

AFTER RECORDING, RETURN TO:

DRAWER OF

PRESENTED FOR
DEEDS M. NAMES
AND RECORDED

Taco Bell Corp.

17901 Von Karman Avenue

Irvine, California 92714

Attention: Real Estate Title Dept.
Site #03-2214 Kernersville, NC

'96 AUG 27 A9:46

John Holleman
Register of Deeds
Forsyth Co. NC

BK1915 P2085

DECLARATION OF RESTRICTIVE COVENANT14.00
a/h

WHEREAS, under that certain Real Property Purchase Agreement dated the 22 day of August, 1996, ("Purchase Agreement"), T&M Kernersville Development Company, L.L.C., a North Carolina limited liability company ("Seller"), agreed to sell to Taco Bell Corp., a California corporation ("Buyer"), a parcel of real property described more particularly on Exhibit "A" hereto (the "Premises"); and

WHEREAS, one of the terms of said Purchase Agreement states that Seller shall record a Declaration of Restrictive Covenant affecting any and all real property which is owned or controlled by Seller within one (1) mile of the exterior boundary of the Premises, excluding the property to be occupied by Kroger (the "Restricted Property"), including the adjacent Shopping Center ("Shopping Center"), all of which is more particularly described in Exhibit "B," of which the Premises is a part;

NOW, THEREFORE, Seller hereby covenants and agrees as follows:

1. Seller shall not allow the use of the Restricted Property for the operation of any facility deriving ten percent (10%) or more of its gross sales of prepared food from the sale of Mexican food, or which materially and adversely affects (a) access to the Premises or (b) visibility from streets adjacent to the Premises of Buyer's buildings, improvements and signs as may be constructed or installed on the Premises from time to time.

2. This covenant shall be recorded and shall run with the Premises and the Restricted Property for the lesser of: (a) a period of twenty (20) years; or (b) so long as a Mexican restaurant is owned or operated on the Premises, and shall inure to the benefit of and shall be binding upon the Seller and Buyer, their heirs, receivers, administrators, grantees, successors and assigns.

RECORDERS MEMO

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IN WITNESS WHEREOF, the undersigned has executed this Declaration of Restrictive Covenant this 22 day of August, 1996.

SELLER:

(SEAL)

T&M Kernersville Development Company, L.L.C., a North Carolina limited liability company

(SEAL)

By: Midland Kernersville Development Company, L.L.C., a North Carolina limited liability company, Member

(SEAL)

By: 

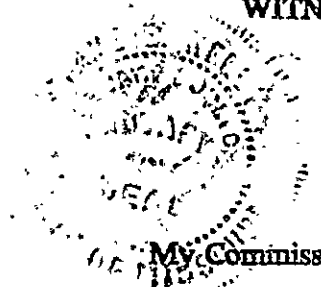
Title: Administrative Member

Date: August 22, 1996

STATE OF MISSOURI)
) SS
COUNTY OF ST. LOUIS)

I, Jane E. Kelly, Notary Public in and for the said State and County, certify that Stephen M. Notestine, and Administrative Member of Midland Kernersville Development Company, L.L.C., a North Carolina limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument as his act and deed and as the act and deed of Midland Kernersville Development Company, L.L.C., and as the act and deed of T&M Kernersville Development Company, L.L.C., in which Midland Kernersville Development Company, L.L.C. is a Member.

WITNESS my hand and notarial seal this 22nd day of August, 1996.



Jane E. Kelly
Notary Public

JANE E. KELLY
NOTARY PUBLIC, STATE OF MISSOURI
My Commission Expires: 10/4/96
ST. LOUIS COUNTY

(NOTARIAL SEAL OR STAMP)

STATE OF NC - FORSYTH CO
The Foregoing certificate of Jane E. Kelly, N.P.
is certified to be correct this the 22 day of August, 19 96
John Holleman Register of Deeds by Smiley P. Smith Asst/Deputy

BK1915 P2087

EXHIBIT A

KERNERSVILLE SHOPPING CENTER, S. MAIN STREET, KERNERSVILLE, N.C.

BEGINNING AT A POINT IN J.C. FAW'S LINE, SAID POINT BEING LOCATED NORTH 01°39'48" WEST, 210.31 FEET FROM AN EXISTING IRON PIPE HAVING NORTH CAROLINA GRID COORDINATES (NAD 83) OF NORTH 859,776.80 AND EAST 1,876,232.37; THENCE CONTINUING WITH FAW'S LINE NORTH 01°39'48" WEST, 148.78 FEET TO A POINT ON THE PROPOSED SOUTHERN RIGHT-OF-WAY OF SOUTH MAIN STREET; THENCE WITH THE PROPOSED SOUTHERN RIGHT-OF-WAY OF SOUTH MAIN STREET THE FOLLOWING BEARING AND DISTANCES: NORTH 68°34'51" EAST, 115.00 FEET TO A POINT; AND ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 30.00 FEET, A CHORD BEARING AND DISTANCE SOUTH 66°25'09" EAST, 42.43 FEET TO A POINT; THENCE WITH THE WESTERN RIGHT-OF-WAY OF A PROPOSED STREET (CENTURY PLACE BOULEVARD) THE FOLLOWING BEARINGS AND DISTANCES: SOUTH 21°25'09" EAST, 20.85 FEET TO A POINT; AND ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 370.00 FEET, A CHORD BEARING AND DISTANCE SOUTH 08°36'49" EAST, 151.40 FEET TO A POINT; THENCE A NEW LINE SOUTH 88°20'12" WEST, 174.59 FEET TO THE POINT OF BEGINNING AND CONTAINING 0.661 ACRES.

ALSO delineated as Lot 3, Revised Final Plat of Kernersville Shopping Center, recorded July 31, 1996, in Plat Book 39, Page 46, a replat of Plat Book 38, Page 120, Forsyth County Registry.

RECORDERS MEMO

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EXHIBIT B

- TRACT 1: Being all of Lot 2 as shown on that certain map entitled "Revised Final Plat Kernersville Shopping Center" drawn by Peter E. Glud, Registered Land Surveyor, and recorded in Plat Book 39, Page 46, Forsyth County Registry.
- TRACT 2: Being all of Lots 1, 4 and 5 as shown on that certain map entitled "Revised Final Plat Kernersville Shopping Center", drawn by Peter E. Glud, Registered Land Surveyor, and recorded in Plat Book 38, Page 119, Forsyth County Registry.
- TRACT 3: Being all of Lots 6 and 7 as shown on that certain map entitled "Final Plat Kernersville Shopping Center", drawn by Peter E. Glud, Registered Land Surveyor, and recorded in Plat Book 38, Page 121, Forsyth County Registry.