STATE OF NORTH CAROLINA
COUNTY OF CRAVEN

DECLARATION OF COVENANTS
FOR Gabriel Manigault Rains
607 East Front Street

THIS DECLARATION, made and entered into this 29th day of _____May_____, 1992 , 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 on Exhibit A attached hereto and incorporated herein by reference (hereinafter called "Purchasers");

W I T N E S S E T H :

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 and a benefit to such property and shall be binding 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) Use for residential purposes - The Property may be used for single family residential purposes. No more than one family may reside on the property at any one time. No structure shall be erected, placed, altered, or permitted to remain on the property other than one family dwelling and such outbuildings as may be reasonablly appurtenant to the use of said dwelling as a single family residential dwelling.

(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 busineess 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 Registrar of Deeds of Craven County, such specifically permitted use shall not be in violation of these restrictions. Provided, however, that such permission shall extend only to the particular use approved and any extension of such use shall be subject to reapplication and reapproval.

(2) PARKING. Driveway(s) and parking spaces for the use of the house as a one-family dwelling shall be permitted. No portion of the property shall be used for public parking.

(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 (i) cause to be rehabilitated the house which now stands on the premises and (ii) cause the said premises to be landscaped in keeping with said building. Said house shall be rehabilitated according to the terms hereof within the 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 aleration 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 addition have been approved in advance in writing by the Foundation. The Foundation in reviewing plans and design for any addition or additional structure shall consider the following criteria: Exterior building materials; height; fenestration; roof shapes, forms, and materials; surface textures; expression of architectural detailing; scale; relationship of any additions tothe main structure; general form amd proportion of structures; orientation to street; setback; spacing of buildings, defined as the distance between adjacent buildings; lot coverage; use of local or regional architectural traditions; and effect on archeological resources. Contemporary designs for additions or additional structures shall not be discouraged when such alterations and additions do not destroy significant historical, architectural, or cultural material, and such design is compatible with the size, color, material and character of the property and its environment.

(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. Protected features, mantels, etc. shall remain in situ unless otherwise specified.

FIRST FLOOR

1. North parlor: Mantel and window and door surrounds, baseboard to be retained and used.

2. Back South Parlor: Preserve and protect the doors, preserve and protect floors,restore and use the medallion in the ceiling. Whether or not the fireplace is replaced, the beaded board and rail in the wall shall be retained.

3. Stairway replaced as agreed with Foundation.

4. Area behind two front rooms: Louvres must be saved, closet may be removed on south to expose louvres, otherwise should remain with matching one. Porch structure to remain intact. May be covered.

5. Back ell Maintain trim. restore/replace mantel. closet treatment as per restoration agreement and Foundation Approval.

SECOND FLOOR

6. North bedroom: Keep intact, woodwork, mantel, restore and use. Save what floors possible, preserve and protect.

7. Hall and south walls: Woodwork, window and door surrounds restored and used. Mantel preserved and protected.

8. Back South bedroom: mantel restored and used, floors preserved and protected, pent closets as per Restoration Agreement and Foundation approval.

9. Third Floor Hall: Save winder stair, rebuild railing. Preserve and protect mantel, floors, woodwork, old door.

(7) DEMOLITION. No structure or any part thereof on the premesis may be removed or demolished without 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. (a) Any change in the existing exterior paint scheme shall be approved by the Foundation prior to the applicaiton of the changed exterior paint color to the building. (b)Front and south side elevations shall remain as they are. (c) Original beaded board shall be retained in situ.

(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 construcction 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, asbestos-shingle 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 acctivity shall be carried on upon the property nor shall anything thereon be done which may be or baccome a nuisance or annoyance to the neighborhood. No wrecked or junked motor vehicle shall be permitted to remain on 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 violatilng these restrictions. Such aciton may be brought either to restrain violation of these restrictions, to remove the violation, or to recover damages for such violation. These restrictions shall benfit the Foundation, and its successor in interest or assigns. These restrictions may be ammended, altered, or rescinded by the joint consent of the Foundation and the owner of the property described in Exhibit A.

In the event of a violation of covenants, the Foundation shall have an option to purchase the premises, provided that it shall give the Grantees written notice of the nature of the violation and the Grantees shall not have corrected same within the ninety (90) days next following the giving of said notice. The purchase of the premises,pursuant to the exercise of the option retained hereby, shall be at a price equal to the then market value of the premises, subject to restrictive covenants, as determined by agreement of the then owner and the Foundation, or, in the absence of such agreement, by a committee of three appraisers, one to be selected by the Foundation, one to be selected by the then owner, and the other to be designated by the two appraisers selected by the Foundation and the owner respectively. Provided, however, that if there are any outstanding deeds of trust or other encumbrances against the property, any right to purchase shall be satisfied or assumed as part of the purchase price.

(13) RESALE. In case of any contemplated sale of the Subject Property or any portion thereof by the Grantees or any successor in title thereto, first refusal as to any bona fide offer of purchase must be given to the Foundation, its successors or assigns. If the Foundation so decides to purchase, it shall notify the then owner of its willingness to buy upon the same terms within thirty (30) days of receipt of written notice of such bona fide offer. Failure of the Foundaiton to notify the then owner of its intention to exercise this right of first refusal within such thirty (30) day period shall free the owner to sell pursuant to the bona fide offer.

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

IN TESTAMONY 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 oof Directors first duly given, this the day and year first above written.

NEW BERN PRESERVATION FOUNDATION, INC.

By: Francis P Kenny
_____President

Attest Edna Harkins
_____Secretary

NORTH CAROLINA
CRAVEN COUNTY

I, B. Hunt Baxter, Jr., a Notary Public, do hereby certify that Edna Harkins personally came before me this day and acknowledged that she is Secretary of New Bern Preservation Foundation, Inc., a North Carolina non-profit 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 Edna Harkins as its Secretary.

Witness my hand and notarial seal, this the 29th day of May, 1992.

B. Hunt Baxter
Notary Public

My Commission Expires:
5-21-95

State of North Carolina, Craven County
The foregoing certificate(s) of B. Hunt Baxter, Jr.
(is/are) certified to be correct. This instrument was presented for registration this day and hour and duly recorded in the office of the Register of Deeds of Craven County, NC in Book 323 Page 123
This 27 day of May A.D., 1992 at 1:22 o'clock P.M.
Register of Deeds
Asst./Deputy Register of Deeds

EXHIBIT A

All that certain tract or parcel of land lying and being in Number Eight Township, Craven County, North Carolina and beginning at a point located as follows:

BEGINNING at the Northwest corner of Johnson Street and East Front Street, said point being the intersection of the Northern right of way line of Johnson Street and the Western right of way line of East Front Street and running thence along and with the Western right of way line of East Front Street, North 23° 00' East 107.5 feet to the point or place of beginning; thence from said point or place of beginning, South 62° 24' 36" West 154.5 feet; thence North 28° 00' West 107.5 feet; thence North 62° 24' 36" East 154.5 feet; thence South 23° 00' East 107.5 feet to the point or place of beginning. Reference is made to a survey for New Bern Preservation Foundation, Inc., dated September 12, 1989 as prepared by J. Scott Cunningham, III, for a more complete and accurate description.

Subject to Restrictive Covenants of record.