

Wake Forest Pco

Rec'd - Rick S. [unclear]

PRESENTED
FOR
REGISTRATION

BOOK 3431 PAGE 228

FEB 15 4 47 PM '85

NORTH CAROLINA
WAKE COUNTY

KENNETH W. [unclear] REGISTER OF DEEDS
WAKE COUNTY, NC DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS made and entered into this 15 day of February, 1985 by GEMN, INC., a North Carolina corporation, hereinafter referred to as "DECLARANT";

W I T N E S S E T H:

WHEREAS, the Declarant is the owner of or will become the owner of certain real property in Wake County, North Carolina, more particularly described and defined in Schedule A attached hereto and made a part hereof (hereinafter called "the land"); and

WHEREAS, the Declarant plans to construct townhouses upon the land with the intention of selling these townhouses to purchasers subject to the covenants, conditions and restrictions herein reserved.

NOW, THEREFORE, Declarant hereby declares that all of the property described in Schedule A shall be held, sold and conveyed subject to the following easements, restrictions, covenants, uses, limitations and obligations in furtherance of a plan to use the property for townhouse purposes and which shall be deemed to run with the land and be binding upon all parties having any title, right or interest in the land or any part thereof, their heirs, successors and assigns.

ARTICLE I

DEFINITIONS

Section 1. "ASSOCIATION" shall mean and refer to WAKE FOREST BUSINESS PARK PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns.

Section 2. "OWNER" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such

interest merely as security for the performance of an obligation.

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

Section 4. "COMMON AREA" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is as described on Schedule B which is attached hereto.

Section 5. "LOT" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "DECLARANT" shall mean and refer to GEMM, INC., a North Carolina corporation, its successors and assigns, if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

Section 7. "MEMBER" shall mean and refer to every person or entity who holds membership in the Association.

ARTICLE II

PROPERTY RIGHTS

Section 1. OWNER'S EASEMENTS OF ENJOYMENT. Every owner shall have a 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 following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and right to use of the recreational facilities in the Common Area by an owner for any period during

which any assessment against his lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(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 by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer has been recorded.

(d) the right of the Association to limit the number of guests of members;

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

(f) the right of the individual members to the exclusive use of parking spaces as provided in this Article.

Section 2. DELEGATION OF USE. Any owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities to his tenants or contract purchasers.

Section 3. TITLE TO THE COMMON AREA. The Declarant hereby covenants for itself, its heirs and assigns, that it will convey fee simple title to the Common Area to the Association, free and clear of all encumbrances and liens, prior to the conveyance of the first lot, except utility and storm drainage easements.

Section 4. PARKING RIGHTS. Ownership of each Lot shall entitle the owner or owners thereof to the use of all parking which is adjacent to his Lot and to a pro-rata share of other parking which is adjacent and available. In any event

each lot owner shall be entitled to a minimum of five (5) parking spaces. The Association shall have full authority to regulate and designate parking areas should this become necessary.

Section 5. TELEVISION ANTENNAS AND CABLEVISION. The Association may provide one or more central television antennas for the convenience of the members and may supply cablevision and the cost of these may be included in annual or special assessments. The Association will regulate and/or may prohibit the erection of television antennas and all other antennas on individual lots.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. the Association shall have two classes of voting membership:

CLASS A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each 1000 square feet of floor space owned. Floor space shall include both the ground and top floors. There shall be no pro-ration of square footage. (For example, a member who owns 2700 square feet shall be entitled to 2 votes since he owns at least 2000 square feet but less than 3000 square feet). When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lots shall be exercised as they among themselves determine, but in no event shall the number of votes cast by these members be more than the lot is entitled to.

CLASS B. The Class B member(s) shall be the 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 occurs earlier:

(a) when the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership, but PROVIDED that the Class B membership shall be reinstated if thereafter and before the time stated in Sub-paragraph (b) below, such additional lands are annexed to the Properties without the assent of Class A members on account of the development of such additional lands by the Declarant, all as provided for in ARTICLE VII, Section 2, below, or

(b) on 31 December 1999.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, cost and reasonable attorney's fee, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for the delinquent assessments shall pass to his successors in title.

Section 2. PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the

Users of the Properties and in particular for the acquisition, improvement and maintenance of Common Areas, including the maintenance, repair and reconstruction of private streets, sewer systems, pumping station for sewer system, driveways, walks and parking areas situated on the Common Areas. Such maintenance is to include the cutting and removal of weeds and grass, the removal of trash and rubbish or any other maintenance and for the exterior maintenance of the buildings situated upon the Properties as hereinafter provided or for the use and enjoyment of the Common Area. Assessments may be levied to cover the following expenses: the cost of repairs, replacements and additions, the cost of labor, equipment, materials, managements and supervision, the payment of taxes and public assessments assessed against the Common Area, the procurement and maintenance of insurance in accordance with this Declaration, the employment of attorneys to represent the Association when necessary, and to provide adequate reserves for the replacement of capital improvements.

The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Areas and those other portions of the Properties which the Association may be obligated to maintain. Such reserve fund is to be established out of regular assessments for common expense.

Maintenance of the Common Areas shall include maintenance of repairs to and replacement of private streets in the Common Areas, and to all storm drainage facilities located on or serving the Common Areas not accepted for public maintenance.

Section 3. MAXIMUM ANNUAL ASSESSMENT. Until 1 January of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be \$1,500.00 for each 1,000 square feet. This shall not be pro-rated.

(a) From and after 1 January of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased effective 1 January of each year without a vote of the membership not more than five percent (5%) of the maximum assessment for the previous year.

(b) From and after 1 January of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased by a vote of ^amajority of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting.

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

Section 4. SPECIAL ASSESSMENT FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, and in connection with exterior maintenance, including fixtures and personal property related thereto, PROVIDED, that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of

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

Section 6. UNIFORM RATE OF ASSESSMENT. Both annual and special assessments shall be assessed on the amount of square footage on the ground floor area of the building on each lot. It shall be the responsibility of the Association to determine the amount of ground floor area in all buildings on all lots, and each member shall pay the pro-rata share of assessment as is his pro-rata share of his ground floor square footage to the total ground floor square footage in all lots.

PROVIDED, that the assessment for Lots owned by Declarant which are not under a completed roof, may be a lesser amount as fixed by the Board of Directors of the Association, but shall not be less than fifty percent (50%) of the regular assessments for other Lots.

Section 7. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS: DUE DATES. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining on the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate

signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 8. EFFECT OF NONPAYMENT OF ASSESSMENTS:

REMEDIES OF THE ASSOCIATION. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of their Lot.

Section 9. SUBORDINATION OF THE LIEN TO MORTGAGES AND AD VALOREM TAXES. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage and ad valorem taxes. Sale or transfer of any Lot shall not affect the assessment lien. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. All assessments which are made by the Association, annual assessments, special assessments or otherwise, shall be calculated, assessed and paid on a quarterly basis. It shall be the responsibility of the Association to regulate such billings and collections, designating to owners the date that an assessment payment is due and the amount of such assessment.

ARTICLE V

PARTY WALLS

Section 1. GENERAL RULES OF LAW TO APPLY. Each wall which is built as part of the original construction of the buildings upon the Properties and placed on the dividing line between the Lots and all reconstruction or extensions of such walls shall constitute party walls, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls, lateral support in

below-ground construction and of liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. SHARING OF REPAIR AND MAINTENANCE. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. DESTRUCTION BY FIRE OR OTHER CASUALTY. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owner to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

ARTICLE VI

ARCHITECTURAL CONTROL

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

ARTICLE VII

ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. Annexation of additional property, except as provided in Section 2 of Article VII, shall require the consent of two-thirds (2/3) of the Class A membership and two-thirds (2/3) of the Class B membership, if any, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. The presence of members or of proxies entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirements set forth above and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting. In the event that two-thirds (2/3) of the Class A membership or two-thirds (2/3) of the Class B membership are not present in person or by proxy, members not present may give their written assent to the action taken there at.

Section 2. If prior to 31 December 1999 Declarant should develop additional land within the boundaries as shown on Schedule A, such land may be annexed by the Declarant and be under the control of this Declaration of Covenants, Conditions and Restrictions and under the authority of the Association, all without the consent of members of the Association. After 31 December 1999, this right of Declarant shall no longer exist.

ARTICLE VIII

EXTERIOR MAINTENANCE

In addition to maintenance of the Common Areas, the Association shall provide exterior maintenance upon each Lot

which is subject to assessment hereunder, as follows: paint and/or stain the exterior of the townhouses, repair, replace and care for roofs, gutters, and downspouts, if any, exterior building surfaces, trees, shrubs, grass, walks, mailboxes, fences installed by Declarant or the Association, exterior post lights (excluding electricity therefor), and other exterior improvements. Such exterior maintenance shall not include glass surfaces. Further, the Owner of any Lot may at his election plant trees, shrubs, flowers and grass in his rear yard and may also maintain portions or all of his rear yard provided that such maintenance by the Owner does not hinder the Association in performing its maintenance of the exterior of the building and the remaining yard spaces. No such maintenance by a Lot Owner shall reduce the assessment payable by him to the Association. If, in the opinion of the Association, any such Owner fails to maintain his rear yard in a neat and orderly manner, the Association may undertake any required maintenance and add the cost thereof to the assessment against such Owner's Lot. The Owner shall not plant any vegetation in the front yard except with the prior written approval of the Association.

As a matter of information to future members of the Association, the developers wish to make it known that due to differing amounts of exposure to the elements and other factors, some buildings may require more maintenance than others and that it is in the best interest of the entire Association that all units be properly maintained and that the Association shall be required to provide such maintenance provided for herein and make a uniform rate of charge without regard to the actual cost of maintenance of each building.

In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his customers, clients or guests, the cost of such maintenance or repairs shall be added to and become a part of

the assessment to which such Lot is subject. The Association is hereby granted an easement right of access to go upon any Lot for performance of repairs or maintenance, the responsibility of which is the Association's hereunder.

ARTICLE IX

USE RESTRICTIONS

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

Section 2. USE OF PROPERTIES. All Properties within the confines as shown on Schedule A shall be subject to and adhere to the Town of Wake Forest Zoning Regulations.

Section 3. QUIET ENJOYMENT. No obnoxious or offensive activity shall be carried on upon the Properties, nor shall anything be done which may be or may become a nuisance or annoyance to the business park.

ARTICLE X

EASEMENTS

All of the Properties, including Lots and Common Areas, shall be subject to such easements for driveways, walkways, parking areas, water lines, sanitary sewers, storm drainage facilities, gas lines, telephone and electric power lines and other public utilities as shall be established by the Declarant or by his predecessors in title, prior to the subjecting of the Properties to this Declaration; and the Association shall have the power and authority to grant and establish upon, over, under and across the Common Areas conveyed to it, such further easements as are requisite for the convenient use and enjoyment of the Properties.

All Lots shall be subject to easements for the encroachment of initial improvements constructed on adjacent Lots by the Declarant to the extent that such initial improvements actually encroach including, but not limited to, such items as overhanging eaves, gutters and downspouts, if any, and walls.

ARTICLE XI
INSURANCE

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

(a) OWNERSHIP OF POLICIES. All insurance policies upon the Properties shall be purchased by the Association for the benefit of all the Association and the Owners and their mortgagees as their interests may appear, and provisions shall be made for the issuance of certificates of mortgage endorsements to the mortgagees of Owners. Owners may, at their option, obtain insurance coverage at their own expense upon their own personal property and for their personal liability and other expenses and such other coverage as they may desire.

(b) COVERAGE. All buildings and improvements upon the land and all personal property included in the Common areas and facilities shall be insured in an amount equal to One Hundred Percent (100%) insurable replacement value as determined annually by the Association with the assistance of the insurance company providing coverage. Such coverage shall provide protection against:

(i) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and

(ii) Such other risks as from time to time shall be customarily covered with respect to buildings on the land.

(iii) Such policies shall contain clauses providing for waiver of subrogation.

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

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

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

(i) Proceeds on account of damage to individual Lots shall be held in undivided shares for the Owners of damaged Lots in proportion to the cost of repairing the damage suffered by each Owner, which costs shall be determined by the Association.

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

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

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

(a) EXPENSE OF THE TRUST. All expenses of the insurance trustees shall be first paid or provisions made therefor.

(b) RECONSTRUCTION OR REPAIR. The remaining proceeds shall be paid to defray the cost of repairs. Any proceeds remaining after the defraying such cost shall be distributed to the beneficial Owners as above provided.

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

ARTICLE XII

GENERAL PROVISIONS

Section 1. ENFORCEMENT. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. SEVERABILITY. 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.

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

Any Amendment must be recorded in the Office of the Register of Deeds of Wake County, North Carolina.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto caused this instrument to be signed in its corporate name by its duly authorized officers all by authority of its Board of Directors, this the 15 day of February, 1985.

GEMN, INC.

By: _____

PRESIDENT

Attest: _____

SECRETARY



CORPORATE SEAL

NORTH CAROLINA

WAKE COUNTY

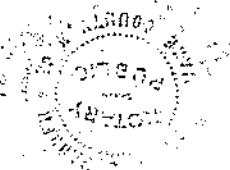
I, James S. Warren, a Notary Public of the aforesaid County and State, certify that John G. Mills, III personally came before me this day and acknowledged that he is Secretary of GEMN, INC., a North Carolina Corporation and that by authority duly given and as the act of the corporation, the

foregoing instrument was signed in its name by its President,
sealed with its corporate seal and attested by him as its
Secretary.

Witness my hand and notarial seal, this the 15 day of
February, 1985.

James S. Wynn
NOTARY PUBLIC

My Commission Expires: 6-16-85



NORTH CAROLINA — WAKE COUNTY

The foregoing certificate _____ of James S. Wynn

_____, Notary (lies) Public is
(are) certified to be correct. This instrument and this certificate are duly registered at the date and time
and in the book and page shown on the first page hereof.

KENNETH C. WILKINS, Register of Deeds
By Kenneth C. Smith
Asst./Deputy Register of Deeds

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SCHEDULE A

BEGINNING at an iron pipe in the southern right of way line of N.C. Highway 98, said iron pipe having N.C. Grid Coordinates N = 811,692.446 and E = 2,137,196.978; thence along the line of Bruce Keith South 08 deg. 13' 58" East 196.99 feet to an iron pipe; thence South 81 deg. 43' 31" West 209.96 feet to an iron pipe; thence North 8 deg. 13' 58" West 192.93 feet to an iron pipe in the southern right of way line of N.C. Highway 98; thence along the southern right of way line of N.C. Highway 98 North 80 deg. 37' 02" East 210.00 feet to the BEGINNING, containing 0.94 acre and being 40,932.58 square feet according to a survey by Triangle Engineering Services, Inc., entitled "Survey for GEMN, Incorporated" and dated 5 February 1985.

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SCHEDULE B

BEGINNING at an iron pipe in the southern right of way line of N.C. Highway 98, said iron pipe having N.C. Grid Coordinates N=811,692.446 and E=2,137,196.978; thence along the line of Bruce Keith South 08 deg. 13' 58" East 196.99 feet to an iron pipe; thence South 81 deg. 43' 31" West 209.96 feet to an iron pipe; thence North 8 deg. 13' 58" West 192.93 feet to an iron pipe in the southern right of way line of N.C. Highway 98; thence along the southern right of way line of N.C. Highway 98 North 80 deg. 37' 02" East 210.00 feet to the BEGINNING, containing 0.94 acre and being 40,932.58 square feet according to a survey by Triangle Engineering Services, Inc., entitled "Survey for GEMN, Incorporated", and dated 5 February 1985.

EXCEPTED FROM THE ABOVE ARE Lots 1, 2, 3, 4 and 5 as shown on the above mentioned plat by Triangle Engineering Services, Inc., dated 5 February 1985 and entitled "Survey for GEMN, Incorporated".