



FOR REGISTRATION REGISTER OF DEEDS
Willie L. Covington
DURHAM COUNTY, NC
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Prepared By and Return To: Robert O. Belo, 4011 University Drive, Suite 300, Durham, N.C. 27707

NORTH CAROLINA

DURHAM COUNTY

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF BLENHEIM WOODS

THIS DECLARATION, made this 16 day of July, 2008, by George King Road Associates, LLC, a North Carolina limited liability company (hereinafter referred to as "Developer").

WITNESSETH:

WHEREAS, Developer is the owner of all of that tract of real property containing 20.82 acres, more or less, Durham County, North Carolina, and being more particularly shown and described on "Exhibit A" attached hereto and incorporated herein by reference; and

WHEREAS, Developer proposes to sell and convey certain lots out of the property shown on the aforesaid Survey to be used for residential purposes and to develop said lots into a well planned community; and

WHEREAS, Developer, prior to selling and conveying the aforesaid residential Lots, desires to impose upon such lots certain mutual and beneficial restrictions, covenants and conditions and charges (hereinafter collectively referred to as "Restrictions") for the benefit and complement of all of the residential lots in the subdivision in order to promote the best interests and protect the investments of Developer and the purchaser or purchasers who own fee simple title to such Lots (the "Owners");

NOW, THEREFORE, pursuant to Chapter 47F of the North Carolina General Statutes, Developer hereby declares that all lots out of the property shown on the aforesaid surveys and any additional property adjacent or near the Subdivision, as may by subsequent amendment be added to and

subjected to this Declaration, are held and shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to this Declaration and to the following restrictions (the "Restrictions") This Declaration and the Restrictions shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in and to the real property or any part or parts thereof subject to this Declaration. The Developer reserves in each instance the right to add additional restrictive covenants in respect to lands to be conveyed in the future, or to limit therein the application of this Declaration.

ARTICLE I
DEFINITIONS

As used herein,

A. "Articles" means the Articles of the Incorporation of Blenheim Woods Community Association.

B. "Association" means Blenheim Woods Community Association, a North Carolina non-profit corporation. The "Board of Directors" or "Board" shall be the elected body governing the Association and managing the affairs of the Association.

C. "Bylaws" means the Bylaws of Blenheim Woods Community Association.

D. "Common Areas" means all real and personal property, together with those areas within dedicated portions of the subdivision, which may be deeded to or acquired by the Association for the common enjoyment of the members of the Association and the Association shall accept the deed or other instrument conveying such Common Area to it, including any recreational facility or area, stormwater improvements and related facilities, landscaping, parks and trails.

E. "Common Expenses" means and includes the actual and estimated expenses of maintaining and operating the Common Areas as more particularly set forth under "Community Expenses" in Article 5 hereof and operating the Association for general purposes, which expenses are the sole responsibility of the Association, including any reasonable reserves, all as may be found to be necessary and appropriate by the Board of Directors pursuant to this Declaration, the Bylaws and the Articles of Incorporation of the Association.

F. "Dedication" means the act of committing a portion of the subdivision to the purposes of Declaration by the recording of a plat showing such area.

G. "Developer" means George King Road Associates, LLC, a North Carolina limited liability company, its successors, or assigns.

H. "Lot" means a separately numbered tract of land lying within the Subdivision and which, according to the plat of that portion recorded at the dedication thereof, may be conveyed by the Developer and owned in fee by the Grantee thereof, and held for such uses as are consistent with this

Declaration and the Restrictions covering the area wherein the tract is located. No tract of land shall become a "Lot" as that word is used herein until the area on which the same is located is "dedicated." The Owner of all of a numbered Lot may combine such numbered Lot, with a part or parts of another such numbered Lot which he owns and which is adjacent thereto and the aggregate shall be considered as one Lot for the purpose of these Restrictions.

- I. "Member" means all those Owners who are members of the Association.
- J. "Owner" means record Owner of the fee simple interest in each Lot in the Subdivision.
- K. "Period of Declarant Control" means twelve (12) years from date first above written.
- L. "Subdivision" means Blenheim Woods.

ARTICLE 2
APPLICABILITY

These Restrictions shall apply to all Common Areas, all subdivided numbered Lots to be made from the property shown on the aforesaid plat or map, and all additional plats or maps of subdivisions of any additional adjacent areas acquired by the Developer, (hereafter referred to as "Lot" or "Lots"), which Lots are for residential purposes only. These Restrictions shall not be applicable to any lands designated on the plat as "Reserved" or unnumbered lands or other lands of Developer, and Developer is withholding these parcels from these Restrictions pursuant to its general scheme of development, the absence of Restrictions thereupon being intended to allow Developer maximum flexibility in the determination of the development of such parcels.

ARTICLE 3
ORGANIZATION

A. An Association named Blenheim Woods Homeowner's Association, Inc. has been or will be formed pursuant to rules and requirements of the Nonprofit Association Act (Chapter 55A) of the General Statutes of North Carolina as an association of the Owners of Lots. Its purposes are to own, manage, maintain and operate the Common Areas and facilities located upon the Common Areas; to enforce restrictions contained herein; and to make and enforce rules and regulations governing the Owners' use and occupation of Lots.

B. Each record Owner of each Lot within the Subdivision and the Developer, its successors and assigns shall be a Member of the Association. The Developer, by this Declaration, and the Owners of individual Lots by the acceptance of individual deeds thereto, covenant and agree with respect to the Association:

1. That for so long as each is an Owner of a Lot within the Subdivision, each will perform all acts necessary to remain in good and current standing as a Member of the Association;

2. That Developer and each Owner shall be subject to the rules and regulations of the Association with regard to ownership of Lot(s); and

3. That any unpaid assessment, whether general or special, levied by the Association in accordance with these Restrictions, the Articles or the Bylaws shall be lien upon the Lot upon which such assessment was levied, and shall be a personal obligation of the Owner of the Lot at the time the assessment fell due.

C. Each membership in the Association shall relate to and have a unity of interest with an individual Lot which shall not be separated from ownership of said Lot.

D. The Association shall have one (1) regular type of voting membership and one (1) type of special voting membership. The Association shall have one (1) regular voting class of members (Class "A" members) who shall all be Owners. Each member of such class shall be entitled to one vote for each Lot owned; provided, however, when more than one person holds an interest in any Lot, all such Persons shall be members and, 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 and there shall be no fractional voting. The Association shall have one (1) special voting class who shall be the Developer (Class "B" member).

E. During the Period of Declarant Control, the Class B member shall have the right to appoint and remove no more than a majority of the members of the Board of Directors of the Association and to appoint and remove the officers of the Association.

ARTICLE 4 MANAGEMENT AND ADMINISTRATION

The management and administration of the affairs of the Common Areas of the Subdivision shall be the sole right and responsibility of the Association. The management shall be carried out in accordance with the terms and conditions of these Restrictions, the Articles and the Bylaws of the Association, but may be delegated or contracted to managers or management services.

ARTICLE 5 FUNCTIONS OF ASSOCIATION

A. Ownership and Maintenance of Properties. The Association shall be authorized to own and/or maintain (subject to requirements of the Town of Durham) equipment, furnishings and improvements devoted to the following uses:

1. For roadway medians or islands, cul-de-sac islands, and neighborhood or other area entrances throughout the Subdivision;
2. For sidewalks, parks, walking paths or trails, through the Subdivision.

3. For recreational areas, swimming pools, tennis courts, club houses and parking areas.
4. The Association shall provide for the general maintenance and upkeep of stormwater management facilities, all in accordance with the terms of any Stormwater Facility Operation and Maintenance Permit Agreement or similar instrument (herein referred to as "Stormwater Permit) governing the operation of the stormwater management facilities. The obligations under this subparagraph (i) shall receive the highest priority for expenditures by the Association other than insurance, taxes and governmental assessments.
5. The Association shall maintain all fencing erected by Developer or the Association in the Common Areas.

B. The Association shall be requested to provide the following services:

1. The Association shall provide or procure the administrative services necessary to carry out the Association's obligations and business under the terms of this Declaration, the Articles of Incorporation of the Association, and the Bylaws of the Association.
2. The Association shall administer and enforce this Declaration.
3. The Association shall provide appropriate liability and hazard insurance coverage for improvements and activities on all Common Areas and other insurance as may be required under Chapter 47F of the North Carolina General Statutes.
4. The Association shall keep a complete record of all its acts and corporate officers.

C. The Association shall be authorized (unless prohibited by requirements of the City of Durham, North Carolina) but not required, to provide the following services:

1. Cleaning and maintenance of all roadway medians or islands, cul-de-sac islands, neighborhood and other area entrances, parks, sidewalks, walking trails, Common Areas, and Open Space Areas, within the Subdivision and also all public properties which are located within or in a reasonable proximity to the Subdivision such that their deterioration would affect the appearance of the Subdivision as a whole;
2. Landscaping and beautification of roadway medians or islands, cul-de-sac islands, neighborhood and other area entrances.
3. The service necessary or desirable in the judgment of the Board of Directors of the Association to carry out the Association's obligations and business under the terms of this document.

ARTICLE 6
COMMUNITY EXPENSES

The Community Expenses of the Subdivision include:

A. All amounts expended by the Association in operating, administering, managing, repairing, replacing and improving the Common Areas of the Subdivision; all amounts expended by the Association in insuring the Common Areas in the Subdivision to the extent and in the amounts required by the applicable Town of Durham Code in effect from time to time; all amounts expended by the Association in legal, engineering, or architectural fees; all similar fees which may be incurred by the Association from time to time in performing the functions delegated to the Association by these Restrictions; and all amounts expended in any form by the Association in enforcing these Restrictions, the Articles or the Bylaws.

B. All amounts expended by the Association in carrying out any duty or discretion as may be required or allowed by these Restrictions, the Articles or the Bylaws.

C. All amounts declared to be Community Expenses in the Bylaws or in these Restrictions.

D. All taxes and special assessments which may be levied from time to time by any governmental authority upon the Common Areas in the Subdivision.

ARTICLE 7
ANNUAL GENERAL ASSESSMENT

A. The Developer for each Lot owned, hereby covenants and each Owner of any Lot by acceptance of a deed for same (whether or not it shall be so-expressed in such deed) is deemed to covenant and agrees to pay to the Association annual general assessments or charges as hereinafter provided. The annual general assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge and lien on the land and, subject to the provisions of Article 9, shall be a continuing lien upon the property against which each such assessment is made. Furthermore, each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of the Lot at the time when assessment fell due. The personal obligation for delinquent assessments shall not pass to a successor in title to a Lot unless expressly assumed by them but, subject to the provisions of this Declaration, delinquent assessments shall continue to be a lien upon such Lot. The assignment will commence upon conveyance of a lot to an owner and may be payable monthly or quarterly at the direction of the Board of Directors. Notwithstanding anything to the contrary herein, Developer shall not be allocated and shall not be required to pay any assessment for any Lot it owns.

B. Until June 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual general assessment shall be Two Hundred Seventy-Five and 00/100 Dollars (\$275.00) per Lot payable annually or at other intervals in the discretion of the Board of Directors but subject to change by the Board of Directors.

C. Further, the Association shall establish a reserve fund for the reconstruction and repair of stormwater facilities (the "Stormwater Reserve Fund"). The Stormwater Reserve Fund shall at all times contain the dollar amount reasonably determined by the City of Durham Director of Public Works to be adequate to pay for the reconstruction and repair of all stormwater facilities owned by the Association for a three (3) year period. The Stormwater Reserve Fund shall not be commingled with other Association funds, shall be listed as a separate line item in the Association budget and shall be held in an FDIC insured account. The Association shall establish a fund (the "Reimbursement Fund") for the reimbursement of the Declarant and any other persons or entities who have placed bonds and/or security deposits (collectively referred to as "Stormwater Bonds") for the benefit of the City of Durham for the purpose of providing the City of Durham with adequate funds for the maintenance, reconstruction and repair of the Stormwater Facilities. The Association shall collect and deposit into the Reimbursement Fund the amount of \$835.00 at each sale of a Lot by Declarant. At such time as the Reimbursement Fund is equal in value to all of the Stormwater Bonds, the Reimbursement Fund shall be used to replace the Stormwater Bonds so as to allow the funds made available by the replacement of the Stormwater Bonds to be returned to those persons or entities who originally deposited the Stormwater Bonds.

1. From and after June 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual general assessment may be increased each year not more than five percent (5%) above the assessment for the previous year or the increase in the Consumer Price Index from the base thereof in 2008 if greater than five percent (5%) without any vote of the membership.

2. From and after June 1 of the second year immediately following the conveyance of the first Lot to an Owner, the maximum annual general assessment may be increased by an amount up to ten percent (10%) of the assessment for the previous year, provided the proposed increase is approved by a vote of two-thirds (2/3) of the Members who are voting in person or by a proxy at a meeting duly called for this purpose.

3. Prior to the first Annual Meeting of the Membership of the Association (as provided in the Bylaws) and prior to each Annual Meeting thereafter, the Board of Directors shall adopt a proposed budget for the Association for the upcoming fiscal year. Within thirty (30) days after the adoption of the proposed budget, the Board of Directors shall provide to all of the Members a summary of the budget and a notice of the meeting (which meeting may be the Annual Meeting) to consider ratification of the budget. The notice shall include a statement that the budget may be ratified without a quorum. The Board of Directors shall set a date for the meeting (which may be the same date as the Annual Meeting) of the Members to consider ratification of the proposed budget, which meeting shall be held no fewer than ten (10) nor more than sixty (60) days after mailing of the summary and notice. There shall be no requirement that a quorum be present at the meeting in order to ratify the proposed budget. The budget is ratified unless at the meeting a majority of all the Members rejects the budget. In the event the proposed budget is rejected by a majority of the members, the periodic budget last ratified by the Members shall be continued until such time as the Members ratify a subsequent budget proposed by the Board of Directors.

4. Once the annual general assessment has been set, notice of the annual general assessment shall be given all Members. After the initial notice of the assessment, such assessment shall become due and payable as provided by the Board of Directors.

C. Written notice of any meeting called for the purpose of taking any action authorized under Paragraph 2 above 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 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 such subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

D. The annual general assessments levied by the Association shall be used exclusively to improve, maintain and repair the Common Areas, to pay the expenses of the Association, to pay the cost of lighting the Common Areas, to pay the cost of any insurance the Association determines to purchase and to promote the recreation, health, safety and welfare of the Members and to pay taxes levied upon the Common Areas.

E. The Association shall, upon demand, and for reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments upon any specified 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.

F. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment. However, the sale or transfer of any Lot pursuant to foreclosure of a first mortgage or any proceeding in lien therefor, 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.

G. At the time of closing of the sale of each house, a sum equal to at least two (2) months assessment for each house shall be collected and transferred to the Association to be held as a working capital fund. The purpose of said fund is to insure that the Association Board will have adequate cash available to meet current operating expenses including current operating deficits. Amounts paid into the fund shall not be considered advance payment of regular assessments.

ARTICLE 8 SPECIAL ASSESSMENTS

Special assessments may be levied against Lots for such reasons as are provided in these Restrictions, the Articles or the Bylaws and on such terms as provided by the Board of Directors or the members. Either the Board of Directors or the Members may levy and impose special assessments upon a majority vote. The purposes for which special assessments may be levied include, but are not limited to providing funds to pay extraordinary Community Expenses which exceed the general

assessments on hand to pay same and providing a contingency fund for payment of special improvements and extraordinary expenses. Furthermore, certain assessments may be assessed against specific Lots. In the event the Owner of a Lot fails to comply with the provisions of Article 13 hereof, the Association may perform such task or remedy such matter and levy the cost of such performance against the Owner of such Lot and such Lot as a special assessment.

ARTICLE 9
LIEN FOR ASSESSMENTS

Any general or special assessment, if not paid within thirty (30) days after the date such assessment is due, together with interest at the maximum rate allowed by law per annum, costs of collection, court costs, and reasonable attorneys fees shall constitute a lien against the Lot upon which such assessment is levied. Additionally, the Association may impose the maximum late charge on any unpaid sum allowed by law. The Association may record notice of the same in the Office of the Clerk of Superior Court of Durham County or file a suit to collect such delinquent assessments and charges. The Association may file Notice of Lis Pendens, bring an action at law against the Owner personally obligated to pay the same and/or bring an action to foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein.

ARTICLE 10
COMPLIANCE WITH THIS DECLARATION, THE ARTICLES
AND THE BYLAWS OF THE ASSOCIATION

In the case of failure of a Lot Owner to comply with the terms and provisions contained in this Declaration, the Articles or the Bylaws of the Association, the following relief shall be available:

A. The Association, an aggrieved Lot Owner or Owners within the Subdivision on behalf of the Association, or any Lot Owner on behalf of all the Lot Owners within the Subdivision shall have the right to bring an action and recover sums due damages, injunctive relief, and/or such other and further relief appropriate.

B. The Association shall have the right to remedy the violation and assess the costs of remedying same against the offending Lot Owner as a special assessment.

C. If the violation is the nonpayment of any general or special assessment, including any interest charge or late fees, as the Board shall determine, the Association shall have the right to suspend the offending Owner's voting rights and the use by such Owner, his agents, employees and invitees of the Common Areas in the Subdivision for any period during which an assessment against the Lot remains unpaid.

D. The remedies provided by this Article are cumulative, and are in addition to any other remedies provided by law.

E. The failures of the Association or any Owner to enforce any restriction contained in these Restrictions, the Articles or the Bylaws shall not be deemed to waive the right to enforce such restrictions thereafter as to the same violation or subsequent violation of similar character.

ARTICLE 11
PROPERTY RIGHTS OF LOT OWNER, CROSS-EASEMENTS,
AND EXCEPTIONS AND RESERVATIONS BY DECLARANT

A. Every Owner of a Lot within the Subdivision, as an appurtenance to such Lot, and the Developer shall have a perpetual easement over and upon the Common Areas and other open spaces within the Subdivision for each and every purpose or use to which such Common Area were intended as determined by their type, or for which Common Areas generally are used. Such easements shall be appurtenant to and shall pass with the title to every Lot located within the Subdivision, whether or not specifically included in a deed thereto, subject to the following provisions:

1. The Association shall have the right to promulgate reasonable rules and regulations respecting the use of same.

2. Subject to the provisions of Section 47F-3-107.1 of the North Carolina General Statutes, the Association shall have the right to suspend the voting rights of a Lot Owner and his right to use the Common Areas within the Subdivision for any periods during which any due assessment against such Owner's Lot remain unpaid as is provided in Article 9 hereof, and for a period not to exceed sixty (60) days for any infraction of its published Rules and Regulations.

3. The Association shall have the right to charge reasonable admission and other fees to Members for certain uses of any recreation facility situated upon the Common Areas.

4. The Board of the Association shall have the power and authority to borrow money from the Developer and other entities and to execute and deliver Promissory Notes evidencing such debt. The Board of the Association shall also have the power and authority to mortgage the property of the Association and to pledge any revenues of the Association as security for loans made to the Association; all such loans shall be used by the Association in performing its authorized functions and services; provided that any such mortgage is with the prior written consent of Members (excluding Developer) entitled to cast eighty percent (80%) of the votes in the Association. Notwithstanding any mortgage being placed on the property of the property of the Association, the documents comprising such mortgage shall provide that the mortgagee's rights in and to the use of the property are subordinated to the rights of the Members.

B. The Association hereby reserves the right to (and hereinafter may) grant easements for ingress, egress and regress over, under, above, around or through the Common Areas for utilities for the purposes for the benefit of the Subdivision and any Lots now or hereafter located thereon. Provided, however, that no such grant of easement shall have a material adverse effect upon the use, enjoyment or value of any Lot.

C. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Areas and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

D. During the Period of Declarant Control, Developer shall have the right, at its election, without the consent of any Owner or Owners, to bring within the coverage and operation of these Restrictions additional properties adjacent to or near the Subdivision as may be developed in the future. The addition to property authorized hereby shall be made by filing of record in the Office of the Register of Deeds of Durham County, North Carolina, a Supplementary Declaration of Covenants,

Conditions and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of this Declaration to such additional property. The Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or appropriate in the sole judgment of the Developer to reflect the different character, if any, of the added properties and as are not inconsistent with the plan, intent and spirit of this Declaration.

E. Easements and rights of way over and upon each Lot and the Common Areas for drainage and the installation and maintenance of utilities services are reserved exclusively to Developer for such purposes as Developer may deem incident and appropriate to its overall development plan, such easements and rights of way being shown or noted on the aforesaid recorded plat(s) of the Subdivision, which plat is incorporated by reference and made a part hereof for a more particular description of such easements and rights of way. The easements and right of way areas reserved by Developer on each Lot and the Common Areas pursuant hereto shall be maintained continuously by the Owner but no structures, plantings or other material shall be placed or permitted to remain upon such areas or other activities undertaken thereon which may damage or interfere with the installation or maintenance of utilities or other services, or which may retard, obstruct or reverse the flow of water or which may damage or interfere with established slope rations or create erosion problems. Improvements within such areas also shall be maintained by the respective owner except those for which a public authority or utility company is responsible.

F. The rights of the use of utility and service easements and right of way areas as provided and defined herein for any type of cable transmission system is reserved exclusively to Developer, and no other cable transmissions service company or organization shall be permitted to service any Lot or combination of Lots except with the expressed permission of Developer.

G. No Common Area shall be mortgaged or conveyed without the consent of at least eighty percent (80%) of the Members (excluding Developer).

ARTICLE 12 ARCHITECTURAL STANDARDS AND ARCHITECTURAL STANDARDS COMMITTEE

All initial approval or disapproval with respect to architectural and aesthetic construction matters shall be vested in the Developer, who shall approve or disapprove such matters in conjunction with the standards set forth in (A) - (H) below and any other standards Developer, in its sole discretion, may wish to implement. When the Developer no longer desires to hold such authority or control, the Developer shall delegate and assign its rights to the Architectural Review Committee (the "Committee"). Such Committee shall consist of three (3) members who will be appointed by the Board. All three (3) members of the Committee shall be appointed and removed, at any time and without cause, by the Board (During the period of time that Developer exercises its rights under this Article 12, any reference to "Committee" in (A) -(H) below or elsewhere herein shall mean, where applicable, the Developer.) There may be charged a reasonable fee for the purpose of defraying the cost of this review and approval or disapproval process.

A. No construction, which term shall include within its definition clearing, excavation, grading, exterior painting and other similar work, shall take place except in strict compliance with this Article, until the requirements thereof have been fully met, and until the approval of the Committee has been obtained.

B. The Committee shall have exclusive jurisdiction over all original construction on any Lot and later changes or additions after initial approval thereof, together with all modifications, additions or alterations subsequently to be constructed on any Lot or made to any improvements initially approved including without limitation fences and outbuildings.

C. The Committee shall have the absolute and exclusive right to disapprove any plans, specifications or details submitted to it in the event the same are not in accordance with any of the provisions of these Restrictions; if the design, color scheme or location upon such Lot or Lots of the proposed improvements are not in harmony with the general surroundings or adjacent structures; if the plans and specifications submitted are incomplete; or in the event the Committee deems the plans, specifications or detail, or any part thereof, to be contrary to the best interests, welfare or rights of all or any part of the real property subject to the Declaration or the owners thereof.

D. The Committee shall approve or disapprove plans or specifications and details submitted within thirty (30) days from the receipt thereof and the decisions of the Committee shall be final and not subject to appeal or review. Provided, however, that plans, specifications and details revised in accordance with Committee recommendations may be resubmitted for determination by the Committee. In the event that the Committee fails to approve or disapprove plans or specifications and details within thirty (30) days after submission of the same to the Committee, approval, for the purposes of this Article, shall be deemed to have been given by the Committee.

E. The Committee or its agent, shall have the right to inspect all construction to ensure that it is performed in strict accordance with the approved plans, specifications and details.

F. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his residence or permitted appurtenant structures, or to paint the interior of the same any color desired.

G. Neither the Developer nor the Committee nor the Board or any agent thereof shall be responsible in any way for any defects in plans, specifications or details submitted, revised or approved in accordance with the provisions contained herein nor for any structural or other defect in any construction.

H. The requirements of this Article shall constitute a lien or encumbrance on any Lot on which construction is completed, and any subsequent purchaser thereof who allows a violation to be a continuing violation shall continue to be subject to such lien or encumbrance. The requirements of this Article shall not apply to Developer with regard to the original erection or construction of a dwelling on a Lot.

ARTICLE 13 RESTRICTIONS ON USE AND OCCUPANCY

A. No Lot shall be used except for single family residential purposes. No structure shall be erected, placed or permitted to remain on one numbered Lot other than one (1) detached, single family residence dwelling and such outbuildings as are usually accessory to a single family residence dwelling, including a private enclosed garage or open carport with space for not more than two (2) automobiles and, if permissible by local code and/or ordinance, a second story for guests and/or servants quarters, which garage shall not be rented separately for remuneration.

B. Any dwelling constructed on a Lot subject to these Restrictions shall contain not less than the minimum square footage set forth in Supplementary Declarations of Covenants, Conditions and Restrictions recorded for each Section of Blenheim Woods and which shall consist of fully enclosed and heated floor area devoted to living purposes (exclusive of roofed or unroofed porches, terraces, garages and any outbuildings) or if no such Supplementary Declaration is recorded the minimum square footage shall be as determined appropriate for the neighborhood by the Developer or Committee.

C. No above-grade structure (except approved fences or walls) may be constructed or placed on any Lot except within the minimum building set back lines as set forth by the applicable development / zoning ordinances relating thereto.

An Owner of a Lot and a portion or all of an adjoining and contiguous Lot or Lots may, if permitted by local code and/or ordinance, construct a dwelling and/or other structures permitted hereunder upon and across the dividing line of such adjoining and contiguous Lots, all such structures to comply with the minimum building setback lines from the actual boundary lines of the subject Owner's property, and thereafter such combinations of Lots or portions thereof shall be treated for all purposes under these Restrictions as a single Lot.

D. All plumbing fixtures and sources of sewerage located on a Lot shall be connected to a sewer system owned and operated by governmental authorities. No outside toilet shall be constructed or permitted on any Lot except during construction as herein expressly provided.

E. The design, size and location of containers for the collection and removal of garbage, trash and other like household refuse shall be subject to and shall require the approval of the Committee.

F. The following general prohibitions and requirements shall apply and control the improvement, maintenance and use of all Lots:

1. No mobile home, trailer, camper, tent, or temporary house, temporary garage or other temporary outbuilding shall be placed or erected on any Lot, providing, however, that the Committee may grant permission for temporary structures for storage of materials during construction. No such temporary structure as may be approved shall be used at any time as a residence.

2. Once construction of a dwelling or other improvement is started on any Lot, the improvements must be substantially completed in accordance with the approved plans and specifications within twelve (12) months from commencement.

3. All dwellings and permitted structures erected or placed on any Lot shall be constructed of material of good grade, quality and appearance, and all construction shall be performed in good workmanlike manner and quality. The exterior of all dwellings and permitted structures shall be either natural wood, stone, masonite, stucco, brick, and any other exterior material the Developer or Committee deems appropriate. The covering for all roofs shall be wood shake shingles or Architectural style shingles or, if approved by the Developer or Committee, similar dimensional and style shingles. No used structures shall be relocated or placed on any Lot and no structures shall have an exterior constructed of concrete, cement, solite, or cinderblock or artificial stucco, asbestos or asphalt siding. Vinyl siding of a grade 042 or better may be used on exterior of dwellings and permitted structures. Any permitted structure shall be of the same material, quality, general appearance

and workmanship as the dwelling on the Lot. The requirements of the Developer or Committee shall control all improvements to any Lot as is therein specified.

4. Except structures erected by the Developer, no structure erected upon any Lot may be used as a model exhibit or house unless prior written permission to do so shall have been obtained from the Developer or Committee.

5. All Lots, whether occupied or unoccupied, shall be well maintained and no unattractive growth or accumulation of rubbish or debris shall be permitted.

6. No trash, ashes, garbage or other refuse shall be dumped or stored or accumulated on any Lot or other area in the Subdivision.

7. Any dwelling or improvement on any Lot which is destroyed in whole or in part by fire or other casualty must be rebuilt or all debris removed and the Lot restored to a sightly condition with reasonable promptness, provided, however, that in no event shall such debris remain on such Lot longer than three (3) months.

8. No stripped, wrecked, partially wrecked or junked motor vehicle, or part thereof, shall be permitted to be parked or kept on any Lot or within the Subdivision. All motor vehicles of any type kept on any Lot shall have current registration and inspection certificates.

9. No underground fuel or chemical storage tanks shall be permitted on a Lot. Spill containment measures in accordance with the applicable State, Federal and Local regulations must be complied with for any above ground fuel or chemical tanks and any such tanks shall be screened from streets and adjoining Lots in a place and manner approved by the Developer or Committee.

10. All outdoor poles, clotheslines and similar equipment shall be screened or so placed as not to be visible to the occupants of other Lots or the users of any street or recreation area.

11. All recreational equipment and personal property other than automobiles or bicycles must be stored in such a manner as not to be visible from any street or to the occupants of other Lots.

12. No mail or paper box or other receptacle of any kind for use in the delivery of mail or newspapers or magazines or similar material shall be erected or located upon any Lot except such receptacle of standard size and design as shall have been approved by the Developer or Committee.

13. No sign (excluding typical "For Sale" and building identification signs or similar signs), billboard or other advertising structure of any kind may be erected or maintained upon any Lot or Common Area; provided, however, that construction identification signs approved by the Developer or Committee showing the Lot number and name of the builder may be exhibited upon the Lot during the period of construction.

14. Satellite disks and dishes and antennas designed for receiving television and radio transmissions are permitted with written approval from the Developer or Committee, which shall have sole discretion as to whether approval will be given and which shall designate the size, appropriate location and screening of such satellite disk or/and antenna and other conditions for such approval.

15. All dwelling connections for all utilities including, but not limited to, water, electricity, gas, telephone and television shall be run underground from the proper connection points to the dwelling structure in such manner as may be acceptable to the appropriate utility authority.

16. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot or within the Subdivision, except that dogs, cats or other household pets in a reasonable number may be kept provided they are not kept, bred or maintained for any commercial purpose, and provided, further, that such pets do not constitute a danger or nuisance to other Lot owners or to the neighborhood as determined by the Board. Dogs which are household pets shall be on a leash at all times when they are off of the Lot of their owners.

17. The erection of fences, swimming pools and outbuildings, shall require approval of the Developer or Committee.

18. Entrances to enclosed garages may face in any direction provided that all such garages shall have a door or doors that completely close off the garage entrance and such door or doors shall remain completely closed except during periods of actual use of such garage entrance.

19. Except as approved in writing by the Developer or Committee, no window air-conditioning units shall be installed in any structure located on a Lot.

20. No noxious, offensive or illegal trade or activity shall be carried on nor shall anything be done on any Lot or in the Subdivision that shall be or become an unreasonable annoyance or nuisance to other Lot Owners or the neighborhood.

21. No trees measuring six (6) inches or more in diameter at a point two (2) feet above ground level may be removed without written approval of the Developer or Committee.

22. The pursuit of hobbies or other activities, including specifically, but without limitation, the assembly, disassembly, repair or building of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly, or unkempt conditions, shall be prohibited on any Lot or part of the Subdivision.

23. All garbage cans, above-ground tanks, woodpiles, clothes lines, and other similar items shall be located and screened so as to be concealed from adjacent Lots, and streets. All rubbish, trash, litter and garbage shall be regularly removed from each Lot by the Owner of said Lot and shall not be allowed to accumulate thereon and all garbage cans must be secured in a garbage can rack.

24. The use of firearms on or about the Subdivision is prohibited.

25. Driveways from streets into Lots will be paved with concrete.

26. No above-ground pools or jacuzzis shall be erected, constructed or installed on any Lot, without written approval by the Developer or Committee.

27. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed on any structure located on a Lot unless approved in writing by the Developer or Committee.

Notwithstanding any of the foregoing, the Developer reserves, in its sole and exclusive discretion, the right to waive any and all violations of the restrictions contained in this Article 13.

ARTICLE 14
AMENITIES AND FACILITIES

Every park, recreation area, recreation facility, dedicated access, open space, buffers, and other amenities appurtenant to the Subdivision, whether or not shown and delineated on any recorded plat of the Subdivision, shall be considered private and for the sole and exclusive use of the Owners of Lots within the Subdivision. Neither Developer's execution nor the recording of any plat nor any other act of Developer with respect to such areas is, or is intended to be, or shall be construed as a dedication to the public of any such areas, facilities or amenities.

ARTICLE 15
WAIVER

No provision contained in these Restrictions, the Articles or the Bylaws, shall be deemed to have been waived, abandoned, or abrogated by reason of failure to enforce them on the part of any Person as to the same or similar future violations, no matter how often the failure to enforce is repeated.

ARTICLE 16
VARIANCES

The Board in its discretion and subject to local law or ordinance may allow reasonable variances and adjustments of these Restrictions in order to alleviate practical difficulties and hardship in their enforcement and operation. Any such variances shall not violate the spirit or the intent of this document to create a Subdivision of Lots owned in fee by various persons with each such Owner having an easement upon areas owned by the Association.

To be effective, a variance hereunder shall be recorded in the Durham County Register of Deeds Office; shall be executed on behalf of the Association; and shall refer specifically to this Declaration.

ARTICLE 17
DURATION AND AMENDMENT

A. The covenants and Restrictions contained in this Declaration shall run with and bind the land for a term of thirty (30) years from the date this Declaration is recorded, after which time, they shall be automatically extended for successive periods of one (1) year and shall inure to the benefit of and be enforceable by the Association, the Developer or the Owner of any land subject hereto, their respective legal representative, heirs, successors and assigns. This Declaration may be amended in full or in part by an instrument signed by not less than sixty-seven percent (67%) of the Lot Owners, provided, that no amendment shall alter any obligation to pay Common Expenses to benefit the Common Areas, as herein provided, or affect any lien for the payment of same. To be effective any amendment must be recorded in the office of the Register of Deeds of Durham County, North Carolina and a marginal entry of same must be signified on the face of this document. So long as the Developer, as a Type "B" member, is entitled to elect a majority of the Board of Directors of the Association, no Amendment of this Declaration shall be made without the consent of Developer.

B. Invalidation of any one of these covenants or Restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

ARTICLE 18
MERGER

In the event that the Association votes to merge into another similar non-profit association as set forth in Article XII of the Bylaws of the Association and by such merger, the Subdivision becomes encumbered and governed by the surviving association's covenants, rules and restrictions as if they had existed and encumbered the Subdivision as of the date of recording hereof, from the date of recordation of any such merger documents, this Declaration shall be deemed to be no longer burdening upon the Subdivision. Notwithstanding anything contained herein to the contrary, debts due and outstanding by a Member to the Association prior to the date any merger effected pursuant to this Article shall survive as a debt of said lot owner to the surviving non-profit association.

ARTICLE 19
TERMINATION

In the event that this Declaration is terminated pursuant to Section 47F-2-118 of the North Carolina General Statutes or otherwise declared to be void, invalid, illegal, or unenforceable in its entirety, or in such a significant manner that the Association is not able to function substantially as contemplated by the terms hereof, for any reason, by the adjudication of any Court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, all Common Areas belonging to the Association at the time of such adjudication shall (i) be held by a new nonprofit association to be created by the Developer without the consent of members, said association to own and manage the Common Areas for the benefit of lot owners or (ii) be deeded to the Town of Durham. If the Common Areas are owned by a new nonprofit homeowners association, said association shall own and operate said Common Areas for the use and benefit of Owners within the Subdivision as set forth below:

(a) Each Lot located within the Subdivision shall be subject to an annual general assessment which shall be paid by the Owner of each such Lot or Parcel to the association. The amount of such annual general assessment and its due date shall be determined by the association, but the amount of such annual general assessment on any particular Lot shall not exceed the amount actually assessed against that Lot in the last year that assessments were levied by the Association, subject to the adjustments set forth in subparagraph (b) immediately below;

(b) The maximum annual general assessment which may be charged by the new association hereunder on any particular Lot may be automatically increased each year by an amount of ten (10%) percent or the percentage increase between the first and last months of the thirteen (13) month period terminating at the end of the third (3rd) quarter of the previous assessment year in the Consumer Price Index, U.S. City Average, All Items (1967-100) (hereafter "C.P.I.") issued by the U.S. Bureau of Labor Statistics in its monthly report entitled "The Consumer Price Index, U.S. City Average and Selected Areas", whichever of these two (2) percentage figures is larger. The actual amount of such increase in the maximum annual general assessment on a Lot shall equal the maximum annual assessment on such Lot for the previous year multiplied by the larger of the two (2) percentage factors set forth above. If the C.P.I. is discontinued, then there shall be used the most similar index published by the United States Government that may be procured indicating changes in the cost of living.

(c) Any past due annual general assessment together with interest thereon at the maximum annual rate allowed by law from the due date and all costs of collection including reasonable attorney's fees not to exceed fifteen percent (15%) of the obligation shall be a personal obligation of the Owner at the time of annual general assessment became past due, and it shall also constitute and become a charge and continuing lien on the Lot and all improvements thereon, against which the assessment has been made, in the hands of the then Owner, his heirs, devisees, personal representatives and assigns.

(d) The new association shall be required to use the funds collected as annual general assessments for the operation, maintenance, repair, and upkeep of the Common Areas. The new association shall not have the obligations to provide for operation, maintenance, repair, and upkeep of the Common Areas once the funds provided by the annual general assessment have been exhausted.

(e) The new association shall have the right to convey title to the Common Properties, and to assign its rights and duties hereunder, provided that the transferee accepts such properties subject to the limitations and uses imposed hereby and by the Durham City Code and affirmatively acknowledges its acceptance of the duties imposed hereby.

ARTICLE 20 CAPTIONS

The captions preceding the various Articles of these Restrictions are for the convenience of reference only, and shall not be used as an aid in interpretation or construction of these Restrictions. As used herein, the singular includes the plural and where there is more than one Owner of a Lot, said Owners are jointly and severally liable for the obligations herein imposed. Throughout this Declaration, references to the masculine shall be deemed to include the feminine, the feminine to include the masculine and the neuter to include the masculine and feminine.

ARTICLE 21 ASSIGNABILITY OF RIGHTS AND LIABILITIES

Developer shall have the right to sell, lease, transfer, assign, license, and in any manner alienate or dispose of any rights, interests and liabilities retained, accruing or reserved to it by this Declaration. Following any such disposition, Developer in no way shall be liable or responsible to any party with regard to any such right, interest or liability or any claim or claims arising out of same in any manner.

ARTICLE 22 LIBERAL CONSTRUCTION

The provisions of this Declaration shall be construed liberally to effectuate its purpose of creating a Subdivision of fee simple ownership of Lots and buildings governed and controlled by rules, regulations, restrictions, covenants, conditions, reservations and easements administered by an Owners' association with each Owner entitled to and burdened with the rights and easements equivalent to those of other Owners.

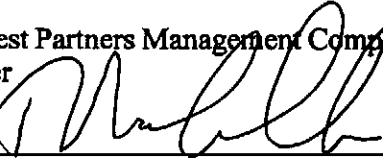
Notwithstanding any provision to the contrary contained herein, in no event shall any use of any portion of the property fail to conform to any requirement imposed by the Town of Durham or any applicable law or ordinance and the Developer shall at all times have the right to make such

changes and amendments to this Declaration as may be necessary to conform this Declaration to the requirements of Chapter 47F of the North Carolina General Statutes.

IN TESTIMONY WHEREOF has caused this instrument to be executed in its name on the day and year first above written.

George King Road Associates, LLC, a North Carolina limited liability company

By: East West Partners Management Company, Inc.,
Manager

By: 
Dennis Rochelle, Vice President

STATE OF NORTH CAROLINA
COUNTY OF DURHAM

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document: Dennis Rancie

[insert name(s) of person(s) in blank].

Date: 7/14/08

Mary Elizabeth Boening
Notary Public

Print Name: Mary Elizabeth Boening

My commission expires: 2/5/11

[Official Seal]

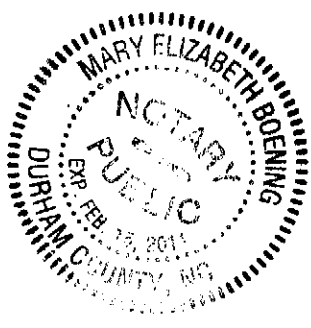
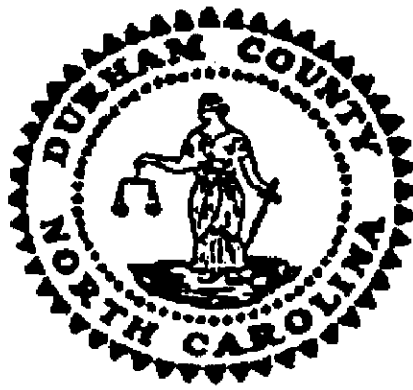


EXHIBIT A

LEGAL DESCRIPTION

BEGINNING at an existing iron pipe located in the western edge of the 60 foot right-of-way of George King Road, the northeast corner of Linda Giles and Elizabeth Corona (Plat Book 20 at Page 133 and Deed Book 1335 at Page 155 of the Durham County Registry) and commencing from said POINT AND PLACE OF BEGINNING along and with the western edge of the right-of-way of George King Road North 7° 34' 43" East 379.01 feet to an existing iron; and continuing with the western edge of George King Road with a curve having a radius of 3952.87 feet a length of 212.99 feet and a chord bearing of North 5° 58' 56" East to an existing iron; thence still continuing with the western edge of George King Road right-of-way North 4° 26' 19" East 96.85 feet to an existing iron; thence leaving George King Road and commencing South 88° 04' 34" West 1300.16 feet to an existing iron, which iron is the northeast corner of Lot 16 of The Oaks III; thence with the eastern edge of the right-of-way of Lot 16 with a curve having a radius of 2172.73 feet a distance of 306.56 feet and a chord bearing of South 5° 55' 39" East to an existing iron; thence along and with the eastern edge of Lots 1, 2 and 3 of The Oaks III, Plat Book 115 at Page 147 of the Durham County Registry South 10° 04' 43" East 103.75 feet to an existing iron; thence with a curve having a radius of 1790.75 feet a distance of 291.27 feet South 5° 25' 42" East to an existing iron; thence South 0° 42' 43" East 46.49 feet to an iron, the southeastern most point of Lot 3 of The Oaks III; thence along and with the northern line of Reginald Moore, Jr. South 86° 43' 08" East 790.18 feet to an iron; thence with the western line of Giles and Corona North 13° 17' 10" East 199.75 feet to an existing iron; thence along and with the northern line of Giles and Corona South 81° 21' 47" East 310.6 feet to the POINT AND PLACE OF BEGINNING and containing 20.82 acres as shown on the map of Blenheim Woods by The John R. McAdams Company dated May 11, 2007, to which plat reference is hereby made for a more particular description.



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.

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Book: RE 6015 Page: 6-27
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