

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

DECLARATION OF RESTRICTIONS.
AUTUMN BROOK SUBDIVISION

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, AZALEA COAST DEVELOPERS, INC., a North Carolina corporation, is the owner of all the legal interest and equity in that certain tract of land known as AUTUMN BROOK SUBDIVISION, and it is the desire of the undersigned to insure the use of said property for attractive residential purposes only, to prevent the impairment of the attractiveness of the property, to maintain the desired tone of the community, and thereby to secure to each lot owner the full benefit and enjoyment of his home with no greater restriction upon the free and undisturbed use of his lot than is necessary to insure the same advantages to the other lot owner; and,

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NOW, THEREFORE, the undersigned does hereby covenant, agree and declare to and with all persons, firms or corporations now owning or hereafter acquiring any property in AUTUMN BROOK SUBDIVISION, that all of the lots in said subdivision as shown on the map recorded in Map Book 34, at Page 288, of the New Hanover County Registry, are hereby made subject to the following restrictions as to the uses thereof, running with the land by whomsoever owned, to-wit:

1. For the purposes of this instrument, the term "Developer" shall mean Azalea Coast Developers, Inc., its successors and/or assigns.

2. All lots in said subdivision shall be known as single family residential lots, and shall be used for residential purposes only.

RETURNED TO

DRAWN BY

[Handwritten signature]

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3. All building plans and site locations for residences must be approved by the developer prior to the commencement of construction. A landscaping plan, providing for irrigation and sodding, shall be submitted to and approved by the developer prior to the commencement of construction.

4. No residence smaller than 1300 square feet of heated floor space, exclusive of porches, steps, walks, garages, carports, storage areas and so forth, shall be constructed or located on any building lot. Provided, however, that in cases where the area is not more than ten percent (10%) below the minimum above set out, Developer, or its designated agents, may, at their option, approve the construction of the dwelling if it is in conformity with the general development of the subdivision.

5. In computing the number of square feet allowed as provided herein, no square footage in any part of the dwelling that is constructed over a garage will be counted, unless it is on the same utility hookup as the main dwelling and is a finished part of the constructed living space.

6. No more than 2,759 square feet of any lot in AUTUMN BROOK SUBDIVISION shall be covered by structures and/or paved surfaces, including walkways, driveways or patios of brick, stone, slate or similar materials, all of which constitute effective impervious cover which is controlled by North Carolina Coastal Stormwater Regulations. Developer reserves the absolute right to recalculate the maximum allowable build upon area for each lot if required by North Carolina Coastal Stormwater Regulations. This covenant is intended to insure continued compliance with storm water run off rules adopted by the State of North Carolina, and therefore compliance may be enforced by the State of North Carolina.

7. No concrete block, concrete brick, asbestos siding, aluminum, siding, cinder block nor tar paper composition shall be used for the exterior of any residence constructed on any building lot herein conveyed, it being intended that only conventional frame, brick, wood, clay brick, stucco or vinyl exteriors be constructed on the lot subject to these covenants.

8. Since the establishment of standard inflexible building setback lines for location of houses in lots tends to force construction of houses directly to the side of other homes with detrimental effects on privacy, view, preservation of important trees and other vegetation, ecological and related considerations, no specific setback lines are established by these restrictions. In order to assure, however, that the foregoing considerations are given maximum effect, Developer, reserves a right to control and approve absolutely the site and location of any house or dwelling or other structure upon any lot. A plot plan shall be furnished to Developer for approval prior to the beginning of construction on any lot. In any event, no house shall be erected closer to the

front line or nearer to any side line than the minimum distances established by applicable governmental agencies and ordinances.

On corner lots, the side having the least frontage shall be considered the front lot line of said lot.

9. No house trailer, mobile home, travel trailer or other recreational vehicle, tent, shack or temporary structure of any nature shall be located on any lot at any time or used at any time as a residence, temporarily or permanently. The Developer reserves the right to approve site locations of all storage buildings to be constructed on any lot, prior to beginning of construction of said building. Boats shall be kept so as to not be visible from the street. No satellite dishes shall be allowed upon any lot in the subdivision.

10. No fence or hedge shall be erected on any lot, unless written approval thereof has first been obtained from the Developer. No fence shall be permitted nearer the front lot line than the rear corner of the house constructed on said lot. Any fence installed by an owner, builder, or the Developer must be inspected annually and maintained by the owner of the lot upon which same has been erected.

11. Modular and prefabricated homes and previously constructed houses may not be erected or placed on any lot, without the express written consent of the Developer.

12. No advertising signs or billboards shall be erected on any lot or displayed to the public on any lot subject to these restrictions, except that one sign of not more than five square feet in area may be used to advertise a complete dwelling for sale. No "For Sale" signs are allowed on any unimproved lot. This covenant shall not apply to signs erected by the Owner/Developer used to identify and advertise the subdivision as a whole, or by a contractor for an item of work being performed on a given lot.

13. No fuel tanks of similar storage receptacles may be exposed to view. Any such receptacles may be installed only within the main dwelling house, within an accessory building, within a screened area, or buried underground.

Each lot owner shall provide receptacles for garbage and all cans, carts and bags must be kept in a secured area, accessory building or other storage facility, and not visible from the street, except on garbage pick-up days.

14. All water to be used in said subdivision for any purpose whatsoever shall be obtained from the city water system, unless other sources are approved by the City-County Board of Health and the owner of the Community Water System. An eight (8) foot radius from each water meter shall be an easement for maintenance and

repair of such meter.

Lot owners may, however, drill deep wells for irrigation purposes and for non-domestic use, provided such wells shall be located so as not to be visible from the street and free from abnormal amounts of rust.

Sewage disposal shall be only by tapping on to the city or county sewer system, except as to those lots that may be expressly exempted herefrom by the Developer.

Each lot in said subdivision is further subjected to a sewer maintenance easement across the front ten (10) feet of each said lot.

15. No yard sales or garage sales shall be permitted upon any lot in this Development. No clothes line shall be permitted on any lot.

16. No noxious or offensive activity shall be carried on or maintained on any lot or part of any lot, nor shall any use be made of any portion of said property which may be or may become an annoyance of nuisance to the neighborhood. No domesticated farm animals or fowls shall be kept on the property. In the event yards are not properly maintained, they shall be cleaned up at the owner's expense. No kennel or other facility for the keeping of pets shall be located in the front or side yards of any residence. Unsightly, inoperative, unlicensed cars and like eyesores cannot be maintained on the property either prior to or after the residence has been erected.

17. The Buyer or Purchaser of each lot shall keep the lot mowed regularly, including that area from the lot line to the edge of the paved street clear of unsightly object, and in the event that the Buyer or Purchaser of any lot within the said subdivision breaches this restriction, the Developer reserves the right to enter upon the said lot and mow the grass, clean up the lot and remove unsightly structures and objects, at the owner's expense.

Where lots border on or contain ditches, drainage canals or swales, the Buyer of each lot shall keep that area, including the slopes, down to the water, mowed and maintained regularly. Washouts or erosions on the lots adjoining ditch banks and swales shall be property tended to by the respective lot owner.

18. It shall be the obligation of each property owner to maintain, to the original construction depth, all drainage ditches located upon his or her lot. Any construction of culverts or other construction along or across said ditches must be done so that the free flow of water from subsurface drainage is not interrupted or interfered with. If a property owner elects to tile the entire ditch running along his or her property, then such property owner

must install a catch basin at one of his or her property lines, which catch basin must meet North Carolina Department of Transportation standards and must be approved in writing by the Developers or AZALEA COAST DEVELOPERS, INC. Further, property owners shall at all times maintain any improvements between his lot line and the street pavement of the street upon which said lot is located.

19. Construction activity on a lot shall be confined within the boundaries of said lot. Each lot owner shall have the obligation to collect and dispose of all rubbish and trash resulting from construction on his lot. Upon a lot owner's failure to collect and dispose of such trash within thirty (30) days after receipt of a written notice from Developer, Developer may collect and dispose of such rubbish and trash at the lot owner's expense.

20. Each lot in the subdivision shall have only one (1) mailbox and one (1) paper box to be mounted on a single post, and all such boxes shall be as approved by Developer. Such mailboxes or paper boxes may be provided by Developer or the builder. Any boxes so provided shall be considered an improvement and must remain with the lot. Each property owner shall maintain the box which is a part of said lot.

21. No lot shall be subdivided, or its boundary line changed without the written consent of the Developer. However, the Developer hereby expressly reserves to itself the right to replat any lot or lots or change the alignment or placement of any road as required in Developer's sole discretion and to take such other steps as are reasonably necessary to make such replatted lot or lots suitable and fit as a building site.

22. The Developer reserves the right to subject the real property in this subdivision to a contract with Carolina Power and Light Company for the installation of underground electric cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to Carolina Power and Light Company by the owner of each building.

23. Developer is not liable and makes no representation as to the development of any other phase of section except the phase or section covered by these restrictions. Developer may make changes in future sections of the development not subject to these restrictions, including, but not limited to changes in design, type of structures, restrictions or character of section. All maps, brochures and plans are purely for planning and illustration purposes and are not to be relied upon as any promise or covenant of whatsoever kind or nature. Developer shall be obligated for, and any owner shall solely rely on the plans, plats, and restrictions that are recorded for the section herein described.

24. Each lot must have a concrete driveway at a location approved by the Developer. Off-street parking for not less than two passenger automobiles must be provided on each lot prior to the

occupancy of any residence constructed on said lot, which parking areas and the driveways thereto shall be constructed of concrete, asphalt, brick or landscape paving blocks.

25. Invalidation of any one of these covenants by judgments or court order shall in no way affect any of the other covenants herein, which shall remain in full force and effect.

26. If the parties hereto, or any of them, or their heirs and assigns shall violate or attempt to violate any of the covenants herein, it shall be lawful for any person or persons, owning any real property situated in AUTUMN BROOK SUBDIVISION including the Developer, even if the Developer has sold all lots and is no longer a property owner in the subdivision, to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants, and either to prevent him or them from doing or to recover damages or other dues for such violation.

27. At any time prior to December 31, 1996, these restrictions may be amended by Developer in its discretion, but not to impair the property value of the lot owner. Retention of this right by the Developer is not intended to affect the general or common scheme of the development for the property herein described but to correct and/or modify situations or circumstances which may arise during the course of development.

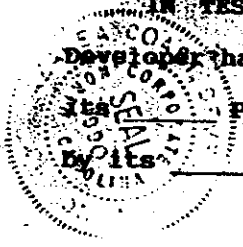
Thereafter, these restrictions may be amended by vote of the owners of two-thirds (2/3) of the lots in AUTUMN BROOK SUBDIVISION.

28. All covenants, restrictions and affirmative obligations set forth in these restrictions shall run with the land and shall be binding on all parties and persons claiming under them to specifically include, but not be limited to the successors and assigns, if any, of Developer, for a period of twenty (20) years from the date hereof after which time all said covenants shall be automatically extended for successive periods of ten years, unless an instrument signed by the owners of a majority of the lots (not including mortgagees or trustees under deeds of trust) substantially affected by such changes in covenants, has been recorded, agreeing to change said covenants in whole or in part.

29. The Developer may from time to time designate any or all of its rights, powers, discretion and duties hereunder to such agent or agents as it may nominate. It may also permanently assign any or all of its powers and duties (including discretionary powers and duties) obligations, rights, title, easements and estates reserved to it by this Declaration, to any one or more corporations, associations, or persons that will accept the same. Any such agreement shall be in writing recorded among land records of New Hanover County, and the assignee shall join therein for the purpose of evidencing its acceptance of the same, and such assignee shall thereupon have the same rights, title powers, obligations, discretion and duties as are herein reserved to the Developer, and

the Developer shall thereupon be released therefrom.

IN TESTIMONY WHEREOF, AZALEA COAST DEVELOPERS, INC., the Developer, has caused this instrument to be signed in its name by its President, sealed with its corporate seal, and attested by its Secretary, this 24th day of February, 1992.



AZALEA COAST DEVELOPERS, INC.

BY: J. M. Lunnell
PRESIDENT

(CORPORATE SEAL)

ATTEST:

Candice Fusell
SECRETARY



STATE OF NORTH CAROLINA

COUNTY OF NEW HANOVER

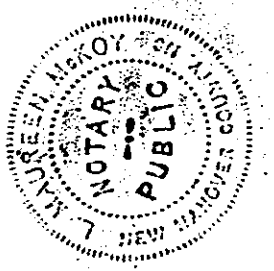
I, L. Maureen Meigs, a Notary Public of the State and County aforesaid, certify that Candice Fusell, personally came before me this day and acknowledged that she is Secretary of AZALEA COAST DEVELOPERS, INC., a North Carolina Corporation with its principal offices in New Hanover County, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by herself as its Secretary.

Witness my hand and official seal, this the 24th day of February, 1992.

L. Maureen Meigs
NOTARY PUBLIC

My Commission Expires:

8-16-97



STATE OF NORTH CAROLINA

COUNTY OF NEW HANOVER

The foregoing certificate(s) of L. Maureen McKay, a Notary Public
is/are certified to be correct.
This 28 day of FEBRUARY, 1995.

MARY SUE OOTS/REGISTER OF DEEDS

BY: [Signature]
Deputy/Assistant Register of Deeds

c:\forms\declrest.aub

RECEIVED AND VERIFIED
MARY SUE OOTS
REGISTER OF DEEDS
NEW HANOVER CO. NC
'95 FEB 28 AM 11 28

UNIFORM COMMERCIAL CODE - FINANCING STATEMENT CHANGE
 APPROVED FOR USE IN NORTH CAROLINA

FCUCC-3

REORDER FROM
 Registrars, Inc.
 214 FIVE ST.
 P.O. BOX 225
 ANDRA, MS. 38906
 662 424-4713

SEARCHED AND VERIFIED

This STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code:

No. of Additional
 Sheets Presented:

SUE OOTS
 REGISTER OF DEEDS
 NEW HANOVER CO. NC

1. Debtor(s) (Last Name First) and Addressed:
 Greyhound Lines, Inc.
 15110 North Dallas Parkway
 Suite 400
 Dallas, TX 75248

2. Secured Party(ies) Name(s) And Addressed:
 Foothill Capital Corporation
 11111 Santa Monica Blvd.
 Suite 1500
 Los Angeles, CA 90025

'95 FEB 28 AM 11 33

3. (a) This statement refers to original Financing Statement bearing File No. 90A-1036
 Filed with NEW HANOVER COUNTY, N.C. State File # 3-14
 (b) If the original Financing Statement has previously been continued list the Filing No. of the last continuation filed.
 (c) If the original filing was a fixture filing or covered timber or accounts subject to G.S. 25-9-103, (5) mark this block

008
 0661
 For
 Filing
 Officer

4. Continuation. The original financing statement between the foregoing debtor and secured party, bearing the number shown above is still effective.
 5. Assignment. The secured party's rights under the financing statement bearing the number shown above to the property described in item 9 have been assigned to the assignee whose name and address appear in item 9.
 6. Amendment. Financing statement bearing the number shown above is amended as set forth in item 9. Signatures are required of both debtor and secured party per G.S. 25-9-4.
 7. Release. Secured party releases the collateral described in item 9 from the financing statement bearing the number shown above.
 8. Termination. Secured Party no longer claims a security interest under the financing statement bearing the number shown above. (A termination statement signed by a person other than the secured party of record must include or be accompanied by the assignment or a statement by the secured party of record that he has assigned interest to the signor of the termination statement.)

9. RETURNED TO 000052
 California Lenders + Ally SCS
 1000 G Street Ste 225
 Sacramento California 95814

10. Signatures:

Foothill Capital Corporation
 By *David A. ...*
 Secured Party (ies)

By _____
 Debtor(s) (necessary only if item 6 is applicable)

Standard Form Approved by
 N. C. Sec. of State

(1) Filing Officer Copy Numerical

FINANCING STATEMENT CHANGE

UCG-3

SERVICES

363412