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Drawn by & HOLD FOR:  
PERRY, PATRICK, FARMER & MICHAUX P.A. (nc)

STATE OF NORTH CAROLINA  
COUNTY OF WAKE  
RESTRICTIVE COVENANTS  
FOR  
SOMERSET FARM, Phase 1

KNOW ALL MEN BY THESE PRESENTS, that **SOUTH ATLANTIC RESIDENTIAL PROPERTIES, L.L.C.**, a North Carolina Limited Liability Company (hereinafter "Declarant"), does hereby covenant and agree with all persons, firms, and corporations hereafter acquiring any of the property described as follows on **Exhibit A** attached hereto and made a part hereof, that all of said Lots are hereby subjected to the following restrictive covenants as to the use thereof, which restrictive covenants shall run with the property, by whomsoever owned, to wit:

1. LAND USE AND BUILDING TYPE. All Lots shall be used for residential purposes. No structure shall be erected, altered, placed or permitted to remain on any Lot other than one detached, single-family dwelling, not to exceed two and one-half (2-1/2) stories in height, a private garage for not more than three (3) cars, and other outbuildings incidental to residential use of the Lot. Nothing herein shall be deemed to prohibit conversion of a Lot to a street or to Common Area.

2. DWELLING SIZE. The minimum heated square footage of a dwelling may not be less than one-thousand-three-hundred-fifty (1350) square feet for Lots 1-17 and 43-55. The minimum heated square footage of a dwelling may not be less than one-thousand-one-hundred (1100) square feet for Lots 56-65 and 189-194.

3. BUILDING SETBACKS; HOUSE LOCATION. No dwelling shall be erected or maintained on any Lot outside of the building envelope shown on the recorded plat of the subdivision or as otherwise provided in the zoning ordinance of the Town of Holly Springs as amended from time to time (hereinafter the "Zoning Ordinance"). For purposes of these building setback requirements, decks, porches, eaves, carports and other similar projections shall be deemed to be part of the dwelling only to the extent that the same are deemed to be part of the dwelling under the zoning ordinance of the Town of Holly Springs as it exists as of the date of issuance of a certificate of occupancy for such dwelling. Any dwelling erected on a Lot other than a corner Lot shall face the street on which the Lot abuts. On corner Lots, a dwelling may be erected so as to face the intersection of the two streets on which a Lot abuts.

4 FENCES. No fence or wall shall be erected on any Lot closer to any street than the front of the house constructed on such Lot and, in the case of a corner Lot, the side building setback line adjacent to such side street. Chain-link or other metal fencing is not permitted, except that 2" x 4" mesh may be used with split rail fencing to contain animals within the yard. Any fence or wall installed within the subdivision must be thirty percent (30%) open, i.e., the openings through which clear vision is possible from one side to the other on a horizontal plane must occupy at least thirty percent (30%) of the side area of the fence or wall (unless the requirements of the town of Holly Springs are more stringent, in which case, those requirements shall govern), must meet all requirements of the Town of Holly Springs and must be approved as provided in Paragraph 17 of these Restrictive Covenants. Nothing in this paragraph shall be deemed to apply to or regulate retaining walls made necessary by the slope or grade of any Lot or Lots, nor shall anything in this paragraph apply to any fence installed by the Declarant at any entrance to or along any street within the subdivision.

5. TEMPORARY STRUCTURES. No residence of a temporary nature shall be erected or allowed to remain on any Lot, and no trailer, basement, shack, tent, garage, barn, or any other building of a similar nature shall be used as a residence on any Lot, either temporarily or permanently.

6. PARKING; DRIVEWAYS AND PARKING PADS; ABANDONED VEHICLES. Vehicles may be parked or stored only on portions of a Lot improved for that purpose, i.e., garage, driveway, carport or parking pad. No unenclosed parking shall be constructed or maintained on any Lot except a paved driveway and an attached paved parking pad, which pad shall be designed for the parking of not more than three (3) vehicles. Any driveway or parking pad constructed upon any lot shall have either an asphaltic concrete surface, a cement concrete surface, or brick pavers.

No mobile house trailer (whether on or off wheels) or commercial vehicle of any kind shall be parked on any street within the subdivision, nor shall any such vehicle be parked or kept on any Lot within the subdivision. Furthermore, no boat or boat trailer and no vehicle, trailer or other enclosed body of the type which may be placed on or attached to a vehicle (known generally as "recreational vehicles" or "campers") shall be parked on any street within the subdivision. A boat and/or the trailer and/or a recreational vehicle or camper may be parked or kept on a Lot if parked or kept in such a manner that the item is screened from all streets, the Common Area, and all adjacent Lots. Screening may be either by fence or plantings but, in any case, the screening must comply with the Zoning Ordinance and be approved pursuant to Paragraph 17 of these Covenants. No tractor-trailer trucks or cabs shall be parked on any street or Lot within the subdivision.

No vehicle of any type which is abandoned or inoperative shall be stored or kept on any Lot in such manner as to be seen from any other Lot, any street within the subdivision, or the Common Area, and no automobiles or mechanical equipment may be dismantled or allowed to accumulate on any Lot.

7. 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 or maintained, provided that they are not kept or maintained for commercial purposes.

8. NUISANCES; BUSINESS ACTIVITY. 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 business trade or activity may be conducted on any Lot unless permitted by the Holly Springs Board of Adjustments.

9. SIGNS. Except as otherwise required by the Town of Holly Springs, no sign of any kind shall be displayed to the public view on any Lot except signs used by Declarant to advertise Lots for sale during the construction and sales period, one sign of not more than six (6) square feet advertising the property for sale or rent, and signs of not more than six (6) square feet expressing support of or opposition to political candidates or other issues which will appear on the ballot of a primary, general or special election, provided that such political signs shall not be placed on a Lot earlier than sixty (60) days before such election and shall be removed within two (2) days after such an election.

10. ANTENNAS; SATELLITE DISHES OR DISCS. No radio or television transmission or reception towers or antennas shall be erected on a Lot other than a customary television or radio reception antenna, which shall not extend more than ten (10) feet above the top roof ridge of the house. However, a satellite antenna receiver or disc will be permitted on a Lot if: (i) the receiver or disc is not larger than two (2) feet in diameter; (ii) receiver or disc is located on the side of the house away from the street and within the building setback lines applicable to that Lot; and (iii) the receiver or disc is located or screened in such a way that it cannot be seen from the street within the subdivision. Any such screening must be approved as provided in Paragraph 18 of these Covenants. In no event shall any freestanding transmission or receiving tower be permitted on any Lot.

11. SWIMMING POOLS. No above ground swimming pool shall be permitted in the subdivision, except that small, inflatable waiting pools shall be permitted.

12. MAILBOXES. A mailbox approved by the Declarant will be provided and installed by the builder of the dwelling on each Lot. No mailbox shall be placed or maintained on any Lot that does not conform in size, detail, and color to those originally provided by such builder.

13. MAINTENANCE OF LOT; CONSTRUCTION. Each Owner shall keep his Lot in an orderly condition and shall keep the improvements thereon in a suitable state of repair. In the event that any residents or structure on any Lot is destroyed or partially destroyed by fire, act of God, or as a result of any other act or thing, the Owner of such Lot shall repair such damage and/or reconstruct the improvement within twelve (12) months after such damage or destruction; provided, however, that if the structure damage is not part of or attached to the residence constructed on such Lot, the Owner may, at his option, either completely remove the damaged structure and landscape area in which the structure stood or repair or reconstruct the structure.

All construction, landscaping or other work which has been commenced on any Lot shall be continued with reasonable diligence to completion and no partially completed house or other improvements shall be permitted to exist on any Lot, except during such a reasonable time period as is necessary for completion. The Owner of each Lot shall at all times keep contiguous public streets free from any dirt, mud, garbage, trash or other debris resulting from any such construction on his Lot.

14. GARBAGE; UNSIGHTLY STORAGE. All trash and rubbish shall be kept in garbage cans stored behind the house in such a manner as not to be visible from the street upon which the house fronts. No trash, rubbish, stored materials, wrecked or in operable vehicles, or similar unsightly items shall be allowed to remain on any Lot; provided, however, that the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish, and other debris for collection by governmental or other similar garbage and trash removal units. In the event of curbside trash and/or garbage pick-up, trash and/or garbage cans may be moved to the street on the night before the scheduled pick up, but all garbage cans must be returned to approved enclosure the night of the scheduled pick up.

15. SEPTIC TANKS; WELLS. No septic tank shall be installed, used or maintained on any Lot. No well shall be installed, used or maintained on and a Lot for human domestic water consumption, nor shall any well be connected in any manner whatsoever to the water mains, laterals and piping serving the dwelling, which mains furnish domestic water from sources beyond the boundaries of the Lot.

16. REMOVAL OF TREES. Except in the case of an emergency situation that does not permit any delay, no tree larger than six (6) inches in diameter at a point measured three (3) feet off of the ground shall be removed from any Lot without the approval of the Board of Directors or its designated committee, provided that this provision shall be deemed applicable only to Lots which have been occupied under a certificate of occupancy issued by the Town of Holly Springs.

17. ARCHITECTURAL CONTROL. After a house constructed on a Lot within the Properties is occupied as a residence pursuant to a certificate of occupancy issued by the appropriate governmental entity, no building, fence, wall or other structure shall be commenced, erected

or maintained upon such Lot, nor shall any exterior addition to or change or alteration therein be made, nor shall a building permit for such improvement or change be made, nor shall any major landscaping or re-landscaping of any Lot be commenced or made (such construction, alteration and landscaping are hereinafter referred to as the "Improvements") until plans and specifications showing the nature, kind, shape, heights, materials, color and location of same shall have been submitted to and approved in writing by the Board of Directors of the Association or by an Architectural Committee composed of three (3) or more persons appointed by the Board. If the Association or designated Committee fails to approve or disapprove such proposed improvements within thirty (30) days after the plans and specifications have been received by it, approval will not be required, and this article shall be deemed to have been complied with. The Association shall have the right to charge a reasonable fee, not to exceed \$75.00, for receiving and processing each application. The Association shall not approve any improvements which it determines, in its discretion, not to be in harmony of external design, construction and/or location in relation to the surrounding structures, topography or the general plan of development of the subdivision. Nothing herein shall be construed to permit interference with the development of the Lots by Declarant in accordance with its general plan of development.

Prior to occupancy of the house on a Lot as a residence pursuant to a certificate of occupancy issued by the appropriate governmental entity, Declarant shall have and exercise the review and approval authority set forth in Article VIII as to such Lot. Any use of the terms "Association" or "Architectural Committee" in Article VIII shall, when appropriate, be deemed to mean and apply to the Declarant. Declarant may, at any time in its discretion, assign the review and approval authority reserved to Declarant by this paragraph to the Board of Directors of the Association. Such assignment shall be effected by recording in the Wake County Registry an assignment of Declarant's rights.

Declarant shall have the right to promulgate and from time to time amend written architectural standards and construction specifications (hereinafter the "Architectural Guidelines") which may establish, define and expressly limit the standards and specifications which will be approved, including, but not limited to, architectural style, exterior color or finish, roofing material, siding material, driveway material, landscape design and construction technique. After Declarant no longer has the right to exercise the review and approval authority set forth in Article VIII, i.e., after all Lots within the Properties have been occupied as residents pursuant to a certificate of occupancy issued by the appropriate governmental entity or after Declarant has assigned it's right herein, whichever is earlier, the Board of Directors of the Association shall have and exercise the right set forth in this Paragraph.

18. EXTERIOR MAINTENANCE. The Owner of each Lot shall maintain the grounds and improvements situated on his Lot, including, but not limited

to, plantings, landscaping and lawns, at all times in a neat and attractive manner satisfactory to the Board of Directors of the Association. Upon the Owner's failure to do so, the Association may, at its option, after approval by majority vote of the Board of Directors, and after giving the Owner ten (10) days written notice sent to his last known address, or to the address of the subject premises, have the grass, weeds, shrubs, and vegetation cut when and as often as the same is necessary in its judgment, and have dead trees, shrubs and plants removed from such Lot, and replaced, and may have any portion of the Lot re-sodded or landscaped, and all expenses incurred by the Association for such work shall be a lien and charge against the Lot on which the work was done and the personal obligation of the then-Owner of such Lot.

Upon an Owner's failure to maintain the exterior of any structure, including the roof, in good repair and appearance, the Association may, at its option, after approval by a majority vote of the Board of Directors and after giving the Owner thirty (30) days written notice sent to his last known address, make repairs and improve the appearance of such structure in a reasonable and workmanlike manner. The cost of any work performed by the Association upon the Owner's failure to do so shall be immediately due and owing from the then-Owner of the Lot on which the work was performed and shall constitute an assessment against the Lot and the personal obligation of such Owner, collectible in a lump sum, and secured by the lien against the Lot as herein provided.

19. EASEMENTS. Easements for the insulation, maintenance and repair of utilities and drainage facilities are reserved as shown on the recorded plat. Within such easements, no structure, planting, or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of the utilities, or which may change the direction of flow or otherwise impede or retard the flow of water through the drain channels within such easements. Any easements located on a Lot shall be maintained continuously by the Owner of such Lot, except for any such improvements for which a public authority or utility company is responsible. Declarant reserves the right to create and impose additional easements or right-of-way over any unsold Lot or Lots by the recording of appropriate instruments in the Wake County Registry, and such instrument shall not be construed to invalidate any of these Covenants.

Declarant reserves an easement in and right at any time in the future to grant a ten (10) foot right-of-way over, under and along the rear line of each Lot for the installation and maintenance of poles, lines, conduit, pipes and other equipment necessary to or useful for furnishing electric power, gas, telephone service, cable television or other utilities, including water, sanitary sewer service and storm drainage facilities. Declarant also reserves an easement in and right at any time in the future to grant a five (5) foot right-of-way over, under and along the sidelines of each Lot for the aforementioned purposes.

Declarant reserves, for itself, the Association and its Members, and their respective successors and assigns, an easement across the rear of Lots 189-194, inclusive, as shown and identified as "Pond Access & Maint. Esmt." for the purpose of allowing the residence of Somerset Farm to have access to and around the pond and to permit the Association to maintain the pond and the easement area. No fence, structure, driveway, swing or other object or obstruction shall be permitted in the easement area, other than those installed by Declarant or the Association, without the prior written approval of the Association, provided, however, that the Owners of such Lots may plant flowers, shrubs and trees within the easement area without the approval of the Association so long as such planting does not in any way alter or interfere with any grading, landscaping, planting, pathway, paving or other improvement installed by the Declarant or the Association nor in any way obstruct or impede access within the easement area. Declarant and the Association shall at all times have the right of access upon such easements for the purpose of landscaping, mowing, planting, paving and otherwise maintaining the easement area and the improvements thereon or for removing any object placed in the easement area in violation of the provisions of this Section 19.

20. STREET LIGHTING. Declarant reserves the right to subject the real property within the subdivision to a contract with Carolina Power and Light Company ("CP&L") for installation of street lighting, which requires a continuing monthly payment to CP&L by each residential customer.

21. SUBDIVISION OF LOTS. No Lot shall be subdivided by sale or otherwise so as to reduce the total Lot area shown on the recorded map or plat, except by and with the written consent of the Declarant.

22. UNINTENTIONAL VIOLATIONS. Declarant reserves the right, but shall not be obligated, to waive in writing any violation of the designated and approved building setback lines on any Lot; provided, however, that such violation does not exceed twenty percent (20%) of the applicable requirements, and further provided that no such waiver shall be effective unless the Lot and all structures thereon are in full compliance with the applicable provisions of the Zoning Ordinance for a variance has been obtained for such violation.

23. ENFORCEMENT. Enforcement of these covenants shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any Covenant herein and enforcement shall be to either restrain violation and/or to recover damages resulting therefrom.

24. SEVERABILITY. Invalidation of any one or more of these Covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

25. TERM. These Covenants shall run and bind the land and all Owners thereof for a period of twenty-five (25) years from the date these

Covenants are recorded, after which time, they shall be automatically extended for successive periods of ten (10) years unless altered or amended as set forth below. These Covenants may be amended during the first twenty-five (25) year. By an instrument signed by then-Owners of not less than eighty percent (80%) of the Lots, and thereafter an instrument signed by then-Owners of not less than two-thirds (2/3) of the Lots.

26. SOMERSET FARM COMMUNITY ASSOCIATION. The Lots in the subdivision are part of a planned community known as **SOMERSET FARM**. The Owners of the Lots are Members of the Somerset Farm Homeowners Association, Inc., and are subject to and bound by the Declaration of Covenants, Conditions, and Restrictions for the Somerset Farm Homeowners Association, Inc., as recorded in **Book 6621** at **Page 851**, as amended from time to time, in the Wake County Registry, which Declaration provides additional restrictions on such Lots.

27. DECLARANT. Nothing contained herein shall be construed to permit interference with the development of the Properties by Declarant so long as such development follows the general plan of development previously approved by the Town of Holly Springs and, if appropriate, by the Federal Housing Administration and/or Veterans Administration. The restrictions contained herein shall not be deemed to apply to any sales office, construction trailer, model home, or other temporary improvement installed by or with the approval of Declarant.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed as of the **first (1st) day of August, 1995**.

SOUTH ATLANTIC RESIDENTIAL PROPERTIES, L.L.C., a North Carolina Limited Liability Company Corporation.

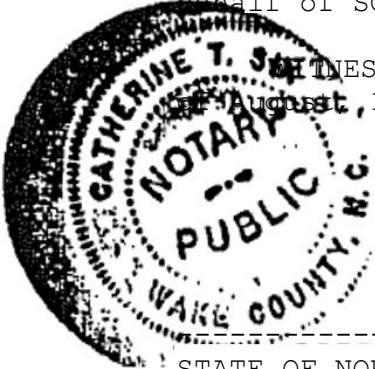
By:   
Steve M. Simpson, Manager



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STATE OF NORTH CAROLINA -- COUNTY OF WAKE

I, Catherine T. Six, a Notary Public for said County and State, certify that STEVE M. SIMPSON personally appeared before me this day and acknowledged the due execution of the foregoing instrument for and on behalf of SOUTH ATLANTIC RESIDENTIAL PROPERTIES, L.L.C.

WITNESS my hand and official stamp or seal, this the 1 day of August, 1995



Catherine T. Six  
Notary Public  
My commission expires: 3-11-96

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STATE OF NORTH CAROLINA -- COUNTY OF WAKE:

The foregoing certificate of CATHERINE T. SIX, Notary Public is certified to be correct. This certificate and this instrument are duly recorded at the date and time and in the Book and Page shown on the first page hereof.

KENNETH C. WILKINS, Register of Deeds

By: Meta N Harris  
Deputy/Asst. Register of Deeds

EXHIBIT A

Lying and being in Holly Springs Township, Wake County, North Carolina, and being more particularly described as follows:

Tract 1: Somerset Farm, Phase 1

BEING all of Lots 1-17, 43-65 and 189-194 in SOMERSET FARM, Phase 1, as shown on a plat thereof recorded in **Book of Maps 1995, Page 1052**, Wake County Registry, to which plat reference is hereby made for a more particular description of same.

Tract 2: Somerset Farm Recreation Area

BEING all of the property, containing 4.615 acres, more or less, shown and identified as "PRIVATE RECREATION AREA, 4.615 ACRES" on that certain plat entitled "Final Plat, SOMERSET FARM RECREATION AREA", recorded in **Book of Maps 1995, Page 1053**, Wake County Registry, to which plat reference is hereby made for a more particular description of same.

EXHIBIT B

All of the following described real property located in Holly Springs Township, Wake County, North Carolina:

Commencing at a Point of Beginning marked by a PK Nail in the center line of North Carolina Highway 55, a 60 foot public right-of-way, said Point of Beginning being South 31° 36' 21" East 1103.20 feet from North Carolina Grid Monument "Pond" N-687208.69 and E-2050089.00 and running thence along southeastern boundary line of the lands owned, now or formerly, by William V. Mangum and Frank L. Arnold, North 69° 10' 15" East 46.53 feet to an iron pipe; thence North 69° 10' 15" East 399.64 feet to an iron pipe; thence North 80° 50' 00" East 229.83 feet to an iron pipe; thence North 58° 17' 08" East 478.01 feet to an iron pipe; and thence North 56° 52' 25" East 268.98 feet to an iron pipe; thence leaving the southeastern boundary line of said lands of Mangum and Arnold, and running along the southeastern boundary line of the lands owned, now or formerly, by R. A. Collins, South 57° 09' 07" East 200.96 feet to an iron pipe; and thence South 50° 45' 50" East 119.70 feet to an iron pipe; running thence along the center line run of Poley Branch the following courses and distances: North 86° 01' 58" East 260.47 feet to an iron pipe; South 00° 09' 48" West 60.43 feet to an iron pipe; North 68° 18' 31" East 129.43 feet to an iron pipe; South 72° 35' 41" East 308.56 feet to an iron pipe; North 19° 18' 18" East 29.94 feet to an iron pipe; and South 73° 56' 44" East 147.38 feet to an iron pipe; thence leaving the center line run of Poley Branch and running South 09° 07' 35" West 85.87 feet to an iron pipe; thence North 83° 00' 52" East 137.79 feet to an iron pipe; thence South 31° 32' 50" East 47.05 feet to an iron pipe; thence North 65° 41' 37" East 136.28 feet to an iron pipe; thence South 58° 17' 40" East 121.72 feet to an iron pipe; thence South 02° 01' 25" West 572.07 feet to an iron pipe; thence following along the western boundary line of the lands owned, now or formerly, by Vannie Utley, South 01° 59' 46" West 529.19 feet to an iron pipe; thence along the western boundary line of the lands owned, now or formerly, by Jewel Adams Parker, South 02° 00' 35" West 305.47 feet to an iron pipe; and South 02° 00' 08" West 155.03 feet to an iron pipe; runs thence along the northern boundary line of the lands owned, now or formerly, by Linwood Clark, North 87° 38' 16" West 641.01 feet to an iron pipe; and North 87° 38' 32" West 109.02 feet to an iron pipe; thence leaving said northern boundary line and running North 55° 25' 19" East 44.86 feet to an iron pipe; thence North 49° 20' 05" East 42.89 feet to an iron pipe; thence North 45° 36' 02" West 120.02 feet to an iron pipe; thence North 61° 01' 20" West 181.71 feet to an iron pipe; thence North 85° 38' 43" West 255.41 feet to an iron pipe; thence North 57° 38' 30" West 160.61 feet to an iron pipe; thence North 24° 50' 47" West 71.78 feet to an iron pipe; thence South 82° 49' 45" West 113.34 feet to an iron pipe; thence North 55° 16' 16" West 28.53 feet to an iron pipe; thence South 02° 37' 31" West 138.43 feet to an iron pipe; thence South 83° 16' 56" West 245.21 feet to an iron pipe; thence North 81° 42' 33" West 212.45 feet to an iron pipe on the eastern right-of-way line of North Carolina Highway 55; thence North 81° 52' 33" West 40 feet to an iron pipe in the center line of said North Carolina Highway 55; thence running along the center line of North Carolina Highway 55 the following courses and distances: North 35° 05' 14" West 292.42 feet to a PK Nail; thence North 35° 24' 58" West 181.39 feet to a PK Nail; thence North 34° 49' 43" West 99.94 feet to a PK Nail; thence North 33° 48' 47" West 99.88 feet to a PK Nail; thence North 32° 46' 41" West 99.96 feet to a PK Nail; thence North 31° 45' 46" West 99.90 feet to a PK Nail; and thence North 30° 55' 28" West 404.66 feet to a PK Nail marking the Point of Beginning; said premises containing in all 82.908 acres, of which .894 acres is in the right-of-way of North Carolina Highway 55; all as shown on that unrecorded survey map entitled "Survey for South Atlantic Residential Properties, L.L.C., prepared by Bass, Nixon & Kennedy, Inc. and dated August 25, 1994, revised September 9, 1994.

BEING the same property acquired by South Atlantic Residential Properties, L.L.C., by deed recorded Book 6351, Page 122, Wake County Registry.