

REGISTERED

REGISTERED

1998 MAY 19 P 4:10

APR 4 10 05 AM '97

DECLARATION OF PROTECTIVE COVENANTS

FOR

REGISTER OF DEEDS
JACKSON COUNTYREGISTER OF DEEDS
JACKSON CO., N.C.

GOLF CLUB ESTATES SUBDIVISION

THIS DECLARATION made this 26th day of March, 1997, by the ROUND HILL ESTATES, INC., herein referred to as "Declarant," and by the individual property owners of GOLF CLUB ESTATES SUBDIVISION who have joined in the execution of this instrument, as set forth in the exhibits attached, herein referred to collectively as "Owners." The terms Declarant and Owners shall be used herein as neuter singular designation of the parties hereto, their successors, heirs and assigns.

WITNESSETH

THAT, WHEREAS, the Declarant is the successor to the rights, title, interest and authority of the developer of Golf Club Estates Subdivision; and

WHEREAS, Golf Club Estates Subdivision comprises five sections, to wit: Sections A, B, C, D and E; and

WHEREAS, the developer subjected lots in Golf Club Estates Subdivision to certain reservations and restrictions; recorded in Book 225, Page 116, Jackson County Registry; and

WHEREAS, Section A of Golf Club Estates is not contiguous to, and shares no common roadways with, the remainder of the subdivision; and

WHEREAS, the Declarant and a majority of the Owners of lots in Sections B, C, D and E have approved amended and restated protective covenants affecting Golf Club Estates Subdivision; and it is the intent of the Declarant and said Owners, as evidenced by the attached written consents signed by said Owners, to amend and restate the aforesaid restrictions by this Declaration.

NOW, THEREFORE, the Declarant and Owners hereby declare that all of the lots and parcels in Sections B, C, D and E of the development known as Golf Club Estates Subdivision, situated in Cashiers Township, Jackson County, North Carolina, are held and shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to the provisions of this Declaration in furtherance of a plan of development established for the purpose of enhancing and protecting the value, desirability and attractiveness thereof.

The provisions of this Declaration are intended to create mutual and equitable servitudes upon each of said lots and parcels owned by Declarant, and upon those lots owned by Owners who have executed the consents attached hereto, in favor of said lots and parcels; to create reciprocal rights between the respective Owners of all such lots and parcels; to create privity of contract and estate between the grantors of such lots, their heirs, successors and assigns; and to operate as covenants running with the land for the benefit of each and all other such lots and parcels in the Subdivision.

Any Owner or successor in title of a lot conveyed by the Declarant prior to the restatement and amendment of this Declaration which does not by joinder of this Declaration subject that Owner's lot or parcel to this Declaration, may by and through the execution of a Supplemental Declaration, declare that said Owner's parcel or lot shall be thereafter made subject to this restated and amended Declaration. In such event, the Supplemental Declaration shall be signed and executed by the Owner and recorded of public record in Jackson County, North Carolina, without joinder by the Declarant or the Association.

[Signature]
OR EUGENE M. HOWARD JR, HIS HEIRS OR ASSIGNS,

Round Hill Estates, Inc., as Declarant, consents to this Declaration; however, no lot or parcel owned by Round Hill Estates, Inc. shall be subjected to this Declaration until a Supplemental Declaration is executed by Round Hill Estates, Inc. and recorded of public record, as set forth in the preceding paragraph.

[Signature] OR EUGENE M. HOWARD JR, HIS HEIRS OR ASSIGNS,

Any lot or parcel in Golf Club Estates Subdivision not expressly made subject to this Declaration shall continue to be subject to the restrictions set forth in the above-referenced instrument recorded in Book 225, Page 116, Jackson County Registry.

I. DEFINITIONS

The following terms used in this Declaration are defined as follows:

A. "Association" means G.C.E.P.O.A., Inc., a North Carolina non-profit corporation, with its principal place of business in Jackson County, North Carolina.

B. "Board" means the Board of Directors of the Association.

C. "Bylaws" means the Bylaws of the Association.

D. "Common Areas" means all easements for roadways, public and private utilities, pedestrian and recreation easements, or incidents therein which the Declarant declares to be Common Areas and/or which the Association acquires and accepts as such.

E. "Committee" means the Architectural Control Committee.

F. "Declaration Property" or "Development" means all of the lots in Sections B, C, D, and E of Golf Club Estates Subdivision.

G. "Improvements" means all buildings, outbuildings, streets, roads, driveways, parking areas, fences, retaining and other walls, septic tanks, drainfields, hedges, poles, antennas, and any other structure of any type or kind, or any land clearing whatsoever.

H. "Lot" means any numbered lot in Golf Club Estates Subdivision shown on a recorded plat thereof, together with an appurtenant easement for pedestrian and vehicular ingress, egress and regress thereto over and across each road abutting said lot.

I. "Owner" means any person, firm, corporation, or other legal entity (including the Declarant) who or which holds fee simple title to any lot.

J. "Single-Family Dwelling" or "Single-Family Residence" means a residential dwelling for persons, each related to the other by blood, marriage, or legal adoption or, alternately, a group of not more than four (4) adult persons not so related who shall maintain a common household in such dwelling. Use of a portion of a dwelling as an office by an occupant of such dwelling shall not affect the classification of the dwelling as single-family, so long as such office is not open to clients and/or customers and does not result in increased vehicular traffic over the roads of the subdivision.

K. "Supplemental Declaration" means any instrument, executed by an Owner and recorded in this Registry, subjecting to the provisions of this Declaration a lot in Golf Club Estates Subdivision not previously subjected hereto.

II. RESIDENTIAL RESTRICTIONS

A. No Owner shall either cause or permit any offensive or annoying activity or nuisance to be carried on upon its lot. No animal or poultry other than normal household pets may be kept, and such pets shall not be bred or maintained for commercial purposes.

B. No lot may be subdivided, except for the purpose of adding the subdivided portions thereof to adjoining lot or lots. In the event of such subdivision for such purpose, all of the lot so subdivided shall become part or parts of such adjoining lot or lots, and shall lose its identity as a lot. In such event, the adjoining lot, together with the portion of a subdivided lot added thereto, shall be considered a single lot for purposes of this Declaration.

C. Each lot shall be used for single-family residential dwellings and guest houses for bona fide non-paying guests, only. No business, commercial, or multiple residential structure shall be erected on any lot, and no existing dwelling shall be used for any purpose other than a single-family residence. In the event that a residence is rented, any guest house located on the same lot as said residence may be used only by the tenant of said residence and/or the bona fide non-paying guests of such tenant.

D. No improvement shall be erected or placed within thirty-five (35) feet of any front or rear boundary or fifteen (15) feet of any side boundary of any lot without the express approval of the Committee.

E. Additions and detached garages, guest houses and other outbuildings on any lot shall be in architectural conformity to the dwelling located on such lot.

F. All dwellings shall be of new construction no more than 2 stories in height entirely above ground level, and shall contain no less than eighteen hundred (1800) square feet of living area in the first story entirely above ground level, exclusive of porches, terraces, carports and garages.

G. No dwelling shall be occupied prior to the completion and painting of the exterior thereof without prior written approval of the Committee. No guest house shall be occupied prior to the completion and painting of the exterior of both the main dwelling and the guest house and the issuance of county certificates of occupancy for both the main dwelling and the guest house.

H. No mobile home, manufactured home, relocatable dwelling, tent, lean-to or other temporary structure shall be erected or placed on any lot without the express written permission of the Committee.

I. No sign other than a sign listing the owners' name and/or a sign identifying the lot shall be placed or displayed on any lot without the written approval of the Association. The Association shall be entitled to remove, without notice, any unapproved sign, to include "for sale," "for rent," "open house," and/or a sign containing the name of a real estate broker.

J. No construction activity shall be conducted on any lot prior to 8:00 o'clock a.m. or subsequent to 5:00 o'clock p.m. on Monday through Saturday, or at any time on Sunday, unless expressly authorized in writing by the Association.

K. Construction of improvements, once commenced, shall be completed within eighteen (18) months. Improvements not so completed, or partially or totally destroyed and not rebuilt or left neat in appearance within twelve months after destruction, shall be deemed a nuisance.

L. All lots, whether occupied or unoccupied, and all improvements placed thereon shall at all times be maintained in such a manner as to prevent their becoming unsightly, unsanitary, or a hazard to health. The Association, upon reasonable written notice to the owner, shall have the right to rectify such offensive situations, and/or any nuisance defined in the preceding paragraph, and the costs of such undertakings shall be a special assessment against the lot owner and the lot. Neither the Association nor any of its agents, employees or contractors shall be liable for any damage which may result from its actions to so rectify any offensive situation and/or nuisance.

M. No owner shall accumulate on his lot any junk vehicles, or any litter or garbage except in receptacles provided by owner for such purpose. All rubbish, garbage, trash receptacles and fuel storage tanks shall be buried or screened, and clotheslines shall be screened, in a manner so as not to be visible from any roadway or from adjacent property.

N. Overnight camping on any lot is prohibited.

O. Recreational vehicles, boats and boat trailers shall be permitted on lots, provided, however, that the Committee shall have the right to require that such vehicles, boats and trailers be located on the lots in such a manner as to be screened from view from roads and from other lots. Recreation vehicles shall not be occupied while parked on a lot.

P. No off-road vehicle, "dirt bike" or other such vehicle (with the exception of golf carts) shall be operated on any lot or roadway in Declaration Property. (Since one of its purposes is to limit noise, this restriction shall be broadly construed to include all such vehicles, notwithstanding the number of wheels.)

III. EASEMENTS

A. Each lot shall have an appurtenant easement in the existing roads of the Golf Club Estates Subdivision for the purpose of ingress and egress between said lot and U.S. Highway 64.

B. An easement ten (10) feet in width along the rear and side boundaries of each lot is reserved for the purpose of installing and maintaining utilities for the benefit of other lots.

IV. CONTROL OF IMPROVEMENTS

There is hereby created an Architectural Control Committee, composed of three members, appointed by the Board, to serve at the pleasure of the Board.

A. No improvement shall be commenced, erected, placed or altered until the plans and specifications for such improvement or alteration shall have been approved by the Committee. Requests for such approval shall be submitted to the Committee in the manner and form prescribed by it.

B. The Committee may disapprove any application:

1. If, in the judgment of a majority of the Committee reasonably exercised, the proposed request fails to meet the criteria set forth in this Declaration.

2. Because of the reasonable dissatisfaction of the Committee with grading plans, surface drainage, location of the proposed improvements on a lot, finished ground elevation, color scheme, finish, design proportions, architecture, shape, height, or style of the proposed improvements, the materials used therein, the kind, pitch, or type of roof proposed to be placed thereon.

3. If, in the judgment of a majority of the Committee reasonably exercised, the proposed improvements would not be harmonious with the improvements erected on other lots.

C. The Committee shall, from time to time, adopt written rules and regulations of general application governing its procedures which shall include, among other things, provisions for the form and content of applications; required number of copies of plans and specifications; provisions for notice of approval or disapproval, including a thirty (30) day time period after which approval becomes automatic by reason of failure to disapprove.

D. The Committee may grant reasonable variances or adjustments from the provisions in this Declaration where literal application thereof results in unnecessary hardship and if the granting thereof will not be materially detrimental or injurious to owners of other lots.

E. At any time prior to completion of construction of an improvement, the Committee may require a certification, upon such forms as it shall furnish, from the contractor, owner, or a licensed surveyor that such improvement does not violate any setback, ordinance, or statute or encroach upon any easement or right-of-way of record.

F. Notwithstanding the approval by the Committee of plans and specifications or its inspection of the work in progress, neither it, Declarant, the Association, nor any person acting in behalf of any of them shall be responsible in any way for any defects in any plans or specifications or other material submitted to the Committee, nor for any defects in any work done pursuant thereto. Each person submitting such plans and specifications shall be solely responsible for the sufficiency thereof and the adequacy of improvements constructed pursuant thereto.

G. Any applicant shall have the right to appeal to the Board of Directors of the Association any decision of the Committee within thirty (30) days after entry of such decision.

V. ROADS

A. Every owner shall have a right and easement of enjoyment in and to the existing roads in common with all other owners, subject to:

1. All rules and regulations governing the use and enjoyment of said roads by the Association;

2. The right of the Declarant to establish easements over the roads for the installation and maintenance of electrical and telephone conduit and lines, gas pipes, sewers, water pipes, cable television lines or hook-ups or any other utility services serving any lots within Golf Club Estates Subdivision. Any easement so established shall be conditioned upon the duty of the entity which installs or maintains such utility conduits, lines, pipes and sewers, to restore the road easement areas to their prior condition.

B. The Association shall have the power and the right to levy and collect assessments for the maintenance of all roads and other common areas in the Declaration Property Subdivision, in accordance with the guidelines and procedures set forth in this Article V.

C. Until such time as each road in the Declaration Property is improved to a standard such that the cost of maintaining said road shall be comparable to the cost of maintaining Cherokee Trail, the Board shall appoint a separate road committee to provide for the maintenance of each road within the subdivision. Each committee shall consist of members who own lots, the access to which is obtained over the road to be maintained by said committee:

1. Cherokee Trail. The road to be maintained begins at the intersection of Cherokee Trail and Country Club Road, at the entrance to the Declaration Property, and continues to the entrance to Lot 38, Section B, of Golf Club Estates.

2. Golf View Road. The road to be maintained begins at its intersection of Cherokee Trail at Lot 37, Section B, and continues to the southernmost corner of Lot 12, Section E. The right-of-way for Golf View Road continues along the southeast lines of Lots 7, 6, 5, 4, 3, 2 and 1 of Section E.

3. Laurel Lane. The road to be maintained begins at its intersection with Cherokee Trail between Lots 9 and 21, Section B, and continues to the northernmost corner of Lots 14 and 16, Section B.

VI. THE ASSOCIATION

A. General: The Association is a North Carolina non-profit corporation organized to further and promote the common interests of property Owners in the Development. The Association shall have such powers in the furtherance of its purposes as are set forth in its Articles and Bylaws.

B. Membership: Every person, firm, corporation, or other legal entity having a vested possessory interest in any lot in Declaration Property shall be eligible for membership in the corporation. Any eligible person or entity shall become a member of the corporation by submitting, in recordable form, a declaration of his intent (1) to become a member thereof; (2) to

submit himself and his property to the terms and provisions of the Articles of Incorporation, Bylaws, and Declaration of Protective Covenants for Golf Club Estates Subdivision and duly promulgated rules and regulations of the corporation; and (3) to agree that such membership shall hereafter run with the land as an appurtenance thereto and shall not severable from the ownership interest therein without the express written consent of the corporation.

C. Rights, Privileges, and Obligations: The rights, duties, privileges and obligations of membership in the Association are as set forth in its Articles and Bylaws.

VII ASSESSMENTS

A. General: Pursuant to the powers granted to it in its Articles and Bylaws, the Association is hereby expressly authorized and empowered to levy regular and special assessments against all lots, whether improved or unimproved, in the Development.

B. Collection and Lien: The amount of the assessment levied by the Association shall be paid to it on or before the date or dates fixed by the resolution of the Board. If any assessment is not paid with thirty (30) days subsequent to the due date thereof, the amount of such assessment, together with interest at the rate of 11/2 per month, compounded monthly, after the due date thereof and any cost of collection (including reasonable attorney's fees, if any) shall, at the option of the Board, constitute and become a lien upon said lot as of the due date thereof upon filing notice thereof with the Jackson County Clerk of Superior Court (which notice shall be filed within 120 days from the due date of the assessment). In such instance, the services rendered by the Association for the benefit of such lot and for which an assessment is levied shall be deemed to have been performed on the due date of such assessment and to "improve" the subject lands and/or create an "improvement" thereof as defined in Chapter 44A, Article II, Part I of the General Statutes of North Carolina; the lien arising therefrom shall constitute a "lien of mechanics, laborers, and materialmen dealing with the Owner", and such lien may be perfected and enforced pursuant to the provisions of said Part I. The lien created hereby shall not, however, be superior to any institutional mortgage of Deed of Trust recorded prior to the filing of the Claim of Lien. Any action to enforce said lien may, at the Association's option, include a prayer for collection of assessments levied against the lot since the filing date of the Claim of Lien. The Association may purchase the property at any sale thereof contemplated under Section 44A-14 of the General Statutes of North Carolina.

C. Alternate Collection Remedies: The Association may at its election simultaneously pursue each and every other remedy which it may have available to it for the enforcement and collection of any delinquent assessments.

D. Estoppel and/or Proof of Payment: At any time upon request, the Association shall furnish to any member a written statement certifying the amount of the assessments levied against his lot and the balance of such assessments then due. Such written statement shall estop the Association from the making of any contrary claims against any person, firm, corporation or other legal entity (other than the requesting member) who may have taken affirmative action and detrimental reliance upon said statement.

E. Dues, including Assessments for General Operations Budget: Dues shall be established in accordance with the Bylaws. Assessments for operation, maintenance and repair of the roadways and common property shall be by lot, each improved lot to bear one share of the total costs, and each unimproved lot to bear a fraction of a share, as determined by the Board.

VIII REMEDIES

A. Enforcement: Declarant and each person to whose benefit this Declaration inures, including the Association, may proceed at law or in equity to prevent the occurrence, continuation, or violation of any provisions of this Declaration, and the court in such action may award the successful party reasonable expenses in prosecuting such action, including attorney's fees.

B. Suspension of Privileges: The Board may suspend all voting rights, if any, and all rights to use the Association's Common Areas of any Owner for any period during which any Association assessment against such Owner remains unpaid, or during the period of any continuing violation of the provision of this Declaration of such Owner after the existence thereof has been declared by the Board.

C. Cumulative Rights: Remedies specified herein are cumulative and any enumerations herein of them shall not be taken to preclude an aggrieved party's resort to any other remedy at law or in equity. No delay or failure on the part of an aggrieved party to invoke an available remedy in respect of a violation of any provision of this Declaration shall be held to be a waiver by that party of any right available to him upon the recurrence or continuance of said violation or the occurrence of a different violation.

IX. GRANTEE'S ACCEPTANCE

Each grantee or purchaser of any lot or parcel shall by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent Owner of such lot or parcel, accept such deed or contract upon and subject to each and all of the provision of this Declaration. By such acceptance, such grantee or purchaser shall for himself, his heirs, devisees, personal representatives, grantees, successors and assigns, lessees and/or lessors, covenant, consent and agree to and with Declarant and the grantee or purchaser of each other lot to keep, observe, comply with and perform the covenants, conditions and restrictions contained in this Declaration.

X. SEVERABILITY

Every provision of this Declaration is hereby declared to be independent of and severable from every other provision hereof. If any provision hereof shall be held by a Court of competent jurisdiction to be invalid, or unenforceable, all remaining provisions shall continue unimpaired and in full force and effect.

XI. CAPTIONS

Paragraph captions in this Declaration are for convenience only and do not in any way limit or amplify the terms or provisions hereof.

XII. TERM AND AMENDMENT

The provisions of this Declaration shall affect and run with the land, and shall exist and be binding upon all parties claiming an interest in the Development until January 1, 2013, A.D., after which time the same shall be extended for successive periods of ten (10) years each upon the affirmative vote of a majority of the voting members of the Association.

This Declaration may be amended by the affirmative vote of a majority of the owners of all lots in the Development subjected hereto and by the subsequent recordation of an amendment to this Declaration duly executed by (a) the requisite number of such Owners required to effect such amendment or, (b) by the Association, in which latter case such amendment shall have attached to it a copy of the resolution of the Board attesting to the affirmative action of the requisite number of such Owners to effect such amendment, certified by the Secretary of the corporation.

IN WITNESS WHEREOF, ROUND HILL ESTATES, INC., has caused these presents to be executed by its _____ President and its corporate seal to be hereto affixed and attested by its WJ Secretary, all by order of its Board of Directors duly given, the day and year first above-written.



ROUND HILL ESTATES, INC.

BY: [Signature]
President

[Signature]
Secretary

STATE OF North Carolina

COUNTY OF Jackson

I, a Notary Public of the County and State aforesaid, do hereby certify that K. Reid Berglund personally appeared before me this day and acknowledged that he is _____ Secretary of ROUND HILL ESTATES, INC., and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its _____ President, sealed with its corporate seal and attested by hjm as its _____ Secretary.

WITNESS my hand and official stamp or seal, this the 1st day of April, 1997.



Sheralden H. Norris
Notary Public

STATE OF NORTH CAROLINA

COUNTY OF JACKSON

The foregoing certificate(s) of Sheralden H. Norris and _____ is/are certified to be correct.

This instrument was presented for registration and recorded at 10:09 o'clock A.M., in Deed Book 956, Page 55.

This 4th day of April, 1997.

NORTH CAROLINA
JACKSON COUNTY

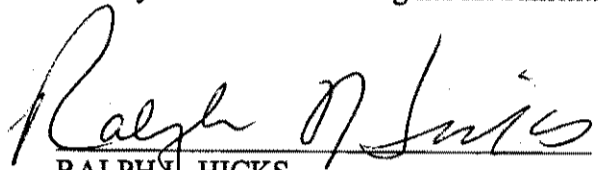
[Signature]
Register of Deeds

The foregoing certificate is certified to be correct. This instrument was filed for registration and recorded in this office in Book 994 at Page _____

This the 19th day of May, 1998 at 4:40 P.M.

[Signature]
REGISTER OF DEEDS

Pursuant to N.C.G.S. §47.36.1, this instrument is being re-recorded to correct a typing error contained in Article IV, Paragraph D. Said error was the inadvertent omission of a portion of a sentence. This correction is being made by the attorney who drafted the original instrument.


RALPH L. HICKS
Attorney at Law