

North Carolina, Henderson County The foregoing certificate(s) of  
Connie A. Carr  
 Notary Public (~~Notaries Public~~) is/are certified to be correct, this  
 instrument presented for registration and recorded in this office  
 this 11 day of June, 2004  
 at 12:31 in book 1185, page 739  
12:31 p.m.  
Nedra W. Smole Register of Deeds  
Richard B. Higgins (Assistant Register)

STATE OF NORTH CAROLINA

DECLARATION OF RESTRICTIVE COVENANTS  
 FOR MOUNTAIN VISTA SUBDIVISION

COUNTY OF HENDERSON

THIS DECLARATION OF RESTRICTIVE AND PROTECTIVE COVENANTS AND  
 CONDITIONS, made and entered into this 11 day of June, 2004, by and between PAVILION  
 DEVELOPMENT CORPORATION as Declarant and all prospective purchasers and future property  
 owners of lots within Mountain Vista.

WITNESSETH:

WHEREAS, PAVILION DEVELOPMENT CORPORATION (hereinafter referred to as the  
 "Developer") is now the owner of a certain tract of land containing 98.57 acres, more or less,  
 situated in Green River Township, Henderson County, State of North Carolina, which land is more  
 particularly described in that certain Deed dated July 18, 2002, recorded in Deed Book 1107, Page  
 186 of Henderson County Registry; and

WHEREAS, Developer has created from said land a subdivision known as MOUNTAIN  
 VISTA, consisting of 30 separate lots to be used for residential single family dwelling purposes, as  
 shown and delineated up a plat entitled "MOUNTAIN VISTA", Green River Township, Henderson  
 County, North Carolina, dated May, 2004 and prepared by Laughter, Austin and Associates, P.A.,  
 which plats are duly recorded in Slides 4993 and 4994, in the Office of the Register of Deeds for  
 Henderson County, North Carolina.

WHEREAS, Developer is of the opinion that the use of the lots in said subdivision should  
 be subject to certain restrictive and protective covenants for the benefit of future owners of property  
 in said subdivision in order to make the subdivision more desirable and provide for an orderly  
 scheme of development of said MOUNTAIN VISTA; and

WHEREAS, the beauty, tranquility and natural quality of the environment of MOUNTAIN  
 VISTA is of critical importance to the Developer and the perpetual maintenance of the natural  
 environment is a primary reason for these covenants.

NOW THEREFORE, in reasonable pursuit of these objectives and in consideration of these  
 premises, Declarant as the Developer of MOUNTAIN VISTA for itself, its successors and assigns  
 and its future Grantees, does covenant and agree with prospective purchasers and all future property  
 owners in the subdivision and does hereby place and impose upon the lots located in MOUNTAIN  
 VISTA, as hereinabove described, the following restrictive and protective covenants and conditions,  
 to the end that each of the lots shown on the subdivision plat shall be held, sold, encumbered and  
 conveyed subject to the following:

1. None of the Lots may be subdivided, unless the total number of lots in the subdivision is  
 thereby decreased, for example adjacent lot owners may divide a lot to add to their existing  
 lots in order to insure future privacy or increase their total acreage or to modify a common

boundary to accommodate a necessary change in a lot line. Notwithstanding the above, the Developer specifically reserves the right to further subdivide any existing lot and thereby increase the total number of lots in the subdivision in order to further the Developer's reasonable scheme of development.

2. No more than one (1) detached single-family residential dwelling, together with appropriate accessory buildings shall be erected, constructed, placed or permitted to remain upon any part of any lot. The general design, materials and quality of workmanship of any accessory building constructed shall be similar to and of equal quality with that of the main residential building. Accessory buildings are to be constructed only for the purposes of studios, guest cottages containing not less than 512 square feet, garages for personal automobiles, household storage, utility tools, and/or homeowner's personal workshop. In no event shall any accessory building, other than a guest cottage, be used for temporary or permanent living quarters. Notwithstanding the above, a guest cottage cannot be used as permanent living quarters. Any accessory building must be constructed contemporaneously with or subsequent to the construction of the main dwelling house. Notwithstanding the above, the owner or future owner of Lot 3 of MOUNTAIN VISTA SUBDIVISION as shown on Plat Slide 4993 may convert the existing house on Lot 3 to a guest cottage, or use the existing house as a guest cottage, and may build the main residential dwelling on said lot.

3. No portion of any dwelling, or building accessory thereto, shall be erected or permitted to remain within twenty-five (25) feet of a front street right of way line nor within fifteen (15) feet of any side or rear lot line. Accessory building and other detached structures provided for under these covenants shall be permitted only in rear and side yards and shall not be placed within fifteen (15) feet of any side or rear lot line. Provided further, that in the case of a corner lot (hereby defined as a lot with a street(s) bordering two sides thereof), the placement or location of the front of a dwelling house toward the street shall establish the rear yard area in which any accessory building may be erected. In the case of a corner lot, any accessory building shall be set back at least twenty-five (25) feet from any street right-of-way line.

4. Any main residence erected on any lot must contain at least 1,600 square feet of total heated living space on the first or ground floor. If the house is two (2) or more floors, the first floor must have at least 1,064 square feet. Guest cottages shall be no less than 512 square feet and not more than 1,600 square feet. Notwithstanding the above, the existing house on Lot 3 as shown on Plat Slide 4993 does not have meet the square footage requirements if it remains the main residence, and does not have to meet the guest cottage requirements if it is converted, or used as, a guest cottage.

5. No multi-family dwelling or multi-family residence shall be erected, placed or permitted to remain upon any lot.

6. No commercial, industrial, manufacturing, or retail sales activities of any kind may be conducted on any lot and the same are expressly prohibited.

7. No mobile homes, doublewides, trailers, modular (NC Code Approved homes) or manufactured (HUD approved) homes shall be located, placed or permitted to remain on any lot at any time.

8. No building erected on any lot shall be used for purposes of a school, church or related group or organization meeting place, kindergarten, child or adult daycare center, hospital or nursing care service.

9. No building may be constructed with an exterior wall finish of concrete or cinder block, nor be finished in asbestos siding shingles. Concrete block foundation walls must be veneered with masonry stucco, brick, stone or similar rockwork or masonry product.

10. No temporary house, shack, tent camper or trailer shall be erected or placed on any lot. Notwithstanding the above, a camper or travel trailer may be stored in an enclosed garage.



11. Any residence erected on any lot shall be completed and the final inspection together with a Certificate of Occupancy obtained from the Henderson County Building Inspection Department within one (1) year from the date of issuance of a building permit by Henderson County, unless an exception in cases of hardship is obtained in writing, from either the Developer or sixty-seven (67%) percent of the lot owners in the subdivision.

12. No dirt bikes, trail bikes, three-wheelers, go-carts or substantially similar all terrain vehicles or any other recreational machines that generate excessive noise or exhaust pollutants are allowed to be operated anywhere within MOUNTAIN VISTA Subdivision at any time.

13. No trees larger than eight (8") inches in diameter shall be cut except as necessary for the clearing of driveway areas, construction of a dwelling or accessory structures, personal garden areas, other minimum improved areas as set out in Paragraph 21 below, the protection of structures and passages, the professional maintenance of the standing trees, or to create, improve and maintain a view from one's own lot or accommodate a neighbor's view. Lot owners shall make every reasonable effort to protect and encourage the growth of native wildflowers and shrubs, preserve the quality of water that may originate upon or traverse an owner's property and to tolerate and protect the presence of non-aggressive wildlife.

14. No liquid waste of any description (such as construction waste such as paint, solvents or other chemicals, or any environmentally hazardous materials) shall be drained, dumped, stored or disposed of in any manner, or allowed to remain upon the open land or be diverted into any ditch, ravine, culvert, roadway, waterway, spring or stream. During the clearing of any lot or in the construction of any dwelling, barriers in conformity with local, state and federal environmental regulations shall be erected along any spring, stream, or other water source or stream course.

15. Any open burning in the subdivision shall be competently supervised and conducted only after obtaining required permits from the appropriate county or other governmental authorities or the appropriate fire department.

16. Fences or walls shall not be in excess of five (5) feet in height and must be designed of visually pleasing and appropriately sound or permanent material, such as wood, stone or brick, as compatible with a well-maintained residential environment.

17. Satellite dishes shall be fully screened from all normal lateral view or situated upon the rear portion of any lot in a manner to avoid being an objectionable presence to other lot owners in the subdivision.

18. No person shall habitually or regularly discharge any firearms or pellet guns while engaged in target shooting. Hunting, camping and trapping within the subdivision is not allowed at any time.

19. No automobiles, tractors, travel trailers or any other mechanized vehicle shall be placed on or allowed to remain on any lot unless it has a current, valid license plate and is functional and not in a state of prolonged disrepair. A travel trailer must be located in an enclosed garage.

20. No sign of any kind shall be displayed to the public view on any lot, except that one sign of not more than four (4) square feet advertising the subject property for sale or rent or signs used by the developer and/or builder(s) to advertise the property during development sales and/or construction period may be allowed. A sign bearing the name and address of the lot owner are allowed so long as it is not more than four (4) square feet in area.

21. No animals, livestock or poultry of any kind, shall be raised, bred or kept on any lot. The breeding of dogs or other animals is not allowed. Kennels are not allowed other than the particular homeowner's personal household domestic pets.



22. No illegal, noxious or offensive activities shall be permitted or carried on, on any part of said lots, nor shall anything be permitted or done thereon which is or may become a nuisance or a source of embarrassment, discomfort or annoyance to the neighborhood. No trash, garbage, rubbish, debris, waste material, or other refuse shall be deposited upon or allowed to accumulate or remain on any part of any Lot.

23. No lot, portion thereof, or street, shall be used as a street, easement, or as access to any property other than the lots within the subdivision, except, notwithstanding the above, there is expressly reserved to the Developer the right to add contiguous tracts of land to the subdivision, which additional sections may be served by SUMMIT GRADE WAY provided the owners of said additional tracts or lots pay an equal pro-rata share in the maintenance and repair of said SUMMIT GRADE WAY and CREEK SOURCE LANE..

24. Invasive Plants: Exotic and invasive plants, including, but not limited to, kudzu, multiflora rose, and Tree of Heaven growing on any lot shall be eradicated promptly by the lot owner.

25. The subdivision roads shall be maintained as specified in a separate Road Maintenance Agreement.

26. The entrance to the subdivision and the 1.33 acre "common area" shown on Plat Slide 4994, Henderson County Registry, shall be maintained by the Developer until sixty percent (60%) of the 30 subdivision lots (other than to another entity owned by the Developer) are transferred out by the Developer. Once the developer has sold sixty percent (60%) of the 30 lots, the lot owners shall pay an equal share in the maintenance of said entrance and "common area".

27. The cost of maintaining street lighting, including electricity for the street lighting shall be paid by the Developer until sixty percent (60%) of the 30 subdivision lots (other than to another entity owned by the Developer) are transferred out by the Developer. Once the developer has sold sixty percent (60%) of the 30 lots, the lot owners shall pay an equal share in the costs, including electricity, for the street lighting.

28. Once the Developer has transferred out sixty percent (60%) of the 30 lots (other than to another entity owned by the Developer), the Developer or any lot owner can form a homeowners association which can take over the responsibility for the road maintenance, entrance maintenance, common area maintenance and/or street lighting. Each lot owner shall be considered a member of the homeowners association, and subject to the by-laws and rules and regulations of the association, if the association is formed.

29. These restrictive covenants shall attach to and run with the land and it shall be lawful not only for the Developer, its successors and assigns, but also for any subdivision lot owner to institute and prosecute any proceedings at law or in equity against the person or persons violating or threatening to violate the same, either to restrain violation thereof or to recover damages therefor.

30. These restrictive covenants shall remain in full force and effect until December 31, 2033 and are automatically extended for successive ten (10) year terms thereafter unless a simple majority (51%) of the owners of lots in MOUNTAIN VISTA execute a notarized document terminating the restrictive covenants prior to the expiration date of the previous term. The termination must be recorded in the Henderson County Register of Deeds Office.

31. These restrictive covenants may be amended or otherwise changed by the Developer as long as the Developer (or an entity owned by the Developer) owns at least sixty percent (60%) of the 30 lots in the subdivision. Thereafter, the restrictive covenants cannot be changed or modified except by seventy-five per cent (75%) of the 30 lot owners.

32. The invalidation, modification or waiver of any part or parts, clause or clauses, provision or provisions of the covenants and restrictions set forth herein by judgment, court order or

otherwise shall not affect or modify any of the other parts, clauses or provisions of said covenants and restrictions which shall remain in full force and effect.

IN WITNESS WHEREOF, The Developer first named hereinabove has hereunto set its hand and seal, by and through its duly authorized officers, this the 10th day of June, 2004.

PAVILION DEVELOPMENT CORPORATION

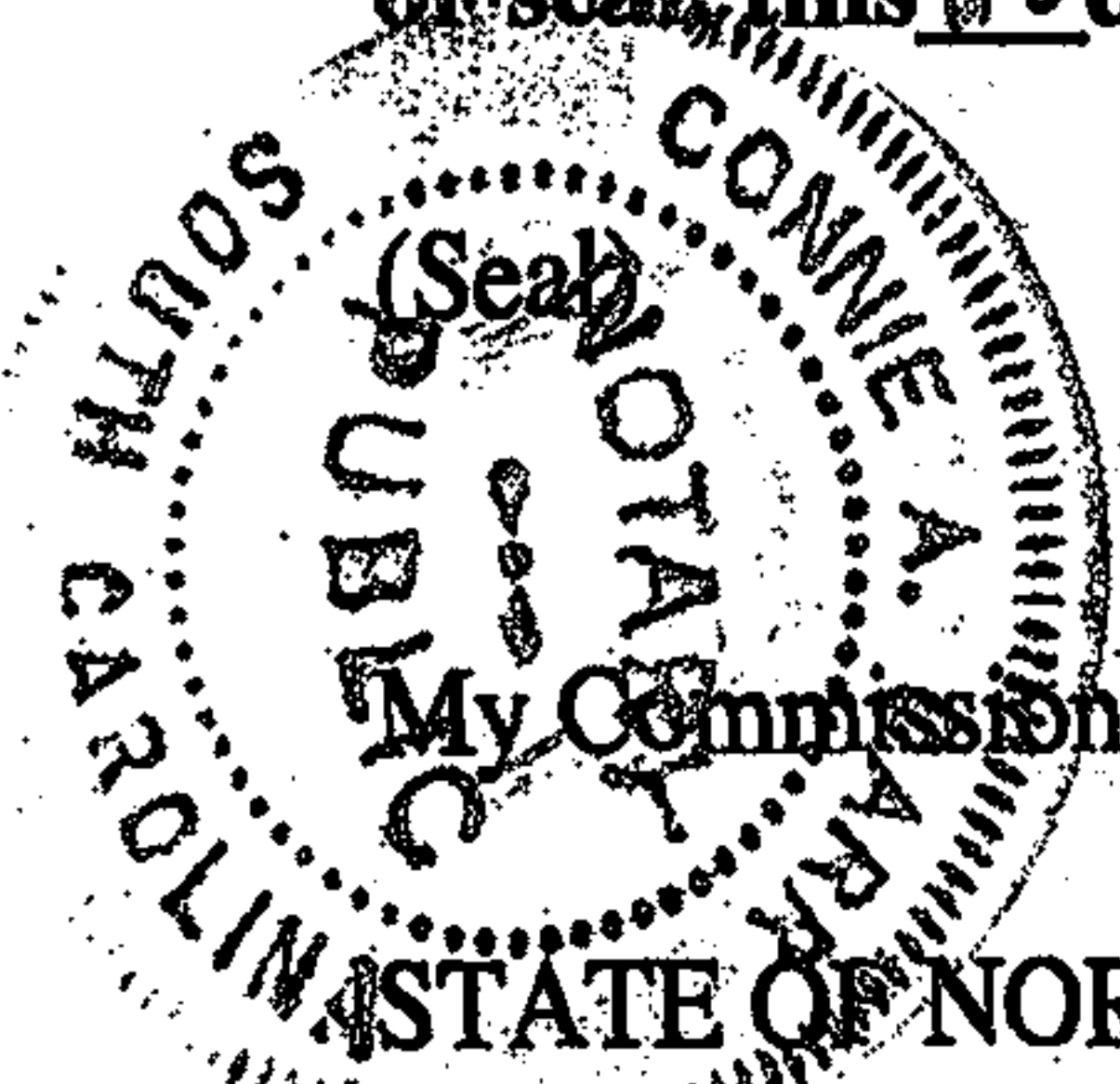
By: [Signature]  
GARY BENJAMIN, Secretary

STATE OF SOUTH CAROLINA  
COUNTY OF Anderson

I, a Notary Public of the County and State aforesaid, certify that Gary Benjamin, personally came before me this day and acknowledged that he is Secretary of Pavilion Development Corporation., a South Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President and sealed with its corporate seal. Witness my hand and official stamp or seal, this 10 day of June, 2004.

[Signature]

Notary Public



My Commission Expires: 11-18-04

STATE OF NORTH CAROLINA, COUNTY OF HENDERSON

The foregoing certificate of \_\_\_\_\_  
Notary Public is certified to be correct. This Instrument presented for registration and recorded in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2003 at \_\_\_\_\_ M. in Book \_\_\_\_\_, Page \_\_\_\_\_.

\_\_\_\_\_  
Register of Deeds

\_\_\_\_\_  
(Assistant)

\_\_\_\_\_  
(Deputy)