

Prepared by

G. Norman Acker, III
Attorney At Law
800-D Franklin Square
Chapel Hill, N.C. 27514

Return to: Vincent P. Collura
Attorney at Law
45 Fearington Post
Pittsboro, NC 27312
BOOK 637 PAGE 347

NORTH CAROLINA
ORANGE COUNTY

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

This Declaration made this 20th day of February, 1987, by
HABITAT FOR HUMANITY OF ORANGE COUNTY, INC., a non-profit
corporation organized under the laws of North Carolina,
Hereinafter referred to as "Declarant." P. O. Box 161

Carrboro, N.C. 27510
W I T N E S S E T H :

THAT, WHEREAS, Declarant is the owner of certain property in
Bingham Township, Orange County, North Carolina, which is more
particularly described as follows:

Being all of the property as described in deed recorded in
Book 539, Page 30 of the Orange County Registry, and consisting
of Lots 1, 2, 3, and 4 as shown on the plat entitled "Chestnut
Oaks Subdivision" survey by Phillip Post & Associates and
recorded in Plat Book 45 at Page 122, Orange County Registry.

AND WHEREAS, Declarant has previously filed a document
entitled "Declaration of Restrictions and Provisions for Private
Road Maintenance" in Book 601 Page 112, Orange County Registry
(hereinafter "Former Declaration");

NOW, THEREFORE, Declarant hereby declares that the Former
Declaration shall continue to remain in full force and effect
until and only until such time as Declarant shall have (1)
dedicated said road known as Gemena Road to a governmental
authority or (2) deeded the land for said road to the Chestnut
Oaks Homeowners' Association (as provided for hereafter), in
which case said road shall become Common Area to be maintained by
the Association.

9759-66-3326 6.28..4B #1
9759-56-9397 6.28..4C #2
9759-56-9677 6.28..4D #3
9759-46-9907 6.28..4 #4

RECEIVED
1987 FEB 26 PM 12: 09
ORANGE CTY. LAND RECORDS

AND FURTHERMORE Declarant Declares that all of the properties described herein shall be held, sold and conveyed subject to the following restrictions, covenants, easements 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 inure to the benefit of each owner thereof.

1. No lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any lot other than one detached single-family dwelling not to exceed two stories in height and a private garage for not more than two cars. No lot shall be further divided without the written permission of the Declarant.

2. No building shall be erected, placed or altered on any lot until the building or construction plans and specifications and a plan showing the location of the structure have been approved by the Declarant or its designated representative as to quality of workmanship and materials, harmony of external design with existing structures and location with respect to topography and finished grade elevation.

3. The Declarant's approval or disapproval as required in these covenants shall be in writing. In the event the Declarant or its designated representative fails to approve or disapprove within 30 days after plans and specifications have been submitted

to it or if no suit to enjoin the construction has been commenced prior to its completion, approval will be deemed to have been given.

4. 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 a residence, either temporarily or permanently.

5. No junk vehicles or unlicensed vehicles shall be stored or placed on the property. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done on it that may be or may become an annoyance or nuisance to the neighborhood.

6. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose. The total number of dogs or cats may not exceed two adults of each species.

7. No sign of any kind shall be displayed to the public view on any lot except one professional sign of not more than one square foot, one sign of not more than five square feet advertising the property for sale or rent or signs used by a builder to advertise the property during the construction and sales period.

8. No lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste, nor shall any burning of such materials be allowed.

- Increase due -

- addition for BOC

- parent responsible for children

9. No fence or wall shall be erected over four (4) feet in height unless plans indicating the scope and detail are presented and approved by the Declarant or the Homeowners' Association.

10. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other materials shall be placed or permitted to remain that may damage or interfere with the installation and maintenance of utilities, change the direction of flow of drainage channels in the easements or obstruct or retard the flow of water through drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible.

11. No trees measuring two (2) inches or more in diameter at four (4) feet above the ground and within fifty (50) feet of the perimeter of the site plan shall be removed unless the removal is necessary for the healthy management of the area or a tree constitutes a hazard to a building, structure, or septic line and is approved for removal by the Declarant or its designated representative. No tree measuring six (6) inches or more in diameter at four (4) feet above the ground shall be removed from any lot without prior written approval of the Declarant or its designated representative.

12. No firearms shall be discharged nor any hunting shall be allowed on the subject property.

13. Exterior lighting shall be controlled by a manually operated switch and shall not emit a reading more than point five (.5) foot candles at grade at contiguous residential property lines.

14. 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 30 years from the date these covenants are recorded, after which time they shall be extended automatically for successive periods of ten years. This Declaration can be amended at any time by an instrument signed by Lot Owners representing not less than seventy-five percent (75%) of each Class of Members of the Homeowners Association, as described in Paragraph 18 herein.

15. Any person, firm or corporation owning or having a legal or equitable interest in any or the described properties shall be entitled to prosecute any proceeding in law or equity against any person or persons violating or attempting to violate any restrictions contained herein, either to restrain violation or to recover damages. However, before any aggrieved person or corporation shall bring any legal proceeding he shall first file a grievance with the Declarant or the Chestnut Oaks Homeowners' Association. If the same cannot be resolved within thirty (30) days of the filing date, then the aggrieved person or firm may proceed as he or she deems advisable. Nothing herein shall prevent the Declarant or the Homeowners' Association from filing a suit without any waiting period.

16. The Declarant declares that on or before the completion of five homes in the site plan, that the owners of the properties and Declarant shall establish a Homeowners' Association (hereinafter "Association") which shall assume the responsibility for enforcing the intent and spirit of these covenants and easements and promoting the recreation, health, safety welfare of the residents of the properties and for the improvement and maintenance of the "green" (common) areas.

17. Each Member of the Association shall be entitled to use and enjoy the Common Area of the Association, subject to reasonable rules and regulations of the Association and subject to the Association's right to suspend a Member's right to use the Common Area in the event of non-payment of an Assessment or the violation of its reasonable rules and regulations. Each Member shall also have an easement for ingress and egress across any roads or rights of way which may be shown on any plat of Chestnut Oaks recorded by the Declarant.

18. The Association shall have two classes of voting membership:

Class A. Class A member shall be all Owners other than the Declarant. Class A members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote or votes for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. No fractional vote shall be allowed.

Class B. The Class B Member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B Membership shall cease and be converted to Class A Membership on the happening of either of the following events, whichever occurs earlier:

- (a) When a total of thirty (30) Lots have been sold in Chestnut Oaks, or
- (b) On December 31, 1996.

19. Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges (payable in monthly installments) for the upkeep and maintenance of all common areas and any other proper business of the Association, and (2) special assessments for capital improvements. The Board of Directors of the Association shall have the power to set the amount of said assessments in any reasonable amount, subject to being overridden by a vote of no less than seventy five percent (75%) of each Class of Members. The amount of assessments shall be charged at a uniform rate, except that (1) different amounts may, (but need not be) be set to pay for the upkeep and maintenance of wells or other water supply systems for the various Lots, (2) the Declarant shall not be responsible for any assessments on a given Lot until it has completed building a house on said Lot and has obtained a certificate of compliance from the appropriate governmental

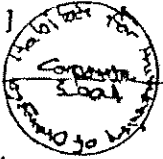
authority, and (3) no assessment shall be charged for any property or lot used for a road or common area.

20. The annual and special assessments, together with interest at eight percent (8%), costs, and reasonable attorney's fees, shall be the personal obligation of the Owner of the Lot at the time of said assessment, and shall also be a continuing lien upon the property upon which each assessment is made.

21. Invalidation of any one of these covenants by judgment or Court order in no wise shall affect any of the other provisions, which shall remain in full force and effect.

IN WITNESS WHEREOF, we have set our hands and seals this 24th day of February, 1987.

[CORPORATE SEAL]



HABITAT FOR HUMANITY OF ORANGE COUNTY, INC.

David M. Stanford
President

ATTEST:

Marion Heaton Wilson
Secretary

NORTH CAROLINA
ORANGE COUNTY

I, a Notary Public of said county and state, certify that Marion Heaton Wilson personally came before me this day and acknowledged that she is Secretary of Habitat for Humanity of Orange County, Inc., a North Carolina Corporation, and that by authority duly given and as an act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by him as its Secretary.

Witness my hand and seal this 24th day of Feb., 1987.

My commission expires:

11-19-89

Anna F. Moberg
Notary Public

NORTH CAROLINA - ORANGE COUNTY

The foregoing certificate(s) of _____
Anna F. Moberg,

A Notary (or Notaries) Public of the designated Governmental units is (are) certified to be correct. Filed for registration this the 5th day of March 19 87, at 10:54 o'clock, AM

In Record Book 637 Page 347

Return: _____

Betty June Hayes, Register of Deeds
By: Delores B. Brock
Assistant/Deputy Register of Deeds