

DECLARATION OF RESTRICTIVE COVENANTS
CONDITIONS AND RESTRICTIONS
OF
OAK GROVE PLANTATION

This Declaration made on the date hereinafter set forth by Oak Grove Plantation, hereinafter referred to as "Declarant."

RECITALS:

Declarant is the owner of real property located in Buncombe County, North Carolina, which is known as Oak Grove Plantation. At the time of commencement of development, a Plat, or Plats, will be recorded which will include the residential Lots, Common Areas, including roads and other improvements. Except for exceptions and conditions noted on a Plat, amendments to this Declaration, or other exceptions and conditions set forth in Article 11. hereof, the portion of the real property included in the Plats, which are recorded, will subject the Property in such Plats to the covenants, conditions and restrictions in this Declaration and will herein be referred to as the "Property".

Declarant desires to create a community named "Oak Grove Plantation" with open spaces and other common facilities for the benefit of the homeowners; and in connection therewith, is establishing the covenants, conditions and restrictions in the Declaration, as the same may be amended from time to time, for the benefit of purchasers of Lots in Oak Grove Plantation.

Declarant recognizes the need for collective action by the purchasers of the Lots within Oak Grove Plantation to protect the interests of the purchasers in certain common facilities and functions, to enforce these covenants and restrictions, to provide for the preservation of the values and amenities of the Property and to assure the best use and most appropriate development and improvement of the Property.

To this end, Declarant desires to subject the Property to the covenants, conditions and restrictions hereinafter set forth, which are for the benefit of the Property and each Owner thereof.

Declarant has caused to be incorporated, under the laws of the State of North Carolina, Oak Grove Plantation Homeowners' Association, inc., a non-profit corporation, for the purpose of maintaining and administering the Common Areas and facilities, as shown on the Plats,

Administering and enforcing these covenants, conditions and restrictions, and collecting and disbursing the assessments and charges hereinafter created, or which are created in the By-Laws of Oak Grove Plantation Homeowners' Association, Inc.

A Copy of the Articles of Incorporation of the Oak Grove Plantation Homeowners' Association is attached to this Declaration as Exhibit A and a copy of the By-Laws of Oak Grove Plantation Homeowners' Association is attached to this Declaration as Exhibit B.

NOW, THEREFORE, Declarant hereby declares that the Property included in the recorded Plat(s) for Oak Grove Plantation, shall be held, sold and conveyed subject to the easements, restriction, covenants and conditions in this Declaration, which may be amended from time to time, and are for the purpose of providing Common Area maintenance, for protecting the value or desirability of, and which shall run with such Property and be binding on all parties having any right, title or interest in the described Properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof. In consideration of said benefits to be derived by Declarant and subsequent Owners of the Lots, Delarant does hereby establish, publish and declare that the covenants, conditions and restrictions hereinafter set forth shall be binding upon the Owners of the Lots included on the Plat(s) and that such Lots will be held, transferred, sold, conveyed, and occupied, subject to the covenants, conditions, restriction s, and easements hereinafter set forth. Such covenants, conditions and restrictions shall become effective at the time of recording of the Plat(s) and shall run with the land, and be binding upon all Persons claiming under the Declarant, its grantees, successors and assigns.

Article 1 Definitions

Section 1. " Association" shall mean and refer to Oak Grove Plantation Association, Inc.

Section 2. "Common Area" shall mean and refer to those areas of land designated as such on any recorded subdivision Plat of Oak Grove Plantation (herein the "Property") intended to be devoted to the use and enjoyment of the purchasers of Lots. "Common Area" shall mean all real property owned by the Association and/or easements for the common use and enjoyment of the Owners, including, but not limited to, ingress and egress easements, pedestrian access easements, and other easements shown on the Plats; provided, however, Declarant reserves unto itself and its mortgages, Common Area for (1) construction vehicles and crews, (2) maintenance and service vehicles, including, but not limited to, fire, police, public works, refuse collections, electric company, cable television company, telephone company, (3) any and all delivery vehicles and necessary service companies needing access to the Lots within Oak Grove Plantation,, and (4) any successor or assign as designated by Declarant in writing. During the Development Period, the Declarant retains the full authority and power to assign to any third party the use of the Common Area as defined herein. The streets within Oak Grove Plantation are private roads owned by Declarant over which Lot Owners and the Association have a non-exclusive easement for ingress, egress and regress. The streets are, therefore, a part of the "Common Area". At the end of the Development Period, the ownership of the streets will be in the Association. Initially the Declarant, and after the Development Period, the Association, shall have the right to determine whether the streets will become part of the North Carolina Highway system. Declarant is responsible to construct the streets and the Association will be responsible to repair and maintain the streets, however, maintenance of the right of way not actually used for streets shall be "Common Area" also maintained by the Association.

Section 3. "Community" shall mean the Property as presently described and any additions thereto by the Declarant.

Section 4. "Declarant" shall mean and refer to Oak Grove Plantation, its successors and assigns or any successors-in-title to Oak Grove Plantation, or to all or some portion of the Property then subject to this Declaration; provided that, if in the instrument of conveyance to any such successor-in-title, such successor-in-title is expressly designated as the "Declarant" by the grantor of such conveyance, such grantor shall be the "Declarant" hereunder at the time of such conveyance.

Section 5. "Declaration" shall mean and refer to this Declaration of Restrictive Covenants, Conditions and Restrictions of Oak Grove Plantation, as the same may be amended, renewed or extended from time to time in the manner herein prescribed.

Section 6. "Development Period" shall mean the time period during which the Declarant is developing Oak Grove Plantation which begins upon filing of this Declaration in the Buncombe County Registry and ends when ninety-five percent (95) of the Lots to be developed in the Oak Grove Plantation have been sold, or three (3) years after the Declaration is filed, whichever is the later to occur.

Section 7. "Lot" shall mean and refer to any numbered plot of land or numbered tract shown on a Plat for a portion of Oak Grove Plantation recorded in the Office of the Register of Deeds of Buncombe County, North Carolina, now or hereafter made subject to this Declaration, to include the present configurations or any subdivision of these Lots or any additions of surrounding properties added to these Lots in areas contiguous with and included in a recorded subdivision map of plots of land constituting a part of Oak Grove Plantation.

Section 8. "Member" shall mean and refer to all who are members of the Association. Each Lot Owner shall be eligible to be a Member of the Association. If more than one person owns an interest in a Lot, either as a joint owner, or through a corporation, partnership or limited liability company, no more than two of such persons may be considered as Members and such joint owners, corporation, or partnership or limited liability company shall designate one individual to act as the Member on behalf of such Owner.

Section 9. "Mortgage" shall mean and refer to bills of sale to secure debt, deeds to secure debt, deeds of trust and any and all other similar instruments given to secure the payment of an indebtedness.

Section 10. "Owner" shall mean and refer to the record owner, whether one or more Persons or entities, of a fee simple title to any Lot as per a recorded Plat which is a part of the Property, or any additional lots added hereto by Declarant, but shall not include a party having such interest merely as security for the performance of any obligation.

Section 11. "Person" shall mean and refer to an individual, firm, corporation, partnership, trust, or any other legal entity.

Section 12. "Plat" shall mean and refer to the Plat(s) for Property subjected to this Declaration, including amendments to this Declaration, located in Buncombe County, North Carolina. References are to records in the Office of the Register of Deeds of Buncombe County.

Section 13. "Property" shall mean and refer to that certain real property included within the Plats, and any additional Property which Declarant may subject to this Declaration, including amendments to this Declaration.

Section 14. "Reserved" shall mean and refer to those areas designated as "Reserved" on Plats of Oak Grove Plantation, which during the Development Period, the Declarant and after the Development Period, the Association, retains the right, in its discretion, to determine the uses to which such areas may be subjected.

Section 15. "Residence" shall mean and refer to the building located upon a Lot designated and intended for use and occupancy as a residence by a single family.

Section 16. "Restrictive covenants" and "Restrictions" as used in the By-Laws shall refer to the restrictive covenants, conditions and restrictions governing and controlling Lots and Common Areas in Oak Grove Plantation.

Section 17. "Review Board" shall meet and refer to that Board containing three (3 members for the review of certain matters as recited herein and as recited in the Association By- Laws. Declarant shall reserve the right to initially serve as the Review Board and shall have the right to approve all plans and specifications as provided in this Declaration or in the Oak grove Plantation Homeowners' Association by-Laws dated and recorded simultaneously herewith. At the end of the Development Period, the Delcrant shall assign its rights to appoint the member of the Review Board to the Association. The Declarant further reserves the right, but shall not be obligated, to assign its right for architectural control the Association prior to end of the Development Period.

Section 18. "Oak Grove Plantation" as used herein shall mean and refer to only that portion of the residential Community know as Oak Grove Plantation which is located on a portion of the Property, shown on a recorded Plat(s) being developed as a part of Oak Grove Plantation on the Property now owned by Oak Grove Plantation, LLC, together with such additions thereto as may from time to time be designated by Declarant. Oak Grove Plantation may be referred to herein as "subdivision," "community," or "development" and such words shall be taken interchangeably to mean the Property described in detain hereinabove.

Article 11 Legal Property Description

Section 1 Applicability of Restrictions. The legal description, below, includes the real property owned by Oak Grove Plantation, including that of portion of such property as the Declarant may subject to this Declaration, or amendments to this Declaration, to be developed as the subdivision known as Oak Grove Plantation. The portion of the real property subject to the covenants, conditions and restrictions in this Declaration will be included in the recorded Plat(s) of Oak Grove Plantation which are recorded in the Office of the Register of Deeds of Buncombe County, North Carolina, provided, however, that any areas marked on said Plat(s), as "Reserved" are not subject to this Declaration of Restrictive Covenants, Conditions and Restrictions.

Section 2. Reserved Areas. Any portion of the property marked on a Plat recorded in the Office of the Register of Deeds of Buncombe County, North Carolina as "Reserved" may be developed by

The Declarant or the Association for other purposes and will not be subject to the covenants, conditions and restrictions in the Declaration, unless subsequently filed Plats or an amendment to this Declaration expressly subjects the "Reserved" area to this Declaration.

Section 3. The Legal Description. The legal description of the property being developed as the part of Oak Grove Plantation, which is subject to this Declaration, is described as follows:

Being that property shown on Plat recorded in Plat Book __, Page__, of the Buncombe County Registry, which is incorporated herein by reference.

REFERENCE; Book , Page ; in the Office of the Register of Deeds of Buncombe County.

Article 111

Restrictions and Covenants

The following covenants, conditions, restrictions and easements are herewith imposed on the Property.

Section 1. Duration. The covenants, restrictions and easements as set forth in this Declaration shall run with and bind the land, and shall inure to the benefit of, and be enforceable by the Owners of any land subject to this Declaration, their respective heirs, legal representatives, successors and assigns, the Declarant or the Association for a term of thirty (30) years from the date this Declaration is filed or recorded in the Office of the Register of Deeds for Buncombe County, after which time said covenants, restrictions and easements shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then record Owners of Seventy percent (70%) of the Lots have been recorded, agreeing to change said covenants and restrictions in whole or in part.

Section 2. Single Family Residential Use of Property. The Property shall be used only for detached, single-family residential purposes, together with the accessory buildings and structures permitted pursuant to Section 6 below. No more than one detached single-family residential dwelling may be constructed on a Lot on the Property. No condominium, townhouse, duplex, apartment or other multi-family residential uses are permitted on the Property.

Section 3. Building Construction. Prior to construction of any improvements on any Lot, the owner must provide the Review Board a site plan, building plans which include exterior finishes and elevations of all proposed structures, and landscape plans. The Review Board shall have the right to approve the site plan, the exterior design and finishes, building plans, and other particulars of any dwelling or improvements on any lot prior to the start of construction. The Review Board shall review and approve or disapprove Owners' submissions as provided hereinafter in Article V.

All buildings and outbuildings erected upon the Property shall be built on site of new materials of good grade, quality and appearance, and shall be constructed in a good, workmanlike manner, conforming to all applicable building codes. Further, all dwellings must meet the following construction requirements:

- a. Dwellings build shall meet the following minimum size requirements:
 - (i) One story dwellings shall not contain less than 2000 square feet of Heated Living Area (defined below);
 - (ii) One and One-half story dwellings shall not contain less than 2300 square feet of Heated Living Area.
 - (iii) Two (or more) story dwellings shall not be less than 2500 square feet of Heated Living Area.
- b. All dwelling and accessory structures shall be completely supported with solid brick, brick or stone covered block, or stucco covered foundation;
- c. Roofs shall have not less than a 6 foot pitch, and not less than a 12 inch overhang, and shall be covered with asphalt or fiberglass shingles, terra cotta tile, real or man-mad slate, copper sheathing or wood shingles or pre-painted metal roofing;
- d. The exterior surfaces of all dwellings and accessory structures shall be covered only with brick, stone, hard stucco (synthetic stucco is not permitted), wood, or siding consisting of wood, composite: provided, that any horizontal siding must be completely supported to maintain a straight and even outer surface and must be fully and properly finished; and no more than 25% of any side will be vinyl siding.
- e. Exteriors of all dwellings and accessory structures must be completed within one year.
- f. All driveways shall be poured concrete. Gravel or asphalt will not be permitted.

After the commencement of construction, and a certificate of occupancy issued within two years after commencement of construction.

As used herein, "Heated Living Area" excludes basement areas (defined as any level in which at least one perimeter wall is below, or partially below, grade), unless such basement areas have two or more perimeter walls above surrounding grade, and such basement areas are fully heated and air-conditioned and constructed to a quality equal to the above grade levels of the dwelling. In addition, Heated Living Area excludes vaulted ceiling areas, attic, unheated porches, attached or detached garages, porte-cocheres and unheated storage areas, decks and patios. The term "story" shall mean a finished horizontal division of Heated Living Area extending from the floor of such division to the ceiling above it. The term "half-story" shall mean a story which contains fifty percent (50%) or less Heated Living Area than the story in the house containing the most Heated Living Area.

Section 4. Restricted Activities The following activities are prohibited on the Property:

- a. Raising, breeding, or keeping of animals, livestock or poultry or any kind, except that dogs, cats or other usual and common household pets (which are registered, licensed and inoculated as required by law) may be permitted on the Property;
- b. Any activity which violates local, state, or federal laws or regulations;
- c. Institutional uses, including but no limited to group homes, day care centers, churches, temples or shrines, rest homes, schools, medical care facilities, lodges, inns, bed and breakfasts; and
- d. Any business or trade, except that an owner or occupant residing on the Property may conduct business activities within a dwelling on the Property as long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the dwelling unit; (ii) the business activates conforms to all zoning requirements for the Property; (iii) the business activity does not involve regular visitation of the Property by clients, customers, suppliers, or other business invitees; (iv) the business activity does not involve any service or delivery business in which more than one vehicle used in such business would be parked overnight on the Property, or for which any parts, equipment, supplies, raw materials, components or tools are stored on the Property and (v) the business activity is consistent with the residential character of the Property and does not constitute an unreasonable disturbance to adjoining land owners or other, a nuisance, or a hazardous or offensive use. The foregoing shall not preclude occasional garage sales, moving sales, rummage sales, or similar activities provided that such activities are not held on the Property more than once in any six-month period. The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether) such activity is engaged in full or part-time, (ii) such activity is intended to or doe generate a profit, or (iii) a license is required. The leasing of the Property for single-family residential sue shall not be considered a business or trade within the meaning of this subsection.

Section 5. Prohibited Conditions. None of the following structures or improvements may be located upon the Property:

- a. Structures, equipment or other items which are visible from any road or adjacent

Property which have become rusty, dilapidated, or otherwise fallen into disrepair;

- b. Towers, antennas, or other apparatus for the transmission or reception of television, radio, satellite, or other signals of any kind which are located outside of the dwelling on the Property other than (i) a customary antenna, which shall not extend more than ten (10 feet above the top roof ridge of the dwelling; and (ii) s satellite disc or dish no longer than eighteen inches (18") in diameter; and
- c. No residence or building of a temporary nature shall be erected or allowed to remain on any lot, and no metal fiberglass, plastic, vinyl, or canvas structure shall be placed or erected on any lot or attached to any residence.
- d. No mobile, manufactured or modular home or structure having the characteristics or appearance of a mobile, modular or manufactured home, including, without limitation, any mobile, modular or manufactured home as defined by the building codes or other applicable laws of the State of North Carolina, shall be located upon the property.
- e. Any freestanding transmission or receiving towers or any non-standard television antenna
- f. No chain link fences.

Section 6. Permitted Accessory Structures. No buildings, structures or improvements of any kind may be located on the Property other than one detached, single-family residential home, and the following permitted accessory structures:

- a. Storage and shop outbuildings, including detached garages, workshops, storage and utility buildings, greenhouses and similar building, not exceeding fourteen (14) feet in height. The total square footage contained within all such outbuildings combined shall not exceed two thousand (2000) square feet. All outbuildings shall be permanently affixed to the Property and shall be covered with the approved exterior materials described in Section Article 1, Section 3, paragraph (e) above.
- b. Recreational structures, including decking, gazebos, covered patios, playhouses, barbecue pits and similar structures. The total square footage contained within such structures when combined shall not exceed one thousand (1,000) square feet in area.

Section 7. Site Development Requirements. The Property shall be subject to the following specific development requirements:

- a. No portion (or portions) of the Property greater than two thousand (2,000) Square feet shall be: (i) denuded of ground cover or topsoil, (ii) graded, (iii) Excavated or (iv) covered with earth or other natural or man-made fill material, Unless all required building, grading and erosion control permits have been issued By the applicable municipal authorities.
- b. All denuded, graded, excavated or filled areas shall be stabilized and Replanted on or before: (i) the thirtieth (30th) day following the initial Denuding, grading, excavation, or filling (unless footings and foundations are Installed upon the disturbed area and construction is being diligently and

Continuously pursued upon such area); or (ii) such time as construction is Completed or interrupted for a period of thirty (30) continuous days. In addition to, or in the absence of local or state government regulations on such land disturbance, none of the activities described in (i) through (iv) in Section 7(a) above shall be allowed to commence without compliance with the following requirements:

- (iii) The proper installation (in accordance with manufacturer's instructions) of construction silt fencing on the lower perimeters of all areas within the Property to be disturbed, and any other areas which may be impacted by silt runoff from any disturbed areas located on the Property.

Section 8. Setbacks and Building Lines.

- (a) Setbacks. Each dwelling erected on any Lot shall be situated on such Lot no closer than forty feet (40') from the center of a street, fifteen feet (20') of any lot line or closer than allowed by the applicable requirements, or other applicable governmental ordinances or regulations to which it is subject. In addition, no structure shall be closer than permitted by the setback lines as shown on the recorded Plat(s)

- (b) Terraces and Detached Garages. For the purposes of determining compliance or non-compliance with the foregoing building line requirements, terraces, stoops, wing-walls, and steps extending beyond the outside wall of a structure shall not be considered as a part of a detached garage or accessory out-building.

Section 10. Size and Subdivision of Lots.

- (a) Size of Lots. The Property may not be subdivided in a manner that will result in any lot or parcel being created which is less than 21,780 feet.
- (b) Subdivision of Lots. No Lot referred to herein shall be subdivided or reduced in size; provided, however, that adjacent Lot Owners or purchasers may acquire an additional Lot or Lots, or some portion thereof. When a portion of an adjoining Lot is so acquire, it shall be added to the Lot or Lots already owned or purchase. In such case, the portion of said additional Lot shall become merged with and be an integral part of the Lot which is already owned or is purchased by the buyer of a Lot and a portion of an additional Lot. The combined Lot, consisting of a Lot and a portion of an additional Lot shall be subject to these covenants, conditions, restrictions and easements, as one Lot. When an adjacent Lot Owner acquires an additional Lot, or when a purchaser developing the Lots as one Lot, and in such event the Lots which are developed as one Lot shall be subject to these covenants, conditions, restrictions and easements, as one Lot, except with respect to the imposition of assessments and special assessments under Article 1V.

Section 11. Delivery Receptacles and Property Identification Markers. The Review Board shall have the right to approve the location, color, size, design, lettering and all other particulars of receptacles for the receipt of mail, newspapers, or similarly delivered materials, as well as property identification markers.

Section 12. Use of Outbuildings and Similar Structures. No structure of a temporary nature shall be erected or allowed to remain on any Lot. No carport, unenclosed garage, trailer, mobile home, modular home, pre-fab home, manufactured home, camper, shack, tent, school bus, garage, barn or other structure of similar nature shall be used as a Residence, either temporarily or permanently; provided, however, this paragraph shall not be construed to prevent the Declarant and those engaged in construction from using sheds or other temporary structures during construction.

Section 13. Completion of Construction. The exterior of all houses and other structures shall be completed within one year after the date construction of the same shall have been commenced, except where such completion is impossible due to strike, fire, national emergency or national calamity. All such structures constructed on Lots, must be maintained in good repair and the Review Board has the authority to require all Property Owners to make necessary repairs and improvements. No partially completed building shall be allowed on the premises after a reasonable time for the completion of the construction thereon. If the owner refuses to complete same or remove same, the Association shall have the authority and power to remove same at the Owner's expense and said expense shall be considered an assessment collectable under Article 1V hereinafter.

Section 14. Livestock. No animals or livestock of any kind, including, but not limited to, horses, hogs, goats, cattle, or other such animals, shall be raised, bred, or kept on any Lot. Dog, cats, or other household pets may be kept provided that household pets are not kept, bred or maintained for any commercial purposes. Such household pets must not constitute a nuisance or cause unsanitary conditions. Such household pets shall be maintained upon the Owner's Lot, and it shall be considered a nuisance if such pets are allowed to go upon another Owner's Lot, or on the roads or other Common Areas unless under leash or carried by Owner.

Section 15. Offensive Activities. No obnoxious, offensive or illegal activities shall be carried on upon any Lot or Common Areas, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to the Owners of the Lots in Oak Grove Plantation. There shall not be maintained any plants or animals, or device or thing of any sort, the normal activity of which is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other Property in the Community by the Owners thereof. Nothing shall be done or allowed, and no noises, conditions or situations shall be permitted, on any Lot which shall constitute, cause, or become a nuisance or otherwise detract from the desirability of the neighborhood as a residential section.

Section 16. Signs No signs of any kind shall be displayed to the public view on any lot with the following exceptions which may not exceed five (5) square feet in size: (a) one sign advertising the lot "for Sale" or "For Rent", and (b) temporary political signs located on the lot. This restriction shall not apply to signs used to identify and advertise the subdivision as a whole; to signs for selling Lots and/or houses during the Development Period; or for directional and other property identification markers or signs erected by the Declarant or the Association.

Section 17. Aesthetics, Nature Growth, Screening, Underground Utility Service. Any trees to be removed by a Property Owner, unless retained on the same Lot, shall be first offered to the Declarant, who shall have the right, at its expense, to remove same with the absolute right to enjoy thereafter. Clotheslines, garbage cans, air-conditioning units, storage piles and similar items shall be screened from view of neighboring Lots and roads. All residential utility service and lines to Residences shall be underground. Solar collector panels in reasonable numbers on a residence may be permitted by specific permission of the review board, even though not screened.

Section 18. Fences. No fence shall be built on any Lot unless approved by the Review Board. The Review Board shall have the right to approve the location, size, design, and other particulars of any fences or walls to be erected or placed on any Lot.

Section 19. Maintenance of Property. It shall be the responsibility of each Lot Owner to prevent the development of any unclean, unsightly or unkempt condition of buildings or grounds on the Owner's Lot, which tend to decrease substantially the beauty of the Community as a whole or of the specific area. If a Lot Owner allows a condition of any unclean, unsightly or unkempt condition of building or grounds, or both, on such Lot, said condition shall be corrected by the Lot Owner, at the Lot Owner's expense upon written request of the Declarant, the Association or the Review Board. Upon failure of the Lot Owner to correct the condition within twenty (20)

days after written notice has been given by the Declarant, the review Board or the Association, the Association shall have the right to correct such condition, and the expense of such correction shall be paid by the Lot Owner, with the expense being treated as an assessment pursuant to Article 1V, hereinafter.

Section 20. Trailers, Trucks, School Buses, Motor Homes, Campers. No house trailers or mobile homes, trucks, school buses, boats, motor homes, campers or other habitable motor vehicles of any kind over one (1) ton capacity shall be kept, stored or parked overnight either on any road or Lot, except within enclosed garages, or screened from the road as determined by the Association. No inoperative vehicle shall be permitted on the Property in excess of thirty (30) days.

Section 21. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. If litter or other materials are found on any Lot, the same will be removed by the Owner of such Lot, at the Owner's expense, upon written request of the Association. Each Lot Owner shall provide receptacles for garbage in a screened area not generally visible from the road in accordance with reasonable standards established by Declarant or the Association.

Section 22. Changing Elevations No Lot Owner shall excavate or extract earth for any business or commercial purpose. No elevation changes shall be permitted which materially affects surface grade or surrounding Lots, unless approved in writing by the Review Board.

Section 23. Mining. There shall be no mining or drilling for mineral substances within Oak Grove Plantation.

Section 24. Underground Utilities. The following underground utilities will be provided to each Lot in Oak Grove Plantation:

Type of Service	Provided By
Electric Service	Progressive Energy
Telephone	Bellsouth

The Association and the Review Board shall have the right to approve construction necessary for the installation and maintenance of additional utility facilities, including, but not limited to, sewage systems and cable television.

Section 25. Vacant Lots. Lot Owners shall keep vacant Lots clean, mowed, and underbrush cut. Upon a Lot Owner's failure to do so, following written request of the Association, the Association shall have the authority to clean, now or remove underbrush at the Owner's expense and said expense shall be considered an assessment collectable under Article 1V hereinafter.

Section 26. Light Restrictions. It shall be the responsibility of each Lot Owner to insure that no direct lighting escapes the Owner's property boundaries and there shall be a prohibition against any lighting pollution interfering with the enjoyment of the subdivision by the Property Owners, their designees, or guest. The Association shall have the authority to administer, control and prohibit any and all security light, exterior flood light, yard lighting or street lighting.

The Association shall also have the authority to require timers and limitations on use of any such lighting. Any exterior lighting which is installed must be shielded in such a manner as to minimize the impact on adjoining Lots. The Association or Lot Owners may enforce the provisions hereunder.

Section 24. Entrance Gate. There is reserved unto the Declarant, the Association, and their respective successors and assigns the right and privilege, but not the obligation, to maintain guarded or electronically-monitored gates controlling vehicular access to and from the Community. Neither the Declarant nor the Association shall be responsible, in the exercise of its reasonable judgment, for the granting or denial of access to the Community in accordance with the foregoing.

Article 1V
Oak Grove Plantation Homeowners' Association

A property owners association has been created, names Oak Grove Plantation Homeowners' Association, Inc. The Association will be operated in accordance with the By-Laws of the Association attached hereto as Exhibit B and incorporated herein by reference. The Association shall establish necessary rules and regulations and said rules and regulations and By-Laws shall constitute covenants, conditions and restriction in the Community.

Section 1. Duties and Responsibilities of Association.

- (a) By-Laws and Rules and Regulations. Adopt and amend By-Laws and Rules and Regulations;
- (b) Budgets. Adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for common expenses from Lot owners;
- (c) Agents and Employees. Hire and terminate managing agents and other employees, agents and independent contractors;
- (d) Litigation. Institute, defend, or intervene in its own name in litigation or administrative proceedings on matters affecting the subdivision;
- (e) Contracts. Make contracts and incur liabilities.
- (f) Regulate Common Areas. Regulate the use, maintenance, repair, replacement, and modification of Common Areas and facilities;
- (g) Improve Common Areas. Cause additional improvements to be made as a part of the Common Areas;
- (h) Own and Sell Property. Acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property provided that common elements may be conveyed or subjected to a security interest by the Association if persons entitled to cast at least fifty percent (50%) of the votes in the association including said fifty percent (50%) of the votes allocated to Lots not owned by Declarant or the Association; provided, however, the streets are subject only to on-exclusive easements of the Lot Owners.

- (i) Transfer Interest in Common Property. Grant easements, leases, licenses, and concessions through or over the Common Areas;
- (j) Fees and Charges. Impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Areas and facilities and for services provided for Lot Owners;
- (k) Late Payments. Impose charges for late payment of assessments and after notice and an opportunity to be heard, levy reasonable fines not to exceed One Hundred Fifty Dollars (\$150.00) for violations of the Declaration, By-Laws and Rules and Regulations of the Association;
- (l) Charges for Transfers and Amendments. Impose reasonable charges for the preparation and recordation of Amendments to the Declaration, resale, certificates or statements of unpaid assessments;
- (m) Indemnification and Insurance. Provide for the indemnification of and maintain liability insurance for its officers, executive Board, Directors, Employees, and Agents;
- (n) Assign Income. Assign its right to future income, including the right to receive common expense assessments;
- (o) Review Board. To appoint members to the Review Board, after the Development Period, or prior thereto if Declarant relinquishes its right to appoint members to the Review Board and hear appeals from the decisions of the Review Board and render final decisions.
- (p) General Authority. Exercise all other powers that may be exercised in the State of North Carolina by legal entities of the same types as the Association; and
- (q) Necessary and Property Action. Exercise any other powers necessary and proper for the governance and operation of the Association.

Section 2. Use of Common Property Subject to Rules of Association. The use of Common Areas and facilities, by the Owner or Owners of all Lots, and all other parties authorized to use the same, shall be at all times subject to reasonable Rules and Regulations as may be prescribed and established governing such use or which may be hereafter prescribed and established by the Association.

Section 3. Assessments: Liability, Lien and Enforcement. The association is given the authority to administer the operation and management of the subdivision, it being recognized that the delegation of such duties to one entity is in the best interests of the Owners of all Lots. To administer property in the operation and management of the subdivision, the Association will incur for the mutual benefit of all of the Owners of Lots, costs and expenses which are sometimes herein referred to as "common expense". To provide the funds necessary for such proper operation, management, and capital improvement, the Association is granted the right to make, levy and collect assessments against the Lot Owners and the Lots. In furtherance of this grant of authority to the Association to make, levy and collect assessments to pay the costs and expenses for the operation, management of capital improvements to the subdivisions shall be operative and binding upon the Owners of all Lots.

- (a) Assessments Equal. Unless specifically otherwise provided for in this Declaration, all assessments made by the Association shall be in amount so that any assessment levied against a Lot Owner and his Lot shall be equal to the assessment against all other Lot Owners and other Lots; to the Lot Owner and Lot against which the assessment or penalty was made.

If a Lot is combined with a portion, or all of another Lot, as provided in Section 10, paragraph (b) of Article 111, the dues and assessments for portions of a combined Lot shall be added to the prorated amount payable by the Owner of the Lot to which it was added.

- (b) Payment of Assessments. Assessments provided for herein shall be payable in monthly installments, or other periodic intervals, as determined by the Board of Directors of the Association. Such assessments shall commence for each Lot on the first day of the first month following recording the deed to the Lot.
- (c) Special assessments. In addition to the annual assessment authorized above, the Board of Directors 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 the Common Areas, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of Lot Owners owning two-thirds (2/3) of the Common Areas and facilities who are voting in person or by proxy at a meeting duly called for such purposes.
- (d) Annual Budget. The Board of Directors of the Association shall establish an annual Budget in advance for each fiscal year, which shall correspond to the calendar year. Such Budget shall project all expenses for the coming year which may be required for the proper operation, management and maintenance of the, subdivision including a reasonable allowance for contingencies and reserves, and the Budget shall take into account projected anticipated income which is to be applied in reduction of the amounts required to be collected as an assessment each year. The Board of Directors shall keep separate, in accordance with Paragraph (e) hereof, items relating to operation, and maintenance from items relating to capital improvements. Upon adopting of such Annual Budget by the Board of Directors of the Association, copies of said Budget shall be delivered to each Lot Owner of a Lot and assessment for said year shall be established based upon such Budget, although the failure to deliver a copy of said Budget to each Lot Owner shall not affect the liability of any Owner for such assessment.
- (e) Reserve Fund. The Board of Directors of the Association, in establishing the Annual Budget for operation, management and maintenance of the Subdivision, shall designate therein a sum to be collected and maintained as a reserve fund for replacement of and capital improvements to the Common Property (Capital Improvement Fund). This Fund shall be for the purpose of enabling the Association to construct improvements, to replace structural elements and mechanical equipment constituting a part of the Common Areas and facilities, as well as the replacement of portions of the Common Property. The amount to be allocated to the Capital Improvement Fund shall be established by said Board of Directors so as to collect and maintain a sum reasonably necessary to anticipate the need for replacement of Common Property. The amount collected for the Capital Improvement Fund may be maintained in separate account by the Association and such monies shall be used only to make capital improvements to Common Property. Any interest earned on monies in the Capital Improvements Funds may in the discretion of the Board of Directors of the Association, be expended for current operation and maintenance.
- (f) Administration of Collections. All monies collected by the Association shall be treated as the separate property of the Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the subdivision, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles of Incorporation and the By-Laws of the Association.

As monies for assessments are paid to the Association by Lot Owners, the same may be commingled with monies paid to the Association by all Owners of Lots. Although all funds and common surplus, including other assets of the Association, and any increment's thereto or profits derived there from or from the lease or use of Common Property, shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, pledge or in any manner transfer his interest therein. When the Owner of a Lot ceases to be a Member of the Association by reason of his divestment of ownership of such Lot, by whatever means, the Association shall not be required to account to such Owner for any share of the funds or assets of the Association, or which may have been paid to the Association by such Owner, as all monies which any Owner has paid to the Association shall be and constitute an asset of the Association which may be used in the operation and management of the Subdivision.

- (g) Interest on Default. The payment of any assessment or installment thereof shall be in default if such assessment or installment is not paid to the Association within thirty (30) days of the due date for such payment. When in default, the delinquent assessment or delinquent installment thereof due to Association shall bear interest at the lesser of, eighteen percent (18%) or the highest rate allowed by law, until such delinquent assessment or installment thereof, and all interest due thereon, has been paid in full to the Association. All monies owned to the Association shall be due and payable at the main office of the Association in the State of North Carolina.
- (h) Owner's Liability. The Owner or Owners of Lots shall be personally liable, jointly and severally, to the Association for the payment of all assessments, regular or special, which may be levied by the Association against such Lots while such party or parties are Owner or Owners of a Lot. In the event that any Lot Owner or Lots are in default of any assessment or installment thereof owed to the Association, such Lot Owner or Owners shall be personally liable, jointly and severally, for interest on such delinquent assessment or installment thereof as provided, and for all costs of collecting such assessment or installment thereof and interest thereof, including a reasonable attorney's fee, whether suit be brought or not.
- (i) No Liability Exemptions. No Owner of a Lot may exempt himself from liability for any assessment levied against him or his Lot by waiver of the use of enjoyment of any of the Common Areas or facilities or by abandonment of the Lot or in any other way.
- (j) Liens. Recognizing that proper operation and management of the Subdivision requires continuing payment of costs and expenses therefore, and that such proper operation and management results in benefit to all of the Owners of Lots, and that the payment of such common expenses represented by the assessments levied and collected by the Association is necessary in order to preserve and protect the investment of each Lot Owner, the Association is hereby granted a lien upon each Lot, which lien shall secure and does secure monies due for all assessments now or hereafter levied against the Owner of each Lot, which lien shall also secure interest, in any, which may be due on the amount of any delinquent assessments owing to the Association, in which it shall also secure all costs and expenses, late charges, fines, and reasonable attorney's fee, which may be incurred by the Association in enforcing this lien upon said Lot. The lien granted to the Association may be foreclosed in the same manner that real estate deeds of trust or a mortgage on real estate under power of sale under Article 29(A) of Chapter 45 of the General Statutes.
- (k) Lien: Filing and Priority. The lien herein granted to the Association shall be enforceable from and after the recording of claim of lien in the public records of Buncombe County, North Carolina,

Which claim shall state the description of the Lot encumbered thereby, the name of the record Lot Owner, the amount due and date when due The Claim of lien shall be recordable any time after default and lien shall continue in effect until all sums secured by said lien as herein provided shall have been full paid. Such claims of lien shall; include only assessments which are due and payable when the claim of lien is recorded, plus interest, cost, late charges, fines, attorney's fees, advances to pay taxes, and prior encumbrances and interest thereon, all as above provided. Such claims of lien shall be signed and verified by an Office or Agent of the Association. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record. The lien provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. The lien under this section is prior to all other liens and encumbrances upon a Lot except (i) liens and encumbrances (specifically included, but not limited to, a mortgage or deed of trust on the Lot) recorded before the docketing of the lien in the Office of the Clerk of Superior Court, and (ii) liens for real estate taxes and other governmental assessments or charges against the Lot. The priorities of the lien does not affect the priority of mechanic's material men's liens.

- (l) Transfers Effect on Lien. Whenever any Lot may be leased, sold or mortgaged by the Owner thereof, the Association, upon written request of the Lot Owner, shall furnish to the proposed lessee, purchaser or mortgagee, a statement verifying the status of payment of nay assessment which shall be due and payable to the Association by such Lot. Such statement shall be executed by any officer of the Association, and by any lessee, purchaser or mortgagee may rely upon such statement in concluding the proposed lease, purchase or mortgage transaction, and the Association shall be bound by such statement.

In the event a Lot is to be leased, sold or mortgaged at the time when payment of nay assessment against the Owner of said Lot and such Lot due to the Association shall be in default (whether or not a claim of lien has been recorded by the Association), then the rent, proceeds of such purchase or mortgage proceeds shall be applied by the lessee or purchaser first to payment of any the delinquent assessment or installments thereof due to the Association before the payment of any rent, proceeds of purchase to the Owner of any Lot who is responsible for payment of such delinquent assessment.

Upon the voluntary conveyance of a Lot, the Purchaser thereof shall be jointly and severally liable with Seller for all unpaid assessments against Seller made prior to the time of such voluntary conveyance, without prejudice to the rights of the Purchaser to recover from Seller the amount paid by Purchaser therefore.

Institution of a suit at law to attempt to effect collection of the payment of any delinquent assessment shall not be deemed to be an election by the Association which shall prevent it from thereafter seeking, by fore closure action, enforcement to attempt such collection be deemed to be an election precluding the institution of a suit at law to collect any sums then remaining owing to the Association.

Section 4. "Common Surplus". "Common Surplus," meaning all funds and other assets of the Association (including but not limited to assessments, rents, profits,

and revenues from whatever source) over the amount of Common Expense shall be held by the Association in the manner prescribed in, and subject to, the terms, provisions and conditions of this Declaration, imposing certain limitations and restrictions upon the use and distribution thereof. Except for distribution upon termination of the subdivision, any attribution or distribution of Common Surplus which may be made from time to time shall be made to the then Owners of Lots equally.

Section 5. Right of Declarant to Vote as Member of Association. During the Development Period, but no longer than three (3) years from the date this Declaration is recorded, the Declarant shall have one vote for each Lot owned by the Declarant.

In the event of dissolution of Declarant or the transfer or sale by Declarant of its interest in Oak Grove Plantation, during the Development Period at a time when Declarant has the voting rights as set forth in the preceding paragraph, then the voting right of the Declarant shall pass to and may be exercised by its successors or assigns.

Whenever Declarant shall be entitled to designate and select any person or persons to serve on any Board of Directors of the Association, the manner in which such person or persons shall be designated shall be provided in the By-Laws of the Association, and Declarant shall have the right to remove any person or persons selected by it to act and serve on said Board of Directors and to replace such person or persons with another person or persons to act and serve in the place of any Director or Directors so removed for the remainder of the unexpired term of any Director or Directors so removed. Any Director designated and selected by Declarant need not be resident of the Subdivision. However, Declarant shall be responsible for the payment of any assessments which may be levied by the Association against any Lot or Lots owned by said Declarant, and for complying with the remaining terms and provisions hereof in the same manner of any other Owner of a Lot or Lots.

Section 6. Relinquishment of Control. Upon the expiration of three (3) years from the date of recording this Declaration, Declarant shall continue to have one vote for each Lot owned by Declarant.

Article V

Oak Grove Plantation Review Board

Section 1. Appointment of Review Board. There is hereby created the Oak Grove Plantation Review Board. The Review Board is to be composed of three (3) members of the Oak Grove Plantation Homeowners' Association, Inc. appointed by the Board of Directors of the Association; provided, however, the initial Oak Grove Plantation Board shall be appointed by the Declarant, which shall have a continuing right to appoint the members of the Review Board until the end of the Development Period,

or until Declarant has relinquished in writing its right to appoint the members of the Review Board to the Association, whichever is the first to occur. At the end of the Development Period or when Declarant has relinquished its right to appoint the members of e Review Board, the Review board members shall be appointed by the Board of Directors of the Association in accordance with the By-Laws of the Association as set forth therein, which are incorporated herein as if re-stated.

Section 2. Appeals. During the period the Review Board is appointed by the Declarant, the decision of the Review Board shall be final and there shall be no appeal therefrom. Once the Review Board members are appointed by the Board of Directors of the Association, there shall exist appeals from the Review Board to the Board of Directors of the Association where decisions shall be final and binding.

Section 3. Consideration of Plant.

Within twenty (20) days of Owner's submission of a site plan, building plans which include exterior finishes and elevations of all proposed structures, and landscape plans, the Review Board shall have the right to approve or disapprove the site plan, the exterior design and finishes, building plans, and other particulars of any dwelling or improvements on any Lot prior to commencement of construction. The Review Board may also recommend modifications of the same. In the event the Review Board does not take action within twenty (20) days of the date the foregoing plans are received by the Review Board, such plans shall be deemed approved.

In making its decision, factors to be considered by the Review Board shall include, but not be limited to, the following:

- (a) Preservation of the natural environment.
- (b) Harmony of design and size with the locale and with existing structures, so as to avoid devaluation of surrounding properties.
- (c) The desirability of minimizing intrusions on the view and privacy of surrounding properties.
- (d) Design and location of driveway entrances and utility service equipment so as to protect the private drive from damage or erosion.
- (e) Compliance with the covenants, restrictions and conditions of the Declaration and any amendments thereto, or such other covenants and restrictions as may be recorded with respect to the Lot or Property in question.
- (f) Hardship or unusual circumstances pertaining to the submittal in question.
- (g) Lighting systems and security systems to be designed to preclude intrusion on adjacent Property Owners or other Lots within the subdivision.
- (h) Drainage of silt from the construction area onto Common Areas which may result in the Owner being required to construct a silt fence to control such erosion.

Section 4. Modification of Restrictions. The Review Board or the Association shall have the right to waive or modify the provisions of Article 111, Sections 9,12,16,18, and 26 of the Declaration of Covenants, Restrictions and Easements of Oak Grove Plantation.

Article V1
Property Rights

Section 1. Use of Common Areas. Subject to the other provisions in this Article, the Lot Owners shall have a right to a non-exclusive easement of enjoyment in and to the common Areas. And such easement shall be appurtenant to and shall pass with the title of every Lot.

Section 2. Owner's Easement of Enjoyment. Every Owner shall take title subject to the following easements, assessments, and provisions, which shall be appurtenant to and shall pass with the title to each Lot.

- (a) The right of the Association to charge reasonable assessments for repairs and maintenance of Common Areas, to establish reserves for major repairs or improvements and assessment for any Common Areas that may be granted to or purchased by the Association, and to charge penalty assessments pursuant to Article 1V of this Declaration.
- (b) The right of the Association to suspend the voting rights and assess fines or penalties against an Owner for any period during which an assessment against an Owner's Lot remains unpaid
- (c) Prior to the end of the Development Period, the right of the Declarant or the Association to dedicate or transfer all or any part of the Common areas to any Person, public or private group, corporation, agency, authority, or utility for such purposes and subject to such conditions as may be approved by the Association, so long as such dedication or transfer is in compliance with all applicable zoning regulations.
- (d) After the end of the Development Period, the right of the Association to dedicate or transfer all or any part of the Common Areas to any Person, public or private group, corporation, agency, authority, or utility for such purposes and subject to such conditions as may be approved by the Association, so long as such dedication or transfer is in compliance with all applicable zoning regulations. After the Development Period, no such dedication or transfer shall be effective unless approved in writing in an instrument signed by two-thirds (2/3) of the Members of the Association.
- (e) The right of the Declarant and its successors and assigns, to retain legal title to the Common Areas until such time as, in the opinion of the Declarant, the Association is able to maintain the same. Notwithstanding any provisions herein, the Declarant hereby covenants for itself, its successors and assigns, that it will convey the Common Areas to the Association Prior to, or immediately following, the end of the Development Period.
- (f) The right of the members, employees, invitees, guests, and agents of Oak Grove Plantation to use the roads and other Common Areas.

Section 3. Delegation of Use. Any Owner may delegate in accordance with the By-Laws and rules and regulations adopted by the Association, the Owner's right of enjoyment to the Common Areas and facilities to the members of the Owner's immediate family, tenants, or contract purchasers who reside in the residence on the Owner' Lot, but to no other party. The property rights and uses delegated hereunder shall run with the ownership of the Lot.

Section 4. Assignment. Declarant and its successors and assigns, shall have the right to assign to nay one or more Persons (as defined hereinabove in Definitions) any and all rights, powers, title, easements and right to use all roads within the subdivision and all easements of ingress and egress within the subdivision.

Article V11
Dedication of Roads and Easements

Section 1. Public Ownership. In the event the Association desires to dedicate the roads, drainage easements, or any other asset of the Association to a public body, and the public body requires as a condition for acceptance of such assets, that the Asset to be accepted must meet all of the then requirements of said public body, sheikh may include but not be limited to, bringing the roads and drainage easements up to the standards required by said public body. The Association may the assess each Lot Owner a Prorate share of the cost that will be required to bring the assets, including but not limited to, the roads and drainage easements, to the then current existing applicable governmental standards for roads and subdivision regulations. If the Association has dissolved or become defunct and said assets, including the roads and drainage easements, have reverted to a public body responsible for any reason, then each Owner will be a assessed a prorate share of the cost that will be required to bring the assets, including but not limited to, the roads and drainage easements, to the then current existing applicable governmental standards for roads and subdivision regulations, and public body or such entity as is the responsible for said assets, including the road and drainage easements, shall have authority to make such Assessments.

Article V111
Easement and Utility Provisions

Section 1. Utility and Drainage easements. Lots subjected to this Declaration shall be subject to those easements, if any, shown as set forth on recorded Plats thereof. Also, easements for installation and maintenance of utilities and drainage facilities are hereby reserved unto the Declarant, its successors and assigns and to the Association, over ten (10) feet of each front Lot line, installations and rights-of-way and the operation and maintenance thereof. The front of the Lot shall be defined as the part of the Lot abutting the road way. No fence or other structure shall be erected thereon which shall interfere with such use. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere the installation and maintenance of utilities. The easement area of each Lot, except the ingress and agree easement shown on the Plats, and all improvements within it, shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

Section 2. Sewerage Disposal and Maintenance. Sewerage disposal shall be by septic tank, or other sewerage disposal system, approved and constructed consistent with applicable rules and regulations of the governmental department or agency having jurisdiction. The Association shall be responsible for the maintenance and operation of the common disposal system, if any.

Article 1X
General Provisions

Section1. Enforcement. The Declarant, Association, or nay Owner shall strictly comply with and have the right to enforce by any proceeding at law or in equity, all restrictions, conditions, easements, covenants, reservations, liens or charges now or hereafter imposed by the provisions of this Declaration. Failure by the Declarant, Association, or by an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In the event of a violation or breach or threatened violation or breach of any of the same, the Declarant, the Association, or any aggrieved Lot Owner, jointly and severally, shall have the right to proceed at law or in equity for the recovery of damages or for injunctive relief, or both

Section 2. Severability. Invalidation of any one of these covenants, conditions 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. This Declaration may be amended by an instrument signed by the Declarant or by an instrument signed by two-thirds (2/3) of the Members of the Association as defined in the By-Laws of the Association attached hereto. Declarant reserves the right, and shall have the authority, to amend this instrument at any time in order to comply with any requirements of the Veterans Administration, Federal Housing Administration, Federal Home Loan Bank board, Department of Housing and urban Development, Federal National Mortgage Association, County of Buncombe, or any other governmental body having authority over such matters. No amendment to the provisions of the Declaration shall alter, modify, change or rescind any right, title, interest or privilege herein granted or accorded to the holder of any Mortgage encumbering any Lot. No amendment shall become effective until the instrument evidencing such change has been filed for record in the Office of the Register of Deed for Buncombe County, North Carolina. Every purchaser or grantee of any interest in Property now or hereafter subjected to this Declaration, by acceptance of a deed or other conveyance therefore, thereby agrees that this Declaration may be amended as provided in this Section.

Section 4. Interpretation. This Declaration shall be interpreted in the spirit of reasonableness, and, in the absence of authoritative court decisions, the interpretations thereof by the Declarant shall prevail until the end of the Development Period

Section 5. Appurtenant to the Land. These restrictive covenants shall be appurtenant to and run with the land and shall be binding on all present Owners or successor Owners of any Lots hereunder.

