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mg.DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
WYNDHAM HALL

Filed for record
Date 5-10-2001
Time 9:20 o'clock A. m
JULY G. PRICE, Register of Deeds
Union County, Moore, North Carolina

THIS DECLARATION is made this 27th day of April, 2001, by
RPM DEVELOPMENT COMPANY, LLC, a North Carolina limited liability company,
referred to in this instrument as "Developer."

STATEMENT OF PURPOSE

Developer is the owner of that certain parcel of land which is a portion of a residential development known as WYNDHAM HALL located in Union County, North Carolina, more particularly described on EXHIBIT A attached hereto and incorporated herein (the "Submitted Property").

It is in the best interest of Developer, as well as to the benefit, interest and advantage of each person or other entity later acquiring any property in Wyndham Hall that certain covenants, conditions, easements, assessments, liens and restrictions governing and regulating the use and occupancy of the same be established, fixed and set forth and declared to be covenants running with the land.

Developer desires to provide for the preservation of the values and amenities and the desirability and attractiveness of the real property in Wyndham Hall and for the continued maintenance and operation of such recreational and common areas as may be provided.

DECLARATION

In consideration of the premises and for the purposes stated, Developer hereby declares that all of the Submitted Property and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions (all of which are collectively referred to in this instrument as "restrictions"), which restrictions shall be construed as

Drawn by and Mail to:

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covenants running with the land and shall be binding on all parties having any right, title or interest in the described real property or any part thereof, and their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I: DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

1.1 "Association" shall mean Wyndham Hall Homeowners Association, Inc., a non-profit corporation organized and existing under the laws of the State of North Carolina and its successors and assigns.

1.2 "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of Wyndham Hall but excluding those having such interest merely as security for the performance of an obligation.

1.3 "Properties" shall mean the Submitted Property and such real property as may subsequently be brought within the jurisdiction of the Association by Supplemental Declaration pursuant to Article II hereof.

1.4 "Common Area" shall mean all easement rights assigned to the Association lying outside the boundaries of the Properties and all real property owned by the Association in Wyndham Hall for the common use and enjoyment of members of the Association lying within the boundaries of the Properties. Common Areas, with respect to the Properties subject to this Declaration, shall be described and/or shown on the plats of Wyndham Hall recorded in the Register of Deeds of Union County, North Carolina and designated thereon as "Median", "Common Area" or "Common Space."

1.5 "Lot" shall mean any numbered plot of land to be used for residential purposes shown upon any recorded subdivision plat of the Properties subject to this Declaration.

1.6 "Declarant" shall mean and refer to Developer and its successors and assigns to whom rights of Declarant have been assigned as evidenced by an instrument duly recorded in the Register of Deeds of Union County, North Carolina.

1.7 "Person" shall mean a natural person, as well as a corporation, partnership, firm, association, trust or other legal entity. The use of the masculine pronoun shall

include the neuter and feminine, and the use of the singular shall include the plural where the context so requires.

1.8 "Wyndham Hall" shall mean the Submitted Property, and any additional real property which shall become subject to this Declaration and any Supplemental Declaration under the provisions of Article II hereof.

ARTICLE II: PROPERTY SUBJECT TO THIS DECLARATION
AND ADDITIONS THERETO

2.1 Submitted Property. The real property which is, and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration, irrespective of whether there may be additions thereto as hereinafter provided, is located in Union County, North Carolina and is more particularly described on EXHIBIT A attached hereto.

This property shall be herein referred to as "Submitted Property".

2.2 Additions to Existing Property. Additional property may be brought within the scheme of this Declaration and the jurisdiction of the Association in the following ways:

(a) Additional land within the area described in the metes and bounds description attached hereto as EXHIBIT B and incorporated herein by reference may be annexed to the Properties by Declarant or its designated assign and brought within the scheme of this Declaration and within the jurisdiction of the Association, in future stages of development, without the consent of the Association or its members; provided, however, that said annexations, if any, must occur within seven (7) years after the date of this instrument.

(b) Additional residential property (and common area), outside the area described in the aforementioned EXHIBIT B may be annexed to the Properties and brought within the scheme of this Declaration and the jurisdiction of the Association with the consent of the members entitled to at least two-thirds (2/3) of the votes appurtenant to all Class A Lots and at least two-thirds (2/3) of the votes appurtenant to all Class B Lots, if any, as hereinafter defined in Article IV. The Association may participate in mergers or consolidations with other non-profit corporations organized for the same or similar purposes as the Association, thereby adding to the Association, or to a surviving homes association, the properties, rights and obligations of the non-profit corporation with which it merges or consolidates. Any such merger or consolidation shall have the assent of the members as provided above in this Subsection (b), and no such merger or consolidation

shall revoke, change or add to any of the provisions of this Declaration except as herein provided.

(c) The additions authorized under Subsection (a) and (b) shall be made by filing of record Supplemental Declarations of Covenants, Conditions and Restrictions with respect to the additional properties which shall extend the scheme of this Declaration and the jurisdiction of the Association to such properties and thereby subject such additions to assessment for their just share of the Association's expenses. Said Supplemental Declarations may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary to reflect only the different character of the added properties and as are not inconsistent with the provisions of this Declaration.

ARTICLE III: PROPERTY RIGHTS

3.1 Owner's Easements of Enjoyment. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot subject to the provisions of this Declaration, including but not limited to the following:

(a) The right of the Association to limit the use of the Common Area and any recreational facilities thereon, if any, to Owners, their families and guests;

(b) 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, or for any infraction of the Association's published rules and regulations, if any;

(c) 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 Association members. No such dedication or transfer shall be effective unless the members entitled to at least two-thirds (2/3) of the vote appurtenant to Class A Lots and Class B Lots agree to such dedication or transfer and signify their agreement by a signed and recorded written document, provided that this paragraph shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of electrical, telephone, cablevision, water and sewerage utilities and drainage facilities upon, over, under and across the Common Area without the assent of the membership if such easements are requisite for the convenient use and enjoyment of the Properties.

3.2 Delegation and Use. The right and easement of enjoyment granted to every Owner in Section 3.1 of this Article may be exercised by members of an Owner's family and guests thereof. An Owner may delegate to his tenants his rights of enjoyment in and to the Common Area and such facilities thereon as may be provided, in accordance with the Association's Bylaws and rules and regulations, if any.

ARTICLE IV: MEMBERSHIP AND VOTING RIGHTS

4.1 Membership. 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.

4.2 Voting and Voting Rights. The Association shall have two classes of voting membership:

(a) Class A. Class A members shall be all Owners with the exception of 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 among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

(b) Class B. The Class B member shall be Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever first occurs:

(i) When the total votes outstanding in the Class B membership equals zero, or

(ii) Seven years from the date of recording of this Declaration; or

(iii) When the Declarant voluntarily relinquishes majority control of the Association by a duly recorded instrument.

Notwithstanding any other language or provisions to the contrary in this Declaration, in the Articles of Incorporation, or in the Bylaws of the Association, Declarant hereby retains the right to appoint and remove any person, whether or not an Owner, on the Board of Directors of the Association and any officer or officers of the Association until thirty (30) days after the last Class B Lot has been sold and conveyed by Declarant. Upon the expiration of the period of Declarant's right to appoint and remove

directors and officers of the Association pursuant to the provisions of this Section, such right shall automatically pass to the Owners and a special meeting of the Association shall be called for and held within ninety (90) days after the date of the expiration of Declarant's rights hereunder. As such special meeting, the Owners shall elect a new Board of Directors which shall undertake the responsibilities of running the Association and Declarant shall deliver the books, accounts, and records, if any, which Declarant has kept on behalf of the Association as well as any agreements or contracts executed by or on behalf of the Association which may still be in effect or operation. EACH OWNER BY ACCEPTANCE OF A DEED TO OR OTHER CONVEYANCE OF A LOT HEREBY VESTS IN DECLARANT SUCH AUTHORITY TO APPOINT AND REMOVE DIRECTORS AND OFFICERS OF THE ASSOCIATION AS PROVIDED IN THIS SECTION.

4.3 Suspension of Rights. During any period in which a member shall be in default in the payment of any annual, special or other periodic assessment levied by the Association, the voting rights of such member may be suspended by the Board of Directors until such assessment, is paid. In the event of violation by a member of any rules or regulations established by the Board of Directors, such member's voting rights may be suspended by the Board after a hearing. Such hearings shall only be held by the Board or a committee thereof after giving a member ten (10) days prior written notice specifying each alleged violation and setting the time, place and date of the hearing. Determination of the violation shall be made by a majority vote of the Board or the committee thereof.

ARTICLE V: COVENANT FOR MAINTENANCE ASSESSMENTS

5.1 Purpose of Assessment. The assessments levied by the Association shall be used: (a) to provide funds for insurance, maintenance, upkeep, landscaping and beautification of the Common Area in Wyndham Hall; (b) to provide services for the Association members to promote the health, safety and welfare of the residents of Wyndham Hall, and in particular for the acquisition, improvement and maintenance of properties, services and facilities related to the use and enjoyment of the Common Area, including but not limited to the cost of repair, replacement and additions thereto; (c) for the payment of taxes assessed against the Common Area and any Association personal property, for insurance related to the Common Area, for the employment of attorneys, accountants and other professionals to represent the Association when necessary or useful, the employment of security personnel; (d) the provision of any service which is not readily available from any governmental authority related to the use, occupancy and enjoyment of the Properties and which the Association shall decide to provide; (e) to provide funds for the maintenance and repair of any street lights, either owned by the Association or rented, and the payment of all utility charges incident thereto, located within the

boundaries of the Properties; (f) to provide funds for the maintenance, repair, upkeep and administration of the landscaped berms, if any, and the landscaping and beautification of the median, if any; and (g) to provide funds for the maintenance and repair of any subdivision entrance monumentation located on any portion of the Properties or on adjoining land over which the Association has easement rights.

5.2 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 by acceptance of a Deed therefor, whether or not it shall be so expressed in said Deed, is deemed to covenant and agree to pay to the Association;

(a) Annual assessments ("Annual Assessments") for the purposes specified in Section 5.1 in the amount hereinafter set forth; and

(b) Special assessments ("Special Assessments") for the purposes specified in Section 5.1 as may be approved by the members, to be established, and collected as provided herein.

In order to secure payment of the Annual and Special Assessments, such charges as may be levied by the Association against any Lot, together with interest, costs of collection and reasonable attorney's fees, shall be a continuing lien upon the Lot against which each such assessment or charge is made. Each such assessment, together with interest, late charges, costs of collection and reasonable attorney's fees shall also be the personal obligation of the person who is the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to an Owner's successor in title unless expressly assumed by them. Such assumption shall not relieve an Owner of his obligation.

5.3 Exempt Property. The assessments, charges and liens created under this Article shall not apply to the Common Area, nor shall they apply to any Lot the title to which is vested in any first mortgagee subsequent to foreclosure; provided, however, that upon the resale of such property by such first mortgagee the assessments shall again accrue on such Lot. Any Lot which Declarant may hereafter designate for common use as part of the Common Areas shall also be exempt by a local public authority, and all land granted to or used by a utility company shall be exempt from the assessments created herein.

5.4 Maximum Annual Assessments. Until January 1 of the year immediately following the activation of Annual Assessments by the Association or the Declarant, the maximum Annual Assessment shall be Four Hundred and No/100 Dollars (\$400.00) on each Lot.

(a) From and after January 1 of the year immediately following the activation of Annual Assessments by the Association or the Declarant, the maximum Annual Assessment may be increased each year above the maximum assessment for the previous year without a vote of the membership not more than ten (10) percent from the previous year.

(b) From and after January 1 of the year immediately following the activation of the Annual Assessments by the Association or the Declarant, the maximum Annual Assessment may be increased above ten (10) percent of the previous year increase 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.

(c) The Board of Directors may fix the Annual Assessment at an amount not in excess of the maximum herein provided.

5.5 Special Assessments. In addition to the Annual Assessment authorized above, the Association may levy, in any assessment year, a Special Assessment applicable to that year only provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of the Association members who are voting in person or by proxy at a meeting duly called for this purpose.

5.6 Notice and Quorum for Any Action Authorized Under Sections 5.4 and 5.5. Written notice of any meeting called for the purpose of taking any action authorized under Sections 5.4 and 5.5 of this Article shall be sent to all members not less than ten (10) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence in person or by proxy of members entitled to cast twenty percent (20%) of all the votes of each class 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 the presence in person or proxy of members entitled to cast ten percent (10%) of all the votes of each class of members. No such subsequent meeting shall be held more than six (6) months following the preceding meeting.

5.7 Date of Commencement of Annual Assessments; Due Dates; Certificate of Payment. The Annual Assessments shall commence as to all Lots on the first day of the month following the date such property is submitted to the provisions of this Declaration by the Association or when activated by Declarant. Prior to activation of the Annual Assessments, the Declarant shall maintain the common area as provided herein. From the date on which the Annual Assessments commence on a Lot until the date on which the Lot is sold by the Declarant to a purchaser, the Declarant shall be liable for Annual

Assessments at a rate which is one-third of the rate otherwise payable except that Declarant shall not be liable for Annual Assessments on any Lots if the Association is operating without a deficit. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year when filed. At least thirty (30) days before February 1 of each year, the Board of Directors shall fix the amount of the Annual Assessment against each Lot and in the event the Board elects not to fix such assessment rate as herein provided, the amount of the prior year's Annual Assessment shall be the fixed amount. Written notice of any change in assessment rate shall be sent to every Owner. The Annual Assessments shall be due and payable in advance on January 1 of each year unless the Board of Directors votes to collect such assessments on a monthly basis and the due dates for the payment of Special Assessments 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 specified Lot have been paid to date.

5.8 Effect of Non-Payment of Assessment: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall be assessed a late charge as determined by the Board of Directors and bear interest from the due date at an annual rate of fifteen percent (15%) but in no event above the then maximum legal rate, and to the extent allowed by law. The Association, or its agent or representative, may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot to which the assessment relates, and interest, costs and reasonable attorney's fees for such action or foreclosure shall be added to the amount of such assessment to the extent allowed by law. 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.

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

5.10 Collection Upon Sale by Declarant. Upon the sale of a Lot by Declarant, the purchaser shall pay to the Association at the closing of the sale that amount of money that is equal to that portion of the Annual Assessment attributable to the balance of the year in which the closing takes place. Any amounts prepaid by the Declarant shall be refunded

by the Association. Any Special Assessment made before, but falling due after, the date of closing of the sale of a Lot by Declarant shall be paid in full to the Association by the purchaser at the closing of the sale. In addition, upon the sale of a Lot to an original home purchaser, such purchaser shall pay to the Association at closing an amount equal to the Annual Assessment as a contribution to the Working Capital Fund of the Association.

ARTICLE VI: ARCHITECTURAL, MAINTENANCE AND USE RESTRICTIONS

6.1 Architectural Control Committee. Before all Class B Lots shall cease to exist and be converted to Class A Lots pursuant to Article IV, Declarant shall appoint an Architectural Control Committee ("Architectural Control Committee" or "Committee") consisting of not less than three (3) members to serve as representatives of the Association's Board of Directors and enforce the restrictions hereafter set forth.

Prior to the formation of said Committee, Declarant shall have the responsibility of enforcing the restrictions set forth in this Article. Upon the later of the following two dates, the Architectural Control Committee shall be appointed by the Board of Directors: (1) Upon the termination of the Class B membership; or (2) seven (7) years following the date of this Declaration. Reference herein to the Committee shall mean the Declarant until such Committee is appointed. The following architectural, maintenance and use restrictions in this Article VI shall apply to each and every Lot now or hereafter subject to this Declaration.

6.2 Approval of Plans and Architectural Committee. No grading, construction, reconstruction, remodeling, alteration, roofing or addition to any structure, building, fence, wall, drive or walkway, or exterior color change, shall be commenced or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein be made after completion of construction of said dwelling, unless and until three (3) complete sets of the plans and specifications showing the nature, kind, shape, height, color, material and location of the same including, but not limited to, cornice detail, location of driveways, walks, patios, decks, HVAC units, etc., location of erosion control devices and direction of the water flow, landscape plans, and samples of stucco board, brick, roofing materials and paint shall have been mailed to the Committee by certified mail with return receipt requested and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Committee. Plans and specifications must be submitted twice for approval, once at the design stage and once at the final construction documents stage. Residential Design Guidelines shall be made available by the Committee for dissemination to potential lot purchasers. If the Committee fails to approve or disapprove such plans and specifications for each stage within forty-five (45) days after said plans and specifications shall have been submitted to

it, further approval will not be required and this Article will be deemed to have been fully complied with. Upon giving approval to the plans and specifications at the final construction documents stage, construction shall be started and prosecuted to completion promptly and in strict conformity with all plans as have been previously approved by the Committee. The Committee or the Board of Directors of the Association shall be entitled to stop any construction in violation of these restrictions.

6.3 Residential Use. All Lots shall be used for residential purposes only.

6.4 Building Line Requirements. Minimum setback lines which may be shown on any recorded plat of the Properties are not necessarily intended to create uniformity of setbacks; they are meant primarily to avoid overcrowding and monotony. It is intended that setbacks may be staggered where appropriate so as to preserve the trees and other natural vegetation, and to insure each Owner the greatest benefit and enjoyment. Any deviation from the building line requirements not in excess of ten (10) percent thereof shall not be construed as a violation of the building line requirements.

6.5 Building Requirements. Commencement of construction of the initial dwelling on a Lot conveyed by Developer to a third party must begin within fifteen (15) months of such conveyance and must be completed within twelve (12) months after commencement. If the owner of the Lot fails to timely commence or complete construction of the dwelling in accordance with the above-described time periods, Developer shall have the option to repurchase the Lot from said owner at a purchase price equal to ninety percent (90%) of the purchase price paid by the owner to Developer for said Lot. Developer may exercise said option to repurchase the Lot by giving written notice to the owner by hand-delivery, prepaid certified mail or overnight mail courier with the closing of the repurchase to occur within thirty (30) days of delivery of said notice. At the closing of the repurchase of the Lot, Developer shall pay all documentary stamp and recording fees for the deed of conveyance. All liens and encumbrances on the Lot will be paid off and deducted from the purchase price of the Lot at closing.

No dwelling shall be erected or placed on any Lot having a heated living area (exclusive of uncovered porches, stoops, terraces and attached garages) of less than 2500 square feet for single-story dwellings or less than 3,000 square feet for one and one-half or two-story dwellings.

No dwelling shall be erected or placed on any Lot having ceilings less than nine (9) feet on all floors unless specifically approved by the Committee.

All dwellings to be erected or placed upon a Lot must have exterior walls made substantially from brick, stone or stucco. Wood or wood by-products are permissible as an accent material when used in combination with brick, stone or stucco or as approved by the Committee.

6.6 Walls, Fences and Hedges. No fence, hedge or wall of any type or kind shall be erected or maintained on a Lot except such fences, hedges or walls as may be installed, constructed or erected with the initial construction of the main dwelling located on said Lot and approved by the Committee, or, after such initial construction, as may later be approved by the Committee. No metal fences, except for a 2 x 4 wire mesh inside of an approved wooden fence to contain pets, are allowed on a Lot. No solid fence is allowed on the perimeter of any Lot. Walls must be masonry type (i.e. brick, stucco or stone). No concrete block walls are permitted. All walls shall not exceed six (6) feet in height.

6.7 Garages. All dwellings erected or placed upon a Lot must have a fully enclosed garage not facing the street with functional doors which will accommodate at least two (2) vehicles under roof with the doors closed. All garages must be finished inside.

6.8 Roofs. All dwellings erected or placed upon a Lot shall have a minimum roof pitch of 8/12 for a majority of the roof areas. No form of roof venting or skylights shall be placed or located on the front elevation of any dwelling upon a Lot.

6.9 Driveways. All driveways and walks located upon a Lot must be constructed of concrete or a material approved by the Committee.

6.10 Use of Outbuildings and Similar Structures. No structure of a temporary nature shall be erected or allowed to remain on any Lot, and no trailer, shed, tent, garage, carport, or any other structure of a similar nature shall be used as a residence either temporarily or permanently. Provided, however, this paragraph shall not be construed to prevent the Declarant or a licensed contractor approved by Declarant from using sheds or other temporary structures during construction for such purposes as Declarant deems necessary or later approved by the Association. No radio, television or satellite transmission or reception towers, antennas, dishes or discs shall be allowed on a Lot, unless approved by the Board of Directors of the Association or the Architectural Control Committee. No solar panels, solar collectors or other solar power apparatus shall be allowed on any Lot. No metal storage buildings, metal sheds, metal trailers or metal garages shall be permitted on any Lot. All other types of storage buildings, sheds, trailers or garages shall not be allowed on a Lot unless approved by the Architectural Control Committee.

6.11 Animals and Pets. No animals, livestock or poultry of any kind shall be raised, bred, pastured, or maintained on any Lot, except household pets which may be kept thereon in reasonable numbers as pets for the sole pleasure and use of the occupants, but not for any commercial use or purpose. All household pets shall be kept under Owner's control so as not to be a nuisance to other Owners. Birds shall be confined in cages.

6.12 Signs. No advertising signs of any type or kind shall be erected, placed or permitted to remain upon or above any Lot or Common Area with the exception of a single sign "For Rent" or "For Sale," on a Lot, which sign shall not exceed two feet by two feet in dimension and shall refer only to the premises on which displayed, there being only one sign to a Lot. All "For Sale" or "For Rent" signs must be of the same color, style and size conforming to standards established by the Association and each realtor shall pay to the Association a fee for its conforming sign to be placed on a Lot.

6.13 Nuisances. No offensive or illegal activity shall be carried on upon any Lot, nor shall anything be done thereof which is or may become an annoyance or nuisance to any other Owner. No Lot shall be used in whole or in part for storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such Lot to appear in any unclean or untidy condition or that is unsightly; nor shall any substance, thing or material be kept upon any Lot that will emit a foul odor or that will cause any noise that will or might disturb the peace and quiet of the occupants of surrounding Lots. No trash, rubbish, stored materials, wrecked, unlicensed or inoperable vehicles, boats and/or trailers, recreational vehicles or similar unsightly items shall be allowed to remain on any Lot outside an enclosed structure. However, the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish and other such debris for pick up by governmental and other similar garbage and trash removal service units. In the event any Owner fails or refuses to keep his Lot free from offensive or illegal activity, nuisance, unsightly objects, weeds or underbrush in a manner satisfactory to a majority of the Board of Directors, the Association may, through its agent or representative, five days after posting a notice on such Lot or mailing a notice to the Owner thereof at his property requesting the Owner to comply with the requirements of this paragraph, either: a) assess the Owner with an appropriate fine or b) enter and remove all such unsightly objects, debris or other vegetation at Owner's expense and Owner, by acquiring any Lot subject to this Declaration, agrees to pay such costs incurred by the Association in the enforcement of this paragraph promptly upon demand. No such entry as provided herein shall be deemed a trespass. Notwithstanding anything to the contrary herein, the provisions of this Paragraph 6.13 shall not apply to a Declarant and Declarant shall be specifically exempt from being required to comply herewith.

6.14 Garbage Cans, Equipment, Etc. All garbage cans, lawnmowers and similar equipment shall be kept, in an enclosed structure or screened by adequate planting or fencing so as to conceal same from the view of neighboring Owner and streets. Incinerators for garbage, trash or other refuse shall not be used nor permitted to be erected or placed on any Lot. No clotheslines are permitted on a Lot.

6.15 Use of Common Areas. No planting or gardening by individual Owners shall be done upon any Common Area. Except for the right of easement of enjoyment in and to the Common Areas herein given to each Owner, Owners are hereby prohibited and restricted from using any of the Common Area except as may be allowed and prescribed by the Association's Board of Directors or as expressly provided for herein. It is Declarant's intent that this paragraph inure to the mutual benefit of all Owners within the Properties.

6.16 Maintenance.

(a) Exterior maintenance, upkeep and repair to the main dwelling on each Lot, yard, fence, walkway and shrubbery shall be the sole responsibility and expense of the Owner of the Lot subject to such reasonable requirements and fines as may from time to time be established by the Committee to insure the continuity and harmony of exterior design of Wyndham Hall. Should a majority of the Association Board of Directors determine that any Owner has failed or refused to discharge properly his obligations with respect to such maintenance, upkeep and repairs, the Association, through its agent or representative, may provide same as it may deem necessary and proper, including but not limited to imposing fines and suspending privileges provided for herein.

(b) All Lots, together with the exterior of all improvements thereon, shall be maintained in a neat and attractive condition by their respective Owners. Such maintenance shall include, but shall not be limited to, painting, repairing, replacing or caring for roofs, gutters, downspouts, building surfaces, trees, shrubs, walks or other exterior improvements. In the event an Owner shall fail to maintain the premises and the improvements thereon in a manner satisfactory to the Association Board of Directors, the Association may, through its agent or representative, after approval by two-thirds (2/3) vote of the Board, have the right to enter upon said Lot and repair, maintain and restore the Lot and the exterior of the buildings and any other improvements thereon. The cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject and the Owner shall be personally liable to the Association for the costs of such maintenance, and the cost, until paid, shall be a permanent charge and lien upon such Lot, enforceable to the same extent and collectible as provided for in Article V. Such entry as provided herein shall not be a trespass, nor shall the Association be liable for

doing anything reasonably necessary or appropriate in connection with carrying out those provisions, provided such entry shall be at reasonable times and places so as not to interfere with the right of quiet enjoyment of the individual Lot Owner.

6.17 Above Ground Swimming Pools. No above ground swimming pools, except for small wading pools, are permitted on any Lot.

6.18 Decorative Structures. No decorative statues, birdbaths, fountains, ornaments, figurines, or any other decorative structures or items are permitted in the front or side yards of any Lot.

6.19 Boats. Commercial Vehicles and Recreational Vehicles. No boats, commercial vehicles or recreational vehicles shall be permitted on any Lot except in an enclosed garage.

6.20 Mailboxes. Mailboxes on each Lot shall conform to specifics set forth by the Architectural Control Committee. Each Owner shall purchase and maintain a conforming mailbox for his Lot.

6.21 Wetlands. Areas shown as Wetlands on any recorded plat of the Properties may lie subject to the Corps of Engineers Wetland Regulations or other applicable laws and regulations governing wetlands.

ARTICLE VII: EASEMENTS

7.1 General. Each Lot now or hereafter subjected to this Declaration shall be subject to all easements shown or set forth on the recorded plat or plats of survey upon which such Lot is shown. No structure of any type shall be erected or placed upon any part of a Lot or the Common Area which will interfere with rights and use of any and all easements shown on said recorded plat.

7.2 Utility and Drainage. An easement on each Lot is hereby reserved by Declarant for itself and its successors and assigns along, over, under and upon a strip of land five feet (5') in width parallel and contiguous to the rear or back Lot line and each side Lot line of each Lot, in addition to such other easements as may appear on a recorded subdivision plat for Wyndham Hall. The purpose of these easements shall be to provide, install, maintain, construct and operate drainage facilities now or in the future and utility service lines to, from or for each of the Lots. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities, or which may change the

direction or flow of drainage channels in the easements. The easement area of each and all improvements in it shall be maintained continuously by Owner, except for those improvements for which a public authority or utility company is responsible. With ten (10) days prior written notice to Owner, Declarant may exercise the right to remove obstructions in such easements upon Owner's failure to do so. For the purpose of this covenant, Declarant reserves the right to modify or extinguish the herein reserved easements along any Lot lines when in its sole discretion adequate reserved easements are otherwise available for the installation of drainage facilities and/or utility service lines. For the duration of these restrictions, no such utilities shall be permitted to occupy or otherwise encroach upon any of the easement areas reserved without first obtaining the prior written consent of Declarant; provided, however, local service from utilities within easement areas to residences constructed upon any such Lots may be established without first obtaining separate consents therefor from Declarant. The Association may likewise reserve and grant easements for the installation and maintenance of sewerage, utility and drainage facilities in, across, under and over the Common Area.

7.3 Emergency. There is hereby reserved without further assent or permit and to the extent allowed by law, a general easement to all firemen, ambulance personnel, policemen and security guards employed by Declarant and all similar persons to enter upon the Properties or any portion thereof, in the performance of their respective duties.

7.4 Easements Reserved to Declarant and the Association. The Declarant and the Association hereby reserve perpetual easements over the Properties for access to and from the Common Area for the maintenance thereof. Declarant and the Association further reserve perpetual easements over specific Lots in locations as shown on the recorded plat for the installation, maintenance, repair and replacement of Wyncham Hall entry monuments and signs.

ARTICLE VIII: GENERAL PROVISIONS

8.1 Covenants Running with the Land. All provisions of this Declaration shall be construed to be covenants running with the land, and with every part thereof and interest therein, and every Owner or any other person or legal entity claiming an interest in any Lot, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of this Declaration.

8.2 Duration. The covenants, conditions and restrictions of this Declaration shall be binding for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive and additional periods of ten (10) years each.

8.3 Amendment. This Declaration may be amended or terminated during the first twenty (20) year period by an instrument signed by not less than seventy-five percent (75%) of the Owners, and thereafter may be amended or terminated by an instrument signed by not less than sixty-seven percent (67%) of the Owners. Any such amendment or termination shall not be effective until an instrument evidencing such change has been filed of record in the Register of Deeds Office of Union County.

8.4 Enforcement. If any Owner shall violate or attempt to violate any of these restrictions, failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief, or both, maintainable by the Board of Directors on behalf of the Association, or, in proper case, by an aggrieved Owner. Any failure by Association or any other Owner to enforce any of the foregoing restrictions or other provisions shall in no event be deemed a waiver of their right to do so thereafter. Invalidation of any covenant, condition or restriction or other provision of this Declaration shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

8.5 Headings. Headings are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer.

8.6 Unintentional Violation of Restrictions. In the event of unintentional violation of any of the setback line restrictions set forth on any recorded plat of the Properties, Declarant reserves the right, by and with the mutual written consent of the owner or owners for the time being of such lot, to change the setback line restriction set forth in the instrument provided, however, that such change shall not be violation of any provisions of applicable city-county zoning provisions.

8.7 Severability. The provisions of this Declaration are severable and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder hereof.

8.8 Indemnification of Officers and Directors. The Association shall indemnify any and all persons who may serve or whom have served at any time as directors or officers of the Association against any and all expenses, including amounts paid upon judgments, counsel fees and amounts paid in settlement (before or after suit is commenced), actually and necessarily incurred by such persons in connection with the defense or settlement of any claim, action, suit or proceeding in which they, or any of them, are made parties, or a party, which may be asserted against them or any of them, by reason of being or having been directors or officers or a director or an officer of the

BK 1558 PG 577

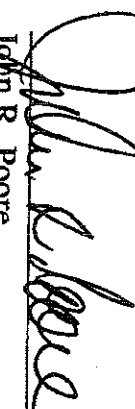
Association, except in relation to matters as to which any such director or officer or former director or officer or person shall be adjudged in any action, suit, or proceeding guilty of willful and intentional negligence or misconduct in the performance of his or her duties to the Association. Provided, however, that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association.

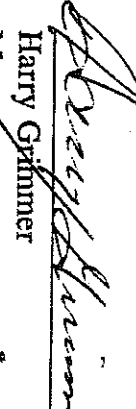
The provisions hereof shall be in addition to and not exclusive of any and all other rights to which any director or officer may otherwise be entitled under any law, By-law, agreement, vote of Association Members or otherwise. In the event of death of any officer or director, the provisions hereof shall extend to such person's legal heirs, representatives, successors and assigns. The foregoing rights shall be available whether or not such person or persons were in fact directors or officers at the time of incurring or becoming subject to such expenses, and whether or not the proceeding, claim, suit or action is based on matters which antedate the recording of this Declaration.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed under seal on the day and year first above written.

RPM DEVELOPMENT COMPANY,
LLC, (SEAL)
a North Carolina limited liability company

BY: ITS MANAGERS:


John R. Poore (SEAL)
Manager


Harry Grimmer (SEAL)
Manager

STATE OF NORTH CAROLINA

COUNTY OF CAEAPELUS

I, Susan H. Harris, a Notary Public in and for the County and State aforesaid, do hereby certify that on this 27th day of April, 2001, John R. Poore personally appeared before me and, being by me duly sworn, said that he is a manager of RPM DEVELOPMENT COMPANY, LLC, a North Carolina limited liability company, that the statements contained in the foregoing instrument are true, and he acknowledged said instrument to be the duly authorized act and deed of said company.

WITNESS my hand and notarial stamp or seal.

Susan H. Harris
Notary Public

My Commission Expires:

11-2-2003



STATE OF NORTH CAROLINA

COUNTY OF CABAREUS

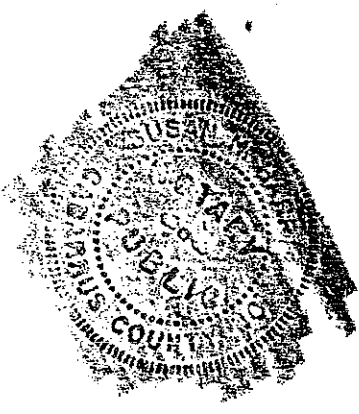
I, SUSAN H. HARRIS, a Notary Public in and for the County and State aforesaid, do hereby certify that on this 22nd day of April, 2001, Harry Grimmer personally appeared before me and, being by me duly sworn, said that he is a manager of RPM DEVELOPMENT COMPANY, LLC, a North Carolina limited liability company, that the statements contained in the foregoing instrument are true, and he acknowledged said instrument to be the duly authorized act and deed of said company.

WITNESS my hand and notarial stamp or seal.

Susan H. Harris
Notary Public

My Commission Expires:

11-2-2003



CONSENT AND JOINDER

WHEREAS, Declarant executed a certain Deed of Trust to Jerone C. Herring, trustee ("Trustee") for Branch Banking and Trust Company, beneficiary ("Beneficiary") which is a lien on the property described in the attached Exhibit A, dated February 14, 2000, and recorded in Book 1356 at Page 115 and re-recorded February 28, 2000 in Book 1360 at Page 18 in the Union County Public Registry (the "Deed of Trust").

WHEREAS, Trustee and Beneficiary have agreed at the request of Declarant to consent to the provisions of the Declaration and to subordinate the lien of the Deed of Trust to the provisions of the Declaration of Covenants, Conditions and Restrictions for Wyndham Hall ("Declaration") to which this Consent and Joinder is attached.

NOW, THEREFORE, Trustee and Beneficiary, by joining herein, hereby:

- (1) Consent to the execution, delivery and recording of the Declaration;
- (2) Subordinate the lien of the aforesaid Deed of Trust to the provisions of the Declaration and all amendments or supplements thereto with the same effect as if the Declaration and all amendments or supplements thereto had been executed, delivered and recorded prior to execution and delivery and recording of such Deed of Trust; and
- (3) Agree, notwithstanding the foreclosure of the Deed of Trust (or conveyances in lieu thereof), that the Declaration and all amendments or supplements thereto and all rights therein described shall continue unabated, in full force and effect.

BK1558PG581

Executed this 2nd day of May, 2001.

BENEFICIARY:

BRANCH BANKING AND TRUST COMPANY

By: Walter Herring
Senior Vice President



TRUSTEE:

Jerome C. Herring (SEAL)

STATE OF NORTH CAROLINA

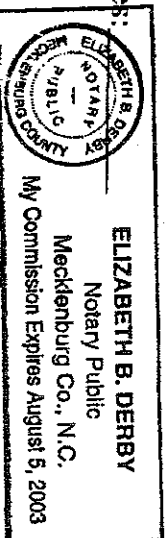
COUNTY OF Mecklenburg

This 2nd day of May, 2001, before me, the undersigned Notary Public in and for the County and State aforesaid, personally came Wright Wzzell, who, being duly sworn, says that he is Senior Vice Pres. of BRANCH BANKING AND TRUST COMPANY and that the seal affixed to the foregoing instrument in writing is the corporate seal of said corporation, and that he signed and sealed said instrument on behalf of said corporation by its authority duly given. And the said Elizabeth B. Derby Notary Public acknowledged said instrument to be the act and deed of said corporation.

WITNESS my hand and seal, this 2nd day of May, 2001.

Elizabeth B. Derby
Notary Public

My Commission Expires:



HTPL 81146.1

STATE OF NORTH CAROLINA

COUNTY OF YADKIN

Before me, the undersigned Notary Public in and for the County and State aforesaid, personally came JERONE C. HERRING and acknowledged the due execution of the foregoing instrument in writing for the purposes therein expressed.

WITNESS my hand and notarial seal, this 7th day of May, 2001.



Lou Ann C. Eddleman
Notary Public

My Commission Expires: 01/30/2006

NORTH CAROLINA - UNION COUNTY

The foregoing certificate(s) of

Judith A. Starnes, Elizabeth B. Derby &

of Lou Ann C. Eddleman Notary Public

are certified

to be correct. Filed for record this 10th day

of May, 2001 at 9:30 am

JUDY G. RICE, REGISTER OF DEEDS

BY: Sherina Casca

Asst./Deot

EXHIBIT A

LEGAL DESCRIPTION FOR 20 ACRE PARCEL

BEGINNING at a nail in the center line of Marvin-Weddington Road, the southeast corner of a 68.62 acre tract conveyed to Sam W. Craver, Jr. by deed recorded in Book 337, Page 771 in the Union County Registry; and running thence with said line four calls, the first three of which are along the center line of a branch as follows: 1st., North 32 degrees 8 minutes West 365.5 feet; 2nd., North 47 degrees 18 minutes West 172.6 feet; 3rd., North 28 degrees 33 minutes West 251.1 feet to a point in the center line of the branch; and 4th., North 55 degrees 42 minutes East, a total distance of 1025.2 feet to an iron pipe, and crossing an iron pipe on the eastern bank of said branch at 26 feet; thence, South 34 degrees 23 minutes East 703 feet to an iron pin, corner of Allen D. Carter property as described in Book 244 at Page 799, Union County Public Registry; thence, with said line two calls as follows: 1st., South 52 degrees 29 minutes West 330 feet to an iron pin; and 2nd., South 34 degrees 21 minutes East a total distance of 312.8 feet to a point in the center line of Marvin-Weddington Road, and crossing an iron pin in the northern right-of-way of said road at 282.8 feet; thence, along and with the center line of said road two calls as follows: 1st., South 71 degrees 57 minutes West 100 feet; 2nd., South 76 degrees 2 minutes West 641 feet to the point and place of BEGINNING, containing 20 acres, more or less, per plat and survey by Allen D. Carter, R.L.S., dated May 20, 1980.

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Exhibit A

Legal Description for 68.62 Acre Parcel

BEGINNING at a railroad spike in the center line of Harvin-Weddington Road (State Road No. 1316), said beginning point being located North 62 degrees 16 minutes East 331.7 feet from the intersection of the center line of Harvin-Weddington Road with the center line of Joe Kerr Road (State Road No. 1313), if extended; and running thence with a line of Joe Yarbrough property, North 32 degrees 31 minutes West 30.1 feet to an iron pin; thence North 32 degrees 31 minutes West 903.4 feet to an axle, common corner of B. P. Yarbrough and A. N. Glenn; thence with two lines of the Glenn property, 1st., North 32 degrees 31 minutes West 330 feet to an axle; and 2nd., South 56 degrees 23 minutes West, a total distance of 344.8 feet to a point in the center line of the Joe Kerr Road, and crossing an axle in the eastern right of way of Joe Kerr Road at 317.1 feet; thence along and with the various courses of the Joe Kerr Road seven calls as follows: 1st., North 33 degrees 49 minutes West 67.1 feet; 2nd., North 36 degrees 21 minutes West 100 feet; 3rd., North 38 degrees 33 minutes West 100 feet; 4th., North 40 degrees 43 minutes West 100 feet; 5th., North 43 degrees 50 minutes West 100 feet; 6th., North 50 degrees 22 minutes West 100 feet; 7th., North 60 degrees 58 minutes West 102.3 feet to a nail in the center line of Joe Kerr Road, said point being also the northwest corner of a one-acre tract conveyed to S. R. Yarbrough; thence North 47 degrees 25 minutes East 150.07 feet to an iron; thence North 47 degrees 54 minutes East 1931.6 feet to a stone; thence South 34 degrees 23 minutes East 954.9 feet to an iron; thence South 34 degrees 23 minutes East 581.8 feet to an iron, the northeast corner of a 20-acre tract; thence with four lines of said tract as follows: 1st., South 55 degrees 42 minutes West, a total distance of 1025.2 feet to a point in the center line of a branch, and crossing an iron pipe located on the east bank of said branch at 999.2 feet; thence with the branch three calls as follows: 1st., South 28 degrees 33 minutes East 251.1 feet; 2nd., South 47 degrees 18 minutes East 172.6 feet; and 3rd., South 32 degrees 8 minutes East 365.5 feet to a nail in the center line of Harvin-Weddington Road; thence along and with the center line of said road five calls as follows: 1st., South 75 degrees 4 minutes West 100 feet; 2nd., South 71 degrees 51 minutes West 100 feet; 3rd., South 66 degrees 22 minutes West 100 feet; 4th., South 62 degrees 24 minutes West 100 feet; and 5th., South 61 degrees 53 minutes West 235.5 feet to the point and place of BEGINNING, containing 68.62 acres, more or less, per plat and survey by Allen D. Cartter, R.L.S., dated May 20, 1980.

EXHIBIT B

Additional Property

Legal Description

All property lying within a one (1) mile radius of that property described on Exhibit A attached hereto.