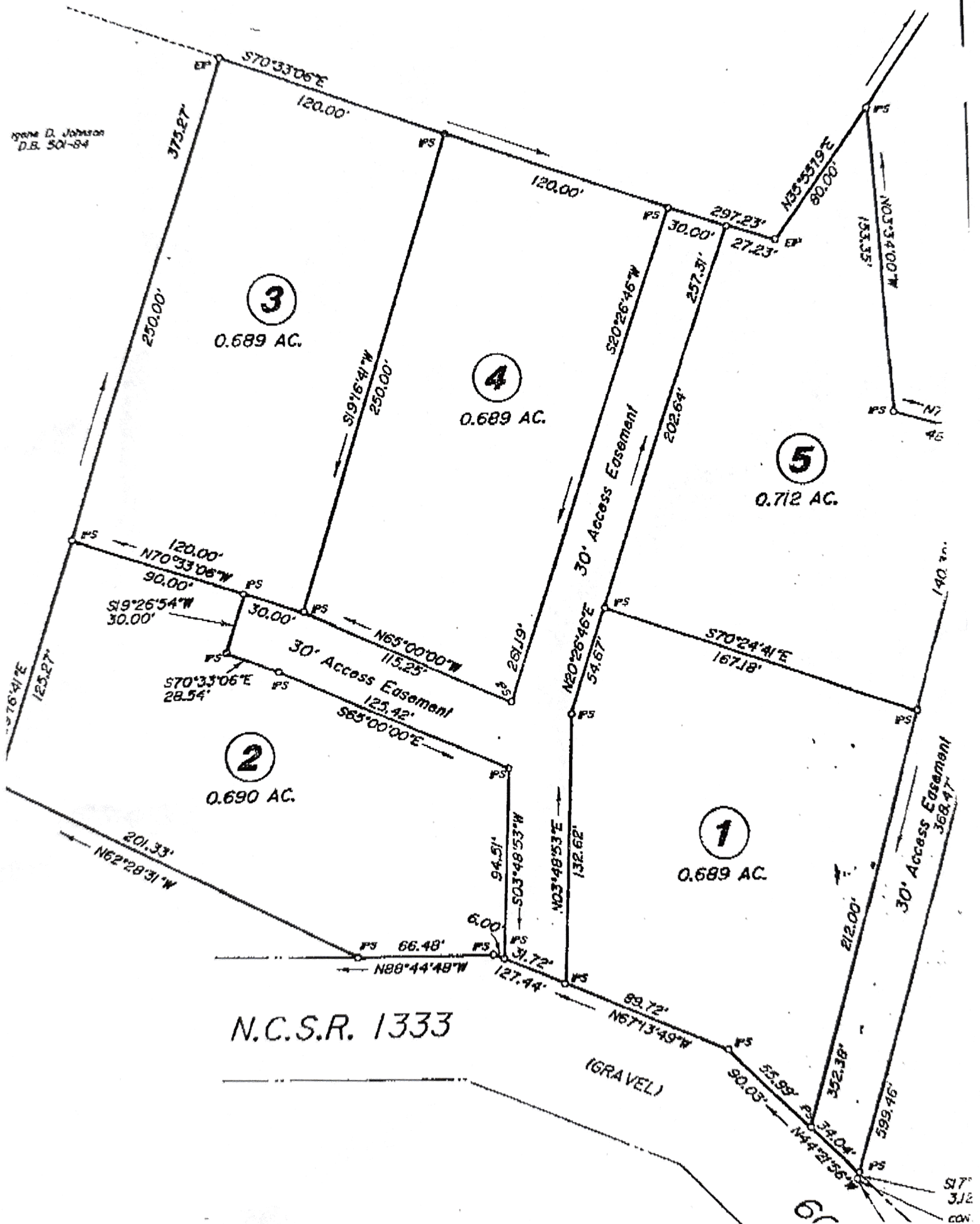




VANCE COUNTY

THIS DEED made and entered into this the 24th day of September, 1975, by and between James W. Smith and wife, Isabel S. Smith, parties of the first part, to Sherby G. Slaughter and wife, Josephine B. Slaughter, parties of the second part;

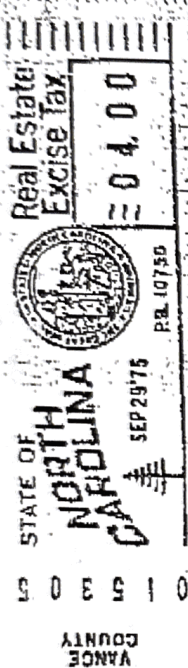
W I T N E S S E T H:

That the said parties of the first part, for and in consideration of the sum of ten dollars and other good and valuable consideration to them in hand paid by the parties of the second part, the receipt of which is hereby expressly acknowledged, have bargained and sold and by these presents do hereby bargain, sell and convey unto the said parties of the second part, their heirs and assigns, and to the survivor, his or her heirs and assigns, a one-half undivided interest in and to a certain lot or parcel of land situate in Townsville Township, Vance County, North Carolina, and more particularly described as follows:

LYING and being situate in Townsville Township, Vance County, North Carolina at the Southwest corner of the property of the parties of the first part in the line of W. D. Wester and running thence with Wester East property line and C. A. Mussen's East property line North 18 deg. 49' East 375.00 feet to a stake; thence South 71 deg. 03' East 160.00 feet to a stake; thence South 13 deg. 26' West 405.57 feet to a stake in the North right-of-way of State Road 1333, thence North 62 deg. 50' West 200.00 feet to the point and place of beginning and being a part of 4.91 acre tract owned by the parties of the first part. There is also granted a right-of-way 20 feet by 20 feet at the said road in the Southwest corner of the remaining property of said Hobbs, part of which lies in said State Road 1333 for ingress and egress into the above described property. The said 20 feet extends along a course of South 62 deg. 50' East from the Southeast corner of the above described property and 20 feet along a line parallel to the new western line of the property hereby conveyed as above described.

This property is restricted to a one-single family dwelling. No trailers or temporary buildings shall be placed upon the above conveyed property. These restrictions shall continue for whatever period is allowed by law.

Together with any and all rights which the grantor now has or may acquire in and to the following described parcel of land without warranting the title to the same: BEING that portion

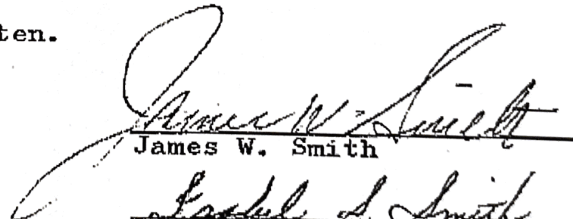


Corporation to William Thomas Jones, et al., at page 316, in the Vance County Registry, which portion of said tracts lies West of a straight line running from the Northeast corner of the property hereinabove described and conveyed this date to Sherby G. Slaughter, et al, Northerly to the 300 foot contour line, said line lying entirely West of the Old Farm Road crossing the tracts hereinabove referred to and touching said Old Farm Road on the West side thereof at its most Westerly point.

TO HAVE AND TO HOLD the one-half undivided interest in and to the above described lot or parcel of land with all of the privileges and appurtenances thereunto belonging, unto them, the said parties of the second part, their heirs and assigns, and to the survivor, his or her heirs and assigns, in fee simple forever.

And the said parties of the first part hereby covenant and agree to and with the said parties of the second part, that they are seized of said one-half undivided interest in and to the said lot or parcel of land in fee and have the right to convey the same in fee simple; that said land is free and clear from any and all encumbrances and that they will forever warrant and defend the title to the same against the lawful claims and demands of any and all persons whomsoever.

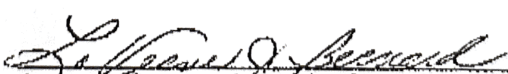
IN TESTIMONY WHEREOF, the said parties of the first part have hereunto set their hands and seals, this the day and year first above written.


James W. Smith (SEAL)


Isabel S. Smith (SEAL)

NORTH CAROLINA

GRANVILLE COUNTY

I, , a Notary Public of the county and state aforesaid, do hereby certify that on this day personally appeared before me, James W. Smith and wife, Isabell S. Smith, signers and sealers of the foregoing and hereto annexed deed and acknowledged the due execution of the same for the purposes therein set forth.

Witness my hand and notarial seal, this the 24th

day of September, 1975.

NORTH CAROLINA

RESTRICTIVE COVENANTS

VANCE COUNTY

KNOW ALL MEN BY THESE PRESENTS:

That Sherby G. Slaughter and wife, Josephine (JoAnn) B. Slaughter, are owners of the hereinafter described lands, and do hereby covenant and agree to and with all persons, firms, and corporations which may hereafter purchase, acquire, or lease any lot or parcel of land included in the property hereinafter described, that the following restrictive covenants shall be shall be applicable to said property during the term hereinafter set forth:

Certain parcels or lots of land situate in Townsville Township, Vance County, North Carolina, and more particularly described as being Lots #1 through #4 on the plat and survey of the Sherby G. Slaughter lake lots, said plat being recorded in the Vance County Registry in Plat Book U at page 423.

The hereinabove referenced restrictive covenants are as follows:

1. All lots included herein shall be used for residential purposes only. No buildings shall be erected, altered, placed or permitted to remain on said lots or parcels of land, other than a one single-family residence and its customary accessory buildings and uses. No duplex house, apartment, commercial or industrial building shall be constructed on any of said lots or parcels of land at anytime.
2. No structure of a temporary character, house-trailer, basement, tent, shack, garage, barn, or outbuilding shall be used on said lot at anytime as a temporary or permanent residence.
3. The front line setback shall be not less than ten (10) feet, side lines setback shall be not less than fifteen (15) feet and rear line setback shall not be less than fifteen (15) feet, except that

these setback restrictions shall not apply to any lot line fronting the 320 Contour Line set by the Corp of Engineers of the U. S. Government.

4. No cattle, swine, sheep, or goats may be kept on said lots or parcels of land.

5. No junk towing operable vehicles of any type may be allowed upon set lots or parcels of land for a period of more than seven days.

6. No trade or business and no noxious, offensive, or illegal activity shall be carried on upon any of the lots or parcels of land, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

7. None of the lots or parcels of land as shown on the herein referenced plat shall be re-subdivided so as to create any additional building lots.

8. No single family dwelling shall be built, erected, altered, or used unless the main body of the structure exclusive of garages, porches, breezeways, stoops and terraces shall contain at least 1,000 feet of floor space in the main body of the house if the structure is a one-story building, or at least 1,200 feet of floor space in the main body of the house if the structure is a two-story building, exclusive of basements, garages, porches, breezeways, stoops and terraces. Said measurements to be measured from outside wall lines.

9. In no event are these restrictions to be construed as allowing a mobile home or any other type of pre-manufactured home to be erected as a residential structure or to be permanently placed on a lot in said subdivision and the same are specifically prohibited.

10. Sewage disposal shall be by means of an individual septic tank system at purchaser's expense upon approval of said system by appropriate public authorities.

11. It shall be the responsibility of each lot owner to keep his or her lot clean and free of garbage, junk, trash, debris, or any substance that might contribute to a health hazard or the breeding and habitation of snakes, rats, insects, etc.

12. It shall be the responsibility of each lot owner to maintain and keep in good and passable condition the thirty (30) foot right-of-way and easement providing ingress and egress to said lots.

13. The covenants and restrictions herein shall run with the land and bind the land and shall enure to the benefit of and be enforceable by all parties and all persons claiming under them for a term of thirty (30) years from the date of the execution of these restrictive covenants, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless they are altered, amended, or revoked in whole or in part by written agreement of a majority of the record owners of the platted lots.

14. Enforcement of these covenants and restrictions shall be by any proceeding at law or equity against any person or persons violating or attempting to violate or circumvent any covenant or restriction, either to restrain violation or to recover damages, and failure by any party hereto to enforce any covenants or restrictions herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to enforce any or all restrictions thereafter.

15. Invalidation of any one of these covenants or restrictions by Judgment or Court Order shall in nowise effect any of the other covenants which shall remain in full force and affect.

IN WITNESS WHEREOF, Sherby G. Slaughter and wife, Josephine (JoAnn) B. Slaughter, have caused this instrument to be executed this the 13th day of March, 1985.

Sherby G. Slaughter
Sherby G. Slaughter

Josephine (JoAnn) B. Slaughter
Josephine (JoAnn) B. Slaughter

NORTH CAROLINA

Granville COUNTY

I, LaVerne J. Bernard, a Notary Public of the county and state aforesaid do hereby certify that on this day personally appeared before me Sherby G. Slaughter and wife, Josephine (JoAnn) B. Slaughter, signers and sealers of the foregoing and hereto annexed Restrictive Covenants and acknowledged the due execution of the same for the purposes therein set forth.

Witness my hand and notarial seal, this the 13th day of March, 1985.



LaVerne J. Bernard
Notary Public

My Commission Expires: April 11, 1985

NORTH CAROLINA
VANCE COUNTY

The foregoing certificate of LaVerne J. Bernard, Notary Public of Granville County, N.C. is certified to be correct. This instrument was presented for registration this day and hour and duly recorded in the Office of the Register of Deeds of Vance County, North Carolina in Book 594, page 120.

This 13 day of March, 1985, at 10:45 o'clock A.M.

SARAH H. HALE, REGISTER OF DEEDS

By: LaVerne J. Bernard, Assistant