

CLAUSE II
GENERAL PURPOSES OF DECLARATION

The real property described in Clause I hereof is subject to the covenants, restrictions, conditions, reservations, provisions, and easements hereby declared to insure the best use and the most appropriate development and improvement of each residential lot 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 insure the highest and best development of said property; to encourage and secure the erection of attractive homes thereon with appropriate locations thereof on residential lots; to prevent haphazard and in harmonious improvement of residential lots; to secure and maintain proper setbacks from streets, 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 to enhance the values of investments made by purchasers of residential lots thereof.

(a) All lots in Northridge, Phase III shall be for residential use and no part of any lot shall be used for public streets, road or alley.

The foregoing notwithstanding, the Declarant for herself and her successors and assigns specifically reserves the right to maintain a model residence on one or more lots for purposes of displaying housing types to prospective buyers, and to maintain sales agents in said models. Declarant may maintain said models for so long as Declarant, her successors or assigns, has any lots or homes for sale within Northridge, Phase II.

(b) No building shall be erected, altered, placed or permitted to remain on any lot, other than single family dwelling not to exceed two stories in height and a private garage for not more than three automobiles. All detached private garages or other outbuildings shall be erected at least seventy (70) feet from the front property line. No metal or block outbuildings shall be constructed or placed on any lot; all utility or storage buildings (only one per lot) must be compatible in material, workmanship and appearance with the dwellings and not exceed 10 x 12 feet in size. No utility or storage building may be used to store commercial machinery or equipment. Open carports are specifically prohibited whether detached or attached to the dwelling.

(c) The Declarant reserves the right to make such modifications and exceptions to the restrictions and reservations herein created so long as such exceptions, modifications and alterations promote the orderly and harmonious development of the property subjected hereto.

(d) No business, profession, professional clinic, or other trade or activity shall be carried on upon said lots or in any building erected thereon, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

(e) No residence of a temporary character shall be erected or allowed to remain on said property and no trailer, basement, tent, shack, garage, barn or other outbuilding erected on said property shall be used as a residence permanently or temporarily, except that construction vehicles and construction and/or sales trailers of a temporary nature may be authorized in

writing by the Declarant, its successors or assigns for so long as Declarant, its successors or assigns, is constructing residences on any lots within the Property.

(f) No stable or barn for domestic animals shall be erected or be allowed to remain on said lots. No animals, except household domestic pets, shall be kept on said lots.

(g) All plans, specifications, and builders must be approved in writing by the developer.

(h) No property in the subdivision shall be used for the sale or display of any new or used automobiles, nor shall junk automobiles or other junk be allowed to accumulate on any lot of the subdivision.

(i) All owners of property in the subdivision, in the subject of this declaration, shall be required to contract with some garbage pickup service for the removal of garbage at least once a week until such time as a municipal garbage pickup system becomes available.

(j) Easements for the installation and maintenance of utilities and drainage facilities are reserved in the development, and grantors reserve the right to grant and convey such easements.

(k) Fencing - Decorative fencing of good quality may be erected; however, said fencing shall not be erected nearer the front property line than the actual front house or dwelling line. Fencing must be maintained in a good state of repair. No chain link or similar metal fencing may be used.

(l) These covenants are to run with the land and shall be binding on all the parties and all persons claiming under them for a period of twenty (20) years from the date of this instrument, at which time said covenants shall be automatically extended for successive periods of ten (10) years unless by a vote of the majority of the then owners of the lots it is agreed to change the said covenants in whole or in part.

(m) If the owners of these lots, or any of them or their heirs or assigns, successors in title, shall violate or attempt to violate any of the covenants herein, it shall be lawful for any other person, persons, firms or corporation owning any real property situated in said development or subdivision to prosecute any proceedings at law or in equity against the person or persons, firms or corporation, violating or attempting to violate any such covenant and either prevent him or them from so doing or to recover damages or any other dues for such violation.

(n) Invalidation of any one or more of these covenants by judgment or court order shall not affect any of the remaining provisions hereof and which shall remain in full force and effect.

(o) No solar panels may be installed that are visible from any street in the subdivision.

(p) No T.V. or video satellite dish may be placed or installed on any lot except those which can be installed in the interior of the dwelling. However, an 18 inch receiver is permissible if not visible from the street.

IN TESTIMONY WHEREOF, Jo B. Reece, Declarant, has caused this instrument to be executed the day and year first above written.

DECLARANT:

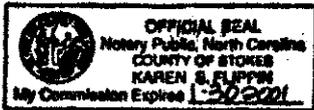
Jo B. Reece (Seal)
JO B. REECE

STATE OF NORTH CAROLINA)
COUNTY OF Stokes)

I, Karen S. Flippin a Notary Public of the County and State aforesaid, certify that Jo B. Reece, Declarant, personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this 29th day of January, 1998.

My Commission Expires:

Karen S. Flippin
NOTARY PUBLIC



STATE OF NORTH CAROLINA)
COUNTY OF STOKES)

The foregoing certificate of Karen S. Flippin, NP, Stokes Co., NC is 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.

Kathy Young REGISTER OF DEEDS OF STOKES COUNTY

BY Karen B. Hardy Deputy/Assistant-Register of Deeds

This instrument was prepared by:
Richard E. Stover, Esquire
STOVER, BENNETT & CAMPBELL
Post Office Box 775
King, North Carolina 27021