

Prepared by & Return to: J. M. Hauser, HOGUE & STRICKLAND, 110 West Margaret Lane, Hillsborough, NC 27278

STATE OF NORTH CAROLINA
COUNTY OF ORANGE

BOOK 701 PAGE 521

DECLARATION
OF
RESTRICTIVE COVENANTS

THIS DECLARATION, made this 31st day of December, 1987, by BONNIE M. GATES (Unmarried), hereinafter called Declarant, who has a mailing address of P. O. Box 399, Hillsborough, NC 27278.

W I T N E S S E T H :

WHEREAS, Declarant owns in fee simple the real property and its appurtenances described in Article I below, known as SLEEPY HOLLOW; and

WHEREAS, Declarant may add additional acreage to SLEEPY HOLLOW and subdivide the resulting acreage similarly to the Property described in Article I; and

WHEREAS, Declarant desires for herself, her heirs, successors, and assigns, and all future owners of any part or parcel of the described property to ensure a uniform development of the same.

NOW, THEREFORE, Declarant hereby declares and agrees that she and all persons, firms, or corporations, and the heirs, successors, and assigns thereof, owning any portion of SLEEPY HOLLOW, and any additional property within the development area as may by subsequent amendment be added to and subjected to this Declaration, shall be subject to the following restrictions, conditions, and covenants relating to the ownership, use, and occupancy of the same. This Declaration and the restrictions shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in and to the real property or any part or parts thereof subject to this Declaration.

ARTICLE I. The property subject to this Declaration is in Little River Township, Orange County, North Carolina, and is more particularly described as follows:

BEING that certain lot or parcel of land lying and being in Little River Township, Orange County, North Carolina, and being more particularly described as Tract II in deed recorded in Deed Book 683, Page 418, Orange County Registry, to which reference is hereby made for a more particular description of the same; and any other property added by Declarant, her heirs, successors and assigns hereunder.

Said land and any other property added thereto is hereinafter referred to as "the Property" or "SLEEPY HOLLOW."

ARTICLE II. The following restrictions shall apply to the Article I Property:

1. Residential Use. The Property shall be used for single-family residential purposes only. No more than one single-family residential building shall be erected, placed, or permitted on any lot within the Property. Such outbuildings as are usually accessory to such residential use may be erected, placed or permitted on each lot. Any separate building on any lot, including but not limited to garages, carports, storage, outbuildings and barns shall be of high quality and constructed of materials and with appearance similar to those of the residence on the lot. Sheet metal storage buildings are expressly prohibited. No shops, stores, factories or business houses of any kind shall be erected or suffered or licensed to exist on the Property, and no hospital, asylum, or institution of like nature shall be erected or suffered or licensed to exist upon the Property. No structure separate from any residence and no structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any lot at any time as either a temporary or a permanent rental unit, and no structure separated from the main residence shall be used on any lot at any time as either a temporary or permanent residence.

2. General Architectural Requirements. All houses built in SLEEPY HOLLOW must have a minimum floor space for residential living, excluding

FOR MULTIPLE PIN SHEET SEE
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RECORDED
DATE 12-31-87

carports, garages, and porches, of 1,250 square feet. No cement, solite, concrete block or similar block, shall be used in any exposed exterior wall in any structure; only stucco, brick, stone, brick and frame or frame being permitted. In order to ensure an attractive entrance, the plans for any house to be built on Lots 1, 2, and 3 of SLEEPY HOLLOW must be approved by Declarant. All fences shall be chain link, brick, stone, or wood, provided, however, that no fence along the front of any of the lots shall be constructed of metal. No chain link fences shall be within setback requirements.

3. Setbacks. Any houses or outbuildings erected on the Property shall be set back at least 150 feet from the centerline of the right-of-way of any access easements or any public or private roads within SLEEPY HOLLOW and must be set back at least 50 feet from the side or back line of all lots, except that the setbacks on Lot 2 shall be 150 feet from the centerline of any right-of-way, access easement or public or private roads and 30 feet from the side and back lines of said lot.

4. Trees. No timber shall be sold commercially or cut from lots except for the home site, personal garden, lawn area, pasture, ponds, and wood-burning needs of the landowner. In order to maintain the rural, wooded atmosphere of the development and to insure privacy and a wooded area between lots, no healthy trees larger than 6" in diameter (when measured 36" above the ground) shall be cut down except to allow for the construction of driveways, septic systems, wells, and public utilities. Driveways shall not be wider than twenty (20) feet through the 150-foot setback adjoining any private road.

5. Underground Utilities. All utility lines from the public road to the lots in SLEEPY HOLLOW shall be properly installed underground and all utility lines within each lot shall be properly installed underground. No transformer, vault, or utility junction box shall be placed nearer than 100 feet to the right-of-way of any public or private road.

6. Animals. With the exception of swine, domestic animals may be kept on the Property under reasonable regulation, control and sanitation, provided they do not become a nuisance to other owners in SLEEPY HOLLOW. In no case shall said animals be allowed to run beyond the owner's boundary, nor be kept, bred or maintained for commercial purposes.

7. Meetings. An annual meeting of owners of all lots in SLEEPY HOLLOW shall be held on the first Sunday afternoon in March of each year at a time and place set by the convenor (determined pursuant to paragraph 8 below), with notice provided as described below. At such meeting, there shall be one vote granted to the then record owner or owners of each unimproved lot in SLEEPY HOLLOW and three votes to the then record owner or owners of each lot upon which a residence shall be under construction or completed. This voting weight shall apply in each respective question to be voted upon except as otherwise provided herein.

At such meeting, there shall be determined all matters of joint expenditures for entranceway maintenance, mowing of shoulders of DEER CROSSING ROAD (to satisfy each lot owner's responsibility set forth as to such ROAD in paragraph 14 below), DEER CROSSING ROAD maintenance (as set forth in the MAINTENANCE AGREEMENT recorded in Book 701, Page 516, Orange County Registry), the question of election of the person to be responsible during the ensuing year to carry out the will of the owners and spend and account for the maintenance funds, and any other matters of common responsibility of the said lot owners. All questions shall be decided by a majority of votes cast.

Maintenance costs shall be computed and prorated among owners by multiplying the total maintenance cost by each owner's available votes as set forth above and then dividing by the total number of available votes with respect to all lots in SLEEPY HOLLOW.

8. Escrow of Maintenance Funds. Prior to the closing of the sale of the fifth (5th) SLEEPY HOLLOW lot sold by the Declarant, or for a period of one year from the recordation of this instrument, whichever event shall first occur, Declarant shall provide and pay for maintenance of DEER CROSSING ROAD, including any necessary snow removal, street lights for DEER CROSSING ROAD, and similar maintenance. Upon the sale of the fifth (5th) SLEEPY HOLLOW lot sold by Declarant or at the end of one year from the recordation of this

instrument, whichever event shall first occur, a \$100.00 escrow deposit shall be paid for each lot in SLEEPY HOLLOW by the owner or owners thereof. These funds shall be placed on deposit with Hillsborough Savings and Loan Association by Declarant in an account titled "SLEEPY HOLLOW Trustee." The original Trustee who shall determine the need for and carry out such maintenance prior to the first scheduled owners' meeting hereunder shall be Bonnie M. Gates or her heirs, successors, or assigns, in ownership of the majority of lots in SLEEPY HOLLOW. From and after the first said owners' meeting, the responsibility for carrying out the maintenance decisions there made shall pass annually to the person elected at each such meeting to take such responsibility and to become Trustee of the said escrow account.

9. Assessment. At each owners' meeting called pursuant to these Covenants or to the DEER CROSSING ROAD MAINTENANCE AGREEMENT, each owner's prorata share of the approved maintenance costs shall be assessed and shall be due and owing to the said escrow account Trustee no later than ten (10) days after the said meeting. If not paid at that time, the said assessment may be reduced to Judgment by the said Trustee and shall thus become a lien on the land of the defaulting record owner.

10. Screening. Radio towers, TV antennae, satellite dishes, play structures, boats, travel trailers, clotheslines, garbage and trash cans, pet runs and pet enclosures, and similar items shall be discreetly screened from view from any right-of-way, access easement, or private or public road adjoining lots and shall not be located within any setback area.

11. Off-street Parking of Vehicles. Each lot owner shall be responsible for providing adequate off-street parking for all automobiles and other vehicles of every kind or nature owned by the lot owner or any member of the lot owner's household; the parking of such vehicles shall not be permitted in any private or public road, right-of-way or access easement, adjoining any lot. All automobiles and motor vehicles must be currently licensed and inspected if they are visible from adjacent property or any private or public road, right-of-way or access easement.

12. Street Lights. The Declarant shall provide for uniform street lighting along DEER CROSSING ROAD. No lights other than those provided by Declarant shall be placed in any setback area.

13. Mailboxes. All mailboxes and mailbox supports shall conform to a uniform design standard as installed by the Declarant and shall be maintained through the Maintenance Fund established herein.

14. Maintenance of Lots. Each owner within SLEEPY HOLLOW shall maintain and preserve said lot in a clean, orderly, and attractive appearance within the spirit of the development. Lot owners shall be responsible for maintaining their lots to the centerline of DEER CROSSING ROAD. Maintenance and preservation of the lot shall include, for example, the trimming of shrubs and the mowing of grass, removal of fallen trees and limbs, removal of debris, removal of underbrush within the setback areas, and the like.

15. Signs. No signs or billboards of any description shall be displayed on the property, with the exception of "For Rent" and "For Sale" signs, as necessary, which signs shall not exceed 9 square feet in size.

ARTICLE III. These Restrictions shall remain in effect for forty (40) years. If prior to the end of the 40-year period, a continuation of these Restrictions is recorded in the Orange County Registry and signed by the then owners of three-fourths (3/4ths) of all the lots located in SLEEPY HOLLOW, the said restrictions may be continued for an additional forty (40) years.

ARTICLE IV. Should any covenant or restriction herein contained, or any Article, Section, or sub-section, sentence, clause, phrase, or term of this Declaration be declared to be void, invalid, illegal, or unenforceable, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

ARTICLE V. It shall be the responsibility of each property owner, tenant, contractor, or subcontractor to prevent the development of any unsightly, unkempt, or unsafe conditions of buildings or grounds on the Property. Further, no owner, tenant, or guest shall carry on any obnoxious or offensive activity upon the Property.

ARTICLE VI. The Declarant reserves unto herself, her heirs, successors and assigns, and her agents, a perpetual, alienable, and releasable easement right in, on, over, and under those portions of the Property as lie within access easements and other private roads within the Property and within thirty feet of any lot line within the Property, to erect, maintain, and use electric, community antennae television, and telephone poles, wires, cables, conduits, drainage ways, sewers, water mains, and other suitable equipment for the conveyance and use of the electric, telephone equipment, gas, sewer, water, drainage, or other public conveniences or utilities owned. 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 similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety, and appearance.

ARTICLE VII. All covenants, restrictions, and affirmative obligations set forth in this Declaration shall run with the land and shall be binding on all parties and persons claiming under them.

ARTICLE VIII. It is further stipulated and agreed that the owner of the Property, and its heirs, successors, or assigns, may enforce the above covenants and agreements by injunction and that this shall not be in exclusion of, but in addition to, all other remedies available in law or equity. The failure to enforce any rights, reservations, restrictions, or conditions contained in this Declaration, regardless of how long such failures shall continue, shall not constitute a waiver or a bar to such right of enforcement.

ARTICLE IX. For the purposes of these Restrictions, the singular shall include the plural, the masculine shall include the feminine and the neuter, and vice versa, as the meaning may require.

IN WITNESS WHEREOF, Declarant has caused this instrument to be signed as of the day and year first above written.

Bonnie M. Gates (SEAL)
Bonnie M. Gates

NORTH CAROLINA

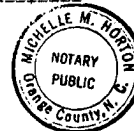
ORANGE COUNTY

I, Michelle M. Horton, a Notary Public in and for said County and State, do hereby certify that BONNIE M. GATES, personally appeared before me this day, and acknowledged the due execution of the foregoing DECLARATION OF RESTRICTIVE COVENANTS for the intents and purposes therein expressed.

WITNESS my hand and notarial seal, this the 31st day of December, 1987.

Michelle M. Horton
Notary Public

My Commission Expires: 2-22-91



NORTH CAROLINA - ORANGE COUNTY

The foregoing certificate(s) of Michelle M. Horton,

A Notary ~~(or Notary)~~ Public of the designated Governmental units is ~~(was)~~ certified to be correct. Filed for registration this the 31st day of December 19 87, at 5:22 o'clock, P.M. in Record Book 701 Page 521.

Return: _____

Betty June Hayes, Register of Deeds
By: Delmarah P. Seal
Assistant/Deputy Register of Deeds

Prepared by and return to: Anne Page Watson, Suite 301, 3200
Croasdaile Drive, Durham, N.C. 27705

STATE OF NORTH CAROLINA

BOOK 940 PAGE 252

COUNTY OF ORANGE

AGREEMENT FOR

FOR MULTIPLE PIN SHEET
SEE BOOK 940 PAGE 251

SET BACK VARIANCE TO



940 252 1/4

RESTRICTIVE COVENANTS

THIS AGREEMENT, made this 6th day of September, 1991, by and between BONNIE M. GATES (unmarried), ROGER DALE STEPHENS (unmarried), William R. Smith and wife Mary Jane Smith, James Cribbs (unmarried), Rita Stephens (unmarried), Toby Kent Poole and wife Dedhra Poole, Bruce Appell and wife Judy Appell, and Joe Harris and wife Linda Harris (hereinafter known as "property owners"):

WITNESSETH:

WHEREAS, Bonnie M. Gates and Roger Dale Stephens are the developers of the subdivision in Orange County North Carolina known as "Sleepy Hollow", and they, together with William and Mary Smith, James Cribbs, Rita Stephens, Toby and Dedhra Poole, Bruce and Judy Appell, and Joe and Linda Harris, own in fee simple all of the real property designated as "Sleepy Hollow" in Little River Township, Orange County, North Carolina and shown on the plats of Sleepy Hollow recorded in Plat Book 49, pages 45 and 46, Orange County Registry; and

WHEREAS, Developer BONNIE M. GATES filed Declaration of Restrictive Covenants for "Sleepy Hollow" in Deed Book 701 at page 521, Orange County Registry, and filed an Amendment thereto in Book 788, at page 2, Orange County, and said restrictions as amended require that houses on Lots Number 1, 2, and 3 of said subdivision have 20 foot set backs from the side property lines of said lots;

WHEREAS, property owners Joe Harris and wife Linda Harris are in the process of constructing a house on lot number 2 in "Sleepy Hollow" as shown in Plat Book 49 at page 45, and while the foundation wall on the northeast side of the house is well within the 20 foot side set back requirement, the roof eave which is to be constructed on that side of the house will hang over a small portion of the 20 foot set back not to exceed 12 inches;

WHEREAS, the property owners recognize that the Harris' northeast foundation wall is in compliance with the Restrictive Covenants as amended, but to the extent that the eave on that same side of the Harris' house will hang over the 20 foot side set back,

the house will be in violation of said Restrictive Covenants as amended;

WHEREAS, the property owners agree to allow a variance not to exceed 12 inches to the twenty foot side set back requirement which applies to Lot 2 of Sleepy Hollow to accommodate the unintentional violation of the restrictive covenants as amended of the house being constructed by Joe and Linda Harris;

THEREFORE, the property owners agree for themselves and all persons, firms, or corporations, and the heirs, successors, and assigns thereof, owning any portion of Sleepy Hollow that a variance to the side set back restrictions which apply to Lot 2, Sleepy Hollow, per plat book 49 at page 45, Orange County Registry, is hereby allowed to the extent of 12 inches in order to accommodate the eaves/overhang of the house which is being constructed thereon by Joe and Linda Harris. In all other respects, the Restrictive Covenants as amended shall remain in full force and effect with regards to Sleepy Hollow Subdivision.

IN WITNESS WHEREOF, the Property owners have caused this instrument to be signed as of the day and year first above written.

Bonnie M. Gates (SEAL)
Bonnie M. Gates

Roger Dale Stephens (SEAL)
Roger Dale Stephens

William R. Smith (SEAL)
William R. Smith

Mary Jane Smith (SEAL)
Mary Jane Smith

Joe Harris (SEAL)
Joe Harris

Linda B. Harris (SEAL)
Linda Harris

James Cribbs (SEAL)
James Cribbs

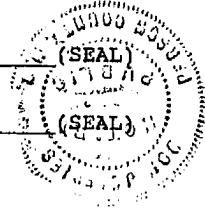
Rita Stephens (SEAL)
Rita Stephens

Toby Kent Poole (SEAL)
Toby Kent Poole

Dedhra Poole (SEAL)
Dedhra Poole



Bruce Appell
Bruce Appell
Judy Appell
Judy Appell



State of North Carolina

County of Durham

I, Ann Queen, a Notary Public in and for said County and State, do hereby certify that Bonnie M. Gates (unmarried) and Roger Dale Stephens (unmarried) personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the intents and purposes therein expressed. Witness my hand and notarial seal, this the 10th day of September, 1991.

Ann Queen
Notary Public
My commission expires: June 29th, 1993



State of North Carolina

County of Person

I, Don Jeffries, a Notary Public in and for said County and State, do hereby certify that William R. Smith and wife Mary Jane Smith, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the intents and purposes therein expressed. Witness my hand and notarial seal, this the 6th day of September, 1991.

Don Jeffries
Notary Public
My commission expires: July 23, 1996

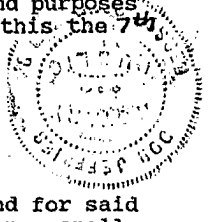


State of North Carolina

County of Person

I, Don Jeffries, a Notary Public in and for said County and State, do hereby certify that Joe Harris and wife Linda Harris, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the intents and purposes therein expressed. Witness my hand and notarial seal, this the 7th day of September, 1991.

Don Jeffries
Notary Public
My commission expires: July 23, 1996



State of North Carolina

County of Person

I, Don Jeffries, a Notary Public in and for said County and State, do hereby certify that James Cribbs personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the intents and purposes therein expressed. Witness my hand and notarial seal, this the 7th day of September, 1991.

Don Jeffries
Notary Public
My commission expires: July 23, 1996



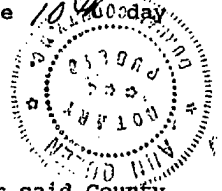
State of North Carolina

Durham County

I, Ann Queen, a Notary Public in and for said County and State, do hereby certify that Rita Stephens personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the intents and purposes therein expressed. Witness my hand and notarial seal, this the 10th day of September, 1991.

Ann Queen
Notary Public

My commission expires: June 29th, 1993



State of North Carolina

Person County

I, Don Jeffries, a Notary Public in and for said County and State, do hereby certify that Toby Kent Poole and wife Dedra Poole personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the intents and purposes therein expressed. Witness my hand and notarial seal, this the 6th day of September, 1991.

Don Jeffries
Notary Public

My commission expires: July 23, 1996



State of North Carolina

Person County

I, Don Jeffries, a Notary Public in and for said County and State, do hereby certify that Bruce Appell and wife Judy Appell personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the intents and purposes therein expressed. Witness my hand and notarial seal, this the 6th day of September, 1991.

Don Jeffries
Notary Public

My commission expires: July 23, 1996



940 255 4/4

NORTH CAROLINA - ORANGE COUNTY

The foregoing certificate(s) of _____

Don Jeffries and Ann Queen,

~~Notaries~~ (are) certified to be correct. Filed for registration this the 11th day of October 1991, at 4:14 o'clock, P.M.

in Record Book 940 Page 252. Betty June Hayes, Register of Deeds

Return: _____ By: Beraldeen R. Whathers
Assistant/Deputy Register of Deeds