PREPARED BY AND HOLD: WM JOSLIN, ATTY

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PRESENTED FOR REGISTRATION

PREPARED BY AND HOLD FOR: 000105
WILLIAM JOSLIN, ATTORNEY

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KENNETH C. [illegible]
REGISTER OF DEEDS
WAKE COUNTY

NORTH CAROLINA
WAKE COUNTY

THIS DECLARATION, made this ______ day of July, 1988, by TORREY PINES ASSOCIATES, a North Carolina partnership, having as its general partners Nova Development Group, Inc. (a North Carolina corporation) and Simpson & Underwood Associates (a North Carolina partnership), hereinafter called "Declarant";

WITNESSETH:

WHEREAS, the Declarant is the owner of the real property described in Article I of this Declaration and is desirous of subjecting said real property to the protective covenants hereinafter set forth, each and all of which is and are for the benefit of such property and for each owner thereof, and shall inure to the benefit of and pass and run with said property, and each and every lot or parcel thereof, and shall apply to and bind the successors in interest and any owner thereof.

NOW, THEREFORE, the Declarant hereby declares that the real property described in and referred to in Article I hereof is and shall be held, transferred, sold, and conveyed subject to the protective covenants set forth below:

ARTICLE I

The real property which is and shall be held, transferred, sold and conveyed subject to the protective covenants set forth in Articles of this Declaration is located in the County of Wake, State of North Carolina, and is more particularly described as follows:

> BEING all of Lots 169 through 207, according to a plat of North Ridge Estates, Phase IV, dated July 13, 1988, prepared by Priest, Craven and Associates, Inc., and recorded in Book of Maps 1988, Page 1028, WCR.

ARTICLE II

The real property described in Article I hereof is subjected to the protective covenants and restrictions hereby declared to insure the best use and the most appropriate development and improvement of each lot thereof; to protect the owners of lots against such improper use of surrounding lots as will depreciate the value of their property; to preserve, so far as practicable, the natural beauty of said property; to guard against the erection thereon of poorly designed or proportioned structures, and structures built of improper or unsuitable materials; to obtain harmonious color schemes; to insure the highest and best development of said property; to encourage and secure the erection of attractive homes thereon, with appropriate locations thereof on lots; to prevent haphazard and inharmonious improvement of lots; to secure and maintain proper set-backs from streets, and adequate free spaces between structures, and in general to provide adequately for a high type and quality of improvements in said property, and thereby to enhance the values of investments made by purchasers of lots therein.

ARTICLE III

LAND USE AND BUILDING TYPE. No lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any lot other than one detached single family dwelling not to exceed two and one-half stories in height, a private garage for not more than three cars, and a residential storage building or shed. A basement is not considered a story. An attic, whether finished or unfinished, will be deemed a one-half (1/2) story.

ARTICLE IV

PLANS AND SPECIFICATIONS. From the date hereof until January 1, 1990, no building shall be erected, placed, or altered on any lot or lots in said development until the building plans, specifications, and plot showing the location of such buildings, have been approved in writing as to conformity and harmony of external design with existing structures in the development, and as to location of the building with respect to topography and finished ground elevation by an architectural committee (the Architectural Committee) composed of three persons designated and appointed by Declarant or its assigns. In particular, the Architectural Committee shall not approve plans for prefabricated or manufactured houses to be built on any block or along any street which contains one or more conventional or "stick-built" houses. In the event said committee fails to approve or disapprove of any design or location within thirty days after said plans and specifications have been submitted to it or, in any event, if no suit to enjoin the erection of such building or the making of such alterations has been commenced prior to the completion thereof, such approval will not be required and this covenant will be deemed to have been fully complied with. Members of such committee shall not be entitled to any compensation for services performed pursuant to this covenant.

ARTICLE V

DWELLING SIZE. Except with the prior written approval of the Architectural Committee, all dwellings constructed on said lots shall have the following minimum floor areas:

1. Ranch-type or single story dwellings - a minimum floor area of 1800 square feet.

2. One and one-half and two-story dwellings - a minimum floor area of 1200 square feet on the first story and an over-all minimum floor area of 2000 square feet.

3. Two and one-half story dwellings - a minimum floor area of 1200 square feet on the first floor and an over-all minimum floor area of 2400 square feet. Basements, open porches, decks, breezeways, steps, garages and storage areas shall be excluded from calculations of finished floor area.

ARTICLE VI

BUILDING LOCATION. No building shall be located on any lot nearer to the front line than 30 feet, provided, however, that on a corner lot, a dwelling may be located not nearer than 25 feet to one street if same is at least 30 feet from the other street. No building shall be located nearer than 10 feet to an interior lot line except that a 5-foot side yard shall be permitted for a garage or other permitted accessory building located 100 feet or more from the minimum building setback line. For the purpose of this covenant, eaves and steps shall not be considered a part of a building, provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot. Declarant reserves the right to waive minor violations of the setback and side line requirements set forth in this paragraph by the execution and recording of an instrument containing such waiver. (Violations not in excess of 20% of the minimum requirements shall be deemed minor).

ARTICLE VII

LOT AREA AND WIDTH. No dwelling shall be erected or placed on any lot having a width less than 75 feet at the minimum building setback line nor shall any dwelling be erected or placed on any lot having an area of less than 15,000 square feet; provided, however, a dwelling may be constructed on any lot shown on the above referred to subdivision plat. Two or more lots shown on said plat may be recombined, provided that the total number of building lots is not thereby increased.

ARTICLE VIII

EASEMENTS. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat and over the rear 10 feet of each lot and 5 feet on each side line unless shown in excess of such distances on recorded plat, in which case the plat shall control. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities and drainage facilities, or which may change the direction of 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, other than lots 188 and 189, and the improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a pubic authority or utility company is responsible.

The maintenance and repair of the storm drainage infiltration device between lots 188 and 189, together with the drainage pipe within the easement leading to this device (all hereinafter referred to as "the device") shall be the sole responsibility of the Declarant until January 1, 1993. Thereafter, the maintenance and repair of this device shall be the joint responsibility of the owners of the 39 lots enumerated above. The North Ridge Estates Homeowners Association, provided for herein shall be empowered to enforce the obligation of said owners to pay their proportionate share of such costs.

ARTICLE VIII - A - NORTH RIDGE ESTATES
HOMEOWNERS ASSOCIATION, PHASE IV

The North Ridge Estates Homeowners Association, Phase IV, an unincorporated association, ("The Association") is hereby created. The members shall consist of the Declarant and of the future owners of Lots 168 through 207 inclusive, according to the plat of North Ridge Estates, Phase IV, dated May 13, 1988, prepared by Priest, Craven and Associates, to be recorded in the Wake County Registry. Membership in The Association shall be appurtenant to and may not be separated from ownership of any of the 39 lots enumerated. Each lot shall have one vote in said Association. The owners of each lot shall determine who shall cast the vote thereof, except that no fractional votes shall be permitted. Each of said lots shall be subject to assessment for repair and maintenance costs of the device, as set forth herein.

ARTICLE VIII B - FUTURE MAINTENANCE AND
REPAIR OF THE DEVICE

The Declarant covenants and agrees that it will provide an interest-bearing account in a local bank under the joint control of the City of Raleigh and the Declarant in the amount of

$2,500.00, guaranteeing that it will bear all of the expenses of maintaining and repairing the storm drainage infiltration device on Lots 188 and 189 of said subdivision until January 1, 1993. The Declarant shall be entitled to all interest accrued on said bank account. Maintenance or repair of said device shall be undertaken at any time that the City of Raleigh inspects the same and certifies to the Declarant that the device is not functioning properly and requires maintenance or repairs. The expenses of such work may be paid by withdrawals from said account. If the Declarant should neglect or refuse to undertake repairs or maintenance after such certification, the City shall have the right to impound said account until such work is performed.

All notices to the Declarant pursuant to this Declaration of Covenants from the date hereof to January 1, 1993 shall be sent by certified mail to the following address:

Torrey Pines Associates
c/o Mr. James C. Branch
3900 Computer Drive
Raleigh, North Carolina 27609

ARTICLE VIII - C - ORGANIZATION OF THE ASSOCIATION

Section 1. The subsequent owners of Lots 188 and 189 of said subdivision are authorized and empowered to call an organizational meeting of the members of the Association consisting of the owners of the 39 lots included in said subdivision. Such meeting may be held at any time after the Declarant has conveyed 15 or more of said lots to purchasers. Said organizational meeting shall be held in all events within 60 days after January 1, 1993, the date on which the Declarant relinquishes responsibility for the maintenance and repair of said device. All owners of said 39 lots shall be sent written notice of the time, place and purpose of said meeting at least 20 days in advance thereof. A quorum at any meeting of the owners of said 39 lots shall consist of eleven such owners.

Section 2. At said organizational meeting a president and a secretary-treasurer shall be elected. The officers shall notify the City of Raleigh of their election and shall request that thereafter they be notified of the results of all inspections of the device made by the City of Raleigh. By-laws shall be adopted providing for the election of officers as vacancies occur.

Section 3. At any time the members may adopt annual assessments uniform in amount against each of the 39 lots for the purpose of creating a fund for the payment of the anticipated costs of maintenance and repair of the device. Such assessment may be adopted even though the City of Raleigh has not certified that the device is presently in need of maintenance and repair.

Section 4. After January 1, 1993, the members of the Association shall adopt an assessment sufficient to pay the estimated costs of the maintenance and repair of the device, if the City should certify that an inspection reveals the need for such work. Should the members refuse or fail to adopt such assessment, then the owners of lots 188 and 189 shall be empowered to have the work done and to hold the owners of the remaining 37 lots in said subdivision personally liable for payment of their pro-rata share of such costs. Enforcement of this obligation, together with interest thereon, shall be by civil action in which payment of court costs and attorney fees may be ordered against the defaulting lot owners.

Section 5. Immediately after the adoption of an assessment by the members of the Association, the secretary-treasurer shall send a written notice thereof to all 39 owners, specifying the amount of each assessment and the due date. All assessments adopted by the members shall become a lien upon each of said lots, if not paid to the secretary-treasurer of the Association within 30 days after the date specified for payment. Interest at the rate of nine (9%) per cent per annum shall accrue on all unpaid assessments from and after the due date thereof.

Section 6. The secretary-treasurer shall upon demand and for a reasonable charge furnish a certificate signed by him setting forth whether the assessments against a particular lot have been paid.

Section 7. The Association may bring an action at law against any delinquent owner who is personally liable for the payment of an assessment, or may by civil action foreclose the assessment lien against his lot. No owner of a lot may waive or otherwise escape liability for the assessment provided for herein by abandonment of his lot.

Section 8. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage and ad valorem taxes. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to first mortgage or tax foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof.

ARTICLE IX

NUISANCES. No noxious or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may be an annoyance or nuisance to the neighborhood. No signs or billboards shall be erected or maintained on the premises. No trade materials or inventories may be stored or regularly parked on the premises. No business activity or trade of any kind whatsoever, which shall include but not be limited to, the use of any residence as a doctor's office or professional office of any kind, a fraternity house, a rooming house, a boarding house, an antique shop or gift shop, shall be carried on upon any lot.

ARTICLE X

TEMPORARY STRUCTURES. No trailer, tent, shack, barn or other outbuilding, except a private garage for not more than three cars, or a standard residential storage shed normally used for lawn and garden tools, shall be erected or placed on any lot covered by these covenants. No detached garage shall at any time be used for human habitation temporarily or permanently.

ARTICLE XI

FENCES. No fence, wall, hedge, or mass planting shall be permitted to extend beyond the minimum building setback line established herein, except upon approval by the Architectural Committee. No wire or chain link fence shall be erected on the front portion of any lot. Such fences may be erected on the rear portion of a lot if the lot is so landscaped that no portion of the fence is visible from the street in front of the lot.

ARTICLE XII

ANIMALS. No animal or poultry of any kind, other than house pets, shall be kept or maintained on any part of said property. No kennels or pens for the rearing of dogs or other animals may be maintained on any lot.

ARTICLE XIII

ADDITIONAL RESTRICTIONS. Unless the Architectural Committee shall have given its prior written approval: no residence shall have more than one standard television antenna attached to the structure; no residence shall have any other objects attached to the exterior of the structure and specifically prohibited are lightning rods, weather vanes, and high powered antennas; no dish-type satellite television antennas may be installed unless they are concealed from view from the nearest streets and also from the adjoining neighbors' lots; no outside clothes lines shall be visible from any roadway; no window air conditioning units shall be permitted if they may be seen from any roadway in the direction in which they face; no fence shall be erected nearer the front property line than the front of the dwelling.

ARTICLE XIV

LOT OWNER'S RESPONSIBILITY. It shall be the responsibility of each lot owner to prevent the development of any unclean, unsightly or unkempt conditions of buildings or grounds on his or her lots, which conditions would tend to substantially decrease the beauty of the Subdivision as a whole and of the specific area. Non-operating cars, unused objects or apparatus, or any portion thereof, shall not be permitted to remain on any lot. Each lot, including any pond or portion thereof, located on a lot, shall be kept 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. Each lot owner shall cause his lawn to be mowed as needed, and shall maintain and protect his landscaping thereby insuring proper drainage of the lot and preventing soil erosion, and shall maintain the residence and any other structures or pond located on his lot.

ARTICLE XV

SIGNS. No sign of any kind shall be displayed to the public's view on any lot except one professional sign advertising the property for sale or rent.

ARTICLE XVI

UTILITY CONTRACT. The Declarant reserves the right to subject the real property and any lot in the subdivision to a contract with any utility company for the installation of utility lines, light and other utility poles, etc., which may require an initial payment and/or a continuing monthly payment to said company by the owner of each lot.

ARTICLE XVII

GARBAGE. Each lot owner shall provide receptacles for garbage, in an area not generally visible from any street, and for the removal of garbage at least once each week.

ARTICLE XVIII

PARKING. Off-street parking for at least two vehicles shall be provided by the owner of each lot. Boats, campers and mobile homes belonging to lot owners shall be kept inside garages, or be provided with off-street parking areas that are screened or otherwise hidden from sight from the street in the front of the lot.

ARTICLE XIX

TERM. These covenants are to run with the land and shall be binding upon and inure to the benefit of all parties and all persons claiming under them for a period of thirty (30) 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.

ARTICLE XX

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

ARTICLE XXI

SEVERABILITY. Invalidation of any one of these covenants or any part thereof by judgment or court order shall in no way affect any of the other provisions which remain in full force and effect. The failure of any person or persons to take action to remedy the violation of any of these covenants and restrictions shall not be construed as a waiver of any enforcement rights and shall not prevent the enforcement of such covenant or covenants in the future.

IN WITNESS WHEREOF, the Declarant has executed this instrument on the day and year first above written.

NOVA DEVELOPMENT GROUP, INC. CORPORATE SEAL N.C.

TORREY PINES ASSOCIATES

BY: NOVA DEVELOPMENT GROUP, INC., a Partner

BY: James C. Branch
President

ATTEST:
Secretary

BY: SIMPSON & UNDERWOOD ASSOCIATES a Partner

BY:
Partner

BY:
Partner

NORTH CAROLINA
WAKE COUNTY

I, a Notary Public of the County and State aforesaid, certify that Lloyd O. Goode, Jr. personally came before me this day and acknowledged that he is ______ Secretary of Nova Development Group, Inc. and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its ______ President, sealed with its corporate seal and attested by Lloyd O. Goode Jr. as its ______ Secretary. Witness my hand and official stamp or seal, this 6th day of July, 1988.

Sloane C Browning
Notary Public

NOTARY PUBLIC

My Commission Expires:
11/12/89

NORTH CAROLINA
WAKE COUNTY

I, a Notary Public of the County and State aforesaid, certify that E. Samuel Simpson, III and H. A. Underwood, III, Partners in Simpson & Underwood Associates, a North Carolina general partnership, personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this 6th day of July, 1988.

Sloane C Browning
Notary Public

NOTARY PUBLIC

My Commission Expires: 11/12/89

NORTH CAROLINA — WAKE COUNTY
The foregoing certificate S of Sloane C. Browning
______ Notar(y)(ies) Public is (are) certified to be correct. This instrument and this certificate are duly registered at the date and time and in the book and page shown on the first page hereof.

KENNETH C. WILKINS, Register of Deeds

By Regina R. Cooke
~~Asst~~/Deputy Register of Deeds