

MAIL TO:
J. FRANK HARRIS
P O BOX 2580
GREENSBORO NC 27402

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14.00

STATE OF NORTH CAROLINA

COUNTY OF RANDOLPH

DECLARATION OF RESTRICTIVE COVENANTS

WHEREAS, under that certain Real Estate Purchase Agreement executed the 1 day of February, 1994 (the "Agreement"), MDI MANAGEMENT, INC. ("Seller"), agreed to convey to DR. KEVIN J. GUTHRIE ("Buyer") a parcel of real property described as Lot 1 Plat Book 39 at Page 53, Randolph County Registry ~~and attached hereto as Exhibit A;~~ and attached hereto as Exhibit A; and

WHEREAS, Seller is owner of fee simple title to those certain parcels of real property described as Lots 2 and 3 Plat Book 39 at Page 53, Randolph County Registry ~~and attached hereto as Exhibit A;~~ and attached hereto as Exhibit A; and

WHEREAS, pursuant to the terms of said Agreement, Buyer and Seller agreed to certain terms and conditions affecting the real property owned by Buyer and Seller; and

WHEREAS, Buyer and Seller hereby make the following declaration as to limitations and restrictions which shall apply to the above-referenced lots and hereby specify that said declaration, limitations, and restrictions shall constitute covenants running with the land and shall be binding on the Buyer, Seller, and all persons claiming under them, and shall be for the benefit of and shall be limitations upon all future owners of the above-referenced lots.

NOW, THEREFORE, Buyer and Seller hereby covenant and agree as follows:

1. Seller hereby gives, grants, conveys for itself and its grantees, successors, and assigns, as an appurtenance to and for the benefit of Lots 1 and 3, and Buyer hereby gives, grants, conveys for itself and its grantees, successors, and assigns, as an appurtenance to and for the benefit of Lot 2, and to the respective grantee, successors, and assigns and to each and every other person, firm, entity or corporation hereafter owning any portion of Lots 1, 2 or 3, and for the benefit of all said owners as well as for the benefit of each of the respective officers, tenants, employees, agents, customers, business visitors, guests, licensees, invitees and all other persons lawfully upon any portion of Lots 1, 2 or 3, a mutual reciprocal and non-exclusive easement, right, and privilege of use, both pedestrian and automotive, for the purposes of ingress and egress, and passage over, upon, under, and through those portions of Lots 1, 2 and 3 which have driveways and driving

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areas thereon (such portion being hereinafter referred to as the "Easement Area").

2. The owners of Lots 1, 2 and 3 and their respective grantees, successors, and assigns hereby agree they shall not erect or permit erection of any curbing, fencing or other barriers or obstruction on or within the Easement Area that will in any way interfere with the use thereof for the purposes allowed in this Agreement. The Easement Area is to be kept open at all times for free use thereof as intended herein.

3. Buyer hereby covenants and agrees for itself, its grantees, successors, and assigns of Lot 1, and Seller hereby covenants and agrees for itself, its successors, and assigns of Lot 3, that no portion of Lots 1 and 3 shall be used for prescription drug sales, the sale of grocery and food products, the operation of an adult book store, the operation of a retail video establishment, the operation of a bar, or the sale of alcoholic beverages. The provisions of this paragraph shall be real covenants running with the land and not personal covenants and shall be enforceable by the owner or owners from time to time of Lots 1, 2 and 3.

4. Buyer, its grantees, successors, and assigns, and the Seller, its grantees, successors, and assigns of Lot 3, hereby agree that no building or other structure shall be erected upon Lots 1 or 3 until the complete final architectural plans and specifications therefore have been approved in writing by the Seller, its grantees, successors, and assigns. The provisions of this paragraph shall be real covenants running with the land and not personal covenants and shall be enforceable by the owner or owners from time to time of Lots 1, 2 and 3.

6. Buyer, its grantees, successors, and assigns of Lot 1, and seller, its grantees, successors, and assigns of Lot 3, hereby agree that any building or other structure erected on Lots 1 or 3 shall be no more than one story. The provisions of this paragraph shall be real covenants running with the land and not personal covenants and shall be enforceable by the owner or owners from time to time of Lots 1, 2 and 3.

7. All easements as specified herein are to be superior to all leases, sales, conveyances, transfers, assignments, contracts, mortgages, or other encumbrances and documents in any way affecting Lots 1, 2 and 3, and any party foreclosing any such mortgage, deed of trust, lien, or encumbrance and all other persons or entities acquiring title or interest in any portion of the Easement Area shall acquire and hold the title of such property and any portion thereof subject to aforementioned easements.

8. Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

9. If the owner of any of the lots shall violate or attempt to violate any of the covenants herein, it shall be lawful for any other person or entity owning any of said lots to prosecute any proceedings at law or in equity against the person or entities violating or attempting to violate any such covenants and either to prevent such person or entity from doing so or to recover damages for such violation.

10. All covenants, terms, agreements, conditions, and restrictions set forth in this Agreement are intended to be and shall be construed as covenants binding with the land, binding upon, inuring to the benefit of and enforceable by the parties hereto, the respective successors-in-interest, grantees and assignees upon the terms, provisions and conditions herein set forth.

IN WITNESS WHEREOF, MDI Management, Inc., also known as Seller, and Dr. Kevin J. Guthrie, also known as Buyer, have executed, sealed, and delivered this Agreement as of the day and year first above written.

MDI MANAGEMENT, INC.

By: [Signature]
President

ATTEST:

[Signature]
Secretary

(Corporate Seal)



[Signature] O.P. (SEAL)
Kevin J. Guthrie, M.D.

NORTH CAROLINA

Caldwell COUNTY

I, Vickie M. Arthur, a Notary Public of the County and State aforesaid, certify that RONALD W. KNEDLIK personally came before me this day and acknowledged that he is Secretary of MDI MANAGEMENT, INC., a North Carolina corporation, and that by authority duly given and as the act of the corporation,

