

Prepared By: WHITE & DALTON
William R. White

RESIDENTIAL AREA COVENANTS
FOR
FOX CROSSING

These Restrictive Covenants apply to FOX CROSSING, said Subdivision being located on a part of that property more fully described in that certain Deed found in Deed Book 284, at Page 125, in the Transylvania County Registry; that the Restrictive Covenants hereinafter set forth apply to lots subdivided and platted with said plat being filed at Slide File 3 at Slide 1 in the Transylvania County Registry or shall apply to lots in said Subdivision described in deeds wherein these Restrictive Covenants are incorporated by reference; that the Restrictive Covenants are as follows:

A-1. LAND USE AND BUILDING TYPE. No lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any other other than one detached, single-family dwelling, not to exceed two and one-half stories in height, and a private garage for not more than two cars. However, it is specifically understood and agreed that there may be constructed, on any lot having an area of two acres or more, a guest house, in addition to the private dwelling, which shall be subject to the provisions of B-1 et seq., entitled "Architectural Control Committee."

A-2. ARCHITECTURAL CONTROL. No building shall be erected, placed or altered on any lot until the construction plans and specifications have been approved by the Architectural Control Committee as to quality of workmanship and materials, harmony of external design with existing structures and as to location with respect to topography and finish grade elevation. No fence or wall shall be erected, placed or altered on any lot unless similarly approved. Approval procedure shall be as provided in part B-2 hereof.

A-3. DWELLING, QUALITY AND SIZE. No dwelling shall be permitted on any lot in Section A of said subdivision unless the same shall meet the following minimum standards; the ground floor of the main structure shall be, not less than fifteen hundred (1500) square feet for one story dwellings and not less than twelve hundred (1200) square feet for a structure of more than one story.

A-4. BUILDING LOCATION. No building shall be located on any lot except as such location may be determined by the Architectural Control Committee. In any event, no building shall be located on any lot nearer than thirty (30) feet to the front lot line on all streets. No building shall be located on any interior lot line nearer than twenty (20) feet to the rear lot line, or fifteen (15) feet to the side lot line.

A-5. LOT WIDTH AND AREA. No dwelling shall be erected or placed on any lot having an area of less than twenty thousand (20,000) square feet.

A-6. EASEMENTS. Easements for installation and maintenance of the utilities and drainage facilities are reserved within the road rights of way as shown on the recorded plat. In addition, the developers further reserve Drainage Easements in A-13 of these Restrictions. Lot owners shall have the right of ingress or egress over said area without the written approval of the developers, their successors and assigns. Further Drainage easements are noted on the Subdivision plat.

A-7. NUISANCES. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

A-8. TEMPORARY STRUCTURES. No structure of a temporary character such as a trailer, mobile home, basement, tent, shack, garage or other out-building shall be used on any lot at any time as a residence, either temporary or permanent.

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A-9. SIGNS. No sign of any kind shall be displayed to the public view, on any lot, except one professional sign of not more than one square foot or one sign of not more than five square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

A-10. LIVESTOCK AND POULTRY. No animals, livestock, or poultry, of any kind, shall be raised, bred, or kept on any lot except for dogs, cats, or other household pets which may be kept, provided that they are not kept, bred, or maintained for commercial purposes. Horses may be kept on lots of 2 acres or more in size, but only if fenced and the location, type and size of said fencing is approved by the Architectural Control Committee; that under no circumstances shall commercial sales of horses be permitted.

A-11. GARBAGE AND REFUSE DISPOSAL. No lot shall be used or maintained for a garbage dumping ground for rubbish. Trash, garbage, or other waste must be kept in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

A-12. SATELLITE DISHES. Television satellite dishes shall be permitted provided they are not visible from the roadways within the subdivision.

A-13. EASEMENT RESERVATION. The developer hereby expressly reserves a 5 feet utility easement within each side line and within 5 feet of the backline, said utility easements being 10 feet in width lying 5 feet on either side of the interior lot lines.

ARCHITECTURAL CONTROL COMMITTEE

B-1. MEMBERSHIP. The Architectural Control Committee shall be composed of three (3) members duly appointed by the developers and shall serve for a period of one year. A majority of the Committee may designate a representative to act for it. In the event of the death or resignation of any member of the Committee, the remaining members shall have full authority to designate his successor. Neither the members of the Committee nor its designated representatives shall be entitled to any compensation for services performed pursuant to this covenant. At any time, the then recorded owners of the majority of the lots shall have the power through a duly recorded written instrument to change the membership of the Committee, or to withdraw from the Committee, or to restore to it any of its powers and duties.

B-2. PROCEDURE. The Committee's approval or disapproval as required by the covenants shall be in writing. In the event the Committee, or its designated representative, fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, or in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required and the related covenants shall be deemed to have been fully complied with.

ROAD MAINTENANCE

The roads in said subdivision are private; the developers of this subdivision intend to have the North Carolina Department of Transportation take over the maintenance of the roads and streets within the subdivision; and to that end, are attempting to construct the roads and streets in accordance with their specifications; that until such time as said roads and streets are taken over by the state for maintenance, the roads and streets shall be maintained in the following manner:

C-1. Each lot owner shall be responsible for maintenance of roads and streets in a fractional sum equal to the fractional number his lot bears to the total number of lots on the road within the subdivision. The developer, after construction has been completed, will maintain said roads and pay his, the developer's fractional amount depending upon the number of lots remaining unsold. In the event property owned by the developer remains unlotted, then the developer shall pay as if all undeveloped property is one

lot. The initial minimum maintenance fee per lot shall be one hundred twenty dollars (\$120.00) payable annually.

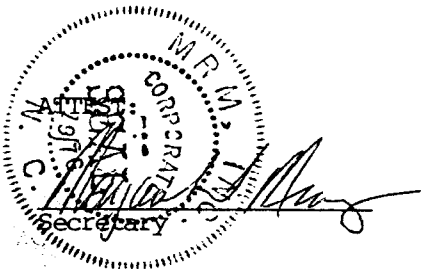
C-2. That any amounts for maintenance owed by a lot owner remaining unpaid for a period of sixty (60) days shall be, and constitute, a lien against the lot owned by the lot owner, inuring to the benefit of the developer or to the committee or association of property owners as provided in C-3 below.

C-3. That in the event seventy percent (70%) of all lots are sold and the state has not taken over maintenance as contemplated in C-1, then the developer shall call a meeting of the owners and a majority of those in attendance shall elect a committee of three (3) lot owners who shall be in charge of the maintenance of said roads and streets in place of the developer.

GENERAL PROVISIONS

D-1. TERM. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for a successive period of ten (10) years unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change said covenants in whole or in part.

IN TESTIMONY WHEREOF, the Developer has hereunto set its hand and seal this the 20th day of May, 1986.



LINE RUNNER RIDGE ASSOCIATES, II
MRM, INC., General Partner

By: Mike R. Meany
Mike R. Meany

ATTEST:

Paulette Owen
Ass't Secretary

WIDGIE LIMITED, General Partner

By: William R. White
William R. White, President



STATE OF NORTH CAROLINA
COUNTY OF TRANSYLVANIA

I, a Notary Public of the County and State aforesaid certify that PAULETTE OWEN, personally came before me this day and acknowledged that she is Assistant Secretary of WIDGIE, LIMITED, a North Carolina corporation, and General Partner of Line Runner Ridge Associates, II (See Certificate of Assumed Name at Partnership Agreement Book 3 at Page 313 in the Transylvania County Registry) and that by authority duly given and as the act of the Corporation, the foregoing instrument was signed by its President, sealed with its corporate seal and attested by her as its Assistant Secretary.

WITNESS my hand and notarial seal this the 20th day of May, 1986.
My Commission Expires: 7/29/87
Saunty L Brown
Notary Public

STATE OF NORTH CAROLINA
COUNTY OF TRANSYLVANIA

I, a Notary Public of the County and State aforesaid certify that MARGARET I. MEANY, personally came before me this day and acknowledged that she is Secretary of MRM, Inc., a North Carolina corporation and General Partner of Line Runner Ridge Associates, II (See Certificate of Assumed Name at Partnership Agreement Book 3 at Page 313 in the Transylvania County Registry) and that by authority duly given and as the act of the corporation, the foregoing instrument was signed by its President, sealed with its corporate seal and attested by her as its Secretary.

WITNESS my hand and notarial seal this the 20th day of May, 1986.
My Commission Expires: 7/29/87
Saunty L Brown
Notary Public

STATE OF NORTH CAROLINA, COUNTY OF TRANSYLVANIA
The foregoing certificate of Saunty L Brown

Notar(y) Public is/are certified to be correct. This instrument was presented for registration and recorded in this office in Book 285, Page 69. This 20 day of May, 1986, at 4:00 o'clock P.M.

Frederic H. Israel
Register of Deeds