

STATE OF NORTH CAROLINA

COUNTY OF POLK

SUPPLEMENTAL DECLARATION OF COVENANTS
AND RESTRICTIONS OF PINEY MOUNTAIN
SUBDIVISION, PHASE V, SECTION III

THIS DECLARATION is made this 10th day of November, 2007, by THOMAS C McHUGH and Wife, SUSAN S. McHUGH.

WITNESSETH:

WHEREAS, Thomas G. McHugh and Wife, Susan S. McHugh, (hereinafter referred to as the "Developer"), are the fee simple owners of that certain real estate known as Piney Mountain Subdivision, Phase V, Section III, located in White Oak Township, Polk County, North Carolina as shown and delineated on that certain Plat recorded in Card File E, Pages 1864 and 1878, of the Polk County Registry; and

WHEREAS, Thomas G. McHugh and Wife, Susan S. McHugh, have succeeded to the rights and responsibilities of the original Developer of Piney Mountain Subdivision; and

WHEREAS, there is an existing Declaration of Covenants and Restrictions of Piney Mountain Subdivision, as recorded in Book 214 at Page 1261 of the Polk County Registry (hereinafter referred to as the "original declaration"), imposing certain restrictions upon the real estate as shown and delineated upon recorded plats of Piney Mountain Subdivision in the Polk County Registry; and

WHEREAS, the Developer desires to annex the aforesaid property to Piney Mountain Subdivision by the filing of a plat of the real property to be annexed and by recordation of this Supplemental Declaration; and

WHEREAS, the Developer desires to annex to Piney Mountain Subdivision all those tracts of land comprising Phase V, Section III, as described in this Supplemental Declaration and to impose certain restrictions on said real estate substantially similar to the original Declaration.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that upon execution of this Supplemental Declaration, the real property known as Piney Mountain Subdivision, Phase V, Section III, (containing 6 Lots) as the same is shown upon plat recorded in Card File E, Pages 1864 and 1878, Polk County Registry, hereinafter shall be annexed to and shall become a part of Piney Mountain Subdivision and Developer declares that such annexed property is held and shall be held, conveyed, hypothecated, leased, rented, used, occupied and improved subject to the provisions of this Declaration as if such annexed area were a part of Piney Mountain Subdivision on the date of the recording of the original Declaration; subject however, to the terms, conditions and restrictions contained herein, as follows:

A. RESUBDIVISION OF PROPERTY

1. No lot or parcel of land purchased within Piney Mountain Subdivision may be subdivided unless it is at least 6 acres in size, and then only if the resulting subdivision produces no parcel of land of less than 2 acres.

2. All resubdivision of land within Piney Mountain Subdivision is subject to

the Subdivision Ordinances of Polk County, North Carolina.

B. CAMPING

Tent and open air camping on lots within Piney Mountain Subdivision is permitted under the following conditions:

1. A driveway must be constructed on the lot and finished with gravel and culverts when needed to access a single campsite that is at least thirty (30') feet from all lot line and road rights-of-ways.
2. A portable chemical toilet, or privy constructed according to the specifications and approval of the Polk County Department of Health must be in place when camping occurs.
3. Campsites may not be occupied overnight by more than eight (8) persons unless all persons are members of the owner's immediate family.
4. Campsites may not be rented unless they are equipped with a privy, or improved for R.V. use (see below).
5. A wooden storage building not exceeding one hundred (100) square feet may be installed in the campsite, but no other structures may be placed in the campsite without the written permission of the Developer, or Property Owners Association (hereinafter called "POA") so long as the property is being used for tent or open air camping.
6. Upon approval of plans by the Developer or POA, a screened picnic shelter or open shelter for a picnic table may be constructed in an improved camping area, but no structure other than a storage shed may be constructed without approval of the Developer or POA.
7. Picnic tables and properly constructed stone or brick barbecue grills may be left on the lot, but all other camping equipment must be removed or placed in the above mentioned storage shed when the site is vacated.
8. All fires will be contained in a properly constructed fire pit or stone fire ring and thoroughly extinguished when the site is vacated.
9. Campsites will be maintained free of trash and debris and should an owner or his guests fail to properly police the site before vacating, the Developer or the POA shall have the right to enter the campsite for the purpose of cleaning it up, and charge the owner an appropriate fee. All trash and garbage is to be placed in plastic garbage bags and either deposited in the dumpster provided by the POA, or removed from the subdivision.
10. Campsites may be occupied by guests of the owner only when the owner is present unless they have written permission from the owner.

C. TEMPORARY USE OF RV'S AND SELF-CONTAINED CAMPING TRAILERS

Recreational Vehicles and camping trailers having a functioning self-contained septic system may be used on lots in Piney Mountain Subdivision under the following conditions:

1. A driveway must be constructed and graveled and culverts installed, as needed, to a single leveled site which is at least thirty (30') feet from all property lines and road easements. Said site must be graveled or planted with appropriate ground cover.
2. Camping vehicles placed on a lot on a temporary basis must at all times be maintained in a physical condition that allows for their removal. Units may be jacked up, leveled and fastened to the ground in a manner that allows for their safety, but they may not be underpinned, and wheels and tongues must remain attached and operational.

3. Said units may be left on the lot for no more than six (6) continuous months, and should they be removed at any time after three (3) months of continuous placement on the lot, they may not be returned to the lot until three (3) months have elapsed.

4. Portable wooden decks or steps may be stored in the campsite and a wooden storage shed no larger than one hundred (100) square feet may be constructed and installed on the site.

5. Upon approval of plans by the Developer or the POA, a roof structure may be constructed under which the trailer or RV can be parked. Said structure may not incorporate any rooms enclosed with other than screen. The construction of any structure other than storage shed must be approved by the Developer or the POA.

6. No more than two camping vehicles may be parked on a lot at any given time, and only one unit may be left, unoccupied, on a lot.

7. No more than eight (8) persons may occupy a site overnight unless all persons are members of the owner's immediate family.

8. Owners shall have the option of installing an RV power hookup, water connection and a septic system approved by the Polk County Health Department for use with their RV or camping trailer. Only lots so developed may be rented for RV or camping trailer use.

9. RV's or camping trailers placed on a lot in a temporary manner shall not be used as a primary residence.

D. SINGLE FAMILY RESIDENTIAL USE AND PROHIBITION OF MOBIL HOMES AND DOUBLEWIDES.

1. Except as otherwise permitted herein for camping purposes or approved horse stables, the lots comprising Piney Mountain Subdivision shall be used for single family residential purposes only. Any other use of the lots, except as specifically provided for herein, is prohibited.

2. No trailer, mobile home or doublewide mobile home may be placed upon, allowed or permitted to remain upon any lot. Further no camper or recreational vehicle (RV) may be permanently installed on any lot.

E. MOTOR VEHICLES

1. All persons operating motor vehicles on the private roads within Piney Mountain Subdivision shall do so in accordance with the laws of the State of North Carolina.

2. No unlicensed or unregistered vehicles may be stored on a lot at any time.

3. The operation of unlicensed or uninsured Off-The-Road vehicles such as "dirt bikes", "four wheelers", and "mini-bikes" is strictly prohibited at anytime on developed roads within Piney Mountain Subdivision, or otherwise, upon adjoining lands of the Developer.

No unlicensed or underage individual may operate any such vehicle, even though the vehicle be licensed and insured, at any time on developed roads within Piney Mountain Subdivision, or otherwise, upon adjoining lands of the Developer.

No such vehicle may be operated at any time upon adjoining lands of the Developer.

4. All motor vehicles operated within Piney Mountain Subdivision shall be muffled in a manner that protects the peace and tranquility of neighbors and fellow owners excepting temporary use of construction equipment.

F. LIVESTOCK AND PETS

1. Swine and poultry are expressly prohibited on lots within Piney Mountain Subdivision.
2. Horses and cattle may be maintained permanently only on cleared and seeded pasture. There must be at least one (1) acre of cleared pasture per horse or cow permanently pastured. "Feeder" lots for the purpose of the commercial fattening of cattle are expressly prohibited.
3. Horses may be temporarily housed in corrals or paddocks for the purpose of recreational riding provided owners keep the area in a manner that is not offensive to their neighbors. Animal waste must be removed or composted, and horses are to be maintained in a manner consistent with humane husbandry.
4. The construction of commercial stables or horse boarding facilities may be done only with the approval of the Developer or POA.
5. Household pets shall be maintained in a manner that is not offensive to other property owners and neighbors. Should the activities of a household pet be deemed offensive by the Developer or POA, the owner may be required to construct an appropriate enclosure for the pet, or remove it from the subdivision.
6. Horseback riding by owners and their guests is permitted on the developed roads within Piney Mountain Subdivision, and on undeveloped trails designated by the Developer or POA.

G. HOME CONSTRUCTION REQUIREMENTS

1. There are no minimum size requirements for homes constructed within Piney Mountain Subdivision. However, any structure built for overnight accommodation must be constructed according to the building and sanitary codes of Polk County, North Carolina.
2. The exterior of any structure built in Piney Mountain Subdivision must be either wood or stone, and exterior paint must be natural in tone.
3. Once construction is initiated (work commenced on a foundation), the owner shall have one (1) year to complete the exterior of the structure, and remove all construction debris.
4. During construction, the owner shall insure that erosion is contained to his lot through the use of appropriate measures.
5. Setbacks for construction of homes shall be thirty (30') feet from front and back lot lines, and fifteen (15') feet from side lot lines.
6. House plans must be approved by the Developer or POA prior to construction.

H. EXCEPTIONS, VARIANCES AND AMENDMENTS

The Developer and POA reserve the right to grant specific exceptions and variances to these covenants and restrictions without affecting their overall applicability and enforcement. Further, for so long as Developer owns lots for sale within Piney Mountain Subdivision, there is reserved to the Developer the right to modify and/or amend any of these restrictive covenants as is deemed reasonable and necessary to allow the future development of the property.

I. COMMERCIAL PROPERTY

1. While all lots within Piney Mountain Subdivision are restricted to residential or camping use, the Developer reserves the right to designate specific properties in future phases of development for stable (horse boarding) or commercial lodging in the form of lodges, or cabin complexes for rental purposes.

2. No property within or contiguous to Piney Mountain Subdivision belonging to the Developer may be used for retail commercial purposes, construction of warehouses, manufacturing, or RV parks or campgrounds having more than one (1) site per lot.

J. UTILITY EASEMENTS

The Developer reserves fifteen (15') feet on all side lot lines and thirty (30') feet on the front and back lot lines for the construction or installation of utilities.

K. TRAIL EASEMENTS

The Developer will designate certain areas as trails for use by owners and their guests for hiking or horseback riding. These will be shown on plats as trail easements. The Developer will not necessarily develop these trails, and may simply allow for their development by the property owners at some future date. They will be ten (10') feet in width.

L. DRIVEWAY CONSTRUCTION

1. When a property owner constructs a driveway on to his property, he shall be responsible for restoring the roadway to its original state, and ensuring that erosion from the drive will not damage the roadway in the future by properly grading and graveling the driveway and installing culverts. Said owner shall be liable for any erosion damage to the roadway caused by sedimentation or excessive runoff, and shall have thirty (30) days from notification of damage by the POA or Developer to repair the damage and correct its cause.

2. The Developer or POA shall have the right to repair damage and correct problems caused by improper driveway maintenance or construction and bill the responsible property owner appropriately.

M. TREE CUTTING AND REMOVAL

1. Clear cutting of property within Piney Mountain Subdivision is prohibited except for the purpose of clearing pastures, gardens, and the area designated for horse construction.

2. No tree over 12 inches in diameter, over 20 feet from a house or mobile home may be removed or cut down without permission from the Developer or POA.

N. VIEW EASEMENTS

View easement areas as shown on the plats for Piney Mountain Subdivision are for the benefit of property owners surrounding them. No structure of sufficient height to obstruct the view of any of the adjoining property owners may be built in any view easement area. No trees or shrubs may be planted or cultivated in any view easement area in a manner that will cause it to grow and obstruct the view of any of the adjoining property owners. Any trees or shrubs that grow naturally in any view easement area in such a manner that it obstructs the view of any adjoining property owned may be removed by the property owner so affected, subject to the notice provision herein provided.

It is intended that property owners will cooperate in keeping view easement areas cleared of obstructions. However, no trees or shrubs may be removed from any property owner's land without prior written notification to said property owner and the concurrence of the necessity of its (their) removal by the Developer or Property Owners Association.

Trees and shrubs cut down within view easement areas must be disposed of in a manner that is not unsightly or dangerous. In locations where brush piles are visible from the subdivision roads or homesites, the Developer or Property Owners Association shall have the right to require their removal, or to remove them at the expense of the individual who cause them to be placed in an offensive manner.

View easement areas are defined as those portions of the property (lot) designated on the plats for Piney Mountain Subdivision on record in the office of the Register of Deeds for Polk County, North Carolina.

O. VIOLATION OF COVENANTS

If the parties hereto or any of them, or their heirs or assigns, shall violate any of the covenants herein, it shall be lawful for any other person or entity owning, or who is mortgagee, of any of said real property in Piney Mountain Subdivision to prosecute an proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him, her or them from so doing and to recover damage or other costs or charges incurred by the party prosecuting to prevent such violations.

P. INVALIDATION OF ANY COVENANT

If any covenant contained herein shall be held invalid by judgment or other court order, such holding shall in no wise affect any of the other provisions and covenants and the same shall remain in full force and effect.

Q. PROPERTY OWNERS ASSOCIATION

Each property owner in Piney Mountain Subdivision, by virtue of their ownership of a lot therein, shall be a member of the Piney Mountain Property Owners Association, Inc. and shall be subject to the payment of yearly dues, road maintenance fees and water fees as specified in the By-Laws of Piney Mountain Property Owners Association, Inc. and as also set forth in the Subdivision Streets Disclosure (for road maintenance) recorded in Book 318, Page 1907 of the Polk County Registry.

R. DEVELOPER/DECLARANT RESERVATION

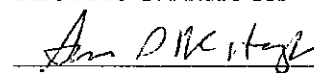
Developer reserves the right to annex into Piney Mountain Subdivision any contiguous land owned by Developer as additional phases and/or sections to Piney Mountain Subdivision by recordation of a Supplemental Declaration describing the contiguous property in the Polk County Registry.

S. CONTINUITY AND AMENDMENT OF COVENANTS

All of the above restrictions, conditions and covenants shall continue in full force and effect through January 1, 2012. Said restrictions, conditions and covenants shall be automatically extended for successive periods of ten (10) years each from and after January 1, 2012, unless it is agreed by a vote of the majority of the owners of parcels governed by these restrictions to change them. Each owner may have as many votes as the number of parcels owned by him, and an amendment or termination of the restrictions shall be effective only by a vote of the majority of the landowners, in writing, recorded in the Polk County Registry.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be signed and sealed by its duly authorized officers or agents, pursuant to due resolution of its Board of Directors, as of the day and year first above written.

 (SEAL)
THOMAS G. McHUGH

 (SEAL)
SUSAN S. McHUGH

STATE OF NORTH CAROLINA

COUNTY OF POLK

I, a Notary Public of the County and State aforesaid, certify that THOMAS G. McHUGH and Wife, SUSAN S. McHUGH, (Developer), Grantor, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

Witness my hand and official stamp or seal, this 13th day of November, 2007.

Sharon K. Cantrell (SEAL)
Notary Public

My Commission Expires:

09-28-08

