Declaration. In the event the closing occurs after the death of an Owner, Declarant may, in its discretion, require the personal representative of the Owner to post such bonds or other assurances as the Declarant may deem reasonable in order to protect Declarant from any loss which might be caused by the failure to pay any federal or state inheritance tax or the failure to pay the claims of any creditors who may have a lien on the Lot superior to Declarant's rights as a purchaser of said Lot.

4. **RESERVED EASEMENTS.** The Declarant reserves for itself, its successors and assigns, a permanent easement in and the right at any time in the future to grant a permanent right-of way over, under and along an area uniformly ten (10) feet in width along the rear and five (5) feet in width along the sidelines of each Lot for the installation and maintenance of poles, lines, conduits, pipes and other equipment necessary or useful for furnishing electrical power, gas, water, sewer, telephone service and other utilities, as well as within those areas shown as easements on the Map. Within such areas, no structures, planting, fences or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities or which may obstruct or retard the flow of water through drainage channels in such areas. The areas of each Lot containing the easement and all improvements thereon shall be maintained continuously by the Owner of the Lot except for those improvements for which a public authority or utility company is responsible. In the event that any Lot is subdivided pursuant to Paragraph 1 hereof, an easement uniformly ten (10) feet in width shall exist both along the rear and five(5) feet in width along the sidelines of the Lot, both as shown on the Map and along the rear and sidelines as exist upon the Lot as subdivided; provided, however, that upon request by the Owner of the subdivided Lot, the Declarant may release the easement reserved along the rear or sideline of the Lot if doing so would not interfere with the installation or maintenance of any utilities or the drainage with the Development. In the event two or more Lots are combined into one building Lot with the residence to be constructed over the common interior lot lines, the easements reserved along sidelines shall be released, provided that the easements have not previously been used for the installation of utilities and their release shall not interfere with the drainage within the Development.

5. **RESIDENTIAL USE OF PROPERTY.** All Lots shall be used for residential purposes only and no structure shall be erected, placed or permitted to remain on any Lot other than one single-family dwelling, and any necessary structure customarily incidental to such residential use. No garage constructed on any Lot shall be used for living quarters of any kind either for guests, members of the family or domestic

employees. The construction and maintenance of "garage apartments" on any Lot is expressly prohibited. Notwithstanding the foregoing, a Lot may be used by a professional home builder as a "model home" and for sale or marketing purposes so long as such professional home builder owns at least one other Lot in the Development or within another portion of Glen Laurel upon which is built, is being built, or is planned to be built, a home for sale to third parties.

6. **PARKING.** No boat, trailer, recreational vehicle, camper, camper truck or commercial vehicle shall be parked, stored or left (a) in any driveway or (b) on any other part of a Lot, (c) or otherwise in the Project unless the same are fully enclosed within the garage located on the Lot, or are otherwise properly screened as approved by the Declarant. This restriction shall not apply to sales trailer, construction trailers, or other vehicles which may be used by Declarant and its agents and contractors in the conduct of their business prior to completion of sales. No boat, truck, trailer, pre-manufactured home, camper, recreational vehicle or tent shall be used as a living or dwelling area within the Project. No repairs to or maintenance of any automobile or other vehicle shall be made or performed on any driveway within the Project, except in the case of an emergency. No unlicensed, wrecked or inoperable vehicle may be left on a Lot outside an approved enclosed structure.

7. **MINIMUM SIZE OF DWELLING.** Single-family dwellings shall contain not less than a minimum of 1,000 square feet of finished floor area for a one-story dwelling, and not less than 1,300 square feet of minimum finished floor area for a one and one-half story and a two-story dwelling. The minimum finished floor area herein referred to shall not include basements, attached or detached garages, unheated areas, carports or open porches of any type.

8. **BUILDING RESTRICTIONS.** No building on a Lot shall be located nearer to either sideline of each such Lot nor nearer to the rear line thereof than as shown on the building setback lines and sidelines shown on the Map. For the purposes of the covenant, eaves and stoops shall not be considered as a part of a building; provided, however, this shall not be construed to be deemed to permit the encroachment of any improvement onto another Lot.

9. **BUILDING LINE REQUIREMENTS.** The minimum setback lines described hereinabove and as shown on the Map are not intended to create uniformity to setback. They are meant to create a sense of spaciousness and to avoid monotony. For such purposes, it is the Declarant's intent that setback lines may be staggered where appropriate.

10. **OUTBUILDINGS AND SIMILAR STRUCTURES.** No trailer, camper or other structure of a temporary nature shall be erected or allowed to remain upon any Lot and no trailer, camper, shack, tent, garage, barn or other structure of a similar nature shall be used as a residence either temporarily or permanently upon any Lot; provided, however, that this Section shall not be construed to prevent the Declarant from permitting

any party building a structure upon any Lot to erect or maintain temporary structures during construction. No wells shall be installed, used or maintained on any Lot for human domestic water consumption, nor shall any well be connected in any manner whatsoever to the water mains, laterals and piping serving the dwelling which furnish domestic water from sources beyond the boundaries of the Lots.

11. **NUISANCES AND UNSIGHTLY MATERIALS.** No noxious, offensive or illegal activity shall be carried on or upon any Lot, nor shall anything be done thereon which may be or become an annoyance to the neighborhood. No person may keep any animal upon any part of the Lot except that any Owner then occupying a residence upon a Lot may keep customary household pets upon such Lot, provided that such pet are not kept, bred or maintained for any commercial purposes or in such a manner as to become a nuisance to other Owners or residents of the subdivision.

12. **MAINTENANCE OF LOTS.** Each Owner shall keep his Lot in an orderly condition and shall keep the improvements therein in a suitable state of repair, promptly repairing any damage thereto by fire or other casualty. No clothesline may be erected or maintained on any Lot. No Lot shall be used in whole or in part for storage of rubbish of any character whatsoever nor for the storage of any property or things which will cause any noise that will disturb the peace and quiet of the occupants of surrounding Lots, and no trash, rubbish, storage materials, wrecked or inoperable vehicles, vehicles unlicensed for more than thirty (30) days, or similar unsightly items shall be allowed to remain on any Lot outside an enclosed structure; provided, however, the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish, or other debris for collection by governmental or other similar garbage and trash removal units. In the event that the Owner fails or refuses to comply with any of the foregoing, the Declarant may demand that the Owner promptly comply with the same by mailing a notice therefore to the Owner at his address, specified in his contract to purchase such Lot, and posting such notice on the Lot. If the Owner has not complied therewith within five (5) days thereafter, the Declarant may enter and correct the same at Owner's expense. Each Owner, by acquiring a Lot(s) subject to these restrictions, agrees to pay such cost promptly upon demand by Declarant. No such entry as provided herein shall be deemed a trespass.

13. **SIGNBOARDS.** No signboard, billboard, or advertising sign of any description shall be displayed upon or above any Lot with the exception of:

a. Signs displaying or marketing a Lot as a "Model Home" and listing applicable sales information regarding the construction and sale of homes on such Lot and other Lots, which signs shall not exceed four feet by eight feet in dimension, shall refer only to the Lot on which displayed and shall be limited to one sign per Lot;

b. Signs stating "For Rent" or "For Sale," which signs shall not exceed two feet by three feet in dimension, shall refer only to the Lot on which displayed and shall be limited to one sign per Lot; and

c. The name of the resident of any Lot and the street address, the design of which shall be furnished to Declarant and shall be subject to approval by Declarant.

14. **ANTENNAS, SATELLITE DISHES OR DISCS.** No satellite dishes or discs, radio or television aerials, antennas, towers or any other external electronic equipment or devices may be installed or maintained on any exterior of any structure erected on a Lot or elsewhere upon any Lot or within the Property without the prior written approval of Declarant, which approval Declarant may withhold in its sole and absolute discretion; provided, however, that satellite dishes which are eighteen (18) inches or less in size, and screened from view from the street, may be installed without such approval.

15. **FENCES.** No fence or wall shall be erected on any Lot closer to the street than the side street setback or the front of the building facade except for temporary decorative fencing installed by the builder on a model home. Perimeter fencing and privacy fencing around patios, decks or pools may not exceed seven (7) feet in height. Perimeter fencing, unless constructed of brick or stone masonry, shall not have more than seventy percent (70%) of any of its surface closed as viewed from a point on a line of sight perpendicular to the line formed by the line of the fence, except that this provision shall not be applicable to perimeter fencing located on the outer boundaries of the Development. Chain link or other metal fencing is expressly prohibited, except that 2"X4" mesh may be used with split rail fencing to contain animals within the yard.

16. **METAL GARAGES, CARPORTS, BUILDINGS AND ACCESSORY STRUCTURES.** No metal carport, garage, building or accessory structure shall be erected on any Lot or attached to any residence located on the Lot. No building or accessory structure of any kind shall be placed on any Lot, except that one (1) utility building or noncommercial greenhouse, similar in materials and color scheme of the house, may be located in the rear one quarter (1/4) of any Lot so that it is directly behind the residence as viewed from a point on a line of sight perpendicular to the street. No chain link or metal fabricated animal enclosures other than split rail with a 2" X 4" mesh shall be placed on any Lot. All swing sets, basketball goals and similar equipment must be located within the building setback lines.

17. **ABOVE-GROUND POOLS.** No above-ground pools shall be erected on a Lot.

18. **SUBDIVISION ENTRANCES.** Declarant, for itself, its successors and assigns, reserves an easement over Lot 1, 2, 3, 4, 101, 102, 103 and 112 for landscaping the area around such improvements. Declarant reserves the right to remove or discontinue the use of the irrigation and/or lighting systems if in the future Owners do not agree to pay the cost of utilities for such systems. The property easement is reserved over the property designated on the recorded map as "landscape and sign easement" on said Lots. The Owners of said Lots shall maintain the area around the signs not maintained or landscaped pursuant to this easement; Declarant shall have the right to assign this

easement to a neighborhood homeowners association or garden club. The reservation of this easement imposes no obligation on Declarant, its successors and assigns, to continue to maintain the landscaping and entrance improvements.

19. **ENFORCEMENT.** Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenants and to either restrain violation or to recover damages.

20. **SEVERABILITY.** Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

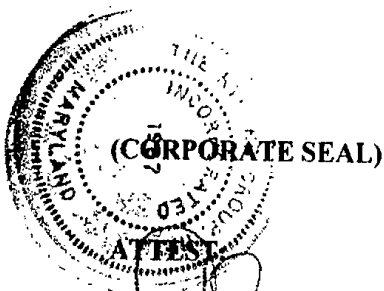
21. **TERM AND AMENDMENT.** These covenants are to run with the land and shall be binding upon all parties and all persons claiming under them for a period of twenty-five (25) years from the date these covenants are recorded; after which time, said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the Lots has been recorded, agreeing to change said covenants in whole or in part. These covenants may be amended during the first twenty-five (25) year period by an instrument signed by the Owners of not less than eighty percent (80%) of the Lots.

IN WITNESS WHEREOF, the party hereto has caused these presents to be executed as of the day and year first above written.

DECLARANT:

THE RYLAND GROUP, INC.

By: Jan S. Hardy
Vice - President of Operations

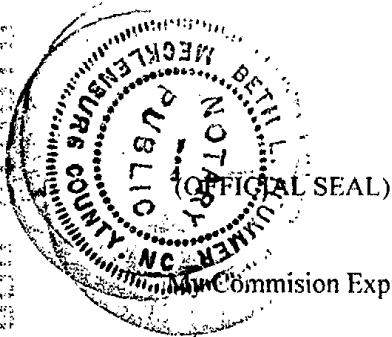


ATTEST
[Signature]
Assistant Secretary

STATE OF NORTH CAROLINA)

COUNTY OF MECKLENBURG)

This 30 day of October, 1998 personally came before me
Jon S. Hardy who, being by me duly sworn, says that he is
VP of Operations President of The Ryland Group, Inc., a Maryland corporation,
that the seal affixed to the foregoing instrument in writing is the corporate seal of
said corporation, and that said writing was signed and sealed by him in behalf of said
corporation. And the said Vice President acknowledged the said writing to be
the act and deed of said corporation.



Beth L. Plummer
Notary Public

State of North Carolina, County of Mecklenburg

The foregoing certificate(s) of

Beth L. Plummer

Notary(ies) Public is/are certified to be correct DATE: NOV 02 1998

JUDITH A. GIBSON, REGISTER OF DEEDS By: Warwick McClelland Deputy Register of Deeds
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