

Keith Morgan
PO Box 2474
Asheboro NC 27264

14-002

000801

Declaration of Covenants, Conditions and Restrictions

This Declaration made this 3rd day of April, 1992 by B. Keith Morgan, hereinafter called "Declarant";

W I T N E S S E T H :

The Declarant is owner of certain property in the City of Asheboro, Asheboro Township, Randolph County, North Carolina which is more particularly described as shown on Exhibit A. The Declarant has constructed thereon two townhouses having a common wall and declares that said properties as described in "Exhibit A" shall be held, sold and conveyed subject to the foregoing easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns and shall endure to the benefit of each owner thereof.

Since there shall only be two lots and two townhouses Declarant has determined that it would be in the best interest not to establish common areas, not to create a homeowners association but deems it in the best interest of the property and the owners thereof to set forth certain covenants, conditions and restrictions regarding the use thereof.

Those restrictions are as follows:

1. Use of Property: The property shall be for residential purposes only and there shall be no business of any kind maintained on the premises.
2. The Party wall: Property shall be divided by a line running through the property in "Exhibit A" and through the middle of the common wall between the two townhouses. Said wall is a fire wall and shall henceforth be a party wall which shall be maintained permanently as a party wall.

To the extent not inconsistent with the provisions of these restrictions the general rules of law regarding party walls, lateral support in below ground construction and of liability for property damage due to negligence or willfull acts or omissions shall apply thereto. The cost of reasonable repair and maintenance of a party wall shall be shared by the owners who make use of the wall in proportion to such use. Any walls destroyed by fire or other casualty shall be restored, except by written consent. All owners may agree not to restore or repair the wall; otherwise, such reconstruction shall be required under the terms of these restrictions. Any owner who damages a wall may be subject to a call for a larger contribution from the other owner under any rule of the law regarding liability for negligent or willfull acts or omissions. Any owner shall have the right to go upon the adjoining lot to the extent reasonably necessary to repair or construct a destroyed or damaged party wall. Such construction shall be done expeditiously. Upon completion of such construction, such owners shall restore the adjoining lot to as near the same condition which prevailed on it before the commencement of such construction as is reasonably practical.

Any owner who by his negligence or willfull act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

The right of any owner to contribution from any other owner under this article shall be appurtenant to the land and shall pass to such owners and their successors in title.

3. Fire: In the event of fire or other catastrophe which destroys or substantially destroys all of the dwelling located on either Lot 1A or 1B the owner shall have the option as to whether not to reconstruct the unit; provided, however, the owner shall not have discretion as to the party wall but shall rebuild the same and shall be required to clean up all debris from the premises within 60 days of such destruction and shall remove the building foundation and other debris and shall re-seed and plant grass on the lot. Such owner shall also regularly maintain such lot as required by these restrictions until such time as the building is replaced thereon. In the event of rebuilding, such rebuilding shall be in keeping with the original building or shall be rebuilt according to plans approved by the owners of both Lots 1A and 1B in writing prior to any rebuilding. The owners of either Lot 1A or 1B may institute suit against the other to require the enforcement by specific performance of this provision and in addition to specific performance and/or other damages which may, by law, be available to such owner shall be entitled to reasonable attorney fees to be set by the court.

4. Roof: The roof of both of the townhouses shall remain the same type material and color. Each owner shall be responsible for reroofing or making repairs to their portion of the roof. In the event it is necessary to replace the shingles or reroof the property it is agreed that the color shall remain the same unless otherwise agreed in writing between the owners.

Each owner shall be responsible for the exterior maintenance of the dwelling on their lot. But the color of each unit shall be and remain the same unless agreed to in writing prior to the change of any color by all owners of the property. The term property as used herein shall mean all the property described in "Exhibit A" attached hereto.

5. Taxes: Each owner shall be responsible to pay taxes on their lot and the dwelling located thereon.

6. Fire Insurance: Each owner shall obtain such insurance as said owner or a lender shall desire. Insurance carried shall at all times be sufficient to reconstruct the party wall between the properties in the event of destruction by fire or some other means including the negligence of one or more of the owners.

7. Yards: Each owner shall maintain their yard in a neat and presentable fashion. Yards with grass shall be mowed at least once every two weeks during the growing season.

8. Parking and Driveway: Each party shall have a right to use only that portion of the circular driveway on their lot. Each owner shall maintain their portion of the circle drive in good condition. Each owner shall be responsible for cleaning and sweeping the portion of the drive or walks located on their lot and shall maintain the same in a neat and clean condition.

9. Utilities: Each lot has its own utilities without the necessity of easements on the other lot.

10. Boats, Trailers & trucks: No boats or trailers of any kind shall be parked on the street, in front or side of either of the townhouses. Any trailers or boats shall be parked in the rear of each dwelling. No trucks larger than the normal size pick-up truck shall be parked or permitted to be parked on the street, in front of the property or beside the dwelling located on the property except when necessary to move or make repairs and that shall be temporary

11. Utility Building: There is located to the rear of the dwellings on this property a utility building which has a common wall in the center with a separate entrance for each side. It is agreed that the utility building will be maintained in the color and type materials as constructed and that the cost of maintenance shall be divided between the parties in the event the building is destroyed unless the parties agree in writing they shall reconstruct the building with the common wall in the center as the present building is constructed and of materials similar or of equal quality as the present building.

12. Easements: Neither party shall have an easement or any access onto the property of the other party for any purpose whatsoever except to repair damage to the dwelling and or the outbuilding without the prior written consent of the other property owner.

13. Dogs: No owner shall keep a dog in a dog house or a lot on the side or front of the dwelling. All dog houses and or dog lots shall be maintained at least 10 feet west of the deck on the rear of each dwelling. Each owner shall be responsible for controlling the noise or barking of the dog(s) and in the event such barking should become a nuisance then the other party may take legal action to have the dog removed from the premises if it is disturbing the occupants of the other dwelling located upon this property.

Any other animals or pets kept or maintained by the occupant of either townhouse shall be kept or maintained in a clean fashion and shall not be permitted to annoy or otherwise destroy or interfere with the reasonable use of the occupant of their property.

13. The property in Exhibit A shall be divided into two lots designated as Lot 1A and Lot 1B. The dividing line shall run thru the center of the party wall and is described as follows:

Beginning at an iron stake in the western right of way line of Lee Street, common corner of a 0.818 acre parcel owned by B. Keith Morgan with the subject lot; thence along the western right of way line of Lee Street South 00 degrees 53 minutes 38 seconds East 37.97 feet to a point in the center or near the center of the Lot described in Exhibit A; running thence from said beginning point and along the dividing line between Lots 1A and 1B South 88 degrees 36 minutes 47 seconds West 199.98 feet to an iron stake in the West line of the property described in Exhibit A said point being located North 00 degrees 53 minutes 38 seconds West 38.52 feet from the Southwest corner of the property as described in Exhibit A.

14. Outbuildings: If any owner desires to construct an additional outbuilding, such outbuilding shall only be constructed and located West of the present outbuilding located on the property and shall be of the same or similar quality materials and shall be painted or stained the same color as the present outbuilding. Any additional outbuilding shall be facing East toward the rear of the dwellings located on the property in Exhibit A.

15. Arbitration: In the event of any dispute arising concerning a party wall, changes in color or materials of the exterior of any of the buildings or other provisions of these restrictions each party shall chose one arbitrator, and such arbitrator shall chose one additional arbitrator, and the decision shall be by a majority of all of the arbitrators and such decision shall be binding on all parties. The cost of arbitration shall be paid one-half by the owner of Lot 1A and one-half by the owner of Lot 1B.

16 Severability: Invalidation of any one of the covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and affect.

The covenants and restrictions in this agreement shall run for a period of 30 years from date and thereafter shall be extended for an additional periods of 10 years each automatically, unless the owners by written agreement change or terminate the same.

At any time during the 30 years referred to herein the owners of Lot 1A and 1B may, by unanimous agreement in writing modify, change, delete or otherwise alter the covenants, conditions and restrictions set forth in this agreement.

IN TESTIMONY WHEREOF, B. Keith Morgan, Declarant has hereunto set his hand and seal this day and year first above written.

B. Keith Morgan (SEAL)
B. Keith Morgan

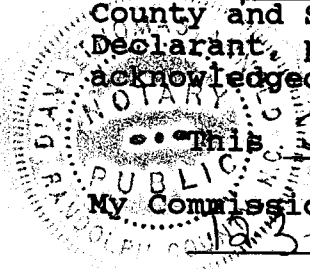
NORTH CAROLINA

RANDOLPH COUNTY

I, Diana Thomas Arnold, a Notary Public for said County and State, do hereby certify that B. Keith Morgan, Declarant, personally came before me this day and acknowledged the due execution of the foregoing instrument.

This 3 day of April, 1992.

My Commission Expires: 12-3-95
Diana Thomas Arnold
Notary Public



NORTH CAROLINA — Randolph County

The foregoing certificate(s) of Diana Thomas Arnold NP

is (are) certified to be correct. This instrument was presented for registration and recorded in this office at Book 1324, Page 801, This 24 day of April, 1992 at 3:34 o'clock P M.

By Ann Shaw Register of Deeds

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EXHIBIT A

BEGINNING at an iron stake in the western right of way line of Lee Street, corner of G. L. Harris; thence along the G. L. Harris line South 88 degrees 14 minutes 44 seconds West 160 feet to an iron stake; thence continuing along Harris' line South 88 degrees 14 minutes 44 seconds West 36.05 feet to an iron stake; thence continuing along Harris' line South 88 degrees 14 minutes 44 seconds West 3.95 feet to an iron stake, corner of a 0.818 acre parcel owned B. Keith Morgan; thence along the line of said 0.818 acre parcel the following courses and distances: North 00 degrees 53 minutes 38 seconds West 38.52 feet to an iron stake, North 00 degrees 53 minutes 38 seconds West 36.69 feet to an iron stake, North 88 degrees 14 minutes 44 seconds East 40 feet to an iron stake and North 88 degrees 14 minutes 44 seconds East 160 feet to an iron stake in the Western right of way line of Lee Street; thence along said right of way line two calls to the beginning: South 00 degrees 53 minutes 38 seconds East 37.97 feet to an iron stake and South 00 degrees 53 minutes 38 seconds East 37.23 feet to the Beginning and being Lots 1A and 1B as shown on a plat by Surveying Services, entitled Keith Morgan Townhouses.