

or permanently.

ARTICLE VIII

FENCES. No fence or fencing-type barrier of any kind shall be placed, erected, allowed or maintained upon any portion in the subdivision, including any lot, without the prior consent of the Architectural Committee. The Architectural Committee may issue guidelines detailing acceptable fence styles or specifications, but in no event shall hog-wire or chicken-wire be approved nor shall any chain-link fencing be allowed in view from any street within the subdivision.

ARTICLE IX

ACCESSORY BUILDINGS. No accessory building of any nature whatsoever, including, but not limited to, detached garages and storage buildings in excess of the size specified in Article VII of these Protective Covenants shall be placed on any lot without the prior written approval of the Architectural Committee. Said Architectural Committee shall have the sole discretion relating to the location and type of accessory building which shall be permitted on any lot. All accessory buildings must have a permanent foundation. Only one detached accessory building shall be permitted per lot. At no time will accessory buildings be permitted to be located in the front yard of any lot in the subdivision.

ARTICLE X

CONSTRUCTION REQUIREMENTS. All builders in the subdivision must provide a central area for construction debris which is fenced such that all construction debris can be confined within said fenced area. In the event a builder does not provide or maintain said fenced area for construction debris, Declarant reserves the right to clean the lot and charge the builder for the costs of said clean-up. The intent of Declarant is for all builders to maintain a lot that is neat in appearance during the construction of a home on any lot in the subdivision. A temporary gravel driveway must be installed prior to the commencement of any construction, including lot clearing, on any lot in the subdivision. In addition, all driveways must have a concrete pipe and graveled surface installed prior to the digging and pouring of the footings for the home constructed on any lot in the subdivision if the permanent concrete paved turnout has not been installed prior to the digging of said footings. In addition, there shall be no open burning of debris at any time during the construction of the homes on any of the lots in the subdivision.

ARTICLE XI

APPEARANCE. Each lot owner shall keep his or her lot free from tall grass, undergrowth, dead trees, trash and rubbish, and properly maintained so as to present an attractive appearance within the subdivision. In addition, each lot owner is expressly required to properly maintain that area located between their property line and the asphalt streets located in Southwick Farm Subdivision, said area being the drainage ditch or swale of the street right-of-way located directly in front of and/or to the side of their lot. In the event a lot owner does not properly maintain his or her lot as provided above in the opinion of the Declarant and/or Architectural Committee, then Declarant, or its successors in interest, at its option, may have the lot cleaned to Declarant's or Architectural Committee's satisfaction, and the costs thus incurred shall be the responsibility of the lot owner. The costs of clean-up, if expended by the Declarant or its successors in interest, shall be a continuing lien upon the lot until the sums due and payable are paid in full. Location of satellite television receivers must be approved in writing by the Architectural Committee, but in no event shall any receiver be visible from any road within the

And the Grantor does hereby covenant and agree with the Trustee as follows:

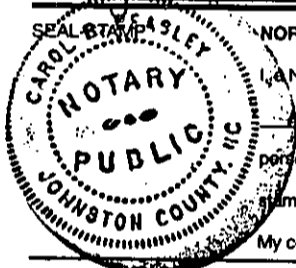
- 1. **INSURANCE.** Grantor shall keep all improvements on said land, now or hereafter erected, constantly insured for the benefit of the Beneficiary against loss by fire, windstorm and such other casualties and contingencies, in such manner and in such companies and for such amounts, not exceeding that amount necessary to pay the sum secured by this Deed of Trust, and as may be satisfactory to the Beneficiary. Grantor shall purchase such insurance, pay all premiums therefor, and shall deliver to Beneficiary such policies along with evidence of premium payment as long as the note secured hereby remains unpaid. If Grantor fails to purchase such insurance, pay the premiums therefor or deliver said policies along with evidence of payment of premiums thereon, then Beneficiary, at his option, may purchase such insurance. Such amounts paid by Beneficiary shall be added to the Note secured by this Deed of Trust, and shall be due and payable upon demand by Grantor to Beneficiary.
- 2. **TAXES, ASSESSMENTS, CHARGES.** Grantor shall pay all taxes, assessments and charges as may be lawfully levied against said premises within thirty (30) days after the same shall become due. In the event that Grantor fails to so pay all taxes, assessments and charges as herein required, then Beneficiary, at his option, may pay the same and the amounts so paid shall be added to the Note secured by this Deed of Trust, and shall be due and payable upon demand by Grantor to Beneficiary.
- 3. **PREPAYMENT PENALTY.** This paragraph does not apply (1) if your loan is a "home loan" as defined at §24-1.1A(e) NC General Statutes and the principal sum is \$100,000 or less, or (2) if the principal sum is \$25,000 or less. Lender may charge a prepayment penalty not to exceed 2% of the balance of the Note for a prepayment during each of the first three (3) years following the date of the Note.
- 4. **FUTURE ADVANCES.** Upon renewal or refinancing of the Note secured hereby, Lender may, upon request by Borrower and at Lender's sole discretion, advance additional sums, which sums, if any, together with the amounts included in the renewal or refinanced Note, shall, with interest thereon, be secured by this Deed of Trust. At no time shall the principal amount of the indebtedness secured by this Deed of Trust, not including sums advanced in accordance herewith to protect the security of this Deed of Trust, exceed the original amount of the Note plus \$100,000.
- 5. **WASTE.** The Grantor covenants that he will keep the premises herein conveyed in as good order, repair and condition as they are now, reasonable wear and tear excepted, and that he will not commit or permit any waste, and also not to demolish, destroy, or remove any permanent structure now existing on the premises or make any alteration thereon that would constitute a structural change without the written consent of the Beneficiary.
- 6. **TRANSFER OF PROPERTY.** If all or any part of the property or an interest therein is sold or transferred by the Borrower without the prior written consent of the owner of the indebtedness, excluding (a) creation of a lien or encumbrance subordinate to this Deed of Trust, (b) creation of a purchase money security interest for household appliances, (c) transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, the owner of the indebtedness may, at his option, declare the Borrower to be in default.
- 7. **SUBSTITUTION OF TRUSTEE.** Grantor and Trustee covenant and agree to and with Beneficiary that the Beneficiary, its successors and assigns, shall have the irrevocable right and power to remove the Trustee and appoint a substitute Trustee at any time hereafter, without notice and without specifying any reason therefor, by filing of record in the office where this instrument is recorded an instrument of appointment. The Grantor and the Trustee expressly waive notice of the exercise of the foregoing power of substitution, and waive any necessity for making oath or giving bond by any Trustee, as well as any requirement for application to any court for the removal, appointment or substitution of any Trustee hereunder by the Beneficiary. A substitute Trustee shall upon appointment become successor to the title of the said premises and the same shall become vested in him in trust for the purposes and uses of these presents, with all the powers, duties and obligations herein conferred on the Trustee in the same manner and to the same effect as though he were named herein as Trustee.
- 8. **FORBEARANCE BY BENEFICIARY NOT A WAIVER.** Any forbearance by Beneficiary in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Beneficiary shall not be a waiver of Beneficiary's right to accelerate the maturity of the indebtedness secured by this Deed of Trust.
- 9. **CIVIL ACTION.** In the event that the Trustee is named as a party to any civil action as trustee in this Deed of Trust, the Trustee shall be entitled to employ an attorney at law, including himself if he is a licensed attorney, to represent him in said action and the reasonable attorney's fees of the Trustee in such action shall be paid by Beneficiary and charged to the Note and secured by this Deed of Trust.
- 10. **PRIOR LIENS.** Default under the terms of any instrument secured by a lien to which this Deed of Trust is subordinate shall constitute default hereunder.

IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal the day and year first above written.

ATTEST/WITNESS

Inge Andes

Leuther Dugg (SEAL)  
Glenn Rugh (SEAL)  
 \_\_\_\_\_ (SEAL)



NORTH CAROLINA, Johnston County.

I, a Notary Public of the County and State aforesaid, certify that Glenn Rugh and Inge Andes Grantor,

Inge Andes personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official

stamp or seal, this 6<sup>th</sup> day of January, 19 99.

My commission expires: April 10, 2001 Carol R. Beasley Notary Public

The foregoing Certificate(s) of \_\_\_\_\_

is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

BY \_\_\_\_\_ REGISTER OF DEEDS FOR \_\_\_\_\_ COUNTY  
Deputy/Assistant-Register of Deeds

SATISFACTION: The debt secured by the within Deed of Trust together with the note(s) secured thereby has been satisfied in full.

This the \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_

Signed \_\_\_\_\_

Recording: Time, Book and Page

Tax Lot No. \_\_\_\_\_ Parcel Identifier No. \_\_\_\_\_

Verified by \_\_\_\_\_ County on the \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_

by \_\_\_\_\_

State of North Carolina-Johnston County

The foregoing certificate(s) of \_\_\_\_\_

Carol R. Beasley

Notary (Notaries) Public is (are) certified to be correct.

This instrument was presented for registration and recorded

in Book 1782 Page 244

This Jan 7 19 99 at 4:45 P.M.

Phyllis N Wall  
Register of Deeds

Mary Baer  
Deputy Register of Deeds

475

Prepared by and Hold for: Kristoff Law Offices

NORTH CAROLINA  
JOHNSTON COUNTY

PROTECTIVE COVENANTS  
SOUTHWICK FARM, PHASE 7A

THIS DECLARATION, made and entered into this 5<sup>th</sup> day of January, 1999 by Southwick Development Co., L.L.C., hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of that certain tract or parcel of land more particularly described as all of the Lots in Southwick Farm Subdivision, Phase 7A, Plat Book 53, Pages 212 and 213, Johnston County Registry, and

WHEREAS, it is for the mutual benefit of all homeowners in Southwick Farm Subdivision, Phase 7A, both present and future, for Declarant to subject said lots as referenced hereinabove to the following Protective Covenants;

NOW, THEREFORE, Declarant does hereby declare that all of the real property referred to above shall be held, sold and conveyed subject to the following 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 above-described real property, or any part thereof, their heirs, successors and assigns, for the term of these covenants as set forth below, and shall inure to the benefit of each holder thereof.

ARTICLE I

LAND USE AND BUILDING TYPE. No lot shall be used except for residential purposes, except that nothing herein shall preclude the use of any lot for a utility purpose for the benefit of this subdivision or access by the Declarant or its successors in interest, except that if any lot is purchased from the Declarant by an individual lot owner or builder, then said lot must be used for residential purposes only. No building shall be erected, altered, placed or permitted to remain on any lot other than one (1) detached single-family dwelling not to exceed two and one-half (2 1/2) stories in height and a private garage for not more than three (3) cars, and (with the approval of the Architectural Committee) an accessory building or structure for storage or other appropriate use, not in excess of two hundred fifty (250) square feet in area. No lot shall be further subdivided without the express written consent of Declarant herein.

ARTICLE II

SITE AND PLAN APPROVAL. No building, fence, swimming pool or any other structure shall be erected, placed or altered on any premises in the subdivision until the building plans, builder specifications and plot plan showing the location of such improvements have been approved in writing as to conformity and harmony of external design with existing improvements in the subdivision, and as to location of the improvements with respect to topography and finished ground elevation by an Architectural Committee. The Architectural Committee shall be composed of the Declarant, however, Declarant shall have the authority to appoint others to the Architectural Committee in the future, as Declarant deems necessary. All driveways installed on

subdivision, except with special consent from Declarant. Screening for satellite television receivers are subject to approval by the Architectural Committee. Communication towers are expressly prohibited. Stick-built homes, constructed on the premises, are expressly required. No prefabricated or manufactured homes are permitted on any lot. All primary fuel storage tanks must be placed underground, or be placed behind the main dwelling, out of view from any street. Home curtain foundation walls are expressly prohibited unless approval for the same is first obtained, in writing, from the Architectural Committee. Brick mailboxes are expressly prohibited. No inoperable motor vehicles, or those motor vehicles not registered with a Department of Motor Vehicles, may be parked on any lot if visible from any road within the subdivision. At the option of the Declarant and/or the Architectural Committee, silt fences may be required to be erected during the period of construction of any structure to be located on any lot, to prevent erosion or other damage to adjoining lots. Construction and maintenance of same shall be borne by the lot owner. In the event an owner does not construct such a fence after being requested to do so by the Declarant and/or Architectural Committee, then Declarant, or its successors in interest, at its option, may have the fence erected, and the costs thus incurred shall be the responsibility of the lot owner. The costs of construction of such fence or fences, if expended by the Declarant or its successors in interest, shall be a continuing lien upon the property until the sums due and payable are paid in full.

#### ARTICLE XII

**ANIMALS.** No animals, swine or fowl of any kind, other than ordinary household pets, shall be kept or maintained on any lot in the subdivision. Dogs must be contained within their owner's lots, or on leashes. Incessant barking or other offensive activities by household pets shall be considered noxious and offensive activities and shall not be permitted.

#### 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 owners of lots shall not be permitted to park their automobiles on the streets in the subdivision. Owners of lots shall not be permitted to park all-terrain vehicles, boats, trailers, campers, commercial vehicles and other similar property on the streets in the subdivision, and such property shall not be permitted to be parked in the front yard, or in view from the street, except with special written consent from Declarant.

#### ARTICLE XIV

**UNDERGROUND UTILITIES AND STREET LIGHTING.** Declarant reserves the right to subject the real property described hereinabove to a contract with Carolina Power and Light Company or its successors in interest for the installation of underground electric cables and the installation of street lighting, either or both which may require a continuous monthly charge to the owner of each lot.

#### ARTICLE XV

**AMENDMENT.** While Declarant owns any lot within the subdivision, or for such shorter period as allowed by law, Declarant shall have the absolute right to amend these Protective Covenants, which amendment or amendments shall be binding upon all property owners within the subdivision. Thereafter, these Protective Covenants may be amended by an instrument signed by not less than seventy-five percent (75%) percent of lot owners.

ARTICLE XVI

ANNEXATION. Declarant has the absolute right to annex additional residential property, including common areas which may subject the homeowners in the subdivision to assessments for maintenance of the common areas, while Declarant owns any lot within the existing subdivision, or for such shorter period as allowed by law. Thereafter, additional properties may be annexed, including common areas, with the consent of at least seventy-five percent (75%) of the lot owners.

ARTICLE XVII

TERM. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date these covenants are recorded with the Johnston County Register of Deeds Office, after which time said covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by a majority of the then lot owners has been recorded, agreeing to change these covenants, in whole or in part.

ARTICLE XVIII

ENFORCEMENT. Enforcement of these covenants shall be by proceeding at law or in equity against any person or persons violating or attempting to violate any covenant, and the aggrieved party may request restraint of the violation or damages resulting from said violation.

ARTICLE XIX

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 these covenants shall not be construed as a waiver of any future enforcement rights.

IN TESTIMONY WHEREOF, the Declarant has hereunto set its hand and seal the day and year first above-written.

SOUTHWICK DEVELOPMENT CO., L.L.C., Declarant

By: Philip S. York  
MANAGER

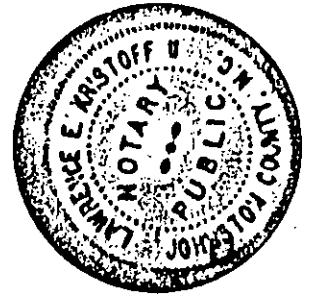
NORTH CAROLINA  
JOHNSTON COUNTY

I, a Notary Public of the County and State aforesaid, certify that Philip S. York, Manager of Southwick Development Co, LLC personally appeared before me and acknowledged the due execution of the foregoing instrument.

Witness my hand and official stamp or seal this 8<sup>th</sup> day of January, 1999.

[Signature]  
Notary Public

My Commission Expires: 3/29/2000



State of North Carolina-Johnston County

The foregoing certificate(s) of Lawrence E. Kristoff II

Notary (Notaries) Public is (are) certified to be correct.

This instrument was presented for registration and recorded

in Book 1782 Page 246

This Jan 7 1999 at 4:45 PM

Phyllis N Wall

Register of Deeds

Mary Grace

Deputy Register of Deeds