

PROTECTIVE COVENANTS
VALLEY ESTATES, PHASE III

NORTH CAROLINA

WAKE COUNTY

THIS DECLARATION, made this 25th day of June, 1979, by FIRST FINANCIAL SERVICE CORPORATION OF RALEIGH, a North Carolina corporation, hereinafter called "Declarant";

WITNESSETH: That

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 as follows:

ARTICLE I

The real property which is and shall be held, transferred, sold and conveyed subject to the protective covenants set forth in the 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 numbered 145 through 224 according to a plot entitled "Valley Estates, Phase III," dated May 28, 1979, prepared by John A. Edwards & Company Engineers and recorded in Book of Maps 1979, page 495 of the Wake County Registry, North Carolina.

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; 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 improvement in said property, and hereby 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 and a private garage for not more than three cars.

Nothing contained herein shall prevent declarant from withdrawing property previously dedicated hereunder and conveying the same to a public authority having the power of condemnation and right of eminent domain, and the owners purchasing hereunder would not be eligible to

receive any compensation for taking or damages awarded, if any; by such public authority.

ARTICLE IV

DWELLING SIZE. No dwelling shall be permitted on any building unit which dwelling has a ground floor area of the main structure, exclusive of basements, porches, garages and storage areas, of less than 1700 square feet for a one-story building nor of less than 1300 square feet on the ground floor of a one and one-half story dwelling; provided that dwellings of one and one-half stories shall have at least 400 square feet of finished living area on the second floor, which finishing shall be of materials and workmanship equal to those on the ground floor. Two-story dwellings shall have a minimum of 1000 square feet on the first floor and 850 square feet of finished living area on the second floor. Split-level houses shall have a minimum floor area of 1400 square feet, exclusive of basement or unfinished area, or shall have a minimum floor area of 1300 square feet, exclusive of basement or unfinished area if the basement level contains additional floor area of at least 400 square feet of living area finished as to workmanship and materials comparable to the remaining level or levels.

ARTICLE V

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 20 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. 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. The owner shall be solely responsible for obtaining the necessary waivers required from any governmental regulatory agency involved, if applicable. (Violations not in excess of 10% of the minimum requirements shall be deemed minor.)

ARTICLE VI

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 10,890 square feet; provided, however, a dwelling may be constructed on any lot shown on the above referred to recorded map.

ARTICLE VII

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 such lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible.

ARTICLE VIII

NUISANCES. No noxious or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become 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 IX

TEMPORARY STRUCTURES. No structure of a temporary character, recreational vehicle, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot or building unit at any time as a residence, either temporarily or permanently.

ARTICLE X

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 Declarant. No building unit or lot shall be fenced except by fencing such as chain-link fencing, split rail fencing or such other comparable fencing as may be accepted and approved by the appropriate officers of First Financial Service Corporation in writing.

ARTICLE XI

ANIMALS. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot or building unit, excepting dogs, cats, or other household pets, which may be kept provided they are not kept, bred or maintained for any commercial purposes.

ARTICLE XII

PARKING. Adequate off-street parking shall be provided by the owner of each lot for the parking of automobiles owned by such owner, and owners of lots shall not be permitted to park their automobiles on the streets in the development.

ARTICLE XIII

UTILITIES. The Declarant reserves the right to subject the real property herein to a contract with Carolina Power and Light Company for the installation of underground electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to Carolina Power and Light Company by the owner of each building who is using electric service.

ARTICLE XIV

TERM. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty (20) 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 XV

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 XVI

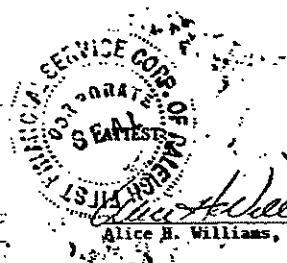
SEVERABILITY. Invalidation of any one of these covenants or any part thereof by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect, and the failure of any person or persons to take action to enforce the violation of any of these covenants 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 TESTIMONY WHEREOF, the Declarant has caused this instrument to be executed in its corporate name by its President, attested by its Secretary and its corporate seal to be hereunto affixed, by order of its Board of Directors duly given all as of the day and year first above written.

FIRST FINANCIAL SERVICE CORPORATION OF RALEIGH

BY:

Kenneth H. Kerr
Kenneth H. Kerr, Vice President



Alice H. Williams
Alice H. Williams, Secretary

NORTH CAROLINA

WAKE COUNTY

This 26 day of June, 1979, personally came before me, M.M. Lipscomb, a Notary Public in and for the County and State aforesaid, Kenneth H. Kerr who, being by me duly sworn, says that he is Vice President of First Financial Service Corporation of Raleigh, that the seal affixed to the foregoing instrument is the corporate seal of the Corporation, and that said writing was signed and sealed by him in behalf of said Corporation by its authority duly given, and the said Kenneth H. Kerr acknowledged the said writing to be the act and deed of said Corporation.

Witness my hand and notarial seal this 26 day of June, 1979.

My Commission expires:

4/23/80



NORTH CAROLINA-WAKE COUNTY

The foregoing certificate

M.M. Lipscomb

(Notary) Public is (here) certified to be correct. This instrument was presented for registration and recorded in this

office in Book 2742 Page 207 This 26 day of June, 1979, at Raleigh, N.C.

By

J. Greene
Deputy Register of Deeds