STATE OF NORTH CAROLINA

COUNTY OF CRAVEN

DECLARATION OF COVENANTS
FOR: 227 E. Front St.
Paaffe House

THIS DECLARATION, made and entered into this the 10 day of APRIL, 1987, by and between the NEW BERN PRESERVATION FOUNDATION, INC., a North Carolina Corporation with its principal office in Craven County, North Carolina (hereinafter called the "Foundation"); and all PROSPECTIVE PURCHASERS of the tract of land described in Exhibit A attached hereto and incorporated herein by reference (hereinafter called "Purchasers");

WITNESSETH:

WHEREAS, the Foundation is the owner of the tract of land described on Exhibit A and desires to record this Declaration in order to impose the restrictions hereinafter enumerated on said property, said restrictions to run with the land and forever be a burden to same and a benefit to the Foundation and to the property hereinafter described.

NOW, THEREFORE, The Foundation does hereby declare that the restrictions herein contained shall run with the property described on Exhibit A attached hereto and incorporated herein by reference and shall be a burden on all persons or entities hereinafter owning or acquiring title to said property. The restrictive and protective covenants and conditions are as follows:

(1) PERMITTED USES. No use may be made of the property except the following specifically permitted uses:

(a) 1. Single or two-family dwelling

ERNEST C. RICHARDSON, III • ATTORNEY AT LAW • 507 POLLOCK STREET • NEW BERN, NC 28560 • (919) 633-2470

2. Tourist Home
3. Offices for service agencies
4. Professional offices
5. Public/private school
6. Bakery
7. Banks or loan companies
8. Restaurant
9. Personal services as barber or beauty shop
10. Publishing establishments
11. Specialty shop
12. Catalog store

(b) In the event of any change in city zoning classification for this property, prior to any such use allowed in the zoning change being undertaken pursuant to the authority of this subparagraph (b), the applicant shall apply to the Foundation for approval of such use. Such application shall be made in writing and shall specifically detail the proposed use indicating the product(s) to be sold or the services to be offered from the property, an estimate as to the number of employees of the business, an estimate of the expected clientele of the business and the numbers of same, and a statement as to why the operation of the business would be in the best interests of and harmonious with the historic district in which the property is located. If the Foundation finds the proposed use harmonious with the historic district in which the property is located, it shall so state in a recordable instrument. After recordation of such instrument in the office of the Register of Deeds of Craven County, such specifically permitted use shall not be in violation of these restrictions. Provided, however, that such use shall be subject to reapplication and reapproval.

ERNEST C. RICHARDSON, III • ATTORNEY AT LAW • 507 POLLOCK STREET • NEW BERN, NC 28560 • (919) 633-2470

(2) PARKING. Driveway(s) and parking spaces for use of the house shall be permitted.

(3) RESTORATION AGREEMENT. The Purchasers, pursuant to the terms, conditions, and deadlines of a Restoration Agreement entered into by the parties and signed by the President of the Foundation, shall (a) cause to be rehabilitated the house which now stands on the premises and (2) cause the said premises to be landscaped in keeping with said building. Said house shall be rehabilitated according to the terms hereof within the 24 months following the date hereof.

(4) AFTER REHABILITATION. After the house has been rehabilitated pursuant to the terms, conditions, and deadlines of the aforesaid Restoration Agreement, no alteration and no physical or structural change and no changes in the material or surfacing (excluding normal maintenance and repairs) shall be made to the exterior of the house without the prior written approval of the Foundation.

(5) ADDITIONS. No addition or additional structure shall be constructed or permitted to be built on the premises unless the plans and exterior designs for such structure or additions have been approved in advance in writing by the Foundation.

(6) INTERIOR FEATURES. After the house has been rehabilitated, no removal, relocation, or alteration of original architectural features shall be made without approval of the Foundation.

ERNEST C. RICHARDSON, III • ATTORNEY AT LAW • 507 POLLOCK STREET • NEW BERN, NC 28560 • (919) 633-2470

(7) DEMOLITION. No structure or any part thereof on the premises may be removed or demolished without the prior written approval of the Foundation.

(8) MAINTENANCE. The Purchasers covenant and agree to continuously maintain, repair, and administer the premises herein described in accordance with the Secretary of the Interior's Standards for Rehabilitation so as to preserve the historical integrity of features, materials, appearance, workmanship, and environment of the premises. Maintenance shall be continuously provided.

(9) EXTERIOR PAINT. Any change in the existing exterior paint scheme shall be approved by the Foundation prior to the application of the changed exterior paint color to the building.

(10) BUILDING QUALITY. All structures erected or permitted to remain on the property shall be constructed of material of good grade, quality, appearance and all construction shall be performed in a good and workmanlike manner. The exterior of all buildings located or permitted to remain on the property shall be wood or brick, and no aluminum siding, sheet metal siding, imitation brick or stone roll siding, compressed wood siding, or any siding comparable to such sidings shall be erected or permitted to remain on the property.

(11) NUISANCES. No noxious or offensive trade or activity shall be carried on upon the property nor shall anything thereon be done which may be or become a nuisance or annoyance to the neighborhood. No wrecked or junked motor vehicle shall be

ERNEST C. RICHARDSON, III • ATTORNEY AT LAW • 507 POLLOCK STREET • NEW BERN, NC 28560 • (919) 633-2470

permitted to remain upon the property. No truck larger than a one-half ton truck shall be permitted to remain upon the property. In determining what constitutes a nuisance, the decision of the Foundation shall be final.

(12) ENFORCEMENT. Enforcement of the restrictions herein shall be by a proceeding at law or equity against the person or persons violating these restrictions. Such action may be brought either to restrain violation of these restrictions, to remove the violation, or to recover damages for such violation. These restrictions shall benefit the Foundation, and its successor in interest or assigns. These restrictions may be amended, altered, or rescinded by the joint consent of the Foundation and the owner of the property described in Exhibit A.

(13) ASSIGNMENT OF RIGHTS. The Foundation shall have the right to assign its rights as specified in the Declaration to the New Bern Historical Society, Inc., or to any other entity organized and existing for the prupose of preserving historic structures in the City of New Bern.

IN TESTIMONY WHEREOF, the Foundation has caused this instrument to be executed in its corporate name by its _____ President, attested by its _____ Secretary, and its corporate seal to be hereto affixed, all by the order of the Board of Directors first duly given, this the day and year first above written.

NEW BERN PRESERVATION FOUNDATION, INC.

ATTEST:

Alyce Faye Grant
Secretary

BY: Robert L. Stallings
President

ERNEST C. RICHARDSON, III • ATTORNEY AT LAW • 507 POLLOCK STREET • NEW BERN, NC 28560 • (919) 633-2470

NORTH CAROLINA
CRAVEN COUNTY

I, Deborah B. Holliday, a Notary Public in and for said County and State, do hereby certify that on the 10 day of APRIL, 1987, before me personally came Robert L. Stallings, Jr, with whom I am personally acquainted, who being by me duly sworn, says that he is _____ President and that Alice Faye Grant is _____Secretary of New Bern Preservation Foundation, Inc., a corporation described in and which executed the foregoing instrument; that he knows the common seal of the said corporation; that the seal affixed to the foregoing instrument is said common seal; that the name of the corporation was subscribed thereto by the said _____ President; that the said _____ President and _____ Secretary subscribed their names thereto and the said common seal was affixed, all by order of the Board of Directors of said corporation; and that the said insturment is the act and deed of the said corporation.

Witness my hand and notarial seal this the 10 day of _____ APRIL, 1987.

Deborah B. Holliday
Notary Public

My Commission Expires:

4.4.90

NORTH CAROLINA
CRAVEN COUNTY

The foregoing certificate of Deborah B Holliday a Notary Public of Craven County, North Carolina, is certified to be correct. This instrument was presented for registration this day and hour duly recorded in the Office of the Register of Deeds of Craven County, North Carolina, in Book 1151 at Page 516.

This the 13 day of April, 1987, at 4:55 P M. o'clock

Theresa D Rupp
REGISTER OF DEEDS

BY: _____
ASSISTANT REGISTER OF DEEDS

ERNEST C. RICHARDSON, III • ATTORNEY AT LAW • 507 POLLOCK STREET • NEW BERN, NC 28560 • (919) 633-2470

EXHIBIT A

TRACT ONE:

Situate in the City of New Bern on the western side of East Front Street beginning at a point in the western line of East Front Street about 108 feet, more or less, southwardly from the southwest corner of East Front and Pollock Street running thence southwardly 36 feet, more or less, thence westwardly 214 feet, six inches; thence northwardly 36 feet, more or less; thence eastwardly 214 feet, six inches to the western line of East Front Street, place of beginning, and being No. 36 East Front Street according to the present postal enumerations of dwellings in the City of New Bern, being also part of the property described in deed from Harriet Tulla Stanly and others to Thomas A. Green, dated first day of November, 1875, and recorded in the office of the Register of Deeds of Craven County in Book 91, Page 418. Being the same property described and conveyed in deed from W. H. Lee, trustee, to Maud M. Lane, et al, dated September 27, 1935 and recorded in Book 321, Page 443, to which reference is made. Being also the sane property described and conveyed in deed fron Allan T. Preyer and wife, Cora M. Preyer of New York, New York, and P. W. Mengel and wife, Martha M. Mengel to Dennis P. Paaffe ard wife, Mae G. Paaffe, dated the 26th day of October, 1936, and recorded in the office of the Register of Deeds of Craven County in Bcok 327, Page 47.

Save and except from the above tract or parcel of land and property described in Deed 583 at Page 121, of the Craven County Registry.

TRACT TWO:

Beginning in the western line of East Front Street in the City of New Bern at the southeast corner of the lot now owned by D. P. Paaffe and wife, as described above, running thence westwardly and parallel with Pollock Street and with Paaffe's line 214 feet, 6 inches, thence southwardly and parallel with East Front Street 15 feet, thence eastwardly and parallel with the Paaffe line and parallel with Pollock Street 214 feet, 6 inches to East Front Street, thence northwardly with East Front Street 15

feet to the place of beginning, being a part of Lot no. 6 according to the plan of the City of New Bern, and being part of the land conveyed to W.C. Chadwick and wife, Maude H. Chadwick, by L. T. Grantham, Receiver of the Estate of T. A. Green. Being also part of the property described in deed from W. C. Chadwick and wife, Maude H. Chadwick, to D. P. Paaffee and wife, Maye Paaffe, dated the 13th day of July 1942, and recorded in the office of the Register of Deeds of Craven County in Book 371 at Page 32.

Save and except from the above tract or parcel of land and property described in Deed Book 583 at Page 121, of the Craven County Registry.