

LINCOLN COUNTY

19th

RESTRICTION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, that LINCO, INC. (hereinafter Developer) does hereby covenant and agree to and with all persons, firms or corporations hereafter acquiring any of the property hereinafter described, in the form and manner following:

WITNESSETH THAT:

WHEREAS, Developer is the sole owner of subdivided tracts of land known as PLANK ESTATES SUBDIVISION, located in Ironton Township, Lincoln County, North Carolina, as shown by plats of survey by Ronnie Jetton Dedmon, Professional Land Surveyor, plats dated March 3, 2000, and recorded in the Lincoln County Register of Deed Office as following:

PLANK ESTATES, SECTION SIX, Lots numbered 80 through 90, recorded in Map Book 10 at Page 380;
PLANK ESTATES, SECTION SEVEN, Lots numbered 91 through 112, recorded in Map Book 10 at Page 381;
PLANK ESTATES, SECTION EIGHT, Lots numbered 113 through 116 and Lots 118 through 125, recorded in Map Book 10 at Page 382;
PLANK ESTATES, SECTION NINE, Lots numbered 126 through 138 and lots 140 through 148, recorded in Map Book 10 at Page 383;
PLANK ESTATES, SECTION TEN, Lots numbered 149 through 157, recorded in Map Book 10 at Page 384.

WHEREAS, the lots are so situated as to comprise a neighborhood unit of the aforesaid subdivision known as PLANK ESTATES, and

WHEREAS, it is the intent and purpose of Developer to convey said lots therein to persons, firms or corporations who will erect or situate thereon residences to be used for single family purposes; and

WHEREAS, Developer desires to establish a general plan pertaining to enjoyment and use of said lots for the benefit of said prospective purchasers, and to restrict the use thereof in uniform manner, and to put all persons, firms or corporations on notice of such restrictions;

NOW, THEREFORE, in consideration of the premises and in further consideration of the purchase price to be paid by prospective purchasers of lots in the above described subdivision, Developer does hereby agree and covenant that all lots of PLANK ESTATES, as described and shown on the above referenced plats thereof recorded in Lincoln County, shall be sold subject to the restrictions and covenants hereinafter set forth, which shall constitute covenants running with the land, and that all deeds, leases, and Real Estate Purchase Agreements executed and delivered by Developer for lots or tracts in the aforesaid portion of subdivision shall be made subject to the following restrictions:

1. Use of Land: Each of the lots shall be used solely and exclusively for residential purposes, and no structure other than one detached single family private residence shall be erected or situated on any lot except for accessory structures customarily incidental to country residential use. All such structures, including fences but excluding well houses, shall be situated so that no wall or other portion thereof shall be any closer to the front of said lot than the front wall of the residential dwelling. In no event shall any lot be used as a road or street to connect, directly or indirectly, with any property not a part of the subdivision unless prior written approval is granted by the Developer.

2. Minimum Size and Construction of Residence: Any residence erected or placed on any of the lots shall be of new construction, with the exception of lots 126 through 138 and lots 140 through 157 which may have a residence of no more than 3 years old at the time of placement on the property, each residence must measure at least twenty three feet from front to rear and measure at least forty feet from side to side, exclusive of open porches, breezeways, carports, and garages. Each residence must be underpinned prior to the time it is occupied as a residence. Underpinning must be constructed of new materials and consist of new brick. In addition, every front and side exterior door of a residence must have steps constructed of new brick prior to the time the residence is occupied. All stoops and porches must also

be underpinned with new brick. The front door of any residence erected or situated on a lot shall face the front of the lot unless prior written approval is granted by the Developer because of very unusual physical characteristics of the lot. Any dwelling constructed upon a tract must be completed within one year subsequent to commencement of construction, unless written consent of Developer is received because of delay in construction due to circumstances reasonably beyond the control of the owner of said lot.

3. Subdivision Not Allowed: No individual numbered lot shall be subdivided by sale or otherwise so as to reduce its total area as shown on said map referred to above, except Developer retains the right to adjust lot lines and to subdivide or combine numbered lots as Developer deems appropriate or to accommodate local County Health Department requirements for septic systems.

4. Utilities and Drainage Easements: Developer reserves for its use, or for the use of others that the undersigned may designate in the future (including, but not limited to, municipal or public utilities), a ten (10) foot right of way over, under and along the interior side lot lines of each lot; a fifteen (15) foot right of way over, under and along all exterior subdivision lot lines and each rear lot line, and a like fifteen (15) foot right of way extending into each lot from the right of way margin of any street or road within the subdivision, for the installation and maintenance of pipes, lines and other equipment or apparatus necessary to or useful for furnishing electric power, gas, water, telephone service, sewage and other utilities to the lots in said subdivision or for handling drainage requirements for the lots in said subdivision. Any transfer of any lot shall be further subject to such other easements, if any, as shown on the recorded maps hereinabove referenced or in any other recorded instrument. Within the foregoing easements, no structure or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change the direction or flow of 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. All claims for damages, if any, arising out of the construction, maintenance, and repair of utilities on account of temporary or other inconvenience caused thereby against Developer, or any utility company or municipality, or any of its agents or servants are hereby waived by the owners.

5. Prohibitions against Offensive Use; Maintenance Obligations: No noxious or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood; no privy shall be constructed or kept on the land conveyed, nor shall any use of said property be made or permitted which shall be noxious or dangerous to health; no signs or billboards of any description shall be displayed in any manner upon the above described subdivision or any part thereof, with the exception of "For Rent" and "For Sale" signs, which signs shall not exceed two feet by three feet in dimension unless prior written approval is granted by the Developer for an exception; no trailer, tent, shack, barn, garage, basement, temporary building, or other outbuildings shall be utilized on any lot in the subdivision as a temporary or permanent residence; no structure not in conformity with this entire restrictions agreement, without advance Developer approval, shall be moved onto any lot; no lot in said subdivision may be used or maintained as a dumping ground for rubbish; trash, garbage or other refuse as such shall not be kept thereon except in sanitary containers; all incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition; non-operating, unlicensed or uninsured vehicles, unused objects or apparatus, other unsightly objects, or any portion thereof shall not be permitted to remain on any lot; all vehicles must display a current Department of Motor Vehicles inspection sticker. Off road recreational vehicles, such as four wheelers, dirt bikes and go-carts, will not be allowed on any right of way of any public street nor utilities or drainage easement nor on any adjoining property owned by the Developer, unless prior written approval is granted by the Developer. Each purchaser of a lot shall cause each lawn to be mowed as needed and provide for the maintenance and protection of landscaping to insure proper drainage and to prevent soil erosion, and provide for maintenance of the buildings to assure good condition and

appearance. Each lot owner shall maintain permanent vegetative cover within the street and drainage right of way and keep it mowed as needed and maintain the drainage way to prevent soil erosion within any street or drainage right of way. The exterior color of each residence and structure must meet the approval of the Developer. In the event that any owner of any property in the subdivision shall fail or refuse to keep such premise in accordance with the requirements of these restrictions, then Developer may enter upon such lands and take appropriate corrective action, including removal of refuse, unsightly objects and the like or maintain any of the property, at the expense of the owner and such entry shall not be deemed a trespass.

6. Pets and Animals: No animals, livestock or poultry of any kind may be raised, bred, pastured, or maintained on any of said tracts except normal household pets, which must be contained within the boundaries of the tract and to the rear of the front building line of the residence. No animal kennels may be kept or maintained on any of said tracts. All structures, including those for animals, must be in compliance with the county building codes and regulations.

7. Setback Lines: No building shall be located nearer to the right of way margin of any front street in the subdivision than forty (40) feet nor nearer to any side street than twenty (20) feet nor nearer to any interior side lot line than ten (10) feet nor nearer to any rear lot line than thirty (30) feet. Additional setback limitations may exist as governed by the County. For the purpose of this agreement, eaves, steps, and open porches shall not be considered as part of a building. Minor modifications of these setback requirements, if necessary because of topography or other unusual circumstances, may be permitted provided the prior written consent of Developer is obtained. In the event of an unintentional violation of any of the restrictions herein set forth with respect to any lot, the right is reserved to Developer, by and with the mutual written consent of the owner of such lot, to change the building line restrictions set forth herein as to that lot up to a maximum of twenty per cent (20%).

8. Septic Systems: Sewage systems will be by septic tanks which will be installed and maintained as directed by the local County Health Department. Installed systems causing noxious odors, drainage or other problems, shall be promptly repaired by the lot owner. Each lot owner shall consult with the local Health Department and obtain at least a 3 bedroom septic system Installation Permit for a county approved sewage disposal system within sixty (60) days of purchasing the property and prior to making any physical changes to the property. If within sixty (60) days of closing, the local Health Department determines that an Installation Permit cannot be issued because there is no place on the property suitable for any type of sewage disposal system, the Developer will refund all the monies paid by the Purchaser as the sole remedy and as full liquidated damages. Neither the Developer, Marketing Agent(s), nor Agency will be responsible in any way after sixty (60) days of closing if Purchaser does not obtain the Installation Permit and get a septic system installed timely per Installation Permit.

9. Wells: If a private well is installed on any lot it must be located no nearer than 50 feet to any side or rear lot line unless prior written approval is granted by Developer. Each lot owner must confirm that the purchased lot does have an adequate potable water supply for year-round use within sixty (60) days of closing.

10. Streets: The streets within the subdivision are constructed to North Carolina Department of Transportation standards and are public roads. Each lot owner is responsible for maintaining permanent vegetative cover in front of owner's lot including the shoulder and drainage way of the street to prevent soil erosion and keep vegetation mowed. No structure shall be located within the street right of way that does not meet public road safety standards. No masonry or steel structure, nor athletic equipment is to be placed within the street right of way unless prior written approval is received from the North Carolina Department of Transportation and the Developer. No vehicle is to be parked within the street right of way.

11. Driveway Connections to Streets: All driveway and driveway pipes shall be installed in accordance with those standards established by the North Carolina Department of Transportation for secondary residential streets. Plastic pipe is not allowed unless it is of a type approved by the North Carolina

12. Committee: The Developer shall have the authority to designate and appoint a committee composed of not less than three (3) nor more than five (5) property owners to fulfill the responsibilities of Developer with regard to consent and approval requirements of this Restriction Agreement. The committee, when named by Developer, shall have all privileges, powers, rights, and authority theretofore vested in Developer, including the right to name a successor committee. In the event that Developer shall open additional sections of this subdivision and shall make this Restriction Agreement applicable thereto, the committee, if any, shall exercise the rights and duties hereof as to all such additional sections.

13. Property Boundary: Each lot owner is responsible for knowing where all property boundary survey angle points are located and each lot owner agrees to maintain all survey irons and stakes. Should any survey iron or stake be disturbed, the Developer reserves the right to charge and collect from any lot owner the amounts of surveying costs of resetting any survey iron or stake.

14. Common Area: The approximate 10.09 acres of property located adjacent to the western most lots in Plank Estates Subdivision may serve as a Common Area. Upon Developer's written approval, the Common Area may be for the private use and enjoyment of the property owners of Plank Estates Subdivision having a subdivision lot number greater than 49, for these property owners' families and their invited guests. The Common Area may become public should Lincoln County accept responsibilities for maintenance and governing.

15. Plank Estates Common Area Association: For the purpose of maintaining and governing the Common Area, for the general use and benefit of all lot owners of Plank Estates Subdivision having a lot number greater than 49, each and every owner of a lot with a number greater than 49 shall in accepting a deed, lease, or contract for any lot in such premises, agree to and shall be a member of and be subject to the obligations and duly established bylaws and rules of the Plank Estates Common Area Association. The following provisions shall constitute the initial bylaws and rules thereof and shall be incorporated in any bylaws and rules which may be subsequently adopted by the Plank Estates Common Area Association:

(a) Membership: Every owner of a lot that is numbered greater than 49 shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of each lot.

(b) Voting Rights: All owners shall be entitled to one vote for each lot owned. When more than one person owns an interest in any lot, all such persons shall be members, but only one vote may be cast with respect to one lot.

(c) Board of Directors and Officers: The Association shall have a Board of Directors of not less than three (3) nor more than six (6) members and shall have officers consisting of a President, Vice-President, Secretary and Treasurer and such other officers as the members shall elect. The Board of Directors shall adopt bylaws to govern the normal and customary affairs and business of the Association and all members shall be subject thereto. The initial Board of Directors shall be appointed by the Developer.

(d) Meetings: Annual meetings of the membership shall be held at a time and place designated by the Board of Directors. Special meetings shall be held on call of the President of the Board of Directors with not less than ten (10) nor more than thirty (30) days written notice to the owners or pursuant to such other reasonable meeting requirements established in its bylaws. Voting shall be by simple majority vote (except for voting on bylaw changes which shall require a two-third majority) with representation of 50% or more of the lots required to constitute a quorum.

(e) Assessment for Maintenance and Governing the Common Area: Each and every lot owner, for himself, his heirs, executors, and assigns, covenants and agrees to pay annually his pro rata share of the cost to maintain and govern the Common Area. The lot owner's assessment in this regard shall be paid promptly when same becomes due and in the event of his failure to pay same promptly when due shall constitute a lien upon the lot or lots owned and same may be enforced in equity as in the case of any lien foreclosure. Each owner's assessment for lots numbered greater than 49 shall be proportionate to the total number of all lots having a number greater than 49 within Plank Estates Subdivision. The assessment period shall begin upon the sale by Developer of at least 50% of the lots in said subdivision that have a lot number greater than 49 or at any later date that the Developer may determine. Such assessments shall be accrued to the benefit of and may be enforced jointly and severally by the other property owners in the subdivision, or by the Plank Estates Common Area Association, or by the committee provided for in Item 12 of this Restriction Agreement or by the Developer. Any and all of the aforesaid parties shall have such rights and powers as are necessary to collect said assessments including the right to institute civil actions for recovery of the same plus reasonable attorney's fees. The Developer reserves the right to transfer title of the Common Area property to the Plank Estates Common Area Association any time after all of the sections of Plank Estates Subdivision have been recorded in the Office of the Register of Deeds, Lincoln County, or transfer title to Lincoln County if Lincoln County is willing to accept title and accept the responsibilities for maintenance and governing or to transfer title to any other designated party.

(f) Developer as Member of Plank Estates Common Area Association: Notwithstanding any of the other provisions hereof, the Developer shall have no obligations relative to maintenance and governing fees upon the sale of 50% or more of the lots that are numbered greater than 49. Developer shall not be required to become a member of the Plank Estates Common Area Association, even though it owns lots that are numbered greater than 49 in the subdivision, but may, at its sole discretion, elect to become a member and exercise all the rights and privileges thereof.

(g) Regarding use of Plank Estates Common Area: The designated Common Area may serve as a nature preserve and natural area for the benefit of the owners of lots having a number greater than 49.

16. Terms of Restrictions: The foregoing covenants, conditions and restrictions are to run with the land and shall be binding on all parties and all persons owning lots in the above described subdivision for a period of twenty (20) years from the date of the recording of this instrument, and after that time, said covenants, conditions and restrictions shall be extended automatically for successive periods of ten (10) years unless an instrument signed by a majority of the then property owners has been recorded, agreeing to change said covenants in whole or in part. The enforcement of these restrictions shall be by proceedings at law or in equity by any property owner or group of property owners, by the Developer, by the Committee designated by the Developer or by the local county government, against any person or persons or entity violating or attempting to violate any covenant, condition or restrictions herein contained and recover damages or other dues for such violation including any and all related legal expenses. Invalidation of any one of the covenants, conditions or restrictions by judgments or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

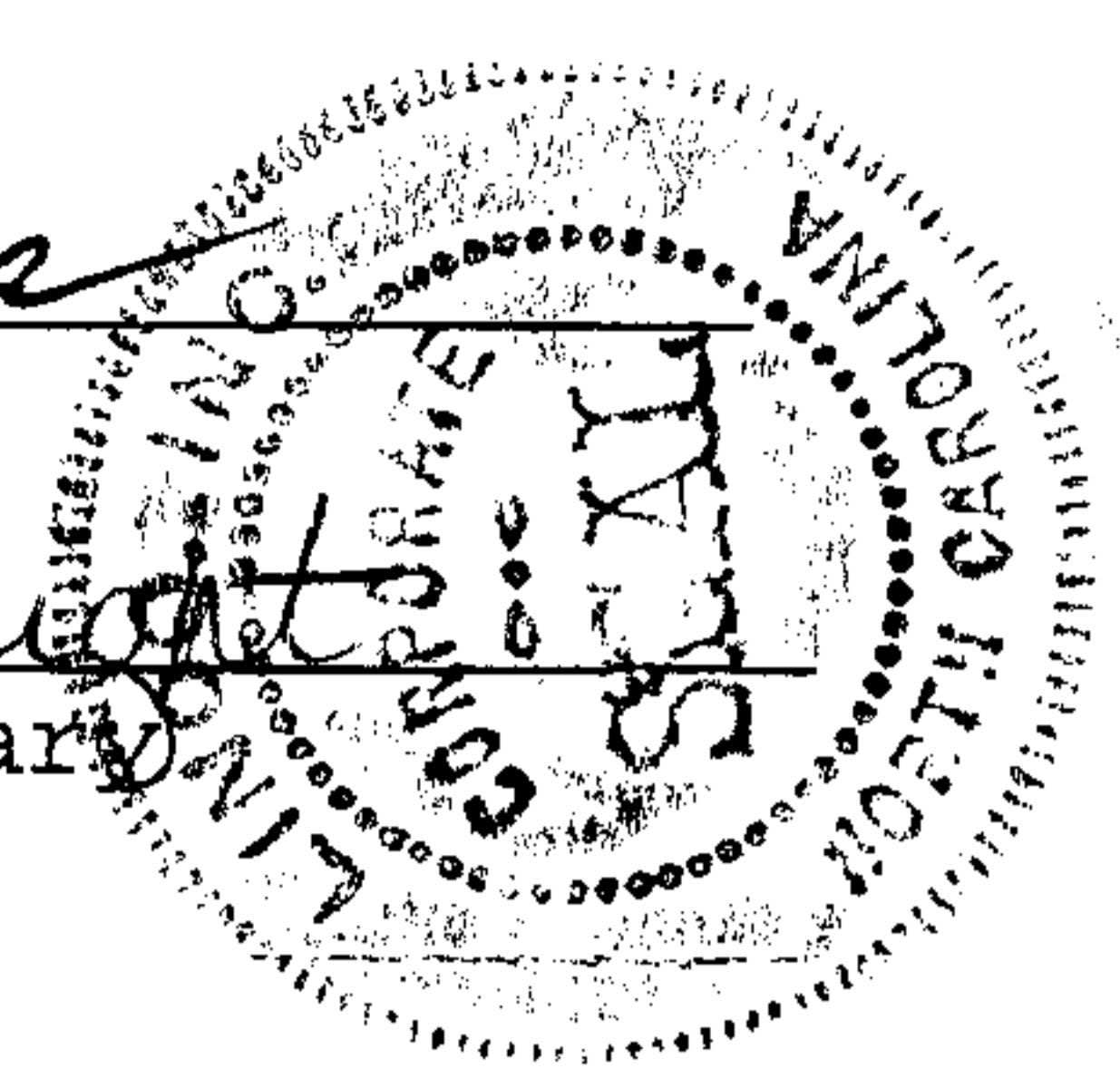
17. Applicability to Additional Development: The development of additional sections of this subdivision is not contemplated by Developer, but these covenants and restrictions may be extended by supplemental declaration to surrounding and contiguous property owned by Developer by filing of record a supplemental declaration executed by Developer or its successors or assigns.

IN WITNESS WHEREOF, Developer has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed, this the 26th day September 2000.

LINCO, INC.

BY: Ailey Jones
Vice President

Attest: Deborah Knight
Asst. Secretary

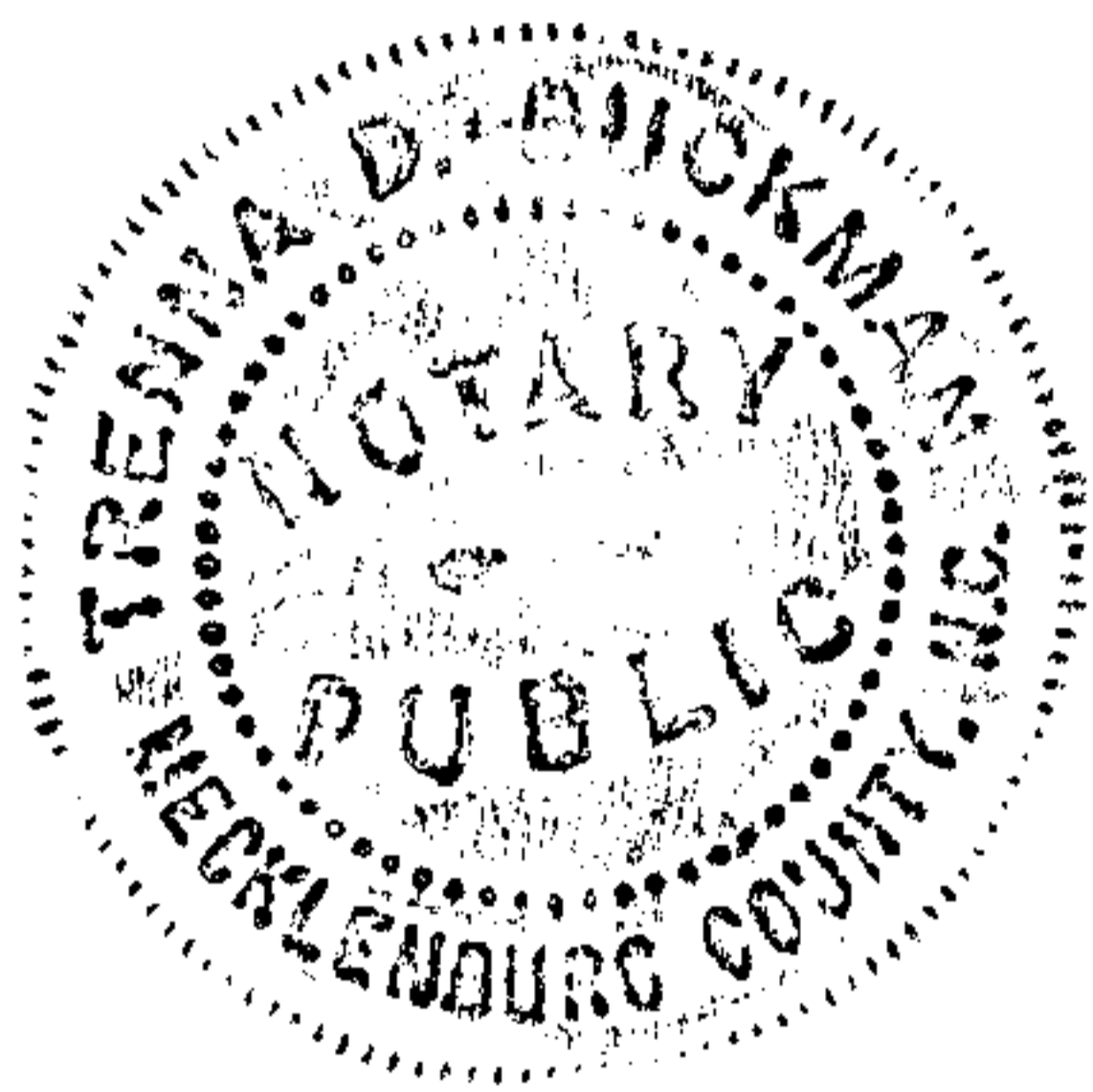


NORTH CAROLINA
MECKLENBURG COUNTY

I, Trenna D. Buckman a Notary Public for said County and State, do hereby certify that Deborah Knight personally appeared before me this day and acknowledged that she is Assistant Secretary of LINCO, INC. and that by authority duly given, and as the act of the corporation, the foregoing instrument was signed in its name by its Vice President, sealed with its corporate seal, and attested by herself as its Assistant Secretary. WITNESS my hand and notarial seal, this 26th day of September, 2000.

Trenna D. Buckman
NOTARY PUBLIC

My Commission Expires: 2-15-2004



NORTH CAROLINA, LINCOLN COUNTY
The foregoing certificate of Trenna D. Buckman, Notary Public of Mecklenburg County, NC, is certified to be correct. Presented for registration and recorded October 11, 2000, at 8:45 AM in Book 1199, Page 075.

ELAINE N. HARMON
Register of Deeds for Lincoln County, NC

BY: Judith W. Martin
ant Register of Deeds