



FOR REGISTRATION REGISTER OF DEEDS
Willie L. Covington
DURHAM COUNTY, NC
2004 APR 07 03:15:27 PM
BK:4342 PG:510-525 FEE:\$56.00

INSTRUMENT # 2004017930

Prepared by and return to Thomas H. Stark, 5925 Farrington Road, Suite 200, Chapel Hill, NC 27517

**DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
PICKETT PARK TOWNHOMES**

THIS DECLARATION, made on the day hereinafter set forth by TARHEEL STEAKS, INC., a North Carolina Corporation, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the City of Durham, County of Durham, State of North Carolina, which is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference; and,

WHEREAS, Declarant now desires to develop Phase I in accordance with the Declaration of Covenants, Conditions and Restrictions hereinafter set forth and contemplates completing additional Phases upon completion of Phase I, all of which shall be subject to Article XII, Section 4, entitled "Annexation" as hereinafter set forth.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to the Pickett Park Homeowners' Association, Inc., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of title to any Lot, including the Declarant so long as any Lot as hereinafter defined is owned by the Declarant, which is a part of the Properties, including contract sellers, but excluding those having such interest merely as the security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may be hereafter brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property (including the improvements now or hereafter constructed, excluding Lots) deeded to and owned by the Association for the common use and enjoyment of the owners, including the parking areas and roadways.

Section 5. "Lot" shall mean and refer to any improved property located within the Properties for which a building permit has been issued and which is intended for use as a Condominium Lot.

Section 6. "Declarant" shall mean and refer to Tarheel Steaks, Inc., its successors and assigns, if such successors or assigns should acquire more than one (1) undeveloped parcel of property from the Declarant for the purpose of development.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area in accordance with the purpose for which it is intended and without violating the lawful rights of the other Owners, which 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 his Lot 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 dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless voted upon and approved by two-thirds (2/3) of each class of members in the Association, and at the direction of the said members an instrument has been signed by the President of the Association and duly attested by the Secretary of the Association evidencing agreement to such dedication or transfer and such instrument has been recorded;

(c) the right of the individual members to the exclusive use of parking spaces provided in this Article; and

(d) the right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, and the rights of such mortgagee in said properties shall be subordinate to the rights of the homeowners hereunder.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Parking Rights. Parking of any and all vehicles on the Properties shall be subject to the Rules and Regulations of the Association, provided that the Owner(s) of each Lot shall have the right to the use, for at least one (1) automobile, of at least one (1) automobile parking space.

Section 4. Title to the Common Area. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Area to the Association, free and clear of all encumbrances and liens, prior to the conveyance of the first Lot, except utility and storm drainage easements.

Section 5. Satellite Dishes or Antennas. No television reception antennas shall be erected on a residence other than eighteen-inch digital satellite dishes. In no event shall free-standing transmission or receiving towers or dishes in excess of eighteen inches be permitted on any dwelling.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment 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.

Section 2. The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all the Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members; the vote for such Lot shall be exercised as they determine, but in no event shall more than no (1) vote be cast with respect to any Lot.

Class B. Class B members shall be the Declarant, and shall be entitled to four (4) votes for each Lot owned. The Class B membership shall cease and be converted to Class membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or,
- (b) on December 31, 2007; or,
- (c) Upon the surrender of all Class B membership by the holder thereof or cancellation by the Association.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, (2) at closing each purchaser shall pay to the Association an amount equal to two (2) months of the then established annual assessment for placement in the reserve/replacement fund, and (3) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property 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 the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the residents in the Properties and

for the improvement and maintenance of the Common Area, including the parking areas and roadways, and of the homes situate upon the Properties.

Section 3. Reserve/Replacement Fund. Each purchaser of a Lot shall pay to the Association at the time of closing on the Lot a sum equal to two (2) months of the annual assessment then in effect for placement in the Reserve/Replacement Fund. Said fund shall be maintained to ensure sufficient funds for the general operation of the Association.

Section 4. Maximum Annual Assessment. Until January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Eighty-five and No/100 Dollars (\$85.00) per Lot; provided, however, the Declarant shall pay no assessment for Lots developed and owned by it but not yet sold

(a) For the first year from and after January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased not more than ten percent (10%) above the maximum annual assessment initially established hereinabove.

(b) From and after the first year described in subparagraph (a) above, the maximum annual assessment may be increased not more than five percent (5%) above the maximum annual assessment established in said subparagraph (a).

(c) From and after the first year as described in subparagraph (a) above, the maximum annual assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(d) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only 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 assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 6. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or Section 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of

membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis or annual basis as determined by the Board of Directors of the Association.

Section 8. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of the annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The dues dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specific Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 9. 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 eight percent (8%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Working Capital Fund. At the time of closing of the sale of each Lot, a sum equal to at least two (2) months assessment for each Lot shall be collected and transferred to the Association to be held as a working capital fund. The purpose of said fund is to ensure that the Association Board will have adequate cash available to meet unforeseen expenses, and to acquire additional equipment or services deemed necessary or desirable. Amounts paid into the fund shall not be considered advance payment of regular assessments.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to the harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VI

INSURANCE

Section 1. Insurance coverage on the Properties shall be governed by the following provisions:

- (a) Ownership of Policies. All insurance policies upon the Properties shall be purchased by the Association for the benefit of all the Association and the Owners and their mortgagees as their interests may appear, and provisions shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Owners. Owners may, at their option, obtain insurance coverage at their own expense upon their own personal property and for their personal liability and living expense and such other coverage as they may desire.
- (b) Coverage. All buildings and improvements upon the land and all personal property included in the Common Area and facilities shall be insured in an amount equal to one hundred percent (100%) insurable replacement value as determined annually by the Association with the assistance of the insurance company providing coverage. Such coverage shall provide protection against:
 - (i) loss or damage by fire and other hazards covered by a standard extended coverage endorsement; and
 - (ii) such other risks as from time to time shall be customarily covered with respect to buildings on the land; and,
 - (iii) such policies shall contain clauses providing for waiver or subrogation.

(c) Liability. Public liability insurance shall be secured by the Association with limits of liability of no less than One Million and No/100 Dollars (\$1,000,000.00) per occurrence and shall include an endorsement to cover liability of the Owners as a group to a single Owner. There shall also be contained such other insurance coverage as the Association shall determine from time to time to be desirable and necessary.

(d) Premiums. Premiums for insurance policies purchased by the Association shall be paid by the Association and charged to the Owners as an assessment according to the provisions of Article IV above; provided, however, that premiums on account of hazard insurance coverage for individual Lots shall be apportioned to the individual Owners according to the amounts of coverage required.

(e) Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Owners and their mortgagees as their interest may appear, and shall provide that the proceeds thereof shall be payable to the Association as insurance trustees under this Declaration. The sole duty of the Association as insurance trustees shall be to receive such proceeds as they are paid and hold the same in trust for the purposes stated herein or stated in the Bylaws and for the benefit of the Owners and the mortgagees in the following shares:

(i). Proceeds on account of damage to Common Areas and facilities held for the Association.

(ii). Proceeds on account of damage to any lot or building thereon shall be held in undivided shares for the Owners of damaged Lots in proportion to the cost of repairing the damage suffered by each Owner, which cost shall be determined by the Association.

(iii) In the event a mortgagee endorsement has been issued for any Lot, the share of the Owner shall be held in trust for the mortgagee and the Owner, as their interests may appear.

Section 2. Distribution of Insurance Proceeds. Proceeds of insurance policies received by the Association as insurance trustee shall be distributed to or for the benefit of the beneficial Owners in the following manner:

(a) Expense of the Trust. All expenses of the insurance trustees shall be first paid or provisions made therefor.

(b) Reconstruction or Repair. The remaining proceeds shall be paid to defray

the cost of repairs. Any proceeds remaining after defraying such cost shall be distributed to the beneficial Owners as above provided.

Section 3. Fidelity Insurance or Bond. All persons responsible for or authorized to expend funds or otherwise deal in the assets of the Association or those held in trust shall first be bonded by a fidelity insurer to indemnify the Association for any loss or default in the performance of their duties in an amount equal to six (6) months' assessments plus reserves accumulated.

ARTICLE VII

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damaged due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair or Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof proportionate to such use without prejudice, subject, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligence or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act or omission causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right of Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successor in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one (1) arbitrator, and such arbitrators shall choose one (1) additional arbitrator, and the decision shall be by majority of all the arbitrators.

ARTICLE VIII

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder as follows: paint, repair, replacement and care of roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, patio fences and other exterior improvements made prior to the transfer of title to the Owner. Such exterior maintenance shall not include glass surfaces, areas fenced for patio purposes, awnings, or other exterior appurtenances added by an Owner.

In the event that the need for maintenance, repair or replacement is caused through the willful or negligent act or omission of the Owner, his family, guests or invitees, or is caused by fire, lightning, windstorms, hail, ice storms, explosion, riot, riot attending a strike, civil commotion, aircrafts, vehicles or smoke as the foregoing are defined and explained in North Carolina Standard Fire and Extended Coverage insurance policies, the cost of such maintenance, repair or replacement shall be added to and become a part of the assessment to which such Lot is subject.

ARTICLE IX

USE RESTRICTIONS

Section 1. Rules and Regulations. The Board of Directors of the Association shall have the power to formulate, amend, publish and enforce reasonable rules and regulations concerning the use and enjoyment of the front yard space of each Lot and the Common Area. Such rules and regulations may provide for the imposition of fines or penalties for the violation thereof, or for the violation of any of the covenants or conditions contained in this Declaration.

Section 2. Use of Properties. No portion of the Properties (except for temporary offices of the Declarant and/or any model used by the Declarant) shall be used except for residential purposes and for purposes incidental or accessory thereto.

Section 3. Quiet Enjoyment. No obnoxious or offensive activity shall be carried on upon the Properties, nor shall anything be done which may be or may become a nuisance or annoyance in the neighborhood.

Section 4. Animals. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that dogs, cats or other household pets may be kept and maintained provided that they are not kept or maintained for commercial purposes. All persons owning pets are required to keep all lots and common areas clear of waste from their pets at all times. Any person walking a pet within the Properties shall at all times carry the necessary equipment to keep the Properties clean and free of waste material.

Section 5. Dwelling Specifications. No dwelling shall be constructed or permitted to remain on any Lot having an area of the main structure, heated and finished, exclusive of open porches and decks, of less than one thousand fifty (1,050) square feet.

Section 6. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently.

ARTICLE X

EASEMENTS

Easements for the installation and maintenance of utilities and drainage facilities and other maintenance are reserved as shown on the plat recorded in the Office of the Register of Deeds of Durham County, North Carolina. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The Association shall have an easement to maintain all Properties except areas enclosed by fenced patios and townhomes.

ARTICLE XI

COMPLIANCE WITH TOWN OF DURHAM AND DURHAM COUNTY LAWS AND ORDINANCES

It is the intent of this Declaration to comply with the relevant provisions of City of Durham and County of Durham requirements for Townhouses as shown in Chapter 654, 1969 Session Laws, including the following provisions that are expressly incorporated herein:

- (a) The Association shall be organized and in legal existence prior to the sale of any residences in the development.
- (b) Membership in the Association shall be mandatory for each original purchaser and each successive purchaser of a lot.
- (c) The Association shall provide and be responsible for the payment of premiums for liability insurance.
- (d) The Association shall be responsible for payment of local taxes on the Common Area.

- (e) The Association shall be responsible for maintenance of the Common Area, including the parking areas and roadways.
- (f) The Association shall be responsible for payment of assessments for improvement of the Common Area.
- (g) The Association shall be responsible for the maintenance and repair of the exterior of all residences located within the development subject to the provisions set forth in Article VIII hereinabove.
- (h) The Association shall be empowered to levy assessments against the Owners of the Lots for the payment of expenditures made by the Association for the items set forth in this Article and any such assessments not paid by the Owner against whom such are assessed shall constitute a lien on the Lot of the Owner.
- (i) Each Owner of a Lot is hereby granted easements over the Common Area for access, ingress and egress to and from public streets and walkways, and easements for enjoyment of the Common Area (subject to the provisions of Article II, Section 1 hereof); and easements for parking as described in Article II, Section III hereof.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, covenants, conditions, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by 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.

Section 2. Severability. Invalidity 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.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time these declarations shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded in the Office of the Register of Deeds for Durham County, North

Carolina.

Section 4. Annexation. (a) Additional residential property and Common Area may be annexed to the Properties with the consent of two-thirds (2/3) of each class of members; (b) the land within the area described in Exhibit "A" attached hereto, to be designated as additional Phases, may be annexed by the Declarant without the consent of the members upon issuance by the appropriate governmental body of all required permits and recordation by the Declarant of a plat, if done within six (6) years of the date of the instrument, provided that the FHA and VA determine that the annexation is in accord with the general plan approved by them.

Section 5. Management and Contract Rights of Association. Declarant may enter into a contract with a Management company manager for the purposes of providing all elements of the operation, care, supervision, maintenance and management of the Properties. However, no such contract shall be binding upon the Association except through express adoption or ratification of the terms and conditions of such contract. Any contract or lease entered into by Declarant or by the Association while Declarant is in control thereof shall contain a provision allowing the Association to terminate such contract without justification or penalty after transfer of management by Declarant to the Association.

Section 6. Emergency Access. In no case shall the City of Durham or the County of Durham be responsible for failing to provide any emergency or regular fire, police or other public service to such development for their occupants when such failure is due to the lack of access to such areas due to inadequate design or construction, blocking of access routes, or any other factor within the control of the developer, homeowners' association or occupants.

Section 7. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the federal Housing Administration or the veterans Administration: annexation of additional properties; dedication of Common Area; and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has caused this instrument to be signed in its name, its corporate seal to be affixed hereto, and attested by its Secretary, all by authority of its Board of Directors duly given, this ____ day of February, 2004.

{The remainder of this page is intentionally left blank. Signature page to follow.}

TARHEEL STEAKS, INC. a North
Carolina Corporation

[CORPORATE SEAL]

By:

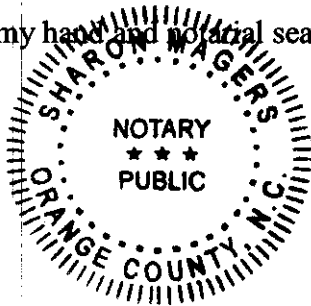
Richard B. Williams
Richard B. Williams, President

STATE OF NORTH CAROLINA

COUNTY OF Orange

I, Sharon Magers, a Notary Public of the County and State
aforesaid, do hereby certify that Richard B. Williams personally came before me
this day and acknowledged that he is the Secretary of TARHEEL STEAKS, 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 the corporate seal, and~~
~~attested by him/herself as its Secretary all as the act of the corporation.~~

Witness my hand and notarial seal, this 19 day of February, 2004.



Sharon Magers
Notary Public

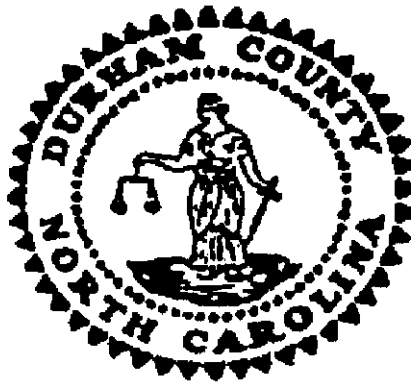
My Commission Expires:

2/15/07

EXHIBIT A

BEING all of Lot 5 containing 13.2 acres, more or less, as shown on the plat entitled "Property of Rufus J. Pickett Estate" dated December 1961 and recorded in Plat Book 36, Page 71, Durham County Registry, reference to which is hereby made for a more particular description of same.

This conveyance is subject to the right-of-way of Pickett Road.



WILLIE L. COVINGTON
REGISTER OF DEEDS, DURHAM COUNTY
DURHAM COUNTY COURTHOUSE
200 E. MAIN STREET
DURHAM, NC 27701

PLEASE RETAIN YELLOW TRAILER PAGE

It is part of recorded document, and must be submitted with original for re-recording
and/or cancellation.

Filed For Registration: 04/07/2004 03:15:27 PM
Book: RE 4342 Page: 510-525
Document No.: 2004017930
DECL 16 PGS \$56.00

Recorder: SHARON M CEARNEL

State of North Carolina, County of Durham

The foregoing certificate of SHARON MAGERS Notary is certified to be correct. This 7TH of April 2004

WILLIE L. COVINGTON, REGISTER OF DEEDS

By: Kathy W. Harkins
Deputy/Assistant Register of Deeds



2004017930