

1388 0384

STATE OF NORTH CAROLINA

COUNTY OF NEW HANOVER

DECLARATION OF RESTRICTIONS
BEVAL BUSINESS PARK

KNOW ALL MEN BY THESE PRESENTS:

MILTON R. HARDISON and wife, BETTY T. HARDISON, hereinafter referred to as the Developer, covenant and agree that their land in New Hanover County, North Carolina, hereinafter described shall be and it is hereby subject to Deed Restriction as to the use thereof in the hands of whomsoever owned.

The land restricted hereby (the "Development") is described as follows:

All that certain subdivision known as Beval Business Park as shown upon that map thereof recorded in Map Book 27, Page 125, New Hanover County Registry.

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The Restrictions imposed hereby are as follows:

1. All Lots in the Development shall be used for industrial, commercial, office or warehousing purposes only and under the conditions hereinafter set forth.

2. No Lots in the Development may at any time be used for the manufacture, storage, distribution or sale of any products or items which shall constitute an unusual fire hazard to adjoining properties, or for any business which constitutes a nuisance or causes the emission of odors or gases injurious to products manufactured or stored upon any portion of the Development, or for a purpose or use in violation of the laws of the United States, State of North Carolina or the County of New Hanover.

3. It is the intention of the Developers that the Development shall be a neat and spacious subdivision with buildings of reasonable compatible appearance.

4. All buildings, both principal and appurtenant, that are constructed on the Development shall conform to the specified standards in the building code of the State of North Carolina and County of New Hanover at the time of such construction. Any exterior unfinished concrete or cinderblock walls shall be painted. Open storage, refuse collection areas, open work and/or activity areas and vehicular parking shall be dust proofed and, except for vehicular parking, situated such that they will be property screened from view to a minimum height of six (6) feet of evergreen plantings, masonry walls, redwood or equal fencing or a combination thereof.

5. Signs displayed on any Lot in the Development shall comply with all County of New Hanover ordinances. Signs displayed on any other Lot in the Development shall be limited to:

(a) Those necessary for directional or informational purposes but not exceeding ten (10) square feet in size per sign.

(b) Those necessary to identify the use of establishment and designed as a part of the architectural design of the building or as a part of the site plan for any Lot and shall not exceed one (1) square foot for each horizontal linear foot of building wall facing on the street on which the sign faces.

Exterior spot lighting of signs is permissible, but only if shielded so as to direct the light toward the sign. No freestanding sign shall exceed twenty (20) feet in height. No flashing light signs or roof-mounted signs are permitted.

RECORDED AND VERIFIED
REBECCA P. TUCKER
REGISTER OF DEEDS
NEW HANOVER CO. NC

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RETURNED TO *J. J. [Signature]*

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6. In the interest of safety and the free movement of commercial and private vehicles in and through the Development, employee, customer, owner, or tenant parking shall not be permitted on dedicated streets in the Development. It will be the responsibility of Development owners and lessees, their successors or assigns, to provide adequate parking facilities for customers, employees and public carriers within the boundaries of the property owned or leased to accommodate the daily or seasonal peak requirement. Parking, loading, service or other outdoor work areas must be dust proofed.

7. All unpaved areas between the street right-of-way and the setback line or the front wall of the building facing the street, whichever is greater in depth, shall be landscaped and covered with grass, shrubbery, flowers or trees.

8. All owners in the Subdivision, upon the acceptance of a deed to his or her lot, shall automatically become members of Beval Business Park Owners Association, Inc., and said owner and his or her property shall be subject to the Articles of Incorporation of said Association, which are recorded in Book 1388, Page 378, New Hanover County Registry, and the By-Laws of said Association, which are attached hereto as Exhibit "A."

9. The owner or lessee of any Lots in the Development must at all time keep the premises, buildings, improvements and appurtenances in a safe, clean and wholesome condition and comply in all respects with government health and police requirements; each owner or lessee will provide a place for collection of rubbish that is screened from view and will remove at his own expense such rubbish of any character whatsoever which may accumulate on said Lots. In the event any owner or lessee fails to keep the grass and weeds cut on his Lots, the Developers, their successors or assigns, may have the grass or weeds cut and charge such expenses to the lessee.

10. The restrictions, conditions and protective covenants contained herein may be enforced by law or in equity (including, without limitation, by injunction) by the Developers, their successors or assigns, or any subsequent owner of any portion of the Development. An owner or lessee of any portion of the Development shall not have any liability in law or in equity to any other owner or lessee of any portion of the Development for failure to enforce against any third owner or lessee the restrictions, conditions and protective covenants contained herein. The restrictions, conditions and protective covenants contained herein shall be binding upon and inure to the benefit of the successors, assigns, heirs and grantees of the owners of the Development including the Developers. The term "owner" as used in this part shall be deemed to include any direct or remote lessee of such owner.

11. The Developer (without the consent of any other owner or lessee) shall have the right to waive minor violations of these restrictions by an instrument in writing specifying and describing the violation waived. Furthermore, any violation of these restrictions in existence at the time these restrictions are signed and recorded is automatically waived.

12. The covenants are to run with the land and shall be binding on all parties claiming under them until January 1, 2000, at which time said covenants shall be automatically extended for a period of ten (10) years unless it is agreed by a vote of the then owners of a majority of the Lots to change these covenants in whole or in part. However, by a vote of the owners of seventy-five percent (75%) of the Lots in the Development, exclusive of public rights-of-way, these restrictive covenants may be altered or amended at any time. In such event each owner or lessee will be entitled to one (1) vote per Lot.

13. In the event any of the provisions hereof are held to be invalid or unenforceable, the other provisions hereof shall

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NEW HANOVER CO. NC

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not be affected thereby but shall remain in full force and effect, it being intended that the provisions hereof are severable. The term "provision" as used herein shall not be construed necessarily to mean a numbered part hereof but may be a portion of such numbered part.

IN TESTIMONY WHEREOF, MILTON R. HARDISON and wife, BETTY T. HARDISON, have caused this instrument to be signed and sealed this 26th day of AUGUST, 1987.

Milton R. Hardison (SEAL)
MILTON R. HARDISON

Betty T. Hardison (SEAL)
BETTY T. HARDISON

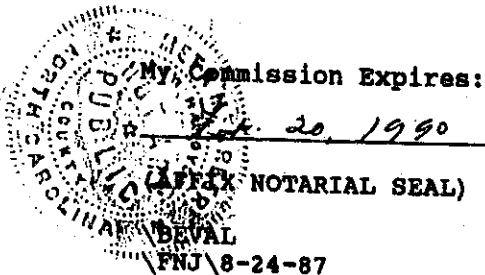
STATE OF NORTH CAROLINA

COUNTY OF NEW HANOVER

I, Meta M. Greer, a Notary Public of the County of New Hanover and State aforesaid, do hereby certify that MILTON R. HARDISON and wife, BETTY T. HARDISON, both personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

WITNESS my hand and official stamp or seal, this the 26 day of August, 1987.

Meta M. Greer
Notary Public



STATE OF NORTH CAROLINA
New Hanover County
The Foregoing Certificate of
Meta M. Greer, Notary
Public
is certified to be correct.
This the 27 day of August, 19 87.

Rebecca P. Tucker, Register of Deeds
By Mary Sue Carter
Asst.

BY-LAWS

OF

BEVAL BUSINESS PARK OWNERS ASSOCIATION, INC.

A corporation not for profit under the laws of the State of North Carolina

1. IDENTITY. These are the By-Laws of BEVAL BUSINESS PARK OWNERS ASSOCIATION, INC., a non-profit corporation under the laws of the State of North Carolina, the Articles of Incorporation of which were filed in the Office of the Secretary of State (hereinafter called the "Corporation"). It has been organized to administer, operate, manage, and maintain Beval Road shown on Exhibit "A" hereto for a portion of Beval Business Park, an industrial park development lying and being in New Hanover County, North Carolina. The said portion of Beval Business Park is that part of the property more particularly described on Exhibit "A" attached hereto which is now owned by Milton R. Hardison, said Exhibit being incorporated herein by reference, and said property is hereinafter referred to as the "Road".

A. The provisions of these By-Laws are applicable to the Road, and the terms and provisions hereof are expressly subject to the terms provisions, conditions and authorizations contained in the Articles of Incorporation, the terms and provisions of said Articles of Incorporation to be controlling wherever they may be in conflict herewith.

B. All present or future owners, tenants, future tenants, or their employees, or any other person that might use the Road are subject to the regulations set forth in these By-Laws and in said Articles of Incorporation.

C. The business office of the Corporation shall be at such place as the Board of Directors shall designate from time to time.

D. The fiscal year of the Corporation shall be the calendar year, except that in the initial year of operation the fiscal year shall commence with the closing of the sale of the first portion of the Road Area.

2. MEMBERSHIP, VOTING, QUORUM, PROXIES.

A. The qualification of members, the manner of their admission to membership and termination of such membership, and voting by members, shall be set forth in Article VI of the Articles of Incorporation of the Corporation, the provisions of which said Article VI of the Articles of Incorporation are incorporated herein by reference. B. A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum.

C. The vote of the owners of an individual property owned by more than one person or by a corporation or other entity shall be cast by the one person named in a certificate signed by all of the owners of such property and filed with the Secretary of the Corporation, and such Certificate shall be valid until revoked by subsequent Certificate. If such a Certificate is not on file, the vote of such owners shall not be considered for any purpose.

D. Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meeting.

E. Approval or disapproval of an owner upon any matter, whether or not the subject of an Corporation meeting, shall be by the same person who would cast the vote of such owner if in a Corporation meeting.

F. The terms "75% of the members", "75% of the membership", "majority of the members", "majority of the membership", "majority vote", or "vote of a majority of the members", and the like, when used in the context of membership voting rights, shall mean the fee owners of at least 75% or a majority, as the case may be, in the Road Area.

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G. Except where otherwise required under the provisions of the Articles of Incorporation of the Corporation and these By-Laws, or whether the same may otherwise be required by law, the affirmative vote of the persons entitled to cast a majority of the votes at any duly called members' meeting at which a quorum is present shall be binding upon the members.

3. ANNUAL AND SPECIAL MEETING OF MEMBERSHIP.

A. The Annual Members' Meeting shall be held at a time and place designated by the Board of Directors, on the first Tuesday in March of each year that is not a legal holiday for the purpose of electing Directors and of transacting any other business authorized to be transacted by the members. The Board of Directors may designate a different date for such annual meeting, by so stating in the written notice to the members of the meeting.

B. Special Members' Meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors and must be called by such officers upon receipt of written request from members of the Corporation owning a majority in the Road Area.

4. BOARD OF DIRECTORS.

A. The initial Board of Directors of the Corporation shall consist of three (3) persons, and thereafter each succeeding Board of Directors shall consist of three (3) persons.

B. Election of Directors shall be conducted in the following manner:

1. All members of the Board of Directors shall be elected by a plurality of the votes cast at the annual meeting of the members of the Corporation immediately following the selection of the members of the Board of Directors whom Developer shall be entitled to select.

2. Vacancies in the Board of Directors may be filled until the date of the next Annual Meeting by the remaining Directors, except that should any vacancy in the Board of Directors be created in any Directorship previously filled by any person selected by Developer, such vacancy shall be filled by Developer selecting by written instrument delivered to any Officer of the Corporation, the successor Director to fill the vacated Directorship for the unexpired term thereof.

3. The initial Board of Directors will consist of:

The initial Board shall serve until their successors at the first Annual Meeting of members are elected and qualify. Each Director shall hold office for a term of one (1) year or until his death, resignation, retirement, removal, disqualification, or until his successor is elected and qualifies.

4. In the election of Directors, there shall be appurtenant to each individual lot owner a total vote equal to the number of Directors to be elected multiplied by the number of lots owned provided, however, that no member or owner of one (1) lot may cast a vote greater than that lot's area for any one person nominated as a Director so that voting for Directors shall be noncumulative.

C. The organizational meeting of each newly elected Board of Directors shall be held within ten (10) days of their election, at such time and at such place as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary, provided a quorum shall be present.

D. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail,

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telephone or telegram, at least three (3) days prior to the day named for such meeting, unless notice is waived.

E. Special meetings of the Directors may be called by the President, and must be called by the Secretary at the written request of one-third of the votes of the Board. Not less than three (3) days notice of a meeting shall be given to each Director, personally or by mail, telephone or telegram, which notice shall state the time, place and purpose of the meeting.

F. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

G. All of the powers and duties of the Corporation shall be exercised by the Board of Directors, including those existing under the common law and statutes, the Articles of Incorporation of the Corporation, and these By-Laws.

H. The undertakings and contracts authorized by the initial Board of Directors shall be binding upon the Corporation in the same manner as though such undertakings and contracts had been authorized by any Board of Directors duly elected by the membership, so long as such undertakings and contracts are within the scope of the powers and duties which may be exercised by the Board of Directors of the Corporation in accordance with all applicable documents.

I. Any one or more of the members of the Board of Directors may be removed, either with or without cause, at any time by a vote of the members owning a majority of lots of the Road Area, at any Special Meeting called for such purpose, or at the Annual Meeting.

5. OFFICERS.

The executive officers of the Corporation shall be a President, a Vice President, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by a vote of the Directors at any meeting. Any persons may hold two or more offices, except that the President shall not also be Vice President, or Secretary. The Board of Directors shall from time to time, elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Corporation.

6. FISCAL MANAGEMENT. The fiscal management of the Corporation shall be governed by the following provisions:

A. The assessment Roll shall be maintained in a set of accounting books in which there shall be an account for each lot. Such account shall designate the name and address of the lot owner or owners, the amount of each assessment against the owners, the dates and amounts in which assessments come due, the amounts paid upon the account and the balance due upon assessments.

B. The Board of Directors shall adopt a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Corporation and reserves for anticipated future needs or contingencies, including, but not limited to the following:

1. A budget, setting forth the estimated amount necessary for the operating of the Corporation and the accomplishment of its purposes during the year, and the amount if any to be accumulated or set aside for anticipated future needs or contingencies.

2. Proposed assessments against each member and his property, which, prior to January 1, 1992, shall not exceed \$50.00 per lot per year.

Copies of the proposed budget and proposed assessments shall be transmitted to each member prior to January 1 of the year for which the budget is made. If the budget is subsequently amended before the assessments are made, a copy of the amended budget shall be furnished each member concerned. Non-delivery of a copy of any budget or amended budget to each member shall not affect the liability of any member for any such assessment, nor shall delivery of a copy of such budget or amended budget be considered as a condition precedent to the effectiveness of said budget and assessments levied pursuant thereto and nothing herein contained

shall be construed as restricting the right of the members by majority vote at any time to levy any additional assessments in the event that the budget originally adopted shall appear to be insufficient to pay costs and expenses of operation and management, or in the event of emergencies.

C. The depository of the Corporation shall be such bank or banks as shall be designated from time to time by the Directors and in which the funds of the Corporation shall be deposited. Withdrawal of funds from such accounts shall be only by checks signed by such persons as are authorized by the Directors.

D. The books and all supporting documentation shall be available for examination by all lot owners and their lenders or their agents during normal business hours.

E. A report of the financial status of the Corporation, including receipts and disbursements, and a balance sheet of assets on hand shall be prepared and furnished to each member not later than April 1 of the year following the year for which the report is made. The Directors may, and upon demand by the owners of a majority in lots in the Road Area shall, have an audit of the accounts of the Corporation made by a Certified Public Accountant, and a copy of the report shall be furnished to each member not later fifteen days following the completion of such audit.

F. Fidelity bonds may be required by the Board of Directors from all officers and employees of the Corporation and from any contractor handling or responsible for Corporation funds. The amount of such bonds shall be determined by the Directors. The premiums on such bonds shall be paid by the Corporation.

7. AMENDMENTS TO BY-LAWS. Amendments to these By-Laws shall be proposed and adopted in the following manner:

A. Amendments to these By-Laws may be proposed by the Board of Directors of the Corporation acting upon a vote of the majority of the Directors, or by members of the Corporation owning a majority in area of the property in the Road Area, whether meeting as members or by instrument in writing signed by them.

B. Upon any amendment to these By-Laws being proposed by said Board of Directors or members, such proposed amendment shall be transmitted to the President of the Corporation, or other Officer of the Corporation in the absence of the President, who shall thereupon call a Special Joint Meeting of the members of the Board of Directors of the Corporation and the membership for a date not sooner than twenty (20) days or later than fifty (50) days from receipt by such Officer of the proposed amendment and it shall be the duty of the Secretary to give to each member written notice of such meeting in the same form and in the same manner as notice of the call of a Special Meeting of the members is required as herein set forth.

C. In order for such amendment to become effective, it must be approved by an affirmative vote of a majority of the entire membership of the Board of Directors and by an affirmative vote of the members owning not less than a majority of lots in the Road Area. Thereupon, such amendment or amendments to these By-Laws shall be transcribed, certified by the Secretary of the Corporation, and a copy thereof shall be recorded in the office of the Register of Deeds of New Hanover County, North Carolina, within twenty (20) days from the date on which any amendment has been approved by the Directors and members. No amendment shall become effective until it is duly recorded.

D. Upon the approval and proper recording of any amendment, it shall become binding upon all owners of lots in the Road Area.

E. At any meeting held to consider any amendment to the By-Laws, the written vote of any member of the Corporation shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the Corporation at or prior to such meeting.

F. Notwithstanding the foregoing provisions of this Article 8, no amendment to these By-Laws which shall abridge, amend or alter the right of the Developer to designate and select members of each Board of Directors of the Corporation, as provided in Article 4 hereof, may be adopted or become effective without the prior written consent of the Developer.

8. ASSESSMENTS; LIABILITY, LIEN AND ENFORCEMENT: The Corporation is given the authority to administer the operation, repair, maintenance, and management of Beval Road shown on Exhibit "A" as being in the best interest of the owners of Beval Road. To properly administer the operation, repair, maintenance, and management of said road, the Corporation will incur for the mutual benefit of all of the owners, costs and expenses (herein "Common Expense"). To provide the funds necessary for such operation, repair, maintenance, and management the Corporation has been granted the right to make, levy and collect assessments against the members of the Corporation and their property on the road. In furtherance hereof, the following provisions shall be operative and binding upon the owners of all lots on the road,

A. All assessments levied against the owners and their property shall be at a uniform rate per lot. Should the Corporation be the owner of any property on the road, the assessment which would otherwise be due and payable to the Corporation by the owner of such property, shall be apportioned and assessments therefor levied ratably among the owners of all property which is not owned by the Corporation, at a uniform rate per lot.

B. Assessments provided for herein shall be payable on such date and in such manner as the Board of Directors of the Corporation shall determine.

C. All funds collected by the Corporation shall be treated as the separate property of the Corporation, and such funds may be applied by the Corporation to the payment of any expense of operation; repair, maintenance, and management of road or to the proper expenses of the Corporation. When the owner of lots in the Road Area shall cease to be a member of the Corporation, the Corporation shall not be required to account to such owner for any share of the fund or assets of the Corporation, or which may have been paid to the Corporation by such owner, as all funds which any owner has paid to the Corporation shall constitute an asset of the Corporation which may be used in the operation, repair, maintenance, and management of the road or for the proper expenses of the Corporation.

D. The payment of any assessment or installment thereof shall be in default if such assessment or installment is not paid to the Corporation within thirty (30) days of its due date. When in default, the delinquent assessment or delinquent installment thereof due to Corporation shall bear interest at eight (8%) percent per annum from the thirtieth day after the same was due until paid in full to the Corporation. If an attorney is employed to collect such delinquent assessment, then reasonable attorney's fees and all costs of collections shall be added thereto.

E. The owner or owners of each lot on the road shall be personally liable, jointly and severally, to the Corporation for the payment of all assessments, regular or special, which may be levied by the Corporation against such lot while such party or parties are owner or owners thereof. In the event that any owner or owners are in default in payment of any assessment or installment owed to the Corporation, such owner or owners shall be personally liable, jointly and severally, for interest on such delinquent assessment or installment thereof as above provided, and for all costs of collecting such assessment or installment and interest thereon, including reasonable attorney's fees, whether suit be brought or not.

F. No owner of any portion of the road may exempt himself from liability for any assessment levied against him or his property by waiver of the use of the road or in any other way.

G. Recognizing that proper operation and management of the road requires the continuing payment of costs and expenses therefor, and that such proper operation and maintenance results in benefit to all of the owners of the road, and that the payment of such common expenses represented by the assessments levied and collected by Corporation is necessary in order to preserve and protect the investment of each owner, the Corporation is hereby granted a lien upon each lot in the Road Area, which lien shall secure the funds due for all assessments now or hereafter levied against the owner of each lot, which lien shall also secure all interest, costs and expenses, including reasonable attorney's fees, which may be incurred by the Corporation in enforcing this lien upon said property. The lien granted to the Corporation may be foreclosed in the same manner that real estate deeds of trust and mortgages may be foreclosed in the State of North Carolina, and in any suit for the foreclosure of said lien, the Corporation shall

be entitled to possession of such property from the thirtieth day after the date on which the payment of any assessment or installment thereof became due, and shall be entitled to the appointment of a Receiver for said property. The lien granted to the Corporation shall further secure such advances for taxes, and payments on account of superior mortgages, deeds of trust, liens or encumbrances which may be required to be advanced by the Corporation in order to preserve and protect its' lien, including interest at eight (8%) percent on any such advances so made. All persons, who shall acquire any interest in the ownership of any lot within the Road Area, or who may be given or acquire a mortgage, deed of trust, lien or other encumbrance thereon, are hereby placed on notice of the lien rights granted to the Corporation.

H. The lien herein granted to the Corporation shall be enforceable from the time of recording a claim of lien in the office of the Clerk of Superior Court of New Hanover County, or in the office of the Register of Deeds of New Hanover County, North Carolina, which claim shall state the description of the property encumbered thereby, the name of the record owner, the amount due and date when due. The claim of lien shall be recordable any time after default and the lien shall continue in effect until all sums secured by said lien shall have been fully paid. Such claims of lien shall include only assessments which are due and payable when the claim of lien is recorded, plus interest, costs, attorney's fees, advances to pay taxes and prior encumbrances and interest thereon. It shall be signed by an officer, agent or attorney of the Corporation. Upon full payment of all sums secured by such claim of lien, it shall be satisfied of record.

The lien provided for herein shall be subordinated to the lien of any first mortgage or first deed of trust. Any person, firm or corporation acquiring title to any property in the Road Area by any foreclosure, deed in lieu of foreclosure, or judicial sale, pursuant to such first mortgage or deed of trust, shall be liable and obligated only for such assessments as shall accrue and become due and payable for said property subsequent to the date of acquisition of such title, and it shall not be liable for the payment of any assessments which were in default and delinquent at the time it acquired such title. In the event of the acquisition of title to property in the Road Area by foreclosure, deed in lieu of foreclosure, or judicial sale, any assessment for which the party so acquiring title shall not be liable shall be absorbed and paid by all owners of all property in the Road Area as a part of the Common Expense, although nothing herein contained shall release the party liable for such delinquent assessment from the payment thereof of the enforcement of collection of such payment by means other than foreclosure.

I. Whenever any lot in the Road Area may be leased, sold or mortgaged by the owner thereof, the Corporation, upon written request of the owner, shall furnish to the proposed lessee, purchaser or mortgagee, a statement verifying the status of payment of any assessment which shall be due and payable to the Corporation with respect to such property. Such statement shall be executed by an officer of the Corporation, and any lessee, purchaser or mortgagee may rely upon such statement in concluding the proposed lease, purchase or mortgage transaction, and the Corporation shall be bound by such statement.

In the event that property in the Road Area is to be leased, sold or mortgaged at the time when payment of any assessment against the owner of said property and such property due to the Corporation shall be in default (whether or not a claim of lien has been recorded by the Corporation), then the rent, proceeds of such purchase or mortgage proceeds, shall be applied by the lessee, purchaser or mortgagee first to the payment of any then delinquent assessment or installments thereof due to the Corporation before the payment of any rent, proceeds of purchase or mortgage proceeds to the owner of any lot who is responsible for payment of such delinquent assessment.

In any voluntary conveyance of lots in the Road Area, the purchaser thereof shall be jointly and severally liable with the seller for all unpaid assessments against the seller made prior to the time of such voluntary conveyance, without prejudice to the rights of the purchaser to recover from the seller the amounts paid by purchaser therefor.

Institution of a lawsuit to attempt to collect the payment of any delinquent assessment from any person shall not be an election by the Corporation which shall prevent it from thereafter seeking, by foreclosure action, enforcement of the collection of any sums remaining owing to it, nor shall proceeding by foreclosure to attempt such collection be deemed to be an election precluding the institution of a suit at law against any person who may be liable for the same to collect any

sum then remaining owing to the Corporation.

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9. COMPLIANCE. These By-laws are set forth to comply with the requirements of the General Statutes of the State of North Carolina. In the event that any of these By-laws conflict with the provisions of said statutes, it is hereby agreed and accepted that the provisions of the statute will apply.

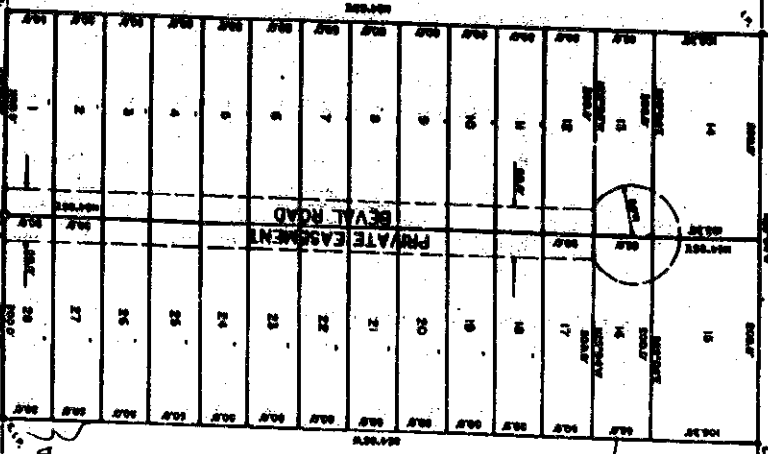
This 18th day of July, 1987.

/s/ Milton R. Hardison
Director

/s/ Kyle H. McIntyre
Director

/s/ William B. Fuller
Director

EXHIBIT "A"



S. R. 2169

A & Y BRANCH

STEPHEN D. ROYAL

WILLIAM T. MAUNEY

CAROLINA POWER & LIGHT CO.
S. R. 1394

- LEGEND:
- L.P.P. IRON PIPE
 - E.C.M. EXISTING CONCRETE MONUMENT
 - C.M. CONCRETE MONUMENT
 - N.P. NAIL
- NOTES:
- 1. IRON PIPES AT ALL LOT CORNERS.

BEVAL
BUSINESS PARK