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FORSYTH CO, NC FEE \$26.00
STATE OF NC REAL ESTATE EXTX
\$660.00

PRESENTED & RECORDED:
07-27-2021 04:46:44 PM

LYNNE JOHNSON
REGISTER OF DEEDS
BY CHELSEA B POLLOCK, DPIY

BK: RE 3628
PG: 2434-2441

**NORTH CAROLINA
GENERAL WARRANTY DEED**

Excise Tax: \$660.00

Block 561, Lot 87A

Parcel Identifier No. 6835-23-1853

Mail after recording to: John Henry Bryan & Rachel G. McKenzie, 211 E. Third St., Winston-Salem, NC 27101

This instrument was prepared by: Chris W. Haaf, Chris Haaf Law PLLC 171-808

THIS DEED made this the 27th day of July, 2021, by and between

GRANTOR: The Historic Preservation Foundation of North Carolina, Inc.

GRANTEE: John Henry Bryan & Rachel G. McKenzie, husband and wife

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land and more particularly described as follows:

BEGINNING at an iron stake in the western right-of-way line of Trade Street, said iron stake being North 4° 08' West 286.83 feet from an old iron located at the intersection of Trade and Bank Streets, and running thence from said beginning iron stake South 85° 40' 30" West 100 feet to an iron stake, thence North 4° 08' West 92 feet to an iron stake, thence North 85° 40' 30" East 100 feet to an iron stake in the western right-of-way line of Trade Street, thence along said right-of-way line South 4° 08' East 92 feet to the point and place of beginning, same being a portion of Lot No. 87 as set out upon the Map of Salem, recorded in Plat Book 8 at page 66 in the Office of the Register of Deeds of Forsyth County, North Carolina, being a portion of the property surveyed and platted by Joyce Engineering and Mapping Co., Inc. on the 17th and 18th days of February, 1977.

This property is subject to a permanent exclusive easement of ingress, egress, and regress, running with the land 25 feet in width, said easement being described as follows: Beginning at the Southeast corner of the property, and running thence South 85° 40' 30" West 100 feet to an iron stake; thence North 4° 08' West 25 feet to a point; thence North 85° 40' 30" East 100 feet to a point; thence South 4° 08' East 25 feet to the point and place of beginning.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated.

Title to the property hereinabove described is subject to the following exceptions: existing restrictive covenants contained in the Agreement and Deed and Option Agreement executed on March 28, 1977, by and between Houck M. Medford and Old Salem, Inc., and subject to those protective covenants attached hereto as Exhibit A and incorporated herein by reference.

IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal, or if corporate, has caused this instrument to be signed in its corporate name by its duly authorized officer(s), the day and year first above written.

J. Myrick Howard
The Historic Preservation Foundation of North Carolina, Inc.
By: J. Myrick Howard, President

(SEAL)

STATE OF NORTH CAROLINA, Wake COUNTY

I certify that J. Myrick Howard appeared before me this day, each acknowledging to me that he or she signed the foregoing document. Witness my hand and official stamp or seal, this the 23rd day of July, 2021.

My Commission Expires: 4/18/2023

Annie Jernigan
Notary Public

Print Notary Name: Annie Jernigan

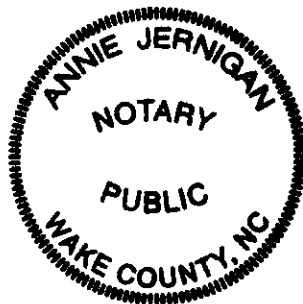


EXHIBIT A**PROTECTIVE COVENANTS FOR THE RUFUS L. PATTERSON HOUSE**

WHEREAS, the real property described herein, at 434 Factory Row, Winston-Salem, Forsyth County, North Carolina, is hereinafter referred to as the "Subject Property"; and

WHEREAS, the Rufus L. Patterson House, a two-story Greek Revival-style brick building (hereinafter referred to as the "Rufus L. Patterson House") built in 1857 adjacent to the former Salem Cotton Mill (aka Arista Cotton Mill or Brookstown Mill), is a building of recognized historical, cultural and architectural significance, being a contributing structure to the Old Salem National Register Historic District and located on the Subject Property; and

WHEREAS, The Historic Preservation Foundation of North Carolina, Inc. (hereinafter referred to as the "Foundation") and the Grantees both desire that the historic Rufus L. Patterson House be rehabilitated and preserved for the enjoyment and edification of future generations; and

WHEREAS, the Foundation and Grantees both desire that the Subject Property shall retain its historically and architecturally significant features, while being sympathetically adapted and altered, where necessary, to provide for contemporary uses; and

WHEREAS, the Foundation and Grantees both desire that the 0.21-acre Subject Property shall not be subdivided in order to preserve its integrity of site, nor shall it be sold separately from the 0.44-acre property at 436 Factory Row, which is the site of the Medford Log Building; and

WHEREAS, the Foundation is a charitable organization which acquires certain rights pursuant to historic preservation agreements that will ensure that structures located within the state of North Carolina of recognized historical and architectural significance are preserved and maintained for the benefit of future generations; and

WHEREAS, the North Carolina General Assembly has enacted the Historic Preservation and Conservation Agreements Act validating restrictions, easements, covenants, conditions or otherwise, appropriate to the preservation of a structure or site historically significant for its architectural, archeological or historical associations, and

WHEREAS, the Subject Property is already subject to Covenants administered by Old Salem, Inc., that were contained in a 1977 Deed and Option Agreement recorded at Book 1198, Page 1201, in the Forsyth County Registry of Deeds (hereinafter referred to as the "Old Salem Covenants").

NOW THEREFORE, the Grantees hereby agree that the Subject Property shall be and shall permanently remain subject to the following agreement, easements, covenants and restrictions (hereinafter referred to as the "Covenants"):

1. These Covenants shall be administered solely by The Historic Preservation Foundation of North Carolina, Inc., its successors in interest or assigns; and in all subsequent conveyances of Subject Property, the Foundation, its successors in interest or assigns shall be the sole party entitled to administer these Covenants. In the event that the Foundation, or its successors in interest by corporate merger cease to exist, then in such event the Foundation shall assign all of its rights and interests in these Covenants subject to such duties and obligations which it assumes hereby to a non-profit corporation of responsibility which exists for substantially the same reasons as the Foundation itself (as described hereinabove); if no such corporation be available for such assignment then, under such circumstances such assignment shall be made to the State of North Carolina which shall be the sole party entitled to administer these Covenants. Furthermore, the Subject Property shall also remain subject to the provisions of the Old Salem Covenants. Where the provisions of those Covenants shall conflict with or duplicate the Covenants contained herein, the Old Salem Covenants shall take priority, except as regards to the Right of First Refusal contained herein. In the event of a future sale, both Old Salem and the Foundation shall both be notified in the event of the contemplated sale, and if both organizations seek to exercise its Right of First Refusal, then Old Salem's right shall prevail. Otherwise, these Covenants shall be in full force and effect.

Rehabilitation and Maintenance

2. The Grantees covenant and agree to rehabilitate the Rufus L. Patterson House according to the terms, conditions, and deadlines of a Rehabilitation Agreement entered into by the parties and signed by authorized officials of the Foundation and to continuously maintain, repair, and administer the Subject Property herein described in accordance with the Secretary of the Interior's Standards for the Rehabilitation of Historic Properties (1992) so as to preserve the historical integrity of features, materials, appearances, workmanship and environment of the Subject Property. Maintenance shall be continuously provided. Said standards are attached hereto and incorporated in these Covenants by reference.

Prior Approval Required For Modifications

3. Unless prior written approval by the President or Chairman of the Board of Directors of the Foundation is obtained, no alteration, physical or structural change, or changes in the color, material or surfacing to the exterior of the Rufus L. Patterson House shall be made.

4. Unless the plans and exterior designs for such structure or addition have been approved in advance in writing by the President or Chairman of the Board of Directors of the Foundation, no addition or additional structure shall be constructed or permitted to be built upon the Subject Property. The Foundation in reviewing the plans and designs 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 to the main structure; general form and 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.

5. The Grantees and the Foundation hereby agree that the interior architectural features listed below are elements which contribute to the architectural significance of the Rufus L. Patterson House:

Original to the Patterson House:

- Two-panel entry doors at the back and front of the house.
- One-panel door with original hardware between the two bedrooms upstairs.
- Wood floors on the second floor and main room (SE front room) on the first floor.

Unless prior written approval by the President or Chairman of the Board of Directors of the Foundation is obtained, no removal, relocation, or alteration of the above-mentioned architectural features shall be made. Maintenance shall be continuously provided.

6. The following features were added prior to the ownership of the Grantors in order to reconstruct missing elements of the house or to enhance the character of the property. These alterations are not original features of the house, and their preservation is encouraged but not required:

- Newel posts and balustrade at second floor landing.
- Four-panel doors throughout.
- Hand-planed wood plank ceilings in upstairs bedrooms.
- Mantel in main room (SE front room).
- Window and door trim throughout.
- Baseboard throughout.

6. Neither the Rufus L. Patterson House nor any part thereof may be removed or demolished without the prior written approval of the President or Chairman of the Board of Directors of the Foundation.

7. No portion of the 0.21-acre Subject Property may be subdivided, nor shall it be sold separately from the 0.44-acre property at 436 Factory Row, which is the site of the Medford Log Building.

8. Express written approval of the Foundation is required for removal of living trees greater than 12 inches in diameter at a point 4 feet above the ground from the Subject Property unless immediate removal is necessary for the protection of any

- persons coming onto the Subject Property or of the general public; for the prevention or treatment of disease; or for the protection and safety of the Rufus L. Patterson House or other permanent improvements on the Subject Property. Any tree of the aforementioned size which must be removed shall be replaced within a reasonable time by a new tree of a substantially similar species. If so requested, the Foundation may approve the use of an alternate species.

Covenant to Obey Public Laws

9. The Grantees shall abide by all federal, state, and local laws and ordinances regulating the rehabilitation, maintenance and use of the Subject Property.

Right of First Refusal

10. 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 Foundation 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. The Foundation may, in its discretion, waive its right of first refusal in writing, upon written receipt of such bona fide offer. Provided, however, that if there are any outstanding deeds of trust or other encumbrances against the property, any right to repurchase shall be subject to said deeds of trust or encumbrances, and they shall either be satisfied or assumed as part of the purchase price.

Inspection

11. Representatives of the Foundation shall have the right to enter the Subject Property at reasonable times, after giving reasonable notice, for the purpose of inspecting the buildings and grounds to determine if there is compliance by the Grantees with the terms of these Covenants.

Public Access

12. Researchers, scholars, and groups especially interested in historic preservation shall have access to view the interior of the rehabilitated property by special appointment at various times and intervals. Nothing shall be erected or allowed to grow on the Subject Property which would impair the visibility of the property and the buildings from the street level or other public rights of way.

Hazardous Materials

13. The properties the Foundation seeks to protect may contain certain hazards as a result of outdated building practices or use of certain materials that may contain lead paint, asbestos, or some other hazards that may need to be removed or encapsulated before the buildings are habitable. Addressing these problems is one of the challenges of owning and restoring a historic property. The Foundation does not have the resources to correct these problems and cannot take responsibility for the condition of the properties being sold. The Foundation is not liable in any way for any hazards, defects, or other problems with the properties under Covenants.

Extinguishment

14. The Grantees and the Foundation recognize that an unexpected change in the conditions surrounding the Subject property may make impossible or impractical the continued use of the Subject Property for conservation purposes and necessitate the extinguishment of these Covenants. Such an extinguishment must comply with the following requirements:

(a) The extinguishment must be the result of a final judicial proceeding.

(b) The Foundation shall be entitled to share in the net proceeds resulting from the extinguishment in an amount in accordance with the then applicable regulations of the Internal Revenue Service of the U. S. Department of the Treasury.

(c) The Foundation agrees to apply all of the portion of the net proceeds it receives to the preservation and conservation of other property or buildings having historical or architectural significance to the people of the State of North Carolina.

(d) Net proceeds shall include, without limitation, insurance proceeds, condemnation proceeds or awards, proceeds from a sale in lieu of condemnation, and proceeds from the sale or exchange by Grantees of any portion of the Subject Property after the extinguishment.

Remedies

15. In the event of a violation of Covenants contained in Paragraphs 2, 3, 4, 5, and 6 hereof, the Foundation then shall have an option to purchase the Subject Property, 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 Subject Property, pursuant to the exercise of the option retained hereby, shall be at a price equal to the then market value of the Subject Property, subject to 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 outstanding deeds of trust or other encumbrances against the property, any right to purchase shall be subject to said deeds of trust or encumbrances, and they shall either be satisfied or assumed as part of the purchase price.

16. In the event of a violation of these Covenants, all legal and equitable remedies, including injunctive relief, specific performance, and damages, shall be available to the Foundation. No failure on the part of the Foundation to enforce any of the Covenants herein nor the waiver of any right hereunder by the Foundation shall discharge or invalidate such Covenants, or affect the right of the Foundation to enforce the same in event of a subsequent breach or default. In any case where a court finds that a violation has occurred, the court may require the Grantees to reimburse the Foundation for all expenses incurred in stopping, preventing and correcting the violation, including but not limited to reasonable attorney's fees.

Transfer Fee

17. Except as otherwise provided herein, there shall be assessed by the Foundation and collected from the purchasers of the Subject Property, or any portion thereof subject to these Covenants, a transfer fee equal to twenty-five one-hundredths of one percent (0.25%) of the sales price of such property, or any portion thereof, which transfer fee shall be paid to the Foundation and used by the Foundation for the purpose of preserving the historical, architectural, archeological or cultural aspects of real property. Such fee shall not apply to inter-spousal transfers, transfers by gift, transfers between parents and children, transfers between grandparents and grandchildren, transfers between siblings, transfers between a corporation and any shareholders in the same corporation who owns 10 percent (10%) or more of the stock in such corporation and transfers between a limited liability corporation and any member who owns more than ten percent (10%) of such limited liability corporation, transfers by Will, bequest, intestate succession or transfers to the Foundation (each of the foregoing hereinafter referred to as an "Exempt Transfer"); *provided, however*, that such fee shall not apply to the first non-exempt transfer of the Subject Property, but shall apply to each non-exempt transfer thereafter. In the event of non-payment of such a transfer fee, the amount due shall bear interest at the rate of 12% (twelve percent) per annum from the date of such transfer, shall, together with accrued interest, constitute a lien on the real property, or any portion thereof, subject to these Covenants and shall be subject to foreclosure by the Foundation. In the event that the Foundation is required to foreclose on its lien for the collection of the transfer fee, and/or interest thereon, provided for herein, the Foundation shall be entitled to recover all litigation costs and attorney's fees incurred at such foreclosure, which litigation costs and attorney's fees shall be included as part of the lien and recoverable out of proceeds of the foreclosure sale. The Foundation may require the purchaser and/or seller to provide reasonable written proof of the applicable sales price, such as executed closing statements, contracts of sale, copies of deeds, affidavits or such other evidence, and purchaser shall be obligated to provide such information within forty-eight (48) hours after receipt of written request for such information from the Foundation.

Insurance

18. Grantees shall insure the Subject Property against damage by fire or other catastrophe. If the original structure is damaged by fire or other catastrophe to an extent not exceeding fifty percent (50%) of the insurable value of those portions of the building, then insurance proceeds shall be used to rebuild those portions of the Subject Property in accordance with the standards in Exhibit B. The Grantees shall keep the Subject Property insured under a comprehensive liability policy that protects the Grantees and the Foundation against claims for personal injury, death and property damage.

Mortgage Subordination

19. All mortgages and rights in the property of all mortgagees are subject and subordinate at all times to the rights of the Foundation to enforce the purposes of these Covenants. Grantees will provide a copy of these Covenants to all mortgagees of the Subject Property and has caused all mortgagees as of the date of this deed to subordinate the priority of their liens to these Covenants. The subordination provisions as described above relates only to the purposes of these Covenants, namely the preservation of the historic architecture and landscape of the Subject Property.

Duration of Covenants

20. The Grantees do hereby covenant to carry out the duties specified herein, and these Covenants shall be covenants and restrictions running with the land, which the Grantees, their heirs, successors, and assigns, covenant and agree, in the event the Subject Property is sold or otherwise disposed of, will be inserted in the deed or other instrument conveying or disposing of the Subject Property.

21. Unless otherwise provided, the Covenants and restrictions set forth above shall run in perpetuity.

EXHIBIT B

**SECRETARY OF THE INTERIOR'S
STANDARDS FOR THE REHABILITATION OF HISTORIC PROPERTIES
(1992)**

REHABILITATION is defined as the act or process of making possible a compatible use for a property through repair, alterations, and additions while preserving those portions or features which convey its historical, cultural, or architectural values.

STANDARDS FOR REHABILITATION

1. A property shall be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
2. The historic character of a property shall be retained and preserved. The removal of distinctive materials or alteration of features, spaces, and spatial relationships that characterize a property shall be avoided.
3. Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, shall not be undertaken.
4. Changes to a property that have acquired historic significance in their own right shall be retained and preserved.
5. Distinctive materials, features, finishes, and construction techniques or examples of craftsmanship that characterize a property shall be preserved.
6. Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and, where possible, materials. Replacement of missing features shall be substantiated by documentary and physical evidence.
7. Chemical or physical treatments, if appropriate, shall be undertaken using the gentlest means possible. Treatments that cause damage to historic materials shall not be used.
8. Archeological resources shall be protected and preserved in place. If such resources must be disturbed, mitigation measures shall be undertaken.
9. New additions, exterior alterations, or related new construction shall not destroy historic materials, features, and spatial relationships that characterize the property. The new work shall be differentiated from the old and shall be compatible with the historical materials, features, size, scale, and proportion, and massing to protect the integrity of the property and its environment.
10. New additions and adjacent or related new construction shall be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.