

ARTICLES OF INCORPORATION OF
222 GLENWOOD RESIDENTIAL CONDOMINIUM ASSOCIATION, INC.

The undersigned natural person of the age of eighteen years or more, acting as incorporator for the purpose of creating a nonprofit corporation under the laws of the State of North Carolina, in accordance with the North Carolina Nonprofit Corporation Act, Chapter 55A of the North Carolina General Statutes, does hereby set forth and certify:

Article 1. Name. The name of the corporation is 222 Glenwood Residential Condominium Association, Inc. ("Corporation" or "Association").

Article 2. Duration. The Corporation shall have perpetual duration.

Article 3. Applicable Statute. The Corporation is organized pursuant to the provisions of the North Carolina Nonprofit Corporation Act, Chapter 55A of the North Carolina General Statutes.

Article 4. Purposes and Powers. The Corporation does not contemplate pecuniary gain or profit, direct or indirect, to its members.

(a) In way of explanation and not of limitation, the purposes for which it is formed are:

(i) to be and constitute the Association to which reference is made in the Declaration of Condominium for 222 Glenwood, a Residential Condominium (hereinafter the "Declaration"), establishing a plan of development recorded or to be recorded in the Wake County, North Carolina records, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified therein, in the Bylaws of 222 Glenwood Residential Condominium Association, Inc. ("Bylaws"), and as provided by law; and

(ii) to provide an entity for the furtherance of the interests of the owners of units in the condominium development as described in the Declaration.

(b) In furtherance of its purposes, the Corporation shall have the following powers, which, unless limited otherwise by the Declaration or Bylaws, may be exercised by the board of directors:

(i) all of the powers conferred upon nonprofit corporations by common law and the statutes of the State of North Carolina in effect from time to time;

(ii) all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the Bylaws, or the Declaration, including, without limitation, the following:

(A) to fix and to collect assessments or other charges to be levied;

(B) to manage, control, operate, maintain, repair, and improve property subjected to the Declaration or any other property for which the Corporation by rule, regulation, Declaration, or contract has a right or duty to provide such services;

(C) to enforce covenants, conditions, or restrictions affecting any property to the extent the Corporation may be authorized to do so under the Declaration or Bylaws;

(D) to engage in activities which will actively foster, promote, and advance the common interests of all owners of units at the development;

(E) to buy or otherwise acquire, sell, or otherwise dispose of, mortgage, or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Corporation;

(F) to borrow money for any purpose as may be limited in the Bylaws;

(G) to enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Corporation, with or in association with any other association, corporation, or other entity or agency, public or private;

(H) to act as agent, trustee, or other representative of other corporations, firms, or individuals, and as such to advance the business or ownership interests in such corporations, firms, or individuals;

(I) to provide any and all supplemental municipal services as may be necessary or proper.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article 4 are independent powers, not to be restricted by reference to or inference from the terms of any other paragraph or provision of this Article 4.

Article 5. Membership. The Corporation shall be a membership corporation without certificates or shares of stock. Each Person who is the record owner of a Unit (as such terms are defined in the Declaration) subject to the Declaration is a member and shall be entitled to vote as set forth in the Declaration.

Article 6. Board of Directors. The business and affairs of the Corporation shall be conducted, managed, and controlled by a board of directors. The board shall consist of three (3) members during the period in which the Declarant (as defined in the Declaration) has the right to appoint directors and officers and three (3) members after expiration of this right. The names and addresses of the initial board of directors are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Thomas R. Barker	4325 Lake Boone Trail, Suite 220 Raleigh, North Carolina 27607
Blair M. Booth	4325 Lake Boone Trail, Suite 220 Raleigh, North Carolina 27607
Pace Halter	4325 Lake Boone Trail, Suite 220 Raleigh, North Carolina 27607

The method of election, term of office, removal and filling of vacancies shall be as set forth in the Bylaws. The board may delegate such operating authority to such companies, individuals, or committees as it, in its discretion, may determine.

Article 7. Liability of Directors. To the fullest extent that the North Carolina Nonprofit Corporation Act, as it exists on the date hereof or as it may hereafter be amended, permits the limitation or elimination of the liability of directors, no director of the corporation shall be personally liable to the corporation or its members for monetary damages for breach of duty of care or other duty as a director. No amendment to or repeal of this Article shall apply to or have any effect on the liability or alleged liability of any director of the corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

Article 8. Dissolution. The Association may be dissolved upon the affirmative vote or written consent of members who are Owners of not less than two-thirds (2/3) of the Units other than the Declarant and the consent of the Declarant (so long as the Declarant owns any property subject to the Declaration or which may be unilaterally subjected to the Declaration by the Declarant). Such a dissolution may only occur under a plan of dissolution approved pursuant to Section 55A-14-02, N.C.G.S., providing for a distribution of the Association's assets that meets the requirements of Section 55A-14-03, N.C.G.S.

Article 9. Amendments. These Articles may be amended only upon a resolution duly adopted by the board of directors and the affirmative vote of at least two-thirds (2/3) of the total eligible votes of the members, provided however, that no members shall be entitled to vote on any amendment to these Articles of Incorporation for the sole purpose of complying with the requirements of any governmental (including, without limitation, HUD or VA) or quasigovernmental entity or institutional lender authorized to fund, insure or guarantee mortgages on individual Units, as such requirements may exist from time to time, which amendments may be adopted by the board of directors.

Article 10. Incorporator. The name and address of the incorporator are as follows:

Nancy C. French, Esq.
Weissman, Nowack, Curry & Wilco, P.C.
One Alliance Center, 4th Floor
3500 Lenox Road
Atlanta, Georgia 30326

Article 11. Initial Registered Agent and Office. The initial registered office of the Corporation is 225 Hillsborough Street, Raleigh, Wake County, North Carolina 27603, and the initial registered agent at such address is CT Corporations System.

Article 12. Initial Principal Office. The address and mailing address of the initial principal office of the Corporation is 4325 Lake Boone Trail, Suite 220, Raleigh, North Carolina 27607.

Article 13. Definitions. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Declaration.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation.

Nancy N French

Nancy N. French, Esq.
Incorporator

Georgia
STATE OF ~~NORTH CAROLINA~~
COUNTY OF ~~WAKE~~ Fulton

I, Leslie Harvey a notary public, do hereby certify that Nancy N. French personally appeared before me this day and acknowledged the due execution of the foregoing Articles of Incorporation.

In testimony whereof, I have here unto set my hand and official seal this the 8th day of August, 2006.

Leslie Harvey
Notary Public



Prepared By: Michael G. Winters and William D. Bernard
Return To: Michael G. Winters, Ellis & Winters LLP, 1100 Crescent Green, Suite 1100,
Cary, North Carolina 27511

STATE OF NORTH CAROLINA

EASEMENT AGREEMENT

COUNTY OF WAKE

THIS EASEMENT AGREEMENT ("Easement") is made effective as of the 21st day of February, 2006, by and between **518 WEST JONES STREET ASSOCIATES, LLC**, a North Carolina limited liability company, 1201 Fordham Boulevard, Chapel Hill, North Carolina 27514 ("518 West"), and **222 GLENWOOD INVESTMENTS, LLC**, a Delaware limited liability company, c/o Trammell Crow Residential, 4325 Lake Boone Trail, Suite 220, Raleigh, North Carolina 27607 ("222 Glenwood").

WITNESSETH:

WHEREAS, 518 West is the owner of that property identified as Tract 1B as shown in Map Book 1995, Page 1473, Wake County Registry (the "518 West Property"); and

WHEREAS, 222 Glenwood is the owner of certain property located adjacent to the 518 West Property and more particularly described on **SCHEDULE A** attached hereto and incorporated herein by reference (the "222 Glenwood Property");

WHEREAS, 222 Glenwood intends to develop the 222 Glenwood Property as a mixed-use residential and retail development; and in connection with such development, 518 West and 222 Glenwood have agreed to execute this Easement Agreement in order to establish various easements and other rights and obligations with respect to the adjacent properties.

NOW, THEREFORE, in consideration of the mutual benefits to each of the parties as herein set out, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. 518 West does hereby give, grant, bargain, sell and convey unto 222 Glenwood, its successors (including any successors in title to the 222 Glenwood Property or any part thereof), assigns, agents, contractors, guests and invitees, a nonexclusive perpetual easement on, over and upon that portion of the 518 West Property described as "Proposed 24' Common Access Easement" on **SCHEDULE B** attached hereto and incorporated herein by this reference (the "Driveway Easement Area") for the following purposes:

(a) the placement, construction, maintenance, repair, replacement, inspection, use and operation of a private roadway; and

(b) ingress, egress and regress, for the free and unobstructed movement of vehicles and pedestrians for the benefit of 222 Glenwood, its successors and assigns, its agents, contractors, including Progress Energy, tenants, guests and invitees; and

(c) the placement, construction, maintenance, repair, servicing, replacement, inspection, use and operation of underground pipes, lines, and other facilities for providing electricity, telecommunication, including telephone and cable television, and other utilities, whether by any owner of the 222 Glenwood Property or any utility service provider, or its agents and contractors; and the owner of the 222 Glenwood Property shall have the right to grant any right of access over the easement hereby granted not inconsistent with the terms of the easement hereby granted that may reasonably be required by any such utility service provider from time to time.

TO HAVE AND TO HOLD said rights and easement unto 222 Glenwood, its successors (including any successors in title to the 222 Glenwood Property or any part thereof), assigns, agents, contractors, tenants, guests and invitees, forever, it being expressly agreed that the easements hereby granted and conveyed are appurtenant to and shall run with and benefit the 222 Glenwood Property and shall run with and burden the 518 West Property.

2. The twelve (12) foot access easement over and across the 518 West Property established pursuant to the instrument recorded in Book 2176, Page 119, Wake County Registry, is hereby terminated. 222 Glenwood hereby gives, grants, bargains, sells, conveys and quitclaims unto 518 West, its successors and assigns, any and all rights and easements over and across the 518 West Property conveyed pursuant to the instrument recorded in Book 2176, Page 119, Wake County Registry.

TO HAVE AND TO HOLD said rights and easement unto 518 West, its successors (including any successors in title to the 518 West Property or any part thereof) and assigns forever.

3. 518 West does hereby give, grant, bargain, sell and convey unto 222 Glenwood, its successors (including any successors in title to the 222 Glenwood Property or any part thereof) and assigns, a nonexclusive perpetual easement on, over and upon that portion of the 518 West Property described as "Dumpster Easement Area" on **SCHEDULE B** attached hereto and incorporated herein by this reference (the "Dumpster Easement Area") for the following purposes:

(a) the placement, construction, maintenance, repair, replacement, inspection, use and operation of three (3) concrete dumpster pads and gated dumpster enclosures; provided, however, that in no event shall any part of the Dumpster Easement Area, or any dumpster located thereon, be used by 222 Glenwood, its successors and assigns, for the storage or removal of construction waste or debris; and

(b) ingress, egress and regress, for the free and unobstructed movement of vehicles and pedestrians for the benefit of 222 Glenwood, its successors and assigns, its agents, contractors, tenants, guests and invitees.

TO HAVE AND TO HOLD said rights and easements unto 222 Glenwood, its successors (including any successors in title to the 222 Glenwood Property or any part thereof), assigns, agents, contractors, tenants, guests and invitees, forever, it being expressly agreed that the easements hereby granted and conveyed are appurtenant to and shall run with and benefit the 222 Glenwood Property and shall run with and burden the 518 West Property.

4. Subject to the conditions and limitations stated below, 518 West hereby gives, grants, bargains, sells and conveys unto 222 Glenwood, its successors, assigns, contractors and agents, a nonexclusive temporary access easement (the "Temporary Easement") for ingress, egress and regress on, over and upon such other portions of the 518 West Property as may be reasonably necessary for the limited purposes of (a) constructing the roadway, curbing and other improvements to be located within the Driveway Easement Area as described above; (b) constructing the dumpster pads and other improvements to be located within the Dumpster Easement Area as described above; (c) constructing the drainage system to serve the 518 Property as provided in the Agreement for Easements (as hereinafter defined); (d) construction of a stairway at the rear of the 222 Glenwood Property (adjoining the 518 West Property); (e) construction of a retaining wall along Glenwood Avenue; and (f) the removal of the encroachment of a slab located on the 518 West Property onto the 222 Glenwood Property. 222 Glenwood is removing the slab encroachment for the benefit of 518 West. 518 West releases 222 Glenwood and its contractors from any damage or liability caused to the 518 West Property, including any improvements thereon, by the removal of the encroachment of the slab, except to the extent caused by the gross negligence or intentional misconduct of 222 Glenwood or its contractors. The use of the Temporary Easement shall be limited to 222 Glenwood and its successors, assigns, contractors and agents while engaged in the construction activities described above. 222 Glenwood and its successors, assigns, contractors and agents shall at all times utilize the Temporary Easement in a manner which shall not unreasonably interfere with pedestrian or vehicular access to the 518 West Property or 518 West's business operations upon the 518 West Property. 222 Glenwood shall restore and repair, at 222 Glenwood's sole cost and expense, any and all damage to the any part of the 518 West Property caused by the use of the Temporary Easement by 222 Glenwood or its successors, assigns, contractors, agents, guests or invitees. The Temporary Easement shall terminate at 12:01 a.m. on March 1, 2008 or on the date as of which 222 Glenwood shall have received a certificate of occupancy from the applicable issuing authority(ies) for the building to be constructed by 222 Glenwood on the 222 Glenwood Property, whichever shall first occur.

TO HAVE AND TO HOLD said rights and temporary easement unto 222 Glenwood, its successors (including any successors in title to the 222 Glenwood Property or any part thereof), assigns, contractors and agents for the limited period stated above, it being expressly agreed that the easements hereby granted and conveyed are appurtenant to and shall run with and benefit the 222 Glenwood Property and shall run with and burden the 518 West Property.

5. 222 Glenwood shall, at its sole cost and expense, construct three (3) Dumpster Pads within the Dumpster Easement Area as shown on **SCHEDULE B** attached hereto, together with a gated dumpster enclosure on each of the three (3) Dumpster Pads. Following such construction, the owner(s) of the 518 West Property shall have exclusive use of the southernmost Dumpster Pad, the owner(s) of the 222 Glenwood Property shall have exclusive use of the northernmost Dumpster Pad, and the owners of the 518 West Property and the 222 Glenwood Property shall share equally the use of the middle Dumpster Pad. With respect to the middle Dumpster Pad, the owners of the 518 Property and the 222 Glenwood Property acknowledge and agree (a) that such Dumpster Pad shall be used for the removal of cardboard product only; (b) that the owner of the 518 Property shall contract and pay for dumpster/trash removal service with respect to the middle Dumpster Pad; (c) that the owner of the 222 Glenwood Property shall reimburse the owner of the 518 Property its allocated share of such dumpster/trash removal service costs within ten (10) days after receiving a written statement from the owner of the 518 West Property for such reimbursement; and (d) that the owners of the 518 Property and the 222 Glenwood Property shall share equally in the costs of such dumpster/trash removal service; provided, however, that the costs of such dumpster/trash removal service allocated to the owner of the 518 Property shall not exceed the cost of dumpster/trash removal service that the owner of the 518 Property would reasonably incur if the middle Dumpster Pad was not shared with the owner of the 222 Glenwood Property. Except as otherwise provided above, the owners of the 518 Property and the 222 Glenwood Property shall be solely responsible for providing dumpster and/or trash removal service to their respective Dumpster Pads. The owners of the 518 Property and the 222 Glenwood Property shall each keep and maintain their respective Dumpster Pads in a reasonably clean and orderly condition.

6. 222 Glenwood does hereby give, grant, bargain, sell and convey unto the 518 West, its successors (including any successors in title to the 518 West Property or any part thereof), assigns, agents contractors, tenants, guests and invitees, a nonexclusive perpetual easement on, over and upon that portion of the 222 Glenwood Property described as "5' Sidewalk Easement" and "Proposed 5' Sidewalk Easement" on **SCHEDULE B** attached hereto and incorporated herein by this reference (the "Sidewalk Easement Area") for the following purposes:

(a) the placement, construction, maintenance, repair, replacement, inspection, use and operation of a sidewalk that will connect to sidewalks located on the 518 West Property; and

(b) ingress, egress and regress, for the free and unobstructed movement of pedestrians for the benefit of 518 West, its successors and assigns, its agents, contractors, tenants, guests and invitees.

TO HAVE AND TO HOLD said rights and easements unto 518 West, its successors (including any successors in title to the 518 West Property or any part thereof), assigns, agents, contractors, tenants, guests and invitees, forever, it being expressly agreed that the easements hereby granted and conveyed are appurtenant to and shall run with and benefit the 518 West Property and shall run with and burden the 222 Glenwood Property.

7. 222 Glenwood shall construct or cause to be constructed any and all driveways, dumpster pads, gated dumpster enclosures, curbing and other improvements to be constructed on or upon the Easement Area (as defined below) in a good and workmanlike manner at its sole cost and expense. 222 Glenwood shall also construct or cause to be constructed the sidewalk to be located within the Sidewalk Easement Area and the sidewalk to be located within the area designated as "Approx. Limits of New Sidewalk" on **SCHEDULE B** attached hereto and incorporated herein by this reference in a good and workmanlike manner, at its sole cost and expense, during the period of construction of the improvements within the Easement Area.

8. 222 Glenwood, its successors and assigns, hereby indemnify 518 West, its successors and assigns, against and hold 518 West, its successors and assigns, harmless from, any and all claims, liabilities, losses, damages, judgments, actions, suits, liens and expenses, including, without limitation reasonable attorneys' fees and court costs, which may be asserted against or incurred or suffered by 518 West, its successors or assigns, arising out of the use of the easement rights herein established in favor of 222 Glenwood, including any construction activities by 222 Glenwood, its contractors, agents, successors and assigns, thereon. 518 West, its successors and assigns, hereby indemnify 222 Glenwood, its successors and assigns, against and hold 222 Glenwood, its successors and assigns, harmless from, any and all claims, liabilities, losses, damages, judgments, actions, suits, liens and expenses, including, without limitation reasonable attorneys' fees and court costs, which may be asserted against or incurred or suffered by 222 Glenwood, its successors or assigns, arising out of the use of the easement rights herein established in favor of 518 West, including any construction activities by 518 West, its contractors, agents, successors and assigns, thereon.

9. Except as provided in Section 10 below, 518 West, its successors and assigns, shall at all times maintain the sidewalk constructed within the Sidewalk Easement Area in a reasonably good, clean and useable condition at its sole cost and expense. In the event 518 West or its successors and assigns shall fail to maintain and/or repair any improvements within the Sidewalk Easement Area so as to keep and maintain same consistent with initial construction standards, 222 Glenwood or its successors and assigns may, upon not less than ten (10) days prior written notice to 518 West or its successors and assigns, which notice shall specify the repairs and/or maintenance to be performed, undertake to perform any such repairs and/or maintenance. In such event, 518 West, its successors and assigns as owners of the 518 West Property, shall be responsible for all of the reasonable costs of such repairs and/or maintenance. 518 West or its successors and assigns shall reimburse 222 Glenwood or its successors and assigns all of the reasonable costs of such repairs and/or maintenance incurred by 222 Glenwood or its successors and assigns within ten (10) days after the date on which 518 West or its successors and assigns shall have received from 222 Glenwood or its successors and assigns a written itemized statement of all repair and/or maintenance costs for which reimbursement is sought. In the event 222 Glenwood or its successors and assigns is required to retain the services of an attorney to collect and repair and/or maintenance costs from 518 West or its successors and

assigns pursuant to this paragraph, 222 Glenwood or its successors and assigns shall be entitled to recover, in addition to such costs and expenses, all costs of collection, including reasonable attorneys' fees.

Except as provided in Section 10 below, 222 Glenwood, its successors and assigns, shall at all times maintain all improvements within the Driveway Easement Area and the Dumpster Easement Area (collectively the "Easement Area") pursuant to the easements herein established, in a reasonably good, clean and useable condition, at its sole cost and expense, which maintenance shall include but shall not be limited to, paving, clearing, snow removal, repairs and replacements, including resurfacing and restriping, maintenance of any lights, landscaping, and all other functions reasonably necessary for the proper upkeep and operation of the Easement Area. In the event 222 Glenwood or its successors and assigns shall fail to maintain and/or repair any improvements within the Easement Area so as to keep and maintain same consistent with initial construction standards, 518 West or its successors and assigns may, upon not less than ten (10) days prior written notice to 222 Glenwood or its successors and assigns, which notice shall specify the repairs and/or maintenance to be performed, undertake to perform any such repairs and/or maintenance. In such event, 222 Glenwood, its successors and assigns as owners of the 222 Glenwood Property, shall be responsible for all of the reasonable costs of such repairs and/or maintenance. 222 Glenwood or its successors and assigns shall reimburse 518 West or its successors and assigns all of the reasonable costs of such repairs and/or maintenance incurred by 518 West or its successors and assigns within ten (10) days after the date on which 222 Glenwood or its successors and assigns shall have received from 518 West or its successors and assigns a written itemized statement of all repair and/or maintenance costs for which reimbursement is sought. In the event 518 West or its successors and assigns is required to retain the services of an attorney to collect and repair and/or maintenance costs from 222 Glenwood or its successors and assigns pursuant to this paragraph, 518 West or its successors and assigns shall be entitled to recover, in addition to such costs and expenses, all costs of collection, including reasonable attorneys' fees.

10. In the event the Easement Area or the Sidewalk Easement Area is damaged by the act of either of the parties hereto, or their successors or assigns, as owners of their respective properties, or by that owner's agents, contractors, employees or other invitees, whether by negligence or intentional act, that owner shall be responsible for repairing the damage and paying all costs and expenses for such repair. In the event the damaging owner fails to repair the Easement Area as provided herein, then the other owner may undertake such repair and the damaging owner shall be deemed to have contracted with the repairing owner for the repair of the Easement Area and shall be responsible for the payment of all reasonable costs and expenses incurred by repairing owner. If such expenses and fees are not paid within thirty (30) days after the date on which the damaging owner shall have received from the repairing owner a written itemized statement of all costs and expenses for which payment is sought, the repairing owner shall be entitled to recover, in addition to such costs and expenses, all costs of collection, including reasonable attorneys' fees.

11. Nothing herein is intended to, nor shall be construed to, create any rights whatsoever for the benefit of the general public in and to the property or the improvements

constructed thereon, and nothing herein shall be construed to effect, or is intended to effect, a dedication to the general public of any road, street or driveway on either property.

12. 222 Glenwood, its successors and assigns, may assign, in whole or in part, any or all of the rights and obligations herein established to any owners association formed in connection with the development of the 222 Glenwood Property and for the benefit of the owners thereof; provided, however, that any such owners association shall be bound by all of the terms, covenants and conditions set forth in this Easement as fully and to the same extent as 222 Glenwood.

13. 518 West and 222 Glenwood acknowledge and ratify (a) the terms, covenants and conditions contained in that certain Agreement for Easements made and entered into by and among 518 West, Warren Distributing Corporation, Robert Warren, Beverly Warren, and TCR Carolinas Properties, Inc. dated February __, 2006 (the "Agreement for Easements"), and (b) their respective rights, duties and obligations thereunder. Notwithstanding the foregoing, in the event any provision contained in this Easement shall conflict or be inconsistent with any provision contained in the Agreement for Easements, the provision contained in this Easement shall be paramount and controlling and the provision contained in the Agreement for Easements shall be construed and interpreted consistent therewith.

14. In the event any party to this Agreement shall fail to perform any obligation when and as required of such party (the "party in default") pursuant to the terms of this Agreement, and such failure to perform shall continue for a period of ten (10) days after the date on which the party in default shall have received written notice of non-performance and demand for cure from any other party, such failure to perform shall constitute a default under this Agreement by the party in default. Notwithstanding the foregoing, in the event such cure cannot reasonably be completed by the party in default within such ten (10) day period, the party in default shall have a period of time not to exceed thirty (30) days after the date on which the party in default shall have received written notice of default and demand for cure to cure such default; provided, however, that the party in default shall have commenced and shall pursue all necessary curative action(s) in a diligent manner. Upon the occurrence of any default under this Agreement by a party in default, each other party shall have all rights and remedies available to it at law or in equity for breach of contract, including, without limitation, the right to recover damages or seek specific performance from the party in default. The prevailing party (or parties) in any action or proceeding to enforce any right or remedy hereunder, at law or in equity shall be entitled to recover from the non-prevailing party or parties its (their) reasonable attorneys' fees and other court costs.

15. Except where otherwise specified herein, any notice or other communication required or permitted under this Agreement shall be officially given and delivered if in writing and delivered personally, sent by prepaid facsimile or electronic transmission (e-mail), or sent by certified mail or reputable overnight courier service (e.g. FedEx, DHL, UPS, etc.), postage prepaid, addressed as shown below, or to such other address as the party concerned may substitute by written notice to all others. Unless and until such written notice is received, the last address and addressee shall be deemed in effect for all purposes. Any notice personally delivered shall be deemed received as of the date of delivery. Any notice sent by prepaid

facsimile or electronic transmission (e-mail) shall be deemed received one (1) business day after the date same is sent. With respect to any notice sent by certified mail or overnight courier service, the return receipt or delivery confirmation with respect thereto, as applicable, shall be prima facie evidence that such notice was received on the date of the return receipt or delivery confirmation.

If to 518 West: 518 West Jones Street Associates, LLC
1201 Fordham Boulevard
Chapel Hill, North Carolina 27514
Attention: Harrison J. Ewell
Facsimile: (919) 929-0780
Email: mickey@chapelhillrestaurantgroup.com

With a copy to: Brown & Bunch, PLLC
101 N. Columbia Street
Chapel Hill, North Carolina 27514
Attention: William D. Bernard
Facsimile: 919.968.1444
Email: wbernard@brownandbunch.com

If to 222 Glenwood: 222 Glenwood Investments LLC
c/o Trammell Crow Residential
4325 Lake Boone Trail, Suite 220
Raleigh, North Carolina 27607
Attention: Thomas Barker
Facsimile: (919) 571-7729
Email: tbarker@tcresidential.com

With a copy to: Michael G. Winters, Esq.
Ellis & Winters LLP
1100 Crescent Green, Suite 200
Cary, North Carolina 27511
Facsimile: (919) 865-7010
Email: mike.winters@elliswinters.com

The addresses and addressees may be changed by giving notice of such change in the manner provided herein for giving notice. Unless and until such written notice is received, the last address and addressee given shall be deemed to continue in effect for all purposes.

16. This Easement shall inure to the benefit of and bind the parties, their successors and assigns, specifically including, without limitation, the parties' respective successors in title the 222 Glenwood and the 518 West Property.

17. This Agreement shall be interpreted pursuant to the laws of the State of North Carolina. Any action or proceeding to interpret any provision of this Agreement or to enforce any right or remedy hereunder shall be brought in the state or federal courts residing in Wake

County, North Carolina. Each of the parties hereto consents to the jurisdiction and venue of such courts.

18. This Agreement, including exhibits, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior oral or written agreement or course of dealing between the parties. This Agreement may not be amended except in writing by an instrument executed by all parties hereto.

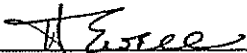
19. This Agreement may be recorded in the office of the Register of Deeds of Wake County, North Carolina, at the election of any party hereto at such party's sole cost and expense.

20. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original.

21. RBC Centura Bank ("518 West Lender") is the owner and holder of a Promissory Note made by 518 West and dated May 19, 2004 (the "518 West Note"). Repayment of the 518 West Note is secured by a Deed of Trust and Security Agreement (the "518 West Deed of Trust") dated May 19, 2004 executed and delivered by 518 West to CB Services Corp. ("518 West Trustee"), for the benefit of 518 West Lender, and recorded in Book 10827, at Page 981 in the Office of the Wake County Register of Deeds. 518 West Lender and 518 West Trustee join in the execution of this Easement in order to subordinate the lien and operation of the 518 West Deed of Trust to this Easement and the rights and easements created hereby. In the event of a foreclosure of the Deed of Trust, or a transfer of any portion of the 518 West Property in lieu of foreclosure, 518 West Lender and 518 West Trustee agree that the purchaser at any such foreclosure or the transferee under any such deed in lieu of foreclosure shall take title to the 518 West Property together with and subject to all of the terms and conditions of this Easement.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their duly authorized representatives as of the day and year first above written.

518 WEST JONES STREET ASSOCIATES, LLC,
a North Carolina limited liability company

By: 
Name: H. Ewell
Title: Manager

222 GLENWOOD INVESTMENTS, LLC, a
Delaware limited liability company

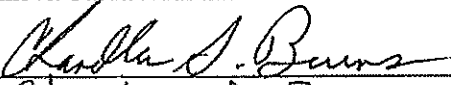
By: CS 105 Glenwood Holdings, LLC, a Delaware
limited liability company, its managing member

By: CS 106 Glenwood Limited Partnership, a
Delaware limited partnership, its managing
Member

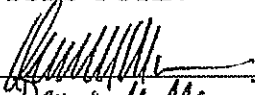
By: CS 107 Glenwood, LLC, a
Delaware limited liability company,
its general partner

By: _____
Name: _____
Title: _____

RBC CENTURA BANK

By: 
Name: Chandler S. Burns
Title: Vice President

CB SERVICES CORP.

By: 
Name: Dennis M. Marcini
Title: Asst. Vice President

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their duly authorized representatives as of the day and year first above written.

518 WEST JONES STREET ASSOCIATES, LLC,
a North Carolina limited liability company

By: _____
Name: _____
Title: _____

222 GLENWOOD INVESTMENTS, LLC, a
Delaware limited liability company

By: CS 105 Glenwood Holdings, LLC, a Delaware
limited liability company, its managing member

By: CS 106 Glenwood Limited Partnership, a
Delaware limited partnership, its managing
Member

By: CS 107 Glenwood, LLC, a
Delaware limited liability company,
its general partner

By: 
Name: Thomas R. Barber
Title: Vice President

RBC CENTURA BANK

By: _____
Name: _____
Title: _____

CB SERVICES CORP.

By: _____
Name: _____
Title: _____

STATE OF NORTH CAROLINA

COUNTY OF ~~WAKE~~ Orange

I Cynthia B. Foust, a Notary Public within and for said County and State, do hereby certify that H. Ewell personally appeared before me this day and acknowledged that he is the Manager of **518 WEST JONES STREET ASSOCIATES, LLC**, a North Carolina limited liability company, and that by authority duly given, the foregoing instrument was voluntarily executed by him for and on behalf of **518 WEST JONES STREET ASSOCIATES, LLC**, all as of the day and year first above written.

WITNESS my hand and official seal this 21st day of February, 2006.

Cynthia B. Foust
Signature of Notary Public

Cynthia B. Foust
Printed or Typed Name of Notary Public

[NOTARIAL SEAL]

My Commission Expires: 1/3/07.

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____, a Notary Public within and for said County and State, do hereby certify that _____ personally came before me this day and acknowledged that he is the Manager of CS 107 Glenwood, LLC, general partner of CS 106 Glenwood Limited Partnership, managing member, of CS 105 Glenwood Holdings, LLC, managing member of **222 GLENWOOD INVESTMENTS LLC**, a Delaware limited liability company, and that by authority duly given, the foregoing instrument was voluntarily executed by him for and on behalf of **222 GLENWOOD INVESTMENTS, LLC**, all as of the day and year first above written.

WITNESS my hand and official seal this _____ day of February, 2006.

Signature of Notary Public

Printed or Typed Name of Notary Public

[NOTARIAL SEAL]

My Commission Expires: _____.

STATE OF NORTH CAROLINA

COUNTY OF WAKE

I _____, a Notary Public within and for said County and State, do hereby certify that _____ personally appeared before me this day and acknowledged that he is the Manager of **518 WEST JONES STREET ASSOCIATES, LLC**, a North Carolina limited liability company, and that by authority duly given, the foregoing instrument was voluntarily executed by him for and on behalf of **518 WEST JONES STREET ASSOCIATES, LLC**, all as of the day and year first above written.

WITNESS my hand and official seal this _____ day of February, 2006.

Signature of Notary Public

Printed or Typed Name of Notary Public

[NOTARIAL SEAL]

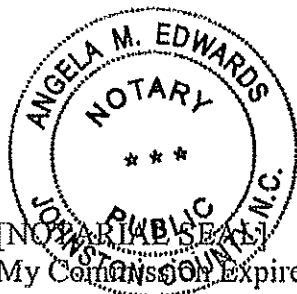
My Commission Expires: _____

STATE OF NORTH CAROLINA

COUNTY OF Wake

I, Angela M Edwards, a Notary Public within and for said County and State, do hereby certify that Thomas R. Barker personally came before me this day and acknowledged that he is the Manager of CS 107 Glenwood, LLC, general partner of CS 106 Glenwood Limited Partnership, managing member, of CS 105 Glenwood Holdings, LLC, managing member of **222 GLENWOOD INVESTMENTS LLC**, a Delaware limited liability company, and that by authority duly given, the foregoing instrument was voluntarily executed by him for and on behalf of **222 GLENWOOD INVESTMENTS, LLC**, all as of the day and year first above written.

WITNESS my hand and official seal this 24th day of February, 2006.



[NOTARIAL SEAL]
My Commission Expires: 4-14-2009

Angela M. Edwards
Signature of Notary Public

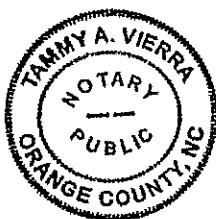
Angela M Edwards
Printed or Typed Name of Notary Public

STATE OF NORTH CAROLINA

COUNTY OF Orange

I, Tammy A. Vierra, a Notary Public of said County and State, do hereby certify that Chandler S. Burns personally came before me this day and acknowledged that he is Vice President of **RBC CENTURA BANK**, and that he as Vice President, being duly authorized to do so, voluntarily executed the foregoing instrument on behalf of **RBC CENTURA BANK**.

WITNESS my hand and official seal this 21 day of February, 2006.



Tammy A. Vierra
Signature of Notary Public

Tammy A. Vierra
Printed or Typed Name of Notary Public

[NOTARIAL SEAL]

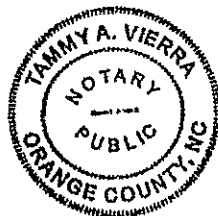
My Commission Expires: 4-6-07.

STATE OF NORTH CAROLINA

COUNTY OF Orange

I, Tammy A. Vierra, a Notary Public of said County and State, do hereby certify that Dennis M. Macin, personally came before me this day and acknowledged that he is AV President of **CB SERVICES CORP.** and that he as AV President, being duly authorized to do so, voluntarily executed the foregoing instrument on behalf of said corporation.

WITNESS my hand and official seal this 21 day of February, 2006.



Tammy A. Vierra
Signature of Notary Public

Tammy A. Vierra
Printed or Typed Name of Notary Public

[NOTARIAL SEAL]

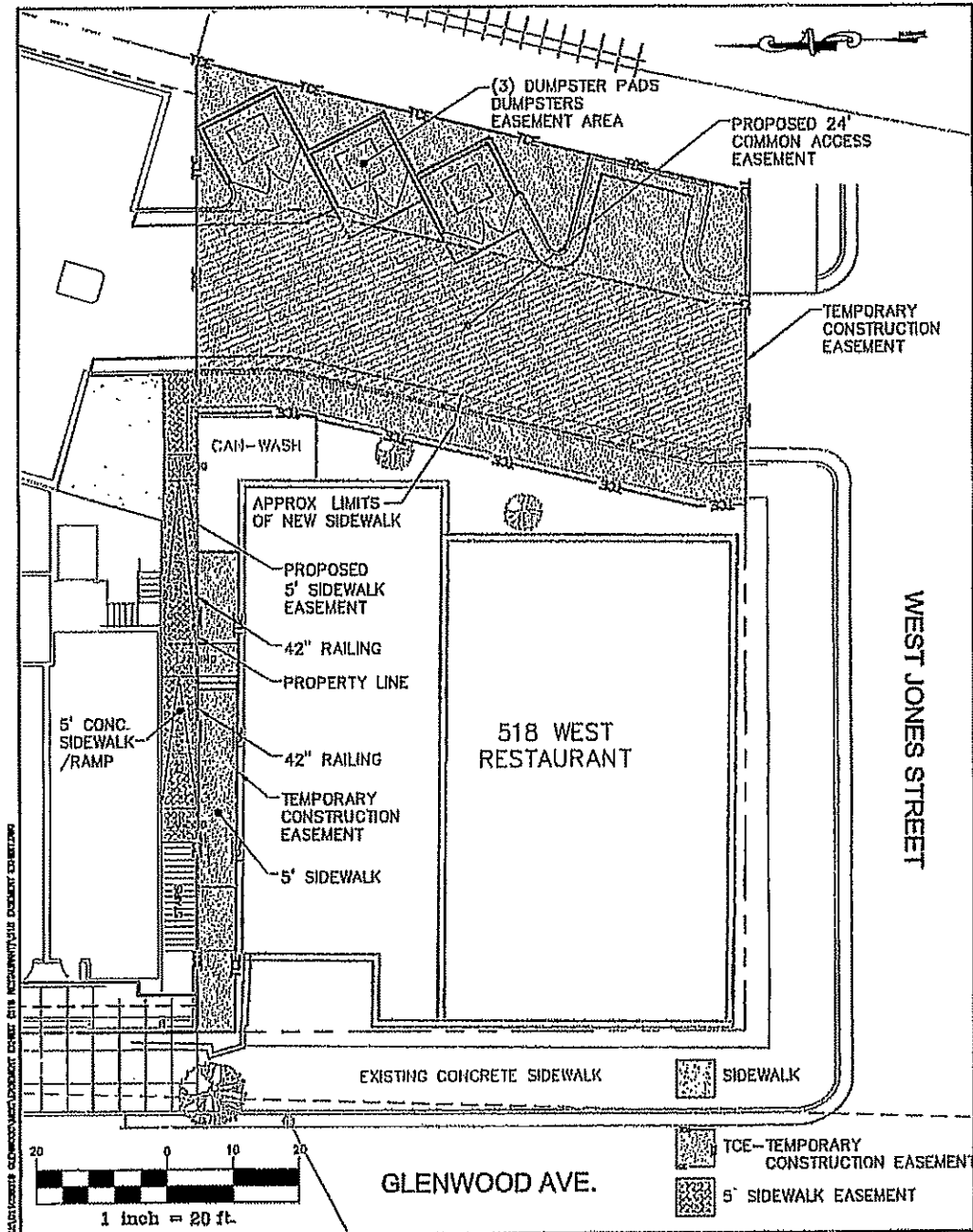
My Commission Expires: 4-6-07.

HE

SCHEDULE A
THE 222 GLENWOOD PROPERTY

BEING all of Lot 1 containing 1.5102 acres as shown on that map entitled "Property of Robert S. Warren, Jr. and Margaret W. Warren —Tract 1, Warren Distributing Corporation — Tract 2, Robert S. Warren, Jr. — Tract 3, Recombination & R/W Dedication," as recorded in Map Book 2006, Page 94, Wake County Registry.

SCHEDULE B



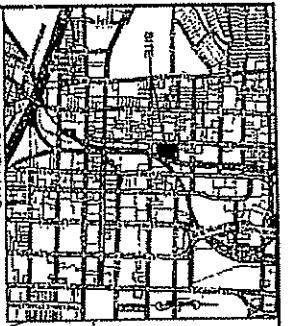
Kimley-Horn and Associates, Inc.

**518 WEST
RESTAURANT**

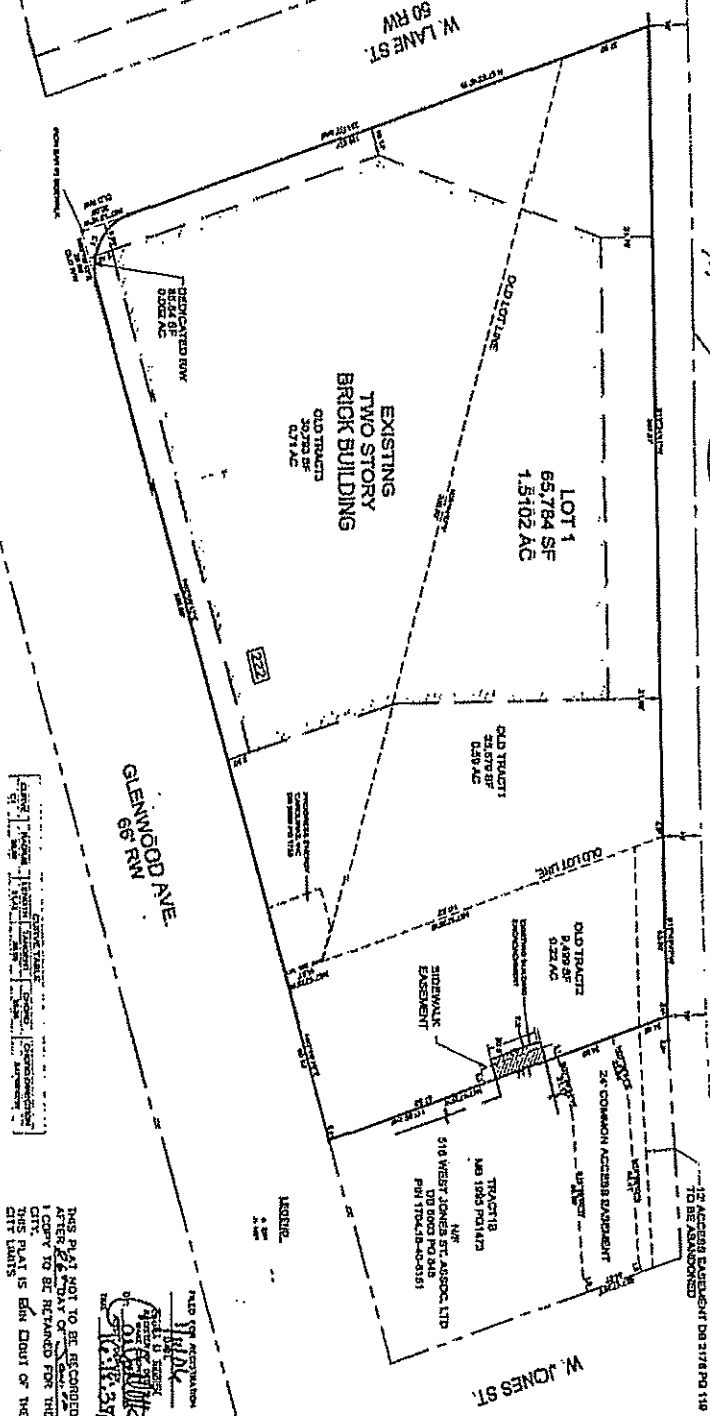
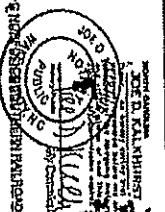
**ACCESS, SIDEWALK, AND
TEMPORARY CONSTRUCTION
EASEMENTS**

**FIGURE
1
DATE
FEB. 21 2000**

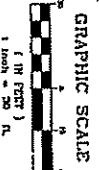
THIS DOCUMENT, TOGETHER WITH THE CONCEPTS AND DESIGN PRESENTED HEREIN, IS AN INSTRUMENT OF SERVICE. IT IS INTENDED ONLY FOR THE SPECIFIC PURPOSE AND CLIENT FOR WHOM IT WAS PREPARED. BEYOND OF AND WITHOUT THE SCOPE OF THE DOCUMENT WITHOUT WRITTEN AUTHORIZATION AND ADAPTATION BY KIMLEY-HORN AND ASSOCIATES, INC. SHALL BE WITHOUT LIABILITY TO KIMLEY-HORN AND ASSOCIATES, INC.



The undersigned, Robert S. Warren, Jr., of Wake County, North Carolina, do hereby certify that the foregoing plat is a true and correct copy of the original plat as recorded in the public records of Wake County, North Carolina, and that the same is a true and correct copy of the original plat as recorded in the public records of Wake County, North Carolina, and that the same is a true and correct copy of the original plat as recorded in the public records of Wake County, North Carolina.



WAKE COUNTY, NC 748
 LAMAR H. ALLEN
 REGISTERED & RECORDED IN
 05/11/2005 AT 10:18:27
 BOOK 183936 PAGE 188994



Tract	Area	Owner
LOT 1	65,784 SF 1.5102 AC	ROBERT S. WARREN, JR. & MARGARET W. WARREN
OLD TRACT 1	22,878 SF 0.521 AC	ROBERT S. WARREN, JR. & MARGARET W. WARREN
OLD TRACT 2	6,522 AC	ROBERT S. WARREN, JR. & MARGARET W. WARREN
OLD TRACT 3	6,522 AC	ROBERT S. WARREN, JR. & MARGARET W. WARREN
OLD TRACT 4	6,522 AC	ROBERT S. WARREN, JR. & MARGARET W. WARREN
OLD TRACT 5	6,522 AC	ROBERT S. WARREN, JR. & MARGARET W. WARREN
OLD TRACT 6	6,522 AC	ROBERT S. WARREN, JR. & MARGARET W. WARREN
OLD TRACT 7	6,522 AC	ROBERT S. WARREN, JR. & MARGARET W. WARREN
OLD TRACT 8	6,522 AC	ROBERT S. WARREN, JR. & MARGARET W. WARREN
OLD TRACT 9	6,522 AC	ROBERT S. WARREN, JR. & MARGARET W. WARREN
OLD TRACT 10	6,522 AC	ROBERT S. WARREN, JR. & MARGARET W. WARREN

THIS PLAT NOT TO BE RECORDED
 AFTER 5:00 PM OF DAY OF
 1. COPY TO BE RETURNED FOR THE
 2. COPY TO BE RETURNED FOR THE
 3. COPY TO BE RETURNED FOR THE
 4. COPY TO BE RETURNED FOR THE
 5. COPY TO BE RETURNED FOR THE
 6. COPY TO BE RETURNED FOR THE
 7. COPY TO BE RETURNED FOR THE
 8. COPY TO BE RETURNED FOR THE
 9. COPY TO BE RETURNED FOR THE
 10. COPY TO BE RETURNED FOR THE

RECORDED IN MAP BOOK 2006, PAGE 94

WAKE COUNTY REGISTRY

JOHN A. EDWARDS & COMPANY
 Consulting Engineers
 333 Wade Ave., Raleigh, NC 27605
 Phone (919) 828-4428
 FAX (919) 828-4771
 E-mail: jae@edwardsco.com

DATE: _____ REVISION: _____ BY: _____

PROPERTY OF: ROBERT S. WARREN, JR. & MARGARET W. WARREN - TRACT 1
 WARREN DISTRIBUTING CORPORATION - TRACT 2
 ROBERT S. WARREN, JR. - TRACT 3
 NORTON CARRIE, JR.
 RECOMBINATION & R/W DEDICATION

REFERENCE: SP-11-2005
 RW-47-05
 ZONING: IND-2
 1704-19-0770
 1704-19-0770
 1704-19-0770