

Prepared By and After  
Recording, Return To:

Howard L. Borum, Esq.  
Carruthers & Roth, P.A.  
235 North Edgeworth Street  
Greensboro, North Carolina 27401

SIDE NO 253380 BK 4856 PG 0613

STATE OF NORTH CAROLINA  
COUNTY OF GUILFORD

DECLARATION OF COVENANTS, CONDITIONS  
AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") made this 28th day of April, 1999, by CAPE WEDGEWOOD, INC., a North Carolina corporation (hereinafter called "Declarant");

WITNESSETH:

WHEREAS, Declarant is the owner of certain property located in Monroe Township, Guilford County, North Carolina, which is more particularly described on Exhibit A which is attached hereto and incorporated herein by reference; and

WHEREAS, Declarant desires to impose certain restrictions upon the above-described property and the lots contained therein;

NOW, THEREFORE, this Declaration hereby declares that all of the properties described above shall be held, sold, and conveyed subject to the following easements, covenants, conditions and restrictions, which shall run with the land and shall inure to the benefit of and be binding upon all parties, and their heirs, successors and assigns, having any right, title or interest in the above-described properties (or any part thereof).

ARTICLE I

DEFINITIONS

Definitions.

1.1 "Association" shall mean and refer to the Cape Wedgewood Association, Inc., a North Carolina non-profit corporation, its successors and assigns.

1.2 "By-Laws" shall mean and refer to the By-Laws of the Association.

1.3 "Common Area" shall mean all real property, real property interests or fixtures owned by the Association for the common use and enjoyment of the Owners. The Common

North Carolina - Guilford County

The certificate(s) of \_\_\_\_\_

Sarah James King

A Notary (Notaries) Public is (are) certified to be correct. This instrument and this certificate are duly registered at the date and time shown herein.

KATHERINE LEE PAYNE, REGISTER OF DEEDS

Sarah James King

Assistant Deputy Register of Deeds

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RECORDED  
KATHERINE LEE PAYNE  
REGISTER OF DEEDS  
GUILFORD COUNTY, NC  
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05/10/1999 GUILFORD CO. NC  
1 MISC DOCUMENTS 253380 \$6.00  
7 MISC DOC ADDN PGS \$14.00  
1 PROBATE FEE \$2.00

Area to be owned by the Association at the time of conveyance of the first Lot is described as all real property described as "Common Area" on the following two (2) plats of the Properties: (1) Cape Wedgewood Subdivision, Map 6, Phases II and III, as per plat thereof recorded in Plat Book 132, Page 47, in the Office of the Register of Deeds of Guilford County, North Carolina; and (2) Cape Wedgewood Subdivision, Map 7, Phases II and III, as per plat thereof recorded in Plat Book 132, Page 48, in the Office of the Register of Deeds of Guilford County, North Carolina.

1.4 "Declarant" shall mean and refer to Cape Wedgewood, Inc., its successors and assigns who are designated by it to succeed to (or share) its rights as Declarant under this Declaration.

1.5 "Lot" shall mean and refer to any plot of land shown upon any subdivision map of the Properties recorded by the Declarant, or any other parcel of real property constituting part of the real properties as may be brought within the jurisdiction of the Association containing (or designed to permit the construction of) one residential dwelling, with the exception of the Common Area.

1.6 "Member" shall mean and refer to every person or entity who holds membership with voting rights in the Association.

1.7 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is part of the Properties, including any Lot located within the Properties described on Exhibit A attached hereto, and (b) any Lot located in Cape Wedgewood Subdivision being developed by the Declarant, which may at any time in the future be brought within the jurisdiction of the Association. Owner shall include contract sellers, but shall exclude those having interests merely as security for the performance of an obligation.

1.8 "Properties" shall mean and refer to the properties described on Exhibit A attached hereto and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

## ARTICLE 2

### PROPERTY RIGHTS

2.1 Owner's Easements of Enjoyment. Every Owner and Declarant shall have a right and easement of enjoyment in and to the Common Area. Such right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to suspend the voting rights of an Owner for any period during which any assessment against the Owner's parcel remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(b) the right of the Association to impose regulations for the use and enjoyment of the Common Area and any improvements thereon, which regulations may further restrict the use of the Common Area.

## ARTICLE 3

### MEMBERSHIP

3.1 Membership. Every Owner, by acceptance of a deed for a Lot, shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. 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 property shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot.

## ARTICLE 4

### COVENANT FOR ASSESSMENTS

4.1 Creation of Lien and Personal Obligation of Assessment. 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 annual assessments or charges, such assessments to be established and collected as hereinafter provided. All such assessments and charges are referred to herein as the "Assessments".

The Assessments, together with interest at the rate of twelve percent (12%) per annum or the highest rate allowed by law, whichever is less, costs and reasonable attorney's fees, shall be a charge on the Owner's Lot and shall be a continuing lien upon the Owner's Lot against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal liability for delinquent assessments shall not pass to his successors in title unless expressly assumed by them, but any delinquent assessment shall constitute an encumbrance on the property despite passage of title.

4.2 Purpose of Assessments. The Assessments levied by the Association shall be used for the maintenance of the Common Area and all properties, services and facilities located thereon, and also for payment of premiums for liability insurance, and payments of assessments for capital improvements made by the Association to or for the benefit of the Common Area, if any such payments be required. Without limiting the generality of the foregoing, the assessments levied by the Association may be used to pay the cost of repairs, replacements, the costs of labor, equipment, materials, management and supervision, the payment of taxes (if any) assessed against the Common Area, the maintenance of the storm water detention ponds located

within the Common Area, and the procurement and maintenance of insurance in accordance with the By-Laws. The Association is responsible for maintaining the completed permanent dry detention ponds located within the Common Area as directed by the governmental office having jurisdiction for watershed protection. If the Association should be dissolved or cease to exist, then, in that event, all of the owners of record of the Properties at the time of required maintenance shall be jointly and severally liable for any and all costs attendant thereto. The assessments levied by the Association shall be used in part as required or deemed appropriate by the Association for the repair and/or maintenance of the permanent dry detention ponds located within the Common Area. Repairs and maintenance shall include but not be limited to, the cost of repairs, replacements, and additions, the cost of labor, equipment, materials, management and supervision. Assessments shall also provide for the procurement and maintenance of insurance in accordance with the bylaws, the provision of adequate reserves for the replacement of major structures incorporated into the permanent dry detention ponds located within the Common Area and such other needs as may arise.

#### 4.3 Maximum Annual Assessment.

(a) Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment for each Lot shall be Zero Dollars (\$-0-); and

(b) The maximum annual assessment for the calendar year immediately following the year in which conveyance of the first Lot to an Owner is made and for each calendar year thereafter, shall be established by the Board of Directors and may be increased by the Board of Directors without approval by the membership by an amount not to exceed ten percent (10%) of the maximum annual assessment of the previous year.

(c) The maximum annual assessment for the calendar year immediately following the year in which conveyance of the first Lot to an Owner is made and for each calendar year thereafter may be increased without limit by a vote of two-thirds (2/3) of the Members who are voting in person or by proxy at a meeting duly called for this purpose; and

(d) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum, subject to the provisions of Section 4.5 of this Article.

4.4 Special Assessments For Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any calendar year, a special assessment for the purpose of defraying in whole or in part the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the consent of two-thirds (2/3) of the Members who are voting in person or by proxy at a meeting duly called for this purpose. All special assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

4.5 Rate of Annual Assessment. Both annual and special assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly basis or at less frequent intervals (but at least annually) as determined by the Board of Directors.

4.6 Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein may be collected on a monthly basis (or at less frequent intervals but at least annually) as determined by the Board of Directors in its discretion and shall commence as to all Lots on the first day of the month following the giving of such written notice of the commencement of such annual assessments from the Board of Directors of the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. At least thirty (30) days in advance of each annual assessment, the Board of Directors shall fix the amount of the annual assessment to every Owner subject thereto. The due date shall be established by the Board of Directors. The Association shall, upon demand, and for reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

4.7 Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum or the highest rate permitted by law, whichever is less. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien created hereby against the property in the same manner as prescribed by the laws of the State of North Carolina for the foreclosure of Deeds of Trust, and interest, costs and reasonable attorney's fees for representation of the Association in such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided for herein for non-use of the Common Area or abandonment of his Lot, nor shall damage to or destruction of any improvements on any Lot by fire or other casualty result in any abatement or demotion of any assessments provided for herein.

4.8 Effect of Conveyance on Lien. Sale or transfer of any Lot shall not affect the assessment lien or lien provided for in the preceding section. No such sale or transfer shall relieve such Lot from liability for any assessments or from the lien thereof.

4.9 Subordination of the Lien to Mortgage. The liens provided for herein shall be subordinate to the lien of any mortgage, mortgages, deed of trust or deeds of trust. Sale or transfer of any Lot shall not affect the assessment lien or lien provided for in the preceding section. However, the sale or transfer of any Lot which is subject to any mortgage or deed of trust, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to the payment thereof which became due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any mortgage, mortgages, deed of trust or deeds of trust.

**4.10 Effect of Default and Payment of Ad Valorem Taxes or Assessments for Public Improvements by Association.** Upon default by the Association in the payment to the governmental authority entitled thereto of any ad valorem taxes (if any) levied against the Common Area or assessments for public improvements to or for the benefit of Common Area, which default shall continue for a period of six (6) months, each Owner of a Lot shall become personally obligated to pay such taxing or assessing governmental authority a portion of such taxes or assessments in an amount determined by multiplying the total taxes and/or assessments due the governmental authority by a fraction, the numerator of which shall be one and the denominator of which shall be the total number of Lots within the Properties. If such sum is not paid by the Owner within thirty (30) days following receipt of notice of the amount due, then such sum shall become a continuing lien on the Lot of the then Owner, his heirs, devisees, representatives, successors and assigns and the taxing or assessing governmental authority may either bring an action at law or may elect to foreclose the lien against the Lot of the Owner.

## ARTICLE 5

### GENERAL PROVISIONS

**5.1 Enforcement.** Declarant, the Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by Declarant, the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

**5.2 Severability.** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

**5.3 Duration and Amendment.** The easement, covenants, conditions and restrictions contained in this Declaration shall run with and bind the land for a period of twenty (20) years from the date this Declaration is recorded in the Office of the Register of Deeds of Guilford County, North Carolina, after which time the provisions of this Declaration shall be automatically extended for successive periods of ten (10) years each. This Declaration may be amended or terminated by an instrument signed by not less than seventy-five percent (75%) of the Owners; provided, however, that no amendment which shall affect the rights of Declarant hereunder or the annexation rights contained in Section 5.4 below shall become effective without the prior written consent of Declarant; and provided further, however, no amendment relating to the maintenance and ownership of the permanent dry detention ponds located in the Common Area shall not be permitted without review and approval by the governmental office having jurisdiction for watershed protection. Any such amendment or termination must be properly recorded in the Office of the Register of Deeds of Guilford County, North Carolina.

**5.4 Annexation.** Additional lands and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of the Members.

5.5 Section Headings. The section headings contained in this Declaration are for reference purposes only and shall not effect the meaning or interpretation of the terms, covenants, or conditions contained herein.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused this instrument to be executed by its duly authorized officers and its corporate seal to be hereunto affixed, the date first written above.

CAPE WEDGEWOOD, INC., a North Carolina corporation

By: Marvin L. Borum  
(Marvin L. Borum, President)

Rebecca A. Borum  
Name: REBECCA A. BORUM  
Secretary

STATE OF NORTH CAROLINA

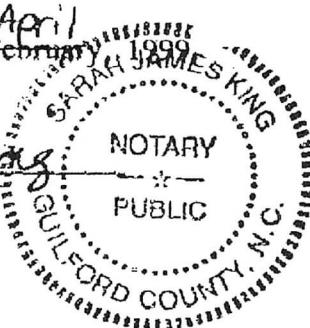
COUNTY OF GUILFORD

I, Sarah James King, a Notary Public in and for the aforesaid County and State do hereby certify that Rebecca A. Borum personally came before me this day and acknowledged that s/he is Secretary of CAPE WEDGEWOOD, INC., a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by MARVIN L. BORUM, President, sealed with its corporate seal and attested by him as its her Secretary.

Witness my hand and official notarial stamp/seal this 28th day of February, 1999

Sarah James King  
Notary Public

My Commission Expires: 1-24-2001



## EXHIBIT A

Those certain pieces, parcels or tracts of land, lying and being in Monroe Township, Guilford County, North Carolina, being more particularly described as follows:

1. All lots located in Cape Wedgewood Subdivision, Map 6, Phases II and III, as per plat thereof recorded in Plat Book 132, Page 47, in the Office of the Register of Deeds of Guilford County, North Carolina; and
2. All lots located in Cape Wedgewood Subdivision, Map 7, Phases II and III, as per plat thereof recorded in Plat Book 132, Page 48, in the Office of the Register of Deeds of Guilford County, North Carolina.

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Prepared By: Howard L. Borum; Carruthers & Roth, P.A.  
P.O. Box 540, Greensboro, North Carolina 27402

NORTH CAROLINA

GUILFORD COUNTY

DECLARATION OF COVENANTS, CONDITIONS.  
RESTRICTIONS AND EASEMENTS

THIS DECLARATION, made this 6th day of May, 1999, by CAPE WEDGEWOOD, INC., a North Carolina corporation having its principal office and place of business in Greensboro, Guilford County, North Carolina, hereinafter called the "Declarant";

WITNESSETH:

THAT, WHEREAS, Declarant is the owner and developer of: (a) Cape Wedgewood Subdivision, Map 6, Phases II and III, as per plat thereof recorded in Plat Book 132, Page 47, in the Office of the Register of Deeds of Guilford County, North Carolina; and (b) Cape Wedgewood Subdivision, Map 7, Phases II and III, as per plat thereof recorded in Plat Book 132, Page 48, in the Office of the Register of Deeds of Guilford County, North Carolina, located in Monroe Township, Guilford County, North Carolina (collectively, the "Subdivision"); and

WHEREAS, Declarant desires to impose certain restrictions upon the Subdivision for the purpose of protecting the value and desirability of the Subdivision;

NOW, THEREFORE, Declarant hereby declares that all numbered lots located within the Subdivision (hereinafter called "lots"), shall be held, sold, and conveyed subject to the following covenants, conditions, restrictions and easements, which shall run with the land and shall inure to the benefit of and be binding upon all parties, and their heirs, successors, and assigns, having any right, title or interest in any of the lots (or any part thereof).

ARTICLE I

USE RESTRICTIONS

1. Land Use and Building Type. All lots shall be used for residential purposes only except for temporary uses by Declarant (and its successors and assigns) for a sales office and model dwellings, and no structure shall be erected or allowed to remain on any lot except (a) one (1) detached single-family dwelling not exceeding two (2) stories and an attic (finished or unfinished) in height, (b) a private garage or carport for not more than three (3) automobiles, and (c) other outbuildings incidental to residential use. All dwellings without a basement shall be constructed with a crawl space-type foundation. No mobile or "manufactured" home shall be placed or allowed to remain on any lot.

2. Prohibition Against Commercial Uses. No lot shall be used for business, manufacturing, or commercial purposes, and no animals or fowls shall be kept or allowed to

20623

North Carolina - Guilford County  
The certificate(s) of

*Patricia Summers*

253382

RECORDED

KATHERINE LEE PAYNE  
REGISTER OF DEEDS  
GUILFORD COUNTY, NC

1 MISC DOCUMENTS  
4 MISC DOC ADDN PGS  
1 PROBATE FEE

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\$6.00  
\$8.00  
\$2.00

A Notary (Notaries) Public is (are) certified to be correct. This instrument and this certificate are duly registered at the date and time shown herein.

KATHERINE LEE PAYNE, REGISTER OF DEEDS

*Patricia Summers*  
Ansonia Deputy Register of Deeds

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remain on any lot for commercial purposes, and no animals other than household pets shall be kept or allowed to remain on any lot for any purpose.

3. Required Land Area. No lot shall be subdivided by sale or otherwise so as to reduce the total area of the lot as shown on the plats of the Subdivision referred to above to less than 40,000 square feet; provided, however, no such subdivision may be done without the prior written consent of Declarant which may be given or withheld in Declarant's sole discretion.

4. Minimum Size of Dwelling. No dwelling shall be erected or allowed to remain on any lot if the ground floor area of the main structure, exclusive of one-story open porches, garages, or carports, shall be less than (a) one thousand eight hundred (1,800) square feet in the case of a one-story structure; or (b) one thousand four hundred (1,400) square feet in the case of a one and one-half-story structure (having a total heated area for all levels of at least one thousand eight hundred (1,800) square feet); or (c) one thousand two hundred (1,200) square feet in the case of a two-story structure (having a total heated area for all levels of at least one thousand eight hundred (1,800) square feet).

5. Approval of Plans and Specifications. No building or other structure of any kind shall be erected or allowed to remain on any lot unless the plans and specifications (including a site plan) therefor have been approved in writing by Declarant; provided, however, that if Declarant has not disapproved the plans and specifications within sixty (60) days from the time they are submitted to it, its approval will not be required if the design of the building is in harmony with the existing structures in the area; and provided, further, that no roof without a pitch of 7/12 or greater shall be permitted without the written consent of Declarant. Declarant will have the sole right and authority to disapprove such plans and specifications for any reason in its sole discretion, including, but not limited to, exterior colors and appearances, landscaping, location of the dwelling or other structures on the lot, and aesthetics.

6. Location of Building on Lot. No dwelling or other structure shall be erected or allowed to remain on any lot within sixty (60) feet of the property line of the street abutting the front of such lot. From the front property line to a depth of fifteen (15) feet beyond the rear line of the main building, there shall be kept open and uncovered by any building, or any part thereof, a side yard along each side of each lot and the minimum width of any such side yard shall not be less than fifteen (15) feet. The front building line provided for herein shall not apply to steps or stoops in any event or to unenclosed porches which do not project more than five (5) feet beyond the same.

7. Placement of Buildings. The main building on any lot shall not be erected or allowed to remain facing in any direction except toward the street abutting the front of such lot, which as to a corner lot shall be the street upon which said lot has the least frontage, except with the written consent of Declarant. The entrance of any garage or carport on any lot shall not face the street abutting the front of such lot.

8. Driveways. All driveways shall be paved in concrete, asphalt or other paving materials approved by Declarant.

9. Temporary and Accessory Structures. No residence of a temporary character, including, but not limited to, any tent, shack, or mobile home shall be erected or allowed to remain on any lot and no trailer, recreational vehicle, basement, tent, shack, garage, barn, or other outbuilding or accessory structure shall be used as a residence either temporarily or permanently.

10. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plats of the Subdivision and Declarant reserves an easement for, and the right at any time in the future to grant rights-of-way for, the installation and maintenance of public utilities across, on, or under any lot at a distance of not more than ten (10) feet from the rear and side lines, but such rights-of-way must be used so as to interfere as little as possible with the use of any lot by its owner.

11. Streets, Signs and Fences. No road, street or alley shall be opened or constructed across or through any lot without the prior written consent of Declarant which may be given or withheld in Declarant's sole discretion. No billboards or signs shall be erected or allowed to remain on any lot except (i) "For Sale" signs or "For Rent" signs, which signs shall not exceed six (6) square feet in area, or (ii) signs denoting the residence of a lot owner, either free-standing or affixed to a gatepost, which signs shall bear no commercial or advertising message; provided, however, Declarant shall have the right to construct and maintain such signs as it may deem necessary or proper to advertise Cape Wedgewood Subdivision and the sale of any lots therein. No fence shall be erected or allowed to remain on any lot nearer to any street abutting the same than the building lines herein provided for, except with the written consent of Declarant.

12. Nuisances. No lot shall be used in whole or in part for the storage or burying of rubbish of any character whatsoever or for the storage of any property or substance which will cause the lot to appear in an unclean or unkept condition; and no substance, thing, or material which will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort or serenity of the occupants of lots within the Subdivision, shall be kept on any lot, nor shall anything be done on any lot which is a nuisance or annoyance to the community. Each lot owner shall maintain his buildings and improvements, landscaping, and grounds in a safe, clean, and orderly condition.

## ARTICLE II

### GENERAL PROVISIONS

1. Application of Restrictions. The easements, covenants, conditions and restrictions contained in this Declaration shall apply only to the Subdivision and the provisions of this Declaration shall not apply to or be enforceable with respect to any other property of Declarant.

2. Duration and Amendment or Termination. The easements, covenants, conditions and restrictions contained in this Declaration shall run with and bind the land contained within the Subdivision by whomsoever owned for a period of fifty (50) years from the date this Declaration shall be recorded in the office of the Register of Deeds of Guilford County, North Carolina, after which time the provisions of this Declaration shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by a majority of the owners of the lots in Cape Wedgewood Subdivision has been recorded, agreeing to change this Declaration in whole or in part. This Declaration may be amended or terminated during the initial fifty (50) year period by an instrument signed by Declarant and seventy-five percent (75%) of the lot owners within Cape Wedgewood Subdivision. Any such amendment, modification or termination must be properly recorded in the office of the Register of Deeds of Guilford County, North Carolina.

3. Enforcement. Declarant, or any lot owner within Cape Wedgewood Subdivision, shall have the right to enforce, by any proceeding at law or in equity, all easements, restrictions, covenants, and conditions contained in this Declaration. Failure by the Declarant or any lot owner to enforce any easement, restriction, covenant, or condition herein contained shall in no event be deemed a waiver of the right to do so thereafter. Declarant shall have no liability to any person, firm, or corporation because of its failure to enforce any provision contained within this Declaration.

4. Waiver of and Consent to Violations. Declarant may waive any violation of this Declaration by an appropriate instrument in writing; provided, however, that if the violation occurs on any lot (or lots) which abuts a lot (or lots) which has been conveyed to a fee simple owner (or owners), the written waiver of such violation by such owner (or owners) shall also be obtained. The provisions of this paragraph shall not apply to Article I, paragraphs 3, 5, 6, 7, 8, and 11, where only the written consent of Declarant shall be required.

5. Severability. Invalidation of any one or more of the covenants or restrictions by judgment or other court order shall in no way affect any of the other covenants or restrictions which shall remain in full force and effect.

6. Assignability. Declarant shall have the right to assign or transfer all of its rights and privileges herein reserved by it and delegate all of its duties hereunder to any person or entity by recording such assignment in the office of the Register of Deeds of Guilford County, North Carolina, and such successor shall thereafter have the same rights, reservations, privileges, and duties as herein given and assumed by Declarant including the right of assignment contained within this paragraph 6. After such assignment, transfer and delegation, Declarant shall have no further duties or liability to the owners of lots in the Subdivision.

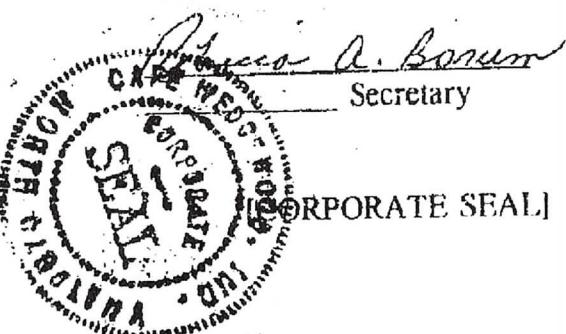
7. Section Headings. The section headings contained in this Declaration are for reference purposes only and shall not affect the meaning or interpretation of the terms, covenants, or conditions contained herein.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed in its corporate name, by its duly authorized corporate officers, with its corporate seal hereunto affixed, this the day and year first above written.

CAPE WEDGEWOOD, INC.

By: Rebecca A. Borum  
President

ATTEST:

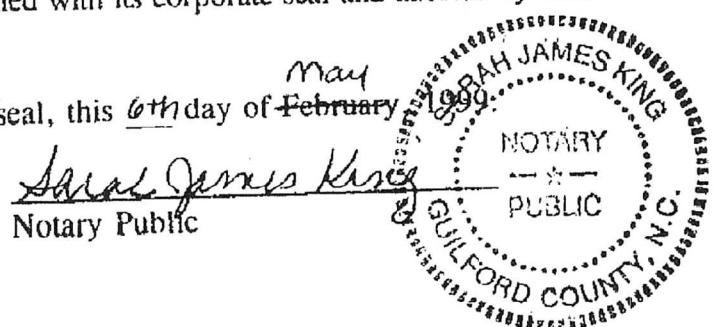


STATE OF NORTH CAROLINA

COUNTY OF GUILFORD

I, Sarah James King, a Notary Public of the State and County aforesaid, certify that Rebecca A. Borum, personally came before me this day and acknowledged that she is Secretary of CAPE WEDGEWOOD, INC., a North Carolina corporation, 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 him/her as its Secretary.

WITNESS my hand and official stamp or seal, this 6th day of February,



My commission expires: 1-24-2001