

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
OAK POINTE

THIS DECLARATION, made this the 1st day of October, 1987,
by James E. Stovall and wife, Mary Jean M. Stovall; Samuel M.
Oakley, Jr. and wife, Bonnie H. Oakley and Clarence R. Pointer and
wife, Florence S. Pointer, all of Person County, North Carolina,
hereinafter collectively referred to as "Declarant";

WITNESSETH:

THAT WHEREAS, Declarant is the owner of certain real property
lying and being in Cunningham Township, Person County, North
Carolina and more particularly described as follows (the
"Property"):

Being all of what is shown and designated as Lots 12 through
52, inclusive, as shown on those plats of survey entitled
"PROPERTY OF OAK POINTE", surveyed by Hall-Hamlett and
Associates, Neal C. Hamlett, RLS, dated August, 1986 and of
record in Plat Cabinet 4, Pages 230, 231 and 232, Person
County Registry, which said plats are hereby specifically
incorporated by reference herein for greater certainty of
description.

AND WHEREAS, the Declarant desires, for the benefit of the
Property and for the benefit of future purchasers of any portion
of the Property, that same shall be subjected to certain cove-
nants, conditions, easements, assessments and restrictions
governing and regulating the use and occupancy thereof;

AND WHEREAS, Declarant desires to provide for the preservation
of the values and amenities and the desirability and attrac-
tiveness of the Property;

NOW THEREFORE, in order to carry into effect such purpose, and
in order that the Property might afford a maximum beneficial use
to any owner of any part thereof for residential purposes,
Declarant hereby declares that all of the Property described above
is held and shall be held, conveyed, hypothecated or encumbered,
leased, rented, used, occupied and improved subject to the

following provisions, restrictions, conditions, easements, assessments and covenants, all of which are declared and agreed to be in furtherance of a plan for the subdivision, improvement and sale of the Property, and all of which shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

1

DEFINITIONS

- a. Association shall mean Oak Pointe Owners Association, Inc., a non-profit corporation organized and existing under the laws of the State of North Carolina, its successors and assigns.
- b. Declarant shall mean the signatories to this document, their successors and assigns.
- c. Declaration shall mean this document and any subsequent amendments or additions hereto.
- d. Owner shall mean the record owner, whether one or more persons or entities, of fee simple title to any lot which is a part of the Property, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation, and shall further include the record owner of fee simple title to any lot which is shown upon any subdivision map for any Property hereafter subjected to the terms, provisions and conditions of this declaration.
- e. Property shall mean and refer to all or any portion of that certain real property hereinabove described and such additions thereto as may hereafter be brought within the provisions of the Declaration and the jurisdiction of the Association.

2

PROPERTY SUBJECT TO DECLARATION

- a. Properties Subject. The Property which is and shall be held, transferred, sold, conveyed and occupied subject to this declaration is located in Cunningham Township, Person County,

North Carolina and is more particularly described as hereinabove set forth. Only the above described property is hereby made subject to this declaration, provided, however, Declarant reserves the right to subject other real property to the restrictions set forth herein as hereinafter set out.

b. Annexation of Additional Properties. The Declarant may, but is not required to, annex additional lands to become a part of the Property governed by the Declaration within five years from the date of this instrument.

c. In addition, the association may annex additional land upon the affirmative vote of two-thirds of both the Class A membership and Class B membership of the association at a meeting at which a quorum is present and which has been duly called for this purpose.

d. Supplementary Declaration. Each addition to the Property herein authorized shall be made by filing of record one or more supplementary declarations with respect to the lands to be then made subject to this Declaration, thereby extending the jurisdiction of the Association to such lands and subjecting same to all of the provisions hereof. Each such supplementary declaration may contain complimentary additions and modifications of the covenants, conditions and restrictions herein contained as may be necessary to reflect the different character of the added property, provided, however, that any such supplemental declaration shall not revoke or otherwise amend the provisions of this declaration relative to the property hereby made subject thereto.

3

OWNER'S ASSOCIATION

a. Membership and Voting Rights. Every owner of each lot which is subject to this declaration shall automatically be a member of the Oak Pointe Owners Association. Membership shall be appurtenant to and may not be separated from ownership of any

lot which is subject hereto. The association shall have two classes of voting membership:

(1) 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 vote be cast with respect to any lot.

(2) Class B. The Class B member (s) shall be the Declarant and shall be entitled to three 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 first occurs:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) On December 31, 1992.

The right of any member to vote may be suspended by the Board of Directors of the association for just cause pursuant to its rules and regulations.

b. Assessments. The Declarant, for each lot owned within the Property, and each owner of any lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenant and agree as follows:

(1) Lien and Personal Obligation of Assessments. To pay annual assessments or charges, and 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 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, cost and reasonable attorney fees, shall also be the personal obligation of the owner of each lot, and such personal obligation, whether for any delinquent assessments and/or future assessments, shall remain the personal obligation of such owner and shall not pass to any successor in title unless expressly assumed by him.

(2) Purpose of Assessments. The assessments levied by the Association shall be used to provide funds for such purposes as the Association may determine, including maintenance, operation, improvement and protection of the Property, its roads and other facilities, enforcing this Declaration and, in addition, doing any other things necessary or desirable in the opinion of the Association.

(3) Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment shall be \$150.00 per lot. 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 each year by the Association board of directors in an amount not to exceed 5% above the maximum assessment for the previous year. In order to increase the annual assessment above this amount, an affirmative vote of two-thirds of the membership present, in person or proxy, at a meeting duly called for this purpose, shall be required.

(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 to the Property, provided, that any such assessment shall have the assent of two-thirds of the members present and voting in person or by proxy at a meeting duly called for this purpose.

(5) Notice and Quorum Requirements. Written notice of any meeting called for the purpose of taking any action authorized under Subsections b (3) or (4) of this Section 3 shall be sent to all members not less than thirty nor more than sixty days in advance of the meeting. At the first such meeting called, the presence of members or proxies entitled to cast 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 of the quorum required at the preceding meeting. No such subsequent meeting shall be held more than sixty days following the preceding meeting.

(6) Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all lots. Assessments may be collected on a monthly, quarterly or annual basis, in the discretion of the board of directors.

(7) Accrual of Assessments. The annual assessments provided for herein shall commence as to all lots on January 1, 1988. The board of directors shall fix the amount of the annual assessment against each lot at least thirty days in advance of each annual assessment period. Written notice of the annual assessments shall be sent to every owner subject thereto. The due dates shall be established by the board of directors. The Association shall, upon request, furnish a certificate signed by an officer of the Association setting forth the status of assessments with respect to a specified lot.

(8) Non-Payment of Assessments. Any assessment not paid within thirty days after the due date shall bear interest thereafter at the then maximum legal rate. The Association, its agent or representative, may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the Property, and interest, costs and reasonable attorney fees of such action of foreclosure shall be added to the amount of the assessment due. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his lot.

(9) Subordination to Mortgage Liens. 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 any first mortgage foreclosure under a power of sale, or any proceeding in lieu thereof, shall extinguish the lien of such assessment as to payments which became 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.

4

LAND USE AND ARCHITECTURAL CONTROL

a. Architectural Review Committee. No building, fence, wall or other structure or improvement of any nature whatsoever shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of same shall have been submitted to and approved in writing as to harmony or external design and location in relation to surrounding structures and topography by the Declarant, or in the event the

Declarant assigns this right and duty to the Association, or at such time as the Declarant no longer owns any lots subject to this Declaration, then by the board of directors of the Association, or by an architectural committee composed of three or more representatives appointed by the board (all or any combination of which are hereafter referred to as ("Architectural Committee"). In the event that the Architectural Committee fails to approve or disapprove such design and location within thirty days after said plans and specifications have been submitted to it, approval will not be required and this provision will be deemed to have been fully complied with. Upon giving approval to such plans and specifications, construction shall be started and prosecuted to completion promptly and in strict conformity with such plans as have been previously approved by the Architectural Committee, and Declarant or the Association shall be entitled to stop any construction which is in violation of the approved plans or any of the other provisions of this Declaration. The Architectural Committee shall not be responsible for any structural or other defect in plans or specifications submitted to it or in any structure erected according to such plans and specifications.

b. Variances. The Architectural Committee shall have power to and may, but shall not be required to, allow adjustments of the conditions and restrictions herein contained in order to overcome practical difficulties and prevent unnecessary hardships in the application of the requirements of this declaration, provided, however, that such is done in conformity with the intent and purposes hereof, and provided also that in every instance such variance or adjustment shall not be materially detrimental or injurious to other property or improvements. Variances and adjustments of height, size and set back requirements may be granted hereunder.

c. Dwelling Quality and Size. The Property shall be used exclusively for single family residential purposes and no lot

shall be subdivided. Any dwelling constructed thereon shall not exceed two and one-half stories in height (exclusive of basement). No dwelling containing less than 1500 square feet of finished, heated living area, exclusive of garages, carports, storage areas, breezeways and stoops, shall be erected upon any lot. All structures erected shall be of good standard quality workmanship and the materials used therein shall be of standard and approved quality. No mobile homes or modular homes shall be permitted, without regard to whether same are placed upon a permanent foundation. All dwellings shall be served by private wells and individual septic systems, the construction, operation and maintenance of which shall be in full compliance with all applicable county and state building codes and health regulations. All trash receptacles shall be concealed from view from the development roads.

d. Building Location. All buildings shall have a minimum set back of at least fifty feet from any highway or subdivision road right of way, twenty feet from any side lot line and thirty feet from the 420 foot elevation contour line constituting the lake front property boundary.

e. Building Completion. The exterior of all dwellings and other structures must be completed within twelve months after the commencement of construction, except where such completion is impossible or would result in great hardship to the owner or builder due to strikes, fires, national emergency or natural calamities.

f. Prohibited Activities. 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 surrounding property owners, including, without limitation, hunting or the discharge of firearms. No business activity, trade or profession of any kind whatsoever shall be carried on or practiced upon any of the subject property. No motor vehicles or equipment of any kind shall be regularly

stored upon the premises except in enclosed garages. No swimming pool or other excavation which may reasonably be expected to contain accumulations of water may be constructed upon any lot without the prior written consent of the Architectural Committee. No satellite signal receiving dish shall be erected upon any lot without the prior written consent of the Architectural Committee, it being the purpose hereof to insure that same shall not unreasonably interfere with the rights and privileges of other lot owners and that the presence of such a device is sufficiently screened from view in order to minimize its visibility. No fuel tanks or similar storage receptacles may be exposed to view. Any such receptacles may be installed only within an accessory building with a screened area, or buried under ground.

g. Temporary Structures. No structure of temporary character, whether trailer, basement, tent, shack or barn shall be erected or placed on any lot covered by this Declaration. No detached building of any kind shall be used at any time for human habitation, either temporarily or permanently.

h. Animals. No animals or poultry of any kind other than house pets and pleasure horses shall be kept or maintained on any part of the property, and provided further that all such pets shall at all times be kept under proper control of their owner.

i. Signs. No signs of any kind shall be displayed to the public view on any lot, except one sign of not more than five square feet advertising the lot for sale or rent.

j. Mail Boxes. No mail box, newspaper box or other receptacle of any kind for use in the delivery of mail, newspapers or other similar material shall be erected or located on any lot until the size, location, design and material of same shall have been approved by the Architectural Committee.

k. Outdoor Clothes Drying. Clotheslines and other similar devices shall be located so as not to be visible from the development roads.

l. Vegetative Buffer. A vegetative buffer, whether natural or cultivated, shall be maintained by each owner for a width of not less than ten feet along the common boundary with each adjoining lot. This requirement shall be subject to exception on a case by case basis, for good cause shown, upon individual application to the Architectural Committee.

m. Parking. Adequate off street parking shall be provided by the owner of each lot for the parking of automobiles of such owner or the residents of any dwelling constructed thereon.

5

MAINTENANCE

a. During Construction. During construction the contractor or Owner must keep the building site reasonably clean. All building debris, stumps, trees and other refuse must be removed from each building lot as often as necessary in order to keep same in a neat and attractive condition. Such debris will not be dumped or allowed to remain on any part of the Property.

b. Buildings and Grounds. It shall be the responsibility of each Owner to prevent the development of any unclean, unsightly, or unkempt conditions of buildings or grounds on such lot tending to substantially decrease the beauty and value of the neighborhood as a whole or the specific area affected. No weeds, underbrush or other unsightly growth shall be permitted to grow or remain on any part of any lot and no refuse pile or unsightly accumulation shall be allowed to be placed or suffered to remain upon any lot, including vacant lots.

c. Roads. Unless and until same are dedicated to and accepted by the appropriate governmental authority, maintenance responsibility for the private roads as shown on all recorded plats of Oak Pointe shall be that of the Association. This shall

include, but not be limited to, responsibility to grade, gravel and maintain such roads and the rights of way associated therewith in an unpaved condition reasonably suitable for residential vehicular traffic and in the same general condition as initially constructed by Declarant. In addition, each Owner shall be separately responsible for the costs of maintaining the private drive serving the individual lot from the development road and for the costs of repairing any damage to development roads by reason of or arising from excess use suffered during construction of improvements upon a lot, and the Association may recover such costs in the nature of and in the same manner as a special assessment against each such Owner and his or her lot.

6

EASEMENTS AND RIGHT OF ENTRY

a. Right of Way and Utility Easements. It is understood that the Declarant hereby specifically reserves the right and privilege to determine the location of all necessary rights of way for development roads and utility providers, and that the successors and assigns of the Declarant shall accordingly take title to any portion of the Property subject to the rights herein reserved by the Declarant to determine the location of and to grant any such necessary rights of way or easements. The Declarant reserves the right to subject the Property to a contract with Carolina Power and Light Company for the installation of underground electric cables which may require an initial contribution and/or the installation of street lighting, which will require a continuing monthly payment to Carolina Power and Light Company by the owner of each building. All utility lines specifically serving an individual lot must be placed underground at the expense of the Owner to the extent that such underground placement is possible consistent with the requirements and regulations of

the applicable utility provider. Electrical service will be provided by the Declarant in the right of way of the development roads as shown on the applicable plats of survey, it being understood that it is the sole responsibility of the Owners to extend same from that point to serve their individual lots.

b. Easements of Access. Each and every Owner is hereby granted an easement to pass over, use and enjoy all development roads and any other open spaces which may subsequently be designated as common areas. The Declarant reserves the right to cut any trees, bushes or shrubbery, make any gradings of the soil or take any similar action reasonably necessary to provide economical and safe installation and service of roadways and utilities. The Declarant expressly reserves to itself, its successors and assigns every reasonable use and enjoyment of the development roads and any other lands subsequently designated as common areas in a manner not inconsistent with the provisions of this Declaration.

c. Right of Entry. The Declarant reserves for itself, its successors and assigns, the right to enter upon any lot, such entry to be made by personnel with suitable equipment, for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other unsightly growth and for the purpose of building, repairing, or otherwise enforcing the provisions of this Declaration, which such entry shall in no event be deemed to be a trespass.

7

WATERFRONT

a. Control Strip. Access of each lot to the Carolina Power and Light Company cooling lake known as Lake Byco must be across a control strip marked and delineated by the 420 foot contour elevation, which control strip must be leased from the Person-Caswell Lake Authority on an annual basis by each owner

who desires such access. All use of the control strip area is accordingly subject to the rules and regulations of the Lake Authority, its successors and assigns, as well as to all of the provisions of this Declaration which are not inconsistent therewith.

b. Structures. The location, design, size and construction material of all boathouses, piers and other waterfront structures is subject to all applicable provisions of Sections 4 and 5 of this Declaration, the intent and purpose hereof being to assure that structures on the waterfront will be attractive, harmonious and properly spaced with regard to other such structures. In addition, fully enclosed boathouses are prohibited and the enclosed storage associated with any boathouse shall not exceed 150 square feet.

8

VIOLATIONS OF DECLARATION

a. Enforcement. The Declarant, the Association or any other Owner shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. In addition, the Declarant or the Association shall have the right, but not the obligation, whenever there exists on any lot any condition which is in violation of this Declaration, to summarily abate or remove same at the expense of the Owner if, after thirty days prior written notice is such violation, it shall not have been corrected by the Owner. Any such entry and abatement or removal shall not be deemed a trespass. Failure by the Declarant, the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the continuing right to do so thereafter.

b. Subordination of Lien. The lien which may be created in favor of the Declarant or the Association for the expense of abatement or removal of any condition in violation of this

Declaration shall be subordinate and inferior to any mortgage then or thereafter encumbering such lot.

9

GENERAL PROVISIONS

a. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and shall be binding upon the Property, for a term of twenty years from the date of recording of this Declaration, after which time same shall be automatically extended for successive periods of ten years unless an instrument signed by not less than 75% of the Owners has been recorded, agreeing to change this Declaration in whole or in part.

b. Binding Effect. The provisions of this Declaration, both negative and affirmative, and including, without limitation, the covenant to pay assessments, shall be binding upon and shall inure to the benefit of each lot and the owner of each lot, their heirs, successors and assigns.

c. Severability. Invalidation of any one or more of the provisions of this Declaration by judgment or court order shall in no way affect any of the other provisions hereof, all of which shall remain in full force and effect.

d. Headings. Headings are inserted only for convenience of reference and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer.

e. Construction. In all cases the provisions of this Declaration shall be construed together and shall be given that interpretation or construction which will best allow for its strict enforcement and, if necessary, the provisions hereof shall be so extended or enlarged by implication as to make them fully effective consistent with the intent hereof.

IN WITNESS WHEREOF, the Declarant, James E. Stovall and wife, Mary Jean M. Stovall, Samuel M. Oakley, Jr. and wife, Bonnie H.

Oakley and Clarence R. Pointer and wife, Florence S. Pointer, have hereunto set their hands and seals, this the day and year first above written.

James E. Stovall (SEAL) *Mary Jean M. Stovall* (SEAL)
 James E. Stovall Mary Jean M. Stovall

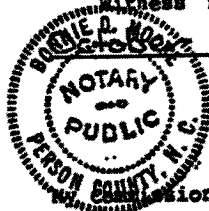
Samuel M. Oakley, Jr. (SEAL) *Bonnie H. Oakley* (SEAL)
 Samuel M. Oakley, Jr. Bonnie H. Oakley

Clarence R. Pointer (SEAL) *Florence S. Pointer* (SEAL)
 Clarence R. Pointer Florence S. Pointer

NORTH CAROLINA
PERSON COUNTY

I, Bonnie O. Moore, a Notary Public of the aforesaid State and County do hereby certify that James E. Stovall and wife, Mary Jean M. Stovall, Samuel M. Oakley, Jr. and wife, Bonnie H. Oakley and Clarence R. Pointer and wife, Florence S. Pointer personally appeared before me this date and acknowledged the execution of the foregoing instrument.

Witness my hand and official seal, this the 7th day of October, 1987.



Bonnie O. Moore
Notary Public

Commission Expires: 2-15-91

NORTH CAROLINA
PERSON COUNTY

The foregoing certificate of Bonnie O. Moore a Notary Public is certified to be correct. Let this instrument and this certificate be recorded in Book 194, Page 646, at 3:00 o'clock P. m.

This the 7th day of October, 1987.

J. BEN KIRBY

J. Ben Kirby
Register of Deeds

226 925

NORTH CAROLINA
PERSON COUNTY

ACKNOWLEDGEMENT OF RESTRICTIVE
COVENANT WAIVER BY ARCHITECTURAL REVIEW
COMMITTEE

THIS ACKNOWLEDGEMENT is made this 29th day of March, 1993, by
JAMES E. STOVALL, BONNIE H. OAKLEY and CLARENCE R. POINTER, those
persons designated as the Architectural Review Committee
("Committee") as hereinafter stated:

WHEREAS, James E. Stovall, Mary Jean M. Stovall, Samuel M.
Oakley, Jr., Bonnie H. Oakley, Clarence R. Pointer and Florence S.
Pointer caused to be established certain covenants and restrictions
affecting lots in the subdivision, known as "PROPERTY OF OAK
POINTE", as stated in that certain declaration dated December 16,
1985, and recorded in Book 184, Page 785, Person County Registry
("Covenants"); and,

WHEREAS, James E. Stovall, Mary Jean M. Stovall, Samuel M.
Oakley, Jr., Bonnie H. Oakley, Clarence R. Pointer and Florence S.
Pointer under the Covenants are designated as Declarants and as
such have appointed the Architectural Review Committee as provided
in Article 2 of said Covenants consisting of James E. Stovall,
Bonnie H. Oakley and Clarence R. Pointer; and,

WHEREAS, James E. Stovall, Mary Jean M. Stovall, Samuel M.
Oakley, Jr., Bonnie H. Oakley, Clarence R. Pointer and Florence S.
Pointer conveyed to David C. Wevill (divorced) Tracts A and B of
the PROPERTY OF OAK POINTE Subdivision, as shown on map recorded in
Plat Cabinet 4, Page 59, Person County Registry, recorded in Book
187, Page 501, which tracts are subject to the Covenants; and,

FILED FOR RECORD

APR 1 10 14 AM '93

AMANDA W. GARRETT
REGISTER OF DEEDS
PERSON COUNTY, NC

226 926

WHEREAS, David C. Weavil, prior to constructing a single family residential building on Tract B, submitted his plans and specifications to the Architectural Review Committee for approval; and,

WHEREAS, the Architectural Review Committee approved Weavil's design and location, even though the single family residential building was proposed to be located nearer the private road on the front by less than the required fifty feet (50') and nearer on the side or rear by less than the required thirty feet (30') from the 426 foot elevation contour line constituting the lake front property boundary; and,

WHEREAS, the Architectural Review Committee has misplaced its copy of its written approval of the aforesaid waiver granted in accordance with Article 2 of the Covenants; and,

WHEREAS, the Architectural Review Committee hereby agrees to indemnify and hold harmless INVESTORS TITLE INSURANCE COMPANY, JERRY D. ALLRED and wife, CAROLYN S. ALLRED, their successors and assigns, including, but not limited to CHARLES G. EDENS and wife, CHARLOTTE M. EDENS, of and from any and all loss, cost, damage and expense of every kind, including attorneys' fees, which INVESTORS TITLE INSURANCE COMPANY (under title insurance policy or policies to be issued on the real property described on the attached Exhibit A), JERRY D. ALLRED and wife, CAROLYN S. ALLRED, their successors and assigns, including, but not limited to CHARLES G. EDENS and wife, CHARLOTTE M. EDENS, shall suffer or incur or become liable for due to the violations of the covenants on such real property; and,

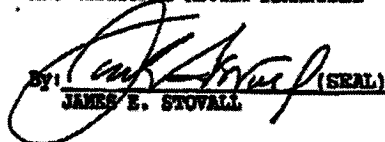
226 927

WHEREAS, this waiver shall insure to the benefit of David C. Weavil (divorced), JERRY D. ALLRED and wife, CAROLYN E. ALLRED, grantees of David C. Weavil (divorced), and to CHARLES G. EDENS and wife, CHARLOTTE H. EDENS, proposed grantees of JERRY D. ALLRED and wife, CAROLYN E. ALLRED, and to the successors and assigns of each of the aforesaid individuals.

NOW, THEREFORE, in consideration of the premises, the agreement of indemnification and other good and valuable consideration, JAMES E. STOVALL, BONNIE H. OAKLEY and CLARENCE R. POINTER acting as the Architectural Review Committee for themselves, their heirs, successors and assigns, hereby do acknowledge and reaffirm the waiver of the violations that now exist on Tract B and acknowledge and agree hereafter said violations shall not be deemed to exist.

IN WITNESS WHEREOF, this agreement has been caused to be executed by authority given and the Architectural Review Committee members have set their hands and seals hereunto, all as of the day and year first above written.

ARCHITECTURAL REVIEW COMMITTEE

By:  (SEAL)
JAMES E. STOVALL

By:  (SEAL)
BONNIE H. OAKLEY

By:  (SEAL)
CLARENCE R. POINTER

226 925

NORTH CAROLINA
PERSON COUNTY

I, Amelia G. Hicks, a Notary Public of said County and State, do hereby certify that JAMES E. STOVALL personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and official seal, this 30th day of March, 1993.

My Commission Expires: July 24, 1997

Amelia G. Hicks
NOTARY PUBLIC



NORTH CAROLINA
PERSON COUNTY

I, Amelia G. Hicks, a Notary Public of said County and State, do hereby certify that BERNIE E. OAKLEY personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and official seal, this 30th day of March, 1993.

My Commission Expires: July 24, 1997

Amelia G. Hicks
NOTARY PUBLIC



NORTH CAROLINA
PERSON COUNTY

I, Amelia G. Hicks, a Notary Public of said County and State, do hereby certify that CLARENCE R. POINTER personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and official seal, this 30th day of March, 1993.

My Commission Expires: July 24, 1997

Amelia Hicks
NOTARY PUBLIC



NORTH CAROLINA
PERSON COUNTY

The foregoing certificate(s) of Amelia G. Hicks (3) (Person County, NC) a Notary(ies) Public of the governmental unit designated is certified to be correct. This instrument was presented for registration and recorded in this office at Book 226, Page 925
This 1 day of April, 19 93 at 10:16 o'clock A. m.

Amanda W. Garrett by Joyce Boyden, Deputy
AMANDA W. GARRETT, REGISTER OF DEEDS IN PERSON COUNTY

184-765

PREPARED BY: ALAN S. BICKS, ATTORNEY

NORTH CAROLINA
PERSON COUNTY

184
BOOK 222 Page 765

RESTRICTIVE COVENANTS OF OAK POINTE

THIS AGREEMENT AND COVENANT, made and entered into this the 16th day of December, 1985, by and between James E. Stovall and wife, Mary Jean M. Stovall; Samuel M. Oakley, Jr. and wife, Bonnie E. Oakley and Clarence R. Poister and wife, Florence S. Poister, all of Person County, North Carolina, hereinafter referred to as parties of the first part, and their successors in title to any portion of those lands hereinafter described, parties of the second part;

WITNESSETH:

THAT WHEREAS, the male parties of the first part hereto are seized of fee simple title in and to those certain lots or parcels of land lying and being in Cunningham Township, Person County, North Carolina and more particularly described as follows:

Being all of what is shown and designated as Lots 1 through 11, inclusive, on that certain plat of survey entitled "PROPERTY OF OAK POINTE", surveyed by Hall-Hamlett and Associates, Neal C. Hamlett, RLS, dated December, 1985 and of record in Flat Cabinet , Page _____, Person County Registry, which said plat is hereby specifically incorporated by reference herein for greater certainty of description.

AND WHEREAS, the parties of the first part desire for the benefit of their said property, and for the benefit of future purchasers of any portion of the aforescribed tracts of land, that same shall be developed, and for the time hereinafter set out, used exclusively for private residential purposes;

AND WHEREAS, it is the intent and purpose of this document to thus apply the covenants hereinafter set forth to the entirety of the property hereinabove described;

NOW, THEREFORE, in order to carry into effect such purpose, and in order that the said property might afford a maximum beneficial use to any owner of any part thereof for residential purposes, the parties of the first part hereby covenant with any future owner of any part of said property hereinabove described and do place the following restrictions upon the use of any part of said property by themselves or any successor in title until the 1st day of December, 2015, and the said parties of the first part and any successors in title shall, until said date, have title to the same subject to the restrictions upon its use hereby imposed:

1

LAND USE AND BUILDING TYPE

The subject property shall be used exclusively for single family residential purposes and no lot shall be subdivided. Any dwelling constructed thereon shall not exceed two and one-half stories in height (exclusive of basement) and it is understood that outbuildings such as garages and utility buildings are included within the foregoing restrictions and that any such buildings shall be constructed in harmony with the residential dwelling and of equal quality and finish.

ARCHITECTURAL REVIEW COMMITTEE

No building shall be erected, placed or altered on any premises in the subject development until the building plans, specifications and plot showing the location of such building have been approved in writing as to conformity and harmony of external designs with existing structures in the development, and as to location of the building with respect to topography and finished ground elevation by an architectural review committee composed of three persons designated and appointed by the party of the first part or its successors or assigns. Any falling of trees, other than that necessary for the location of buildings and driveways and the cutting of dead or diseased trees, must be approved in writing by the architectural review committee. In the event that said committee fails to approve or disapprove in writing such design, location or clearing within thirty days after plans and specifications have been submitted to it, such approval will not be required and this covenant shall be deemed to have been fully complied with.

DWELLING QUALITY AND SIZE

No dwelling containing less than 1500 square feet of finished, heated living area, exclusive of garages, carports, storage areas, breezeways and stoops, shall be erected upon any lot embraced within the aforescribed property. A ten per cent variance in this minimum dwelling size requirement may be allowed upon prior written approval of the architectural review committee, although no obligation to allow such variance upon request is hereby created. All dwellings erected thereon shall be of good standard quality workmanship and the materials used therein shall be of standard and approved quality. No mobile homes or modular homes shall be permitted, without regard to whether same are placed upon a permanent foundation.

WATER FRONT STRUCTURES

The location, design, size and construction material of all boat houses, piers and other water front structures must be approved by the architectural review committee. Plans for such structures must be submitted to the architectural review committee at least thirty days prior to anticipated construction, and failure of this committee to act upon same within a thirty day period following this submittal will constitute an approval and this covenant shall be deemed to have been fully complied with. It is the intent and purpose hereof to assure that structures on the water front will be attractive, harmonious and properly spaced with regard to other such structures.

BUILDING LOCATION

All buildings shall have a minimum set back of at least fifty feet from any highway or subdivision road right of way, twenty feet from any side lot line and thirty feet from the 420 foot elevation contour line constituting the lake front property boundary, unless variance of these set back requirements is allowed by written decision of the architectural review committee. The party of the first part shall also have the right, but not the obligation, to waive minor violations of the set back and side line require-

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ments set forth in this paragraph, such minor violations being defined as those not in excess of ten percent of the minimum requirements specified herein.

6

RIGHT OF WAY AND UTILITY EASEMENTS

It is understood that the parties of the first part hereby specifically reserve the right and privilege to determine the location of all necessary rights of way for development roads and utility providers and that the successors and assigns of the said parties of the first part shall accordingly take title to any portion of the above described property subject to the rights herein reserved by the parties of the first part to determine the location of any such necessary rights of way or easements. The parties of the first part reserve the right to subject the real property which is the subject hereof to a contract with Carolina Power and Light Company for the installation of underground electric cables which may require an initial contribution, and/or the installation of street lighting, which will require a continuing monthly payment to Carolina Power and Light Company by the owner of each building. All utility lines specifically serving an individual lot must be placed underground at the expense of the lot owner to extent that such underground placement is possible consistent with the requirements and regulations of the applicable utility provider. Electrical service will be provided by the parties of the first part in the right of way of the access road as shown on the above referenced plat of survey, it being understood that it is the sole responsibility of the parties of the second part to extend same from that point to serve their individual lots.

7

ROADWAY MAINTENANCE

The expense of maintaining any and all private access roads serving the subject property in an unpaved condition reasonably suitable for residential vehicular traffic shall be equally apportioned among each of the several property owners on a prorata basis, with the owner of each lot paying an equal amount per year for such maintenance. Maintenance shall be determined and provided for by a roadway maintenance committee composed of three persons, one appointed by the party of the first part or its assigns and two elected by majority vote of the lot owners. At such time as all of the lots in the above described subdivision have been sold, the party of the first part shall no longer be entitled to representation on the roadway maintenance committee and all three of its members shall accordingly be elected by majority vote of the lot owners. This committee shall establish a roadway maintenance fund and make all decisions as to the type and timing of maintenance. On or before September 1 of each year beginning in 1986, the owner of each lot affected by these covenants shall pay to the roadway maintenance fund the sum of \$150.00, unless and until such assessment is subsequently modified by the roadway maintenance committee. All purchasers of the subject lots hereby bind themselves, their heirs, successors and assigns to this roadway maintenance obligation and same shall constitute a lawful obligation of each lot owner and shall be enforceable against said lot owner by the maintenance committee pursuant to all legal remedies allowed for the collection of debts.

8

PROHIBITED ACTIVITIES

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 surrounding property owners, including, without limitation, hunting or the discharge of firearms. No business activity, trade or profession of any kind whatsoever shall be carried on or practiced upon any of the subject property. No motor vehicles or equipment of any kind shall be regularly stored upon the premises except in enclosed garages. No signs or billboards shall be erected or maintained on the premises. No swimming pool or other excavation which may reasonably be expected to contain accumulations of water may be constructed upon any lot without the prior written consent of the architectural review committee. No satellite signal receiving dish shall be erected upon any lot without the prior written consent of the architectural review committee, it being the purpose hereof to insure that same shall not unreasonably interfere with the rights and privileges of other lot owners and that the presence of such a device is sufficiently screened from view in order to minimize its visibility.

9

TEMPORARY STRUCTURES

No structure of temporary character, whether trailer, basement, tent, shack or barn shall be erected or placed on any lot covered by these covenants. Any building of any kind detached from the main residence must receive the prior written approval of the architectural review committee. No detached building of any kind shall be used at any time for human habitation, either temporarily or permanently. No outbuildings shall be constructed on any lot prior to the construction of a dwelling house, with the exception of boat houses or docks adjoining the shoreline of Lake Nyco, the construction of such boat houses or docks also being subject to the prior written approval of the architectural review committee.

10

ANIMALS

No animals or poultry of any kind other than house pets and pleasure horses shall be kept or maintained on any part of the said property.

11

PARKING

Adequate off street parking shall be provided by the owner of each lot for the parking of the automobiles of such owner or the residents of any dwelling constructed thereon.

12

TERMS

These covenants are to run with the land and shall be binding on all parties and all persons claiming under them until December 31, 2015 after which time said covenants shall be automatically extended for successive periods of ten years unless an instrument signed by all of the then owners of the lots has been recorded, agreeing to change said covenants in whole or in part.

ENFORCEMENT

If the parties hereto, or any one or more than, or their heirs, successors or assigns, shall violate or attempt to violate any of the covenants herein, it shall be lawful for any other person or persons owning any of the other real property subject to these restrictions to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, either by way of injunction against such violation or by seeking damages by virtue thereof.

SEVERABILITY

Invalidation of any one or more of these covenants by judgment or court order shall in no way affect any of the other provisions hereof, all of which shall remain in full force and effect. Failure by any person or persons to take action against an ongoing violation of any of these covenants shall not be construed as a waiver of any rights of enforcement thereof and shall not prevent the enforcement of such covenant or covenants in the future.

IN WITNESS WHEREOF, James E. Stovall and wife, Mary Jean M. Stovall, Samuel M. Oakley, Jr. and wife, Bonnie M. Oakley and Clarence R. Pointer and wife, Florence S. Pointer have hereto set their hands and seals, this the day and year first above written.

James E. Stovall (SEAL) Mary Jean M. Stovall (SEAL)
Samuel M. Oakley, Jr. (SEAL) Bonnie M. Oakley (SEAL)
Clarence R. Pointer (SEAL) Florence S. Pointer (SEAL)

NORTH CAROLINA
PERSON COUNTY

I, Carolyn H. Clayton, a Notary Public of the aforesaid State and County do hereby certify that James E. Stovall and wife, Mary Jean M. Stovall, Samuel M. Oakley, Jr. and wife, Bonnie M. Oakley and Clarence R. Pointer and wife, Florence S. Pointer personally appeared before me this date and acknowledged the execution of the foregoing instrument.

Witness my hand and official seal, this the 16th day of December, 1985.

Carolyn H. Clayton
Notary Public

CAROLYN H. CLAYTON
My Commission Expires: 2-22-88
PERSON COUNTY, N. C.

NORTH CAROLINA
PERSON COUNTY

The foregoing certificate of Carolyn H. Clayton a Notary Public is certified to be correct. Let this instrument and this certificate be recorded in Book 184, Page 785, at 2:50 o'clock P. M.

This the 16 day of December, 1985, BEN KIBBY

Ben Kibby
Register of Deeds