

NORTH CAROLINA)
)
 DAVIE COUNTY)

RESTRICTIVE COVENANTS
MARCHMONT PLANTATION

KNOW ALL MEN BY THESE PRESENTS that whereas Marchmont Plantation, a general partnership, hereinafter called the developer, is the owner of the lands that are fully described on Exhibit A, attached hereto and incorporated herein by reference as fully as though set out verbatim herein, and that are to be subdivided into "Marchmont Plantation," that whereas the developer has established a general plan for the improvement and the development of the said property and in pursuance thereof has formulated and agreed upon the covenants, conditions, reservations, and restrictions upon which and subject to which all lots and portions of such lots shall be improved or sold and conveyed by it as owner, each and every one of these covenants, conditions, reservations, and restrictions being for the benefit of each owner of land in such subdivision, that is to say, "Marchmont Plantation," or any interest therein, and each and every one of these covenants, conditions, reservations, and restrictions to pass with each and every parcel of such subdivision, to bind the respective successors in interest of the present owners thereof, and to run with the land;

NOW, THEREFORE, in consideration of the premises, the developer does declare and establish covenants, conditions, reservations and restrictions for "Marchmont Plantation," to be developed from the lands described on Exhibit A, in manner and form as follows:

I.

For the purpose of further insuring the development of "Marchmont Plantation" as an area of high standards, the developer hereby reserves to itself such powers to control the buildings, structures, and other improvements placed on each lot and such powers to make such modifications in these covenants, conditions, reservations, and restrictions as are hereinafter expressed and implied. In addition, the developer hereby reserves to itself the power to appoint to some other person or persons, at such time or times as the developer may seem fit and proper, in its uncontrolled discretion, any one or all of the powers herein reserved to itself.

II.

All lots shall be used for residential purposes exclusively.

No structure, except as hereinafter provided, shall be erected, altered, placed or permitted to remain on any lot other than on (1) detached single-family dwelling and one small one-story accessory building, which may include a detached private garage and/or aircraft hanger, provided that the use of such dwelling or accessory building does not overcrowd the site, and provided further that such building is not used for any activity reasonably considered a business. Such accessory building must blend in with the general appearance of the house and be approved by the developer.

No lot shall be subdivided, or its boundary lines changed, except with the written consent of the developer.

No private dwelling erected upon any lot shall be occupied in any manner while in the course of construction, nor at any time prior to its being fully completed. Nor shall any residence, when completed, be in any manner occupied until made to comply with the approved plans, the requirements herein, and all other covenants, conditions, reservations, and restrictions herein set forth.

The exterior of all houses and other structures must be completed within one (1) year after the construction of the same shall have commenced, except where such completion is impossible or would result in great hardship to the owner or builder because of labor strikes or national emergency or acts of God.

All plans for the construction of private roads and driveways and all building plans for any building, aircraft hanger or tie down, fence, corral, wall, or structure to be erected upon any lot, and any changes after approval thereof, any remodeling, reconstruction, alteration, or addition to any building, road, driveway, or other structure upon any lot in such premises shall require the approval in writing of the partnership. Before beginning the construction of any road, driveway, building, fence, wall coping, or other structure whatsoever, or remodeling, reconstruction, or altering such road, driveway, or structure upon any lot, the person or persons desiring to erect, construct, or modify the same shall submit to the developer two complete sets of road, or driveway plans, showing the locations, course, and width of the same or two complete sets of building plans and specifications for the building, fence, wall coping, or other structure, as is applicable, so desired to be erected, constructed, or modified. No structure of any kind, the plans, elevations, and specifications of which have not received the written approval of the developer and which does not comply fully with such approved plans and specifications, shall be erected, constructed, placed, or maintained upon any lot. Approval of such plans and

while engaged in transporting goods or persons to or from a residence in the subdivision or except while being used to furnish commercial or construction or utilities services to a residence or to a lot in the subdivision. No trailers, habitable motor vehicles of any nature or a pleasure boat on its trailer shall be kept or stored on any part of the property except within an enclosed garage or approved storage area.

III.

All driveways must be paved.

No horses, cattle, swine, goats, poultry, or fowl shall be kept on any lot. Livestock, type and number, may be kept in designated areas if approved in writing by the developer. No more than four pets of the customary household variety (including birds) may be kept on any lot in the subdivision, except upon the express written permission of the developer; provided, however, that the provisions hereof shall not be deemed to permit the keeping of domestic fowl. Each lot owner shall provide receptacles for garbage or provide underground garbage receptacles or similar facility in accordance with reasonable standards established by the developer. No fuel tanks or similar storage receptacles may be exposed to view. No weeds, underbrush, or other unsightly growth shall be permitted to grow or remain upon the premises, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. In the event that any owner of any property in the subdivision shall fail or refuse to keep such premises free from weeds, underbrush, or refuse piles or other unsightly growths or objects, then the developer may enter upon such lands and remove the same at the expense of the owner and such entry shall not be deemed a trespass and in the event of such a removal a lien shall arise and be created in favor of the developer and against such lot for the full amount chargeable to such lot and such amount shall be due and payable within 30 days after the owner is billed therefore.

No commercial signs, including, but not limited to, "for rent," "for sale," and other similar signs, shall be erected or maintained on any lot except with the written permission of the developer or except as may be required by legal proceedings it being understood that the developer will not grant permission for the said signs unless their erection is reasonably necessary to avert serious hardship to the property owner. If such permission is granted, there is reserved to the developer the right to restrict size, the color, and the content of such signs. Property identification and like signs exceeding a combined total two (2) square feet may not be erected without the written permission of the developer.

No lot will be "clear cut" and maximum effort will be maintained to retain all trees in excess of 10".

There is reserved unto the developer, its successors and assigns a perpetual, alienable, and releaseable easement and right on, over, and under the ground to erect, maintain, and use electric and telephone poles, wires, cables, conduits, water mains and other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, water or other public conveniences or utilities on, in or over the rear ten (10) feet of each lot and ten (10) feet along both sides of each lot provided, further, that developer may cut drainways for surface water wherever and whenever such action may appear to the developer to be necessary to maintain reasonable standards of health, safety, and appearance. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. Such rights may be exercised by any licensee of the developer, but this reservation shall not be considered an obligation of the developer to provide or to maintain any such utility or service.

Prior to the occupancy of a residence on any lot, proper and suitable provision shall be made for the disposal of

sewage by connection with a septic tank or tanks constructed on such lot for the disposal of all sewage shall be emptied or discharged into such main or tanks. No sewage shall be emptied or discharged into any creek. No sewage-disposal system shall be permitted on any lot, nor may any sewage disposal system be used unless such system is designed, located, constructed, and maintained in accordance with the requirements, standards, and recommendations of the appropriate public-health authority. Approval of such system shall be obtained from such authority after the completion of the said system and prior to the use of the system.

All of the foregoing covenants, conditions, reservations, and restrictions shall, unless theretofore modified by the developer, as hereinafter provided, continue and remain in full force and effect at all times as against the owner of any lot in Marchmont Plantation regardless of how he acquired title, until the commencement of the calendar year 2000, on which date these covenants, conditions, reservations and restrictions shall terminate and end, and thereafter be of no further legal or equitable effect on such premises or any owner thereof; provided, however, that these covenants, conditions, reservations and restrictions shall be automatically extended for a period of ten (10) years, and thereafter in successive ten-year periods, unless on or before the end of one of such extension periods or the base period the owners of a majority of the lots in Marchmont Plantation shall by a written instrument duly recorded in the Davie County Registry declare a termination of the same.

It is expressly understood and agreed that the several covenants, conditions, reservations, and restrictions herein shall attach to and run with the land and it shall be lawful not only for the developer, its successors and assigns, but also for the owner or owners of any lot or lots in "Marchmont Plantation," to institute and prosecute any proceedings at law or in equity against the person or persons violating or threatening to violate the same. Should the developer employ counsel to enforce any of the foregoing covenants or conditions or reservations or restrictions, all costs incurred in such enforcement, including a reasonable fee for counsel, shall be paid by the owner of such lot or lots and the developer shall have a lien upon such lot or lots to secure payment of all such accounts.

Provided, that the breach of any of the foregoing covenants or conditions or reservations or restrictions, shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith for value as to any lot or lots or portions of lots in such premises, but these covenants, conditions, reservations, and restrictions shall be binding upon and effective against any such mortgagee or trustee or owner thereof, whose title thereto or whose grantor's title is or was acquired by foreclosure, trustee's sale, or otherwise.

Provided, further, that no delay or omission on the part of the developer or the owners of other lots in "Marchmont Plantation," in exercising any rights or power or remedy herein

provided, in the event of any breach of the covenants, conditions, reservations, or restrictions herein contained, shall be construed as a waiver thereof or acquiescence therein, and no right of action shall accrue nor shall any action be brought or maintained by anyone against the developer for or on account of its failure to bring any action on account of any breach of these covenants, conditions, reservations, or restrictions, or for imposing restrictions herein which may be unenforceable by the developer or the owner or owners of any lot or lots in "Marchmont Plantation."

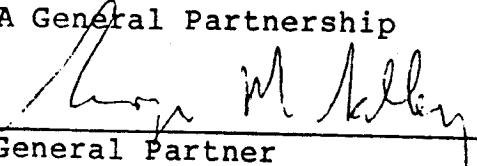
Provided, further, that in the event any one or more of the foregoing covenants, conditions, reservations, and restrictions shall be declared for any reason, by a court of competent jurisdiction, to be null and void, such judgment or decree shall not in any manner whatsoever affect, modify, change, abrogate, or nullify any of the covenants, conditions, reservations, and restrictions not so declared to be void, but all of the remaining covenants, conditions, reservations, and restrictions not so expressly held to be void shall continue unimpaired and in full force and effect.

Provided, further, that in the event the provisions hereunder are declared void by a court of competent jurisdiction by reason of the period of time herein stated for which the same shall be effective, then in that event such terms shall be reduced to a period of time which shall not violate the Rule against Perpetuities under the laws of North Carolina.

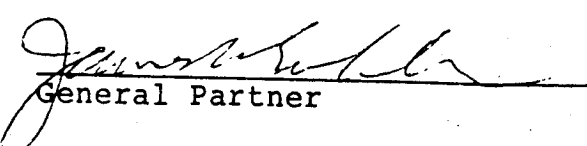
Any or all of the foregoing conditions and restrictions may be removed or modified or changed by the written consent of the developer, which written consent shall be duly executed, acknowledged, and recorded in the Davie County Registry, and which written consent may be given or withheld within the discretion of the developer as it may deem best in the interest of the development and the maintenance of "Marchmont Plantation," according to the overall plan for which development and maintenance are herein evidenced and detailed.

IN WITNESS WHEREOF, the developer has signed and sealed these presents, through all of its general partners, on this the 15th day of MARCH, 1984.

Marchmont Plantation
A General Partnership


General Partner

(SEAL)


General Partner

(SEAL)