PALEIGH, N.C.

THIS DECLARATION, made this day of October, 1979, by CAROLINA HOMESTEAD ASSOCIATES, a North Carolina partnership with its principal office in Wake County, North Carolina, hereinafter called Declarant;

NORTH CAROLINA
WAKE COUNTY

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 convenants 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 shell be held, transferred, sold and conveyed subject to the protective convenants set forth in the various articles of this Declaration.

ARTICLE I

The real property which is, and shall be held, transferred, sold and conveyed subject to the protective convenants 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 Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10, according to plat entitled "Headlaw, Leesville Township, Wake County, N. C.", dated August 20, 1979, prepared by Smith & Smith, Surveyors, and recorded in Map Book 1777, Page 1631, Wake County Registry, North Carolina.

No property other than that described above shall be deemed subject to this Declaration until specifically made subject hereto.

The Declarant may from time to time, subject additional real property
to the protective convenants and restrictions herein set forth by appropriate
reference hereto.

ARTICLE II

PURPOSE. The real property described in Article I hereof is hereby 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 location thereof on lots; to prevent haphazard and inharmonious improvements of lots; to secure and maintain proper set-backs from street, and adequate free spaces between structures, and in general to provide adequately for a high type and quality of improvement in said property, and thereby 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 be 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.

ARTICLE IV

SITE AND FLAN APPROVAL. No building shall be erected, placed or altered on any premises in said development until the building plans, specifications and plat showing the location of such building, 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 the event The Architectural Committee fails to approve or disapprove such 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 said 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
The Architectural Committee shall not be entitled to any compensation for
services performed pursuant to this covenant.

ARTICLE V

Architectural Committee, no building shall be located on any lot, other than a corner lot, less than 40 feet from the front lot line or less than 10 feet from any side lot line, except that a detached garage may be placed 5 feet from a side lot line provided such detached garage is located at least as far back from the front lot line as the rear of the residence. The location of any building on a corner lot in this subdivision shall be fixed by The Architectural Committee, and The Architectural Committee shall have the right to approve the location of any building on any lot without regard to the set-back requirements set forth above.

ARTICLE VI

Architectural Committee, no single story residential structure which has an area of less than 1,900 square feet, exclusive of porches, breeze-ways, steps and garages shall be erected or placed or permitted to remain on any lot; no story and one-half, two story or two and one-half story structure which has a ground floor area of less than 1,050 square feet, exclusive of porches, breeze-ways, steps and garages, shall be erected or placed or permitted to remain on any lot; and no split-level residential structure which has a living area of less than 1200 square feet, exclusive of basement or unfinished area, or has a living area of less than 1,100 square feet, exclusive of basement or unfinished area if the basement level contains additional living area of at least 250 square feet finished as to workmanship and materials comparable to the remaining level or levels, shall be erected or placed or permitted on any lot.

ARTICLE VII

LOT AREA. No lot or combination of lots shall be re-subdivided in such a manner that will result in there being more than the present number of lots shown on said recorded plat.

ARTICLE VIII

STREET LIGHTING. Declarant reserves the right to subject said property to a contract with Carolina Power & 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 & Light Company by the owner of each lot.

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 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 upon 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 offfice 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 complying with Article III hereof, shall be erected or placed on any lot covered by these covenants. No detached garage shall at any time be used for bumun habitation, temporarily or permanently, except for domestic servants employed by the owner of the lot upon which said garage is located.

ARTICLE XI

ANIMALS. No animals, livestock or poultry of any kind shall be raised or kept on any lot, except that dogs, cats or other household pets may be kept on lots provided that said animals are not kept or maintained for any commercial purpose.

ARTICLE XII

FENCES. No fence, wall, hedge, or mass planting shall be permitted to extend nearer the front lot line than the minimum building set-back lines established herein except upon approval by The Architectural Committee.

ARTICLE XIII

PARKING. Adequate off-street parking shall be provided by the owner of each lot for the parking of automobiles owned by such owner and no parking shall be permitted on the streets. Owners of lots shall not be permitted to park trucks, boats, trailers, campers, buses, and other similar property on the streets in the development, and such property shall be parked in a garage or screened area.

ARTICLE XIV

TERM. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them until January 1, 2005, at which time said covenants shall be automatically extended for successive periods of 10 years unless, by vote of a majority of the then owners of the lots covered by these covenants, it is agreed to change said covenants in whole or in part by instrument duly signed and recorded.

ARTICLE XV

ENFORCEMENT. If the parties hereto, or any of them, or their heirs successors, or assigns, shall violate or attempt to violate any of the covenants herein, it shall be lawful for any other person or persons owning any real property situated in said subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, and either to prevent it, her, him or them from so doing or to recover damages or other dues for such violation.

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, CAROLINA HOMESTEAD ASSOCIATES has caused this instrument to be executed in its partnership name by all its partners, duly attested with seal hereto affixed, as of the day and year first above written.

CAROLINA HOMESTEAD ASSOCIATES

NORTH CAROLINA

This St, day of October 1979, personally appeared before me, WAKE COUNTY and State aforesaid, Robert M. Law and Allan B. Head, who being by me duly sworn, says that they are the sole partners of Carolina Homestead Associates, the the foregoing instrument in writing is signed and sealed by them in behalf of said partnership, by its authority duly given, and the said Robert M. Law and Allan B. Head acknowledged the said writing to be the act and deed of

WITNESS my hand and notarial seal, this & Mday of McLilla 1979.