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Fee Amt: \$46.00 Page 1 of 20
Polk, NC
Sheila Whitmire Register of Deeds
BK **416** PG **2228-2247**

**Amended and Restated Declaration
of
Covenants, Conditions, and Restrictions
for
Hunting Country Trails**

Grantor: Hunting Country Trails Homeowners Association, Inc.

Grantee: Hunting Country Trails

Prepared by & Return to:
* John C. Hovendon, Esq.
455 S. Trade Street
Tryon, NC 28782


State of North Carolina
County of Polk

Affidavit of Corporate Officers
Regarding Vote of Membership
in Favor of Attached Amended
and Restated Declaration of
Covenants, Conditions, and Restrictions

BY SIGNATURES BELOW, the acting Officers of the Hunting Country Trails Homeowners Association, Inc., a North Carolina non-profit corporation, do hereby confirm that at a November 12, 2015, meeting properly convened under the By-Laws of the Corporation, upon due notice and with a quorum present, a majority of greater than seventy-five (75%) percent of the members of the Association voted in favor, either directly or through their duly selected proxies, of the attached Restated Declaration of Covenants, Conditions, and Restrictions for Hunting County Trails. The said attached instrument shall therefore, per its terms, replace the prior Covenants, Conditions, and Restrictions, together with the Amendments thereto, on record in the Polk County Register of Deeds.

The full ballot collection of the membership is, and shall remain, on file with the Secretary of the Corporation, and may be viewed, upon reasonable notice, by any member of the Corporation in good standing.

Signed this 9th day of December, 2015.


Warren Board, President

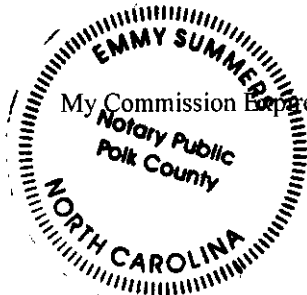

Joyce Lamb, Secretary


Dorothy Kirk, Treasurer


State of North Carolina
County of Polk

I, Emmy Summers, a Notary Public in the County of Polk, and State of North Carolina, do hereby certify that **Warren Board, Joyce Lamb, and Dorothy Kirk** personally appeared before me this day, acknowledged they are, respectively, the President, Secretary, and Treasurer of **Hunting County Trails Homeowners Association, Inc.**, a North Carolina non-profit corporation, and that they executed the foregoing instrument in said capacities as an act and deed of the corporation.

Witness my hand and official stamp and/or seal, this the 9th day of December, 2015.



My Commission Expires: 9-19-16


Notary Public

State of North Carolina
County of Polk

**AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR HUNTING COUNTRY TRAILS**

WHEREAS Lingerfelt & Sherer, a Partnership, subjected certain real property located in Polk County, North Carolina, to certain restrictions and protections by means of an instrument entitled "Declaration of Covenants, Conditions and Restrictions" recorded in Book 184 at Page 1566, Polk County Registry (the "Original Declaration"), said property being more fully described in said instrument; and

WHEREAS Hunting Country Trails Homeowners Association, Inc., a North Carolina non-profit corporation, has assumed all rights, privileges, and responsibilities set out and reserved by Lingerfelt & Sherer in said Original Declaration; and

WHEREAS the Original Declaration allows for Amendment by a vote of at least seventy-five (75%) percent of the voting members of the Association, and this power has been previously exercised in connection with those Amendments and Supplemental Declarations recorded in Book 186 at Page 832, Book 188 at Page 1083, Book 188 at Page 1090, Book 195 at Page 1459, Book 291 at Page 400, and Book 340 at Page 113, all of the Polk County Registry; and

WHEREAS the voting members of the Association have, by written ballots, approved by affirmative vote of at least seventy-five (75%) percent, the following amendment to the Original Declaration and all of its previous Amendments and Supplements;

NOW, THEREFORE, the existing Declaration of Covenants, Conditions and Restrictions, as recorded in Book 184 at Page 1566, Polk County Registry, and all Amendments, Supplements, and other revisions thereto of record in the Polk County Registry are hereby amended by striking

them in their entireties, except for the purpose of preserving the legal descriptions, if any, found therein, and by substituting therefor the following Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Hunting Country Trails that shall run with said properties and by which Hunting Country Trails shall henceforth be governed:

ARTICLE I

DEFINITIONS

SECTION 1. ASSOCIATION shall mean and refer to HUNTING COUNTRY TRAILS HOMEOWNERS' ASSOCIATION, INC., its successors and assigns.

SECTION 2. OWNER shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties referred to herein, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 3. PROPERTIES shall mean and refer to that certain real property described Exhibit "A" as the same is attached hereto and made a part hereof.

SECTION 4. COMMON AREA shall mean all real property not covered by the footprint of an existing townhouse (said footprints being shown as the numbered plots of land identified on the recorded subdivision maps of Hunting Country Trails, Phases I through XII, and being intended for use and occupancy as residences) which common area shall include streets and driveways, and landscaping. The common area is described particularly on Exhibit "B", attached hereto and made a part hereof.

SECTION 5. COMMON EXPENSES shall mean and include: (a) all sums lawfully assessed against the unit owners by the Association; (b) expenses of administration, operation, maintenance, repair, and replacement of the Common Area and facilities, including streets and driveways, and landscaping; (c) expenses agreed upon as common expenses by the Association; (d) hazard insurance premiums as required; (e) upkeep of the exterior of the living unit and the staining and/or painting of decks; (f) public utilities infrastructure, including water, sewer, television, electricity and telephone; (g) no less than an annual inspection of the septic system serving the living units in Hunting Country Trails; and (h) no less than an annual termite inspection.

SECTION 6. LOT shall mean and refer to any numbered townhome unit erected within Hunting Country Trails or as shown upon any recorded subdivision map of the properties with the exception of the Common Area.

SECTION 7. DECLARANT shall mean and refer to Hunting Country Trails Homeowners Association, Inc., its successors and assigns.

SECTION 8. LIVING UNIT shall mean and refer to a building situated upon a lot and intended for use and occupancy as a residence.

SECTION 9. MEMBER shall mean and refer to any person or entity that holds membership with voting rights in the Association.

ARTICLE II

PROPERTY RIGHTS AND OWNERSHIP

SECTION 1. OWNERSHIP AND APPURTENANT INTEREST IN COMMON AREA.

Each lot shall be conveyed and treated as individual property capable of independent use and fee simple ownership, and the Owner of each lot shall also own as an appurtenance to the ownership of each lot a percentage interest in the Common Area as provided in Article X.

SECTION 2. OWNER'S EASEMENT OF ENJOYMENT. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title of every lot as hereinabove stated, subject to the following provisions:

- A. The right of an owner or occupant of each lot to the common use of those parking areas shown upon any recorded subdivision map of those properties.
- B. The right of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated upon the Common Area.
- C. The right of the Association to suspend voting rights and right to use the recreational facilities by any Owner for any period during which any assessment against his lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.
- D. The right of the Association to dedicate or transfer all or part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by at least two-thirds (2/3) of the members of the Association agreeing to such dedication or transfer has been recorded.
- E. The right of the Association to impose regulations for the use and enjoyment of the Common Area and improvements thereof, which regulations may further restrict the use of the Common Area.

SECTION 3. DELEGATION OF USE. Any Owner may delegate, in accordance with the By-Laws, his rights of enjoyment of the Common Area and facilities to the members of his family or contract purchasers who reside on the property. In any case, the rights to, and enjoyment of, the Common Area and facilities, including such recreational facilities as may exist, shall be limited

to those persons actually occupying the living unit; extension of these rights to guests or invitees of such occupants shall be subject to rules and regulations imposed by the Association.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

SECTION 1. Every Owner of a lot shall automatically be a member of the Association. Membership shall be appurtenant to, and may not be separated from, ownership of any lot that is subject to assessment.

SECTION 2. Each lot that is subject to assessment shall be entitled to one (1) vote with regard to all Association matters. When ownership of a lot is held by more than one person, party, or entity, those persons, parties, or entities may, at their discretion, determine the process by which their vote is determined. An Owner (or Owners) of more than one lot shall be entitled to the number of votes equal to the number of lots owned.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATIONS OF ASSESSMENTS. The Declarant, with regard to each and every lot, hereby covenants, and each Owner of any lot (or future Owners of any lot by acceptance of a deed therefor), whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (a) annual assessments and/or charges; and (b) special assessments for capital improvement, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with late penalties, interest, costs, and reasonable attorney's fees, shall be a charge on the land, and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with late penalties, interest, costs, and reasonable attorney's fees, shall be the personal obligation of the person or entity that was the owner of such property at the time when the assessment became due. The personal obligation for assessments shall not pass to successors in title unless expressly assumed by the successor in title.

SECTION 2. PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the properties, and in particular for the acquisition, improvement, and maintenance of the properties, services, and facilities devoted to this purpose, and related to the exterior maintenance of the homes situated upon the properties or for the use and enjoyment of the Common Areas including, but not limited to, the cost of repairs, replacements, and additions, the cost of labor, equipment, materials, management, and supervision, the payment of taxes assessed against the Common Area, the procurement and maintenance of insurance related to the Common Area, its facilities, and use in accordance with the By-Laws, the employment of an attorney to represent

the Association, the employment of certified public accountants or other licensed tax preparer to prepare the tax returns of the Association and a qualified, independent bookkeeper to keep the books and records of the Association, and such other needs as may arise. Said books and records of the Association shall be made available for review by any member upon reasonable notice to the Board. The minutes of all Board meetings will be kept by the Secretary, and may be reviewed by any owner upon reasonable notice to the Board.

SECTION 3. MAXIMUM ANNUAL ASSESSMENT. The maximum annual assessment may be increased each year not more than ten (10%) percent above the maximum annual assessment for the previous year upon a vote of the Board of Directors. The maximum annual assessment may be increased more than ten (10%) percent above the maximum annual assessment for the previous year with the assent of a majority (51% or greater) of the lot owners who are voting in person or by proxy at a meeting duly called for this purpose.

SECTION 4. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments authorized above, the Association 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, re-construction, repair, or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto, provided that such assessment shall have the express assent of at least fifty-one (51%) percent of the lot owners who are voting in person or by proxy at a meeting duly called for this purpose.

SECTION 5. MANDATORY SPECIAL ASSESSMENTS/SPENDTHRIFT PROVISION. If at the close of any fiscal year the Association's reserve fund balance shall fall below the total annual receivables due and payable under the then-current general assessment schedule, there shall be a special assessment initiated by the Board of Directors sufficient to raise the reserve fund balance to match the annual receivables due and payable under the then-current general assessment schedule. This type of special assessment shall be exempt from the majority assent provisions of Section 4, immediately above, and shall be non-discretionary as relates to the Board of Directors. All members of the Association shall be assessed equally for such special assessment, regardless of any pre-existing delinquency in payment of either general assessments or concurrent special assessments. The lien, interest, and penalty provisions applicable to special assessments hereunder shall be applicable to any mandatory special assessments required by this Section.

SECTION 6. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4 OF THIS ARTICLE. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 of this Article shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast at least fifty-one (51%) percent of all possible votes, according to Article III and Article II, Section 2(c), shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be forty (40%) percent of all possible votes, according to Article III and Article II, Section 2(c). No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

SECTION 7. UNIFORM RATE OF ASSESSMENT. Both annual and special assessments must be fixed at a uniform rate for all lots.

SECTION 8. DATE OF COMMENCEMENT OF ASSESSMENTS; DUE DATES OF ASSESSMENTS. The annual assessments provided for herein shall commence as to any given lot on the first day of the month following the conveyance of a lot to the owner. The equal monthly installments of the annual assessment are due and payable the first day of each month. If any monthly installment for an annual assessment becomes thirty (30) or more days in arrears, a lien for the outstanding balance plus late penalties and interest, pursuant to Section 8 of this Article, shall be placed against the lot in question. This lien may be filed in the Office of the Clerk of Superior Court in Polk County, North Carolina, and shall constitute a lien upon the owner's property. Such lien will be superior to all other liens save ad valorem real property taxes, mortgages or deeds of trust, and materialmen's and mechanic's liens.

At least thirty (30) days in advance of each annual assessment, the Board of Directors shall fix the amount of the annual assessment against each lot, subject to Section 3 of this Article, and send written notice of each assessment to every owner subject thereto.

Special assessments are due and payable in full within thirty (30) days of the approval of the special assessment by members of the Association. The Board of Directors, in its sole discretion, may allow the payment of special assessments on a monthly, quarterly, or semi-annual basis, upon the written request of a member. Payments of special assessments under such arrangement approved by the Board of Directors shall not extend beyond one (1) year from the date the special assessment was due and payable in full. To protect the common interest of the members of the Association, any member who obtains approval from the Board of Directors to pay the special assessment under a monthly, quarterly, or semi-annual arrangement will have a lien filed on and against the member's property until the special assessment is paid in full. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association, setting forth whether an annual or special assessment on a specified lot has been paid.

SECTION 9. EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION. Any regular, annual assessment not paid within thirty (30) days of the due date shall be subject to a late penalty equal to four (4%) percent per month of the unpaid assessment, and shall bear interest from the due date at the rate of twelve (12%) percent per annum. Any special assessment not paid within sixty (60) days of the due date shall be subject to a late penalty equal to four (4%) percent per month of the unpaid assessment, and shall bear interest at the rate of twelve (12%) percent per annum. The Association may bring an action in law and/or in equity against the owner personally obligated to pay the same, and/or foreclose its lien against the lot against which assessments are delinquent. No owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Areas or abandonment of the owner's lot.

SECTION 10. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien for annual or special assessments provided for herein shall be subordinate to the lien of any mortgage. Sale

or transfer of any lot shall not affect the lien for assessments. However, the sale or transfer of any lot pursuant to mortgage foreclosure, or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments that became due prior to the sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof. Any mortgagee may, at its option, pay any delinquent obligations of a property owner, and nothing herein shall prevent such payment. The Association shall notify by registered mail, return receipt requested, any mortgagee of any delinquency or default in the payments of any obligations of an owner prior to taking any action against such owner that would affect the mortgage.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall, or other structure, or plant or plantings, shall be commenced, erected, or maintained upon the properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and locations of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an Architectural Committee composed of three (3) or more representatives appointed by the Board. Representatives may, but need not be, acting Directors, but must all be owners in good standing in Hunting County Trails. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. The decision whether to create and appoint an Architectural Committee, or the parties to be appointed to said Architectural Committee, shall be at the sole discretion of the Board of Directors. At any time that such Architectural Committee is not in place, the Board of Directors shall act on owner requests and/or create an Architectural Committee, but neither such occurrence shall extend or alter the time deadlines detailed herein.

Any physical change to the exterior of a unit including, but not limited to, the addition or enclosure of a deck or patio, enlargement of a room outward, installation of satellite antenna or related device, or addition of an awning, canopy, or skylight shall require a written request for approval from the Board of Directors. Particulars of the request shall be at the discretion of the Board of Directors, tailored to allow for a complete understanding of the proposed project. The Board of Directors shall respond, in writing, within thirty (30) days with an approval or a disapproval of the plans. Any disapproval will include an explanation of the cause of disapproval. Should the Board of Directors fail to respond within the thirty (30) day period, the project shall be deemed approved. Any thirty (30) day period relating to the Board of Directors in this paragraph shall begin anew upon the submission of any change of plans from the lot owner seeking approval.

No extensions or additions to units may extend beyond the boundaries (footprint) of the unit. Primary considerations for approval include: architectural continuity throughout the community;

use of professional standards for building materials and construction; and consideration of the impact of proposed changes on the neighbors of the requesting party.

ARTICLE VI

PROTECTIVE COVENANTS

SECTION 1. RESIDENTIAL USE.

- A. All lots shall be used, improved, and devoted exclusively to single family residential use, not amenable to rental by the owner, except upon limited exceptions detailed in paragraphs "B", "C", and "D", immediately below.

- B. Unit 14 shall be grandfathered as a rentable unit for so long as its ownership is maintained and/or controlled by Ann Voyda. The transfer of said unit into a trust controlled by, or for the benefit of, Ann Voyda shall not extinguish this exception for so long as Ann Voyda is alive; any transfer to a third party, however, whether by deed, will, trust, or otherwise, will eliminate this exception, and Unit 14 shall thereafter have the same rental exclusion as all other lots. Regardless of any other exclusion that may herein apply, upon the death of Ann Voyda Unit 14 shall have the same rental exclusion as all other lots.

- C. Notwithstanding anything herein to the contrary, rental of a unit for a period of at least one (1) year may be allowed, at the sole discretion (and without obligation to approve) of the Board of Directors, upon application therefor by an owner (or his or her legal representative) in case of the death, illness, incapacity, hospitalization, residence in a care facility, or other hardship or circumstances deemed sufficient by the Board of Directors. The term of any such rental shall be at the discretion of the Board of Directors, and any subsequent renewal or extension thereof shall also be at the sole discretion of the Board of Directors (and without obligation to approve any such renewal or extension).

- D. The Board of Directors may also elect, at its sole discretion and with no obligation so to do, to allow and authorize occupancy of a unit by a non-owner provided the following conditions apply:
 - (i) The non-owner occupant is a relative of the owner, either by blood or by marriage;
 - (ii) No rental fee or other remuneration is charged to the non-owner occupant nor otherwise collected by the owner;
 - (iii) Application is made to and approved by the Board of Directors prior to occupancy;
 - (iv) The name and all contact information for the non-owner is provided to the Board of Directors prior to occupancy; and

- (v) The length of the term of occupancy is pre-approved by the Board of Directors. The Board of Directors may allow for extensions of the term of occupancy, but new application must be made to allow for any such extension, which shall be at the sole discretion of the Board of Directors.

SECTION 2. NUISANCES. No noxious or offensive activities shall be conducted upon any lot, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood.

SECTION 3. RESTRICTION ON FURTHER SUBDIVISION. No lot shall be further subdivided into smaller lots by owner and no portion less than all of such lot nor an easement or other interest less than the entire fee therein or the undivided interest in the Common Area appurtenant to such lot shall be conveyed or transferred by an owner except as herein authorized.

SECTION 4. ANIMALS. Subject to limitation as may from time to time be set by the Association, generally recognized house or yard pets may be kept and maintained at an occupant's living unit, provided such pets are not kept or maintained for commercial purposes. All pets must be kept under control of their owner when they are outside the occupant's living unit, and must not become a nuisance to other residents.

SECTION 5. PARKING. Overnight parking of vehicles by any unit owner or guest shall be only in areas designated for that unit by the Association. No motor homes, boats, trailers, or other recreational vehicles may be parked in the Hunting Country Trails development.

SECTION 6. MOTOR VEHICLES. All motor vehicles shall be maintained in proper operating condition so as not to be a nuisance by noise, exhaust emissions, or otherwise. No motor vehicles shall be driven on pathways or unpaved common areas.

SECTION 7. OUTSIDE ANTENNA. No outside radio or television antenna shall be erected on any lot within the properties, except as approved in writing by the Architectural Committee.

SECTION 8. CLOTHESLINE. No drying or airing of any clothing or bedding shall be permitted outdoors.

SECTION 9. TRASH RECEPTACLES. Storage, collection, and disposal of trash shall be in compliance with rules set by the Association.

SECTION 10. TRASH BURNING. Trash, leaves, and other similar materials shall not be burned upon the properties.

SECTION 11. SIGNS. No signs shall be displayed to public view on any lot or living unit or in the Common Area except a sign which specifically complies with rules and regulations set by the Association or approved by the Architectural Committee.

SECTION 12. MAILBOXES AND NEWSPAPER TUBES. Only mailboxes and newspaper tubes meeting the design standards of the Architectural Committee shall be permitted.

SECTION 13. RULES. The Architectural Committee and/or the Board of Directors shall adopt general rules and implement the general purposes or architectural controls set forth in Article V herein, and interpret the covenants of this section. All general rules may be amended by a two-thirds (2/3) vote of the Board of Directors, following a public hearing for which due notice has been provided, and architectural controls may be amended by a two-thirds vote of the Architectural Committee, following a public hearing for which due notice has been provided. Changes approved by the Architectural Committee shall require a further two-thirds (2/3) vote of the Board of Directors for adoption. All general rules and subsequent amendments therein shall be filed in the records of the Association maintained by the secretary of the Association, and shall be open to inspection by members of the Association during normal business hours.

ARTICLE VII

PARTY WALLS

SECTION 1. GENERAL RULES OF LAW TO APPLY. Each wall that is built as a part of the original construction of the living units upon the properties and situated adjacent to a one-inch air space (through which the dividing lines between lots run) shall constitute a party wall and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omission shall apply thereto.

SECTION 2. SHARING OF REPAIR AND MAINTENANCE. The cost of reasonable repair and maintenance of party walls shall be shared equally by the owners of lots or living units adjoining such party wall.

SECTION 3. DESTRUCTION BY FIRE OR OTHER CASUALTY. If a party wall is destroyed or damaged by fire or other casualty, any owner who has used the wall may restore it and if the other owners thereafter make use of the wall, such owners shall contribute equally to the cost of restoration thereof, without prejudice, however, to the right of any such owners to call for a larger contribution from the other under any rule of law regarding the liability for negligence or willful acts or omissions.

SECTION 4. WEATHERPROOFING. Notwithstanding any other provision of this Article, an owner who by his neglect or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against the elements.

SECTION 5. ALTERATION. The owner of any lot may not construct, re-construct, extend, or modify a party wall in any manner without the prior approval of the Architectural committee, and any other owner adjoining the party wall.

SECTION 6. RIGHT OF CONTRIBUTION RUNS WITH THE LAND. The right of any owner to contribution from any other owner under this Article shall be appurtenant to the land and shall pass to the successors in title of such owner.

SECTION 7. CERTIFICATION BY ADJOINING PROPERTY OWNER THAT NO CONTRIBUTION IS DUE. If any owner desires to sell his property, he may, in order to assure a prospective purchaser that no adjoining owner has a right of contribution as provided in this Article VII, request of the adjoining owner a certification that no right of contribution exists, whereupon it shall be the duty of such adjoining owner to make such certification immediately upon request and without charge. Where the adjoining property owner does claim a right of contribution, the certification shall contain a recital of the amount claimed and the basis on which the claim is made.

SECTION 8. ARBITRATION. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, such dispute may be settled by the Board with the consent of the owners involved, otherwise by arbitration as provided by the then-existing laws of North Carolina related to arbitration.

ARTICLE VIII

EXTERIOR MAINTENANCE

In addition to maintenance of the Common Area, the Association shall provide exterior maintenance for each lot that is subject to assessment hereunder, as follows: paint, repair, replace, and care for roofs, gutters, downspouts, porches, stoops, and exterior steps, exterior building surfaces and exterior chimney structures, trees, shrubs, walks, decks, patios, and other exterior improvements. The replacement of glass surfaces, window framing, skylight and skylight boxes, and screens shall be the obligation of each lot owner. The cleaning of the chimney flue is the responsibility of each owner. To enable the Association to accomplish the foregoing duties of exterior maintenance, there is hereby reserved to the Association the right of unobstructed access over and upon each lot and over and upon each such private entranceway at all reasonable times to perform maintenance as provided for in this Article.

In the event the need for maintenance, repair, or replacement as herein described is caused through the willful or negligent act of the owner, his family, guests, or invitees, the cost of such maintenance, replacement, or repairs shall be added and become a part of the assessment to which such lot is subject.

ARTICLE IX

INSURANCE ASSESSMENTS

SECTION 1. PHYSICAL DAMAGE INSURANCE. The Declarant, for each lot owned within properties, hereby irrevocably nominates, and each owner of any lot, by acceptance of a

deed therefor, whether or not it shall be so expressed in such deed, is deemed to irrevocably nominate the Association, as Trustee, with authority to obtain and maintain fire and extended coverage insurance on the living units located on all lots, insuring the buildings and fixtures located therein in an amount sufficient to cover the full replacement costs thereof, including interior walls, kitchen and bathroom fixtures, and other fixtures, appliances, improvements, betterments, and alterations that are or become part of the building or structure. Such policy of physical damage insurance shall be an all risk policy, subject to the policy's terms, conditions, and exclusions. Such policy shall be written in the name of the Association, as Trustee for each lot owner, and such policy shall be described as a primary policy of insurance on the items covered by such policy, and such policy shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by any lot owner or of the invalidity arising from any acts of the insureds of any lot owner, and shall provide that such policy may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insureds including any mortgagee of any lot.

Such policy must be written with a company: a) authorized to do business in North Carolina; that b) holds a Best's rating of A or better; and c) is assigned a financial category of IX or larger as established by A.M. Best Company, Inc., if reasonably available or, if not available, the most nearly equivalent rating that is available. Such policy may carry a commercially reasonable deductible, as determined by the Board of Directors.

Each such policy of physical damage insurance shall contain a mortgagee clause as requested by the lot owner and any loss thereunder shall be payable to such mortgagee as its interest may appear. All such policies shall provide that adjustment of loss may be made by the Association and that the net proceeds thereof shall be payable to the Association as Trustee for such lot owner.

SECTION 2. PAYMENT OF ASSESSMENTS. The premiums for insurance obtained by the Association on each lot shall be a part of the maintenance assessments described in Article IV, above.

SECTION 3. INDIVIDUAL INSURANCE POLICIES. Lot owners are encouraged to carry additional insurance for their own benefit, provided that such policies contain waivers of subrogation and further provided that the liability of the carrier issuing the insurance procured by the Association shall not be affected nor diminished by reason of any such additional insurance carried by any lot owner. It shall be the responsibility of each lot owner to maintain insurance coverage against loss by reason of fire or other casualty of his personal contents located within each lot.

SECTION 4. DAMAGE TO OR DESTRUCTION OF THE LIVING UNIT. In the event of damage to or destruction of any living unit located on a lot as a result of fire or other casualty, the owner shall have the responsibility of repairing or reconstructing said living unit. The Association shall collect and make available to said owner the proceeds from the property damage insurance hereinabove referred to, and repair or rebuilding shall proceed in conformity with the stands approved by the Board of Directors or by the Architectural Committee as described in Article V herein. In the event the cost to repair or reconstruct said living unit shall

exceed the balance of insurance proceeds payable by the Association after first deducting the costs to the Association and discharging the interests of the mortgagees, the cost to repair or reconstruct shall be the expense of the owner of said living unit located on said lot. In case of default by any such owner in the payment in full of the cost to repair or reconstruct said living unit, the Association is authorized to advance, for the benefit of said owner and other owners within Hunting Country Trails, the balance necessary to pay for said repair or reconstruction, in which case said sums advanced, together with costs and reasonable attorney fees incurred in connection with the collection thereof, shall be a continuing lien against the lot against which such additional costs were incurred, and shall also be a personal debt of the owner of said lot at the time of such damage or destruction, and the collection of such costs advanced can be enforced in the same manner as a lien for annual or special assessments as the same is set forth in Article IV herein. In the event that the cost of repair or reconstruction of such home is less than the amount of insurance proceeds available for such purpose under the Association's policy, then such excess shall be retained by the Association and placed in a capital improvements account.

SECTION 5. WILLFUL OR NEGLIGENT DAMAGE. If any property covered under the Association's insurance policy is damaged or destroyed by the willful act or gross negligence of an owner, his or her family, friends, invitees, or tenants, then such owner shall be responsible for paying the cost to repair and/or replace any such damage to property or improvements. The amount shall be due within ten (10) days after delivery of written notice of such costs to the responsible unit owner(s). If the unit owner fails or refuses to pay such amount, the amount shall be paid by the Association, and thereafter individually assessed against such unit owner. The terms and conditions applicable to delinquent Special Assessments under Article IV, Section 8, above, shall apply to any failure to timely pay an assessment created under this Section.

SECTION 6. OTHER INSURANCE. The Board of Directors shall purchase and maintain, in addition to Property Insurance, the following insurance:

- a) Directors and Officers coverage for members of the Board of Directors, either as a separate policy or as a rider to the master policy of the Association.
- b) A Dishonesty and Crime policy that includes coverage for online fraudulent withdrawals from the Association's bank accounts.
- c) A public liability policy (or coverage within the master policy) covering the common areas, insuring the Association and its members for all damage or injury caused by the Association, any of its members, its employees, agents, or contractors while acting on behalf of the Association. The public liability policy shall have at least a one million (\$1,000,000.00) dollar combined single limit as respects bodily injury and property damage, with a general aggregate limit of not less than two million (\$2,000,000.00) dollars.

ARTICLE X

OWNERSHIP OF COMMON AREAS

SECTION 1. TITLE TO COMMON AREA. With each conveyance of a unit or lot, the Developer conveyed therewith an undivided interest in the Common Area declared to be an appurtenance to each unit or lot. This undivided interest in the Common Area shall not be conveyed, devised, encumbered, or otherwise dealt with separately and apart from the individual unit or lot with which it was originally conveyed, and the undivided interest in the Common Area so delivered shall be appurtenant to each unit or lot in perpetuity, even though said interest may or may not be expressly mentioned in a prior or future instrument conveying, devising, encumbering, or otherwise dealing with said unit or lot.

SECTION 2. EQUALITY OF OWNERSHIP INTERESTS IN COMMON AREAS. As the Developer conveyed units and/or lots over time, specific ownership interests were identified by percentages in the original deeds of conveyance. Those percentage interests changed as more units were built and sold; at this time, however, and henceforth, all units have an equal ownership interest in the common areas. Thus, each unit shares an equal responsibility for any and all annual maintenance assessments and/or special assessments as the same are further detailed in Article IV, above.

ARTICLE XI

OBLIGATION TO MORTGAGEES

The following provisions are established for the benefit of the holders of mortgages (being defined to include deeds of trust or other security instruments), encumbering any lots located within Hunting Country Trails:

- A. The Association shall be obligated to notify the holder of any first mortgage on a lot, upon request of such holder, of any default by the lot owner in the performance of such owner's obligations described herein, specifically including the failure to pay assessments as the same are due and payable, if such default is not cured within sixty (60) days from the date of such default.
- B. Unless at least two-thirds (2/3) of the first mortgagees (based upon one vote for each first mortgage owned) and owners of the lots in Hunting Country Trails have given their prior, written approval, the Association shall not be entitled to:
 - (i) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Area owned, directly or indirectly, by the Association, for the benefit of the lots in Hunting Country Trails;
 - (ii) change the method of determining the obligations, assessments, dues, or other charges that may be levied against a lot owner;

(iii) by act or omission change, waive, or abandon any scheme or regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of lots, the exterior maintenance of lots, the maintenance of the Common Area, party walls, or common fences and driveways, or the upkeep of lawns and plantings in Hunting Country Trails;

(iv) fail to maintain fire and extended coverage on insurable Common Area on a current replacement-cost basis in an amount not less than one hundred (100%) percent of the insurable value (based on current replacement cost); or

(v) use hazard insurance proceeds for losses to any Common Area property for other than the repair, replacement, or reconstruction of such Common Area property.

- C. First mortgagees of lots may, jointly or singly, pay taxes or other charges that are in default and that may become or have become a charge against any of the Common Area, and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such Common Area. First mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.
- D. No provision hereof shall be construed to give a lot owner or any other party priority over any rights of first mortgagees of lots in Hunting Country Trails pursuant to their mortgages in the case of a distribution to lot owners of insurance proceeds or condemnation awards for losses to or a taking of Common Area property.

ARTICLE XII

GENERAL PROVISIONS

SECTION 1. DURATION. The covenants and restrictions contained in this Amended and Restated Declaration shall run with the land and bind the properties made subject hereto for a period of twenty (20) years from the date of recordation in the Office of the Register of Deeds for Polk County, after which time such covenants and restrictions shall be automatically extended for successive periods of ten (10) years each.

SECTION 2. AMENDMENT. These covenants and restrictions may be amended at any time by an instrument executed by the holders of seventy-five (75%) percent of the votes described in Article III, above. Any such amendment shall become effective upon recordation in the Office of the Register of Deeds for Polk County.

SECTION 3. ENFORCEMENT. The Association or any owner within Hunting Country Trails shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the

provisions of this Amendment and Restatement. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

SECTION 4. SEVERABILITY. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions of this Amendment and Restatement, which shall remain in full force and effect.

SECTION 5. MANAGEMENT. Any determination to contract with a property management firm to manage the affairs of the Association, including enforcement of the covenants and restrictions herein, or management and/or control of the architectural review parameters described in Article V, above, shall require an affirmative vote from seventy-five (75%) percent of the votes described in Article III, above. This provision shall not limit the right of the Board of Directors to contract for legal and/or accounting services as described in Article IV, above, to retain an independent bookkeeper to manage day-to-day accounts payable/accounts receivable (including invoicing and collection of regular and/or special assessment), nor for general maintenance, construction, or reconstruction, however; rather, it shall apply to the divestiture of control of a significant portion or all of the management responsibilities herein outlined as belonging to the Association.

SECTION 6. CONSTRUCTION. All provisions of this Amendment and Restatement shall be construed and governed under the laws of the State of North Carolina.

Exhibit A – Covered Property

BEING all of the lands shown and delineated on the plats of Hunting Country Trails, Phases I through XII, recorded in the Office of the Register of Deeds for Polk County, North Carolina, said plats being recorded as follows: Map Slide A-299 at Page 414; Map Slide A-311 at Page 461; Map Slide A-328 at Page 530; Map Slide A-347 at Page 605; Map Slide A-365 at Page 685; Map Slide A-379 at Page 767; Map Slide A-389 at Page 825; Map Slide A-400 at Page 893; Card File A at Page 18; Card File A at Page 128; Card File B at Page 1; and Card File B at Page 394, with reference being hereby made to said recorded plats for a more full and complete description of the lands herein described.

Exhibit B – Common Area

BEING all of the lands shown and delineated on the plats of Hunting Country Trails, Phases I through XII, recorded in the Office of the Register of Deeds for Polk County, North Carolina, said plats being recorded as follows: Map Slide A-299 at Page 414; Map Slide A-311 at Page 461; Map Slide A-328 at Page 530; Map Slide A-347 at Page 605; Map Slide A-365 at Page 685; Map Slide A-379 at Page 767; Map Slide A-389 at Page 825; Map Slide A-400 at Page 893; Card File A at Page 18; Card File A at Page 128; Card File B at Page 1; and Card File B at Page 394, with reference being hereby made to said recorded plats for a more full and complete description of the lands herein described.

SAVE AND EXCEPT from the above description any and all lands on the above described plats included within the lot numbers shown on said recorded plats, it being the intention that all areas on the above described plats outside the footprints of the numbered units shall be, and are, deemed Common Areas within Hunting Country Trails.