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Henderson County, North Carolina William Lee King, Register of Deeds

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Reference: Book 441, Page 58

Book 852, Page 367
Book 27, Page 595
Book 1000, Page 611
Book 1379, Page 271
Book 1454, Page 168

STATE OF NORTH CAROLINA COUNTY OF HENDERSON

AMENDMENT TO AMENDMENT AND RESTATEMENT OF RULES, REGULATIONS AND COVENANTS FOR LOTS 1-73 of LAKE SHEILA SUBDIVISION

THIS AMENDMENT TO AMENDMENT AND RESTATEMENT OF RULES, REGULATIONS AND COVENANTS FOR LOTS 1-73 of LAKE SHEILA SUBDIVISION ("Amendment") is made this 12th day of August, 2022, by and between the Lake Sheila Property Owners Association, Inc. ("Association"), a North Carolina non-profit corporation and the present and future owners of Lots located within the Lake Sheila Subdivision located in Henderson County, North Carolina.

WITNESSETH

WHEREAS, Lots 1–73 of the Subdivision, as shown on that plat of record, recorded at Deed Book 8, Page 9 (subsequently re-indexed as Plat Cabinet C, Slide 140A), Henderson County Registry,

Submitted electronically by "Allen, Stahl, & Kilbourne, PLLC" in compliance with North Carolina statutes governing recordable documents and the terms of the submitter agreement with the Henderson County Register of Deeds.

were originally submitted to those Restrictive Covenants on Lots 1-73 of Lake Sheila Subdivision ("Restrictive Covenants") recorded on July 12, 1966 at Book 441, Page 58, Henderson County Registry; and

WHEREAS, the Restrictive Covenants have been amended multiple times, including by a document indexed as "Restrictive Covenants," recorded on September 6, 1994 at Book 852, Page 367, Henderson County Registry; by a document indexed as "Articles of Amendment" recorded on October 23, 1995 at Book 27, Page 595, Henderson County Registry; by a document captioned as "Restrictive Covenants on Lots 1-73 of Lake Sheila Subdivision, recorded on September 15, 1999, at Book 1000, Page 611, Henderson County Registry; and by a document captioned as "Restrictive Covenants," recorded on November 13, 2018, at Book 1379, Page 271, Henderson County Registry; and

WHEREAS, on February 25, 2011, an Amendment and Restatement of Rules, Regulations and Covenants for Lots 1-73 of Lake Sheila Subdivision ("Amended and Restated Restrictive Covenants") was recorded at Book 1454, Page 168, Henderson County Registry; and

WHEREAS, on January 19, 1978, Lake Sheila Property Owners Association, Inc. (f/k/a Lake Sheila Homeowners Association, Inc.) ("Association") was incorporated on January 19, 1978, as a non-profit corporation and is the association of owners at Lake Sheila Subdivision ("Subdivision"), located in Henderson County, North Carolina; and

WHEREAS, as a Planned Community created prior to January 1, 1999, a declaration may be amended only by the affirmative vote or written agreement signed by the lot owners of lots to which at least sixty-seven percent (67%) of the votes in the association are allocated pursuant to the provisions of N.C.G.S. 47F-2-117, unless the declaration provides to the contrary pursuant to the provisions of N.C.G.S. 47F-1-102; and

WHEREAS, Paragraph 1 of the Amended and Restated Restrictive Covenants provides that the covenants contained therein shall be binding on all parties and all persons claiming under them, unless by vote of a majority of the then owners of the lots, it is agreed to change said covenants in whole or in part; and

WHEREAS, inasmuch as the Amended and Restated Restrictive Covenants does provide "to the contrary" with regard to amending the Amended and Restated Restrictive Covenants, said covenants may be amended in whole or in part by of vote of a majority of the owners of the lots; and

WHEREAS, notwithstanding the provisions of N.C.G.S. 47F-1-102, and at a duly organized meeting of the Association with a quorum present, held on July 10, 2022, the Association's membership, by a vote in excess of sixty-seven percent (67%), agreed to amend the Amended and Restated Restrictive Covenants to regulate leasing in the Lake Sheila Subdivision, thereby exceeding both the statutory requirement and the requirement contained in the Amended and Restated Covenants.

NOW, THEREFORE, the Amended and Restated Restrictive Covenants are hereby amended by adding a Paragraph to the existing Amended and Restated Restrictive Covenants, and captioned as Paragraph 26, as follows:

To assure that the Lake Shelia community retains its single-family residential character and to protect the value of the Lots of Owners who are financially invested in and committed to preserving the current residential character and sense of solitude, peace and well-being, along with the scheme of development for the community, the following shall apply to all properties located within in the Lake Sheila Subdivision:

- A. Leasing. For the purposes of this section, "lease" is defined as the exclusive or non-exclusive occupancy or license for use of all or any portion of a Lot by any person(s), other than the Lot Owner, for which the Lot Owner receives any consideration or benefit, including but not limited to a fee, service, property, or gratuity.
- B. Term of Leases: This definition of "Leasing" includes both Short Term (defined as 30 days or less) and Long Term (defined as greater than 30 days) leases. All owners of Lots must adhere to all local, county, state and federal laws pertaining to registration, taxes, zoning, occupancy limits and all other applicable laws, and must ensure that tenants agree to and abide by the Lake Sheila governing documents, including the Amended and Restated Restrictive Covenants and the most current version of the Rules and Regulations.
 - 1) All current Lot owners prior to the recording of this deed shall be able to lease adhering to the amendments herein listed.
 - 2) Any Lot Owner intending to enter any lease of his/her Lot shall give prior written notice to the Board of Directors (or any managing Agent designated by the Board) of such intention.
 - 3) Short Term Leases require a lease of not less than three (3) consecutive nights and shall have at a minimum a two (2) night interval between leases. The lease term begins at the assigned check in times and end at the assigned check out times.
 - 4) All Leases shall be in writing, utilizing the standardized lease addendum form provided by or approved by the Board or its Managing Agent. All such leases shall be signed by both landlord and tenant and received by the Board, or any managing Agent designated by the Board, prior to lease commencing as stated in 3.

- 5) The provisions of this Section shall also apply to the renewal of or modification to the terms of any lease of a Lot. Sub-leasing for either Short Term or Long Term is prohibited
- 6) All Lots located within Lake Sheila Subdivision and subject to the Amendment and Restatement shall at such time as those Lots are conveyed to future owners, shall not be permitted to Lease said Lots for a period of thirty (30) months.
- 7) Lot owners of record prior to the recording of this amendment shall be allowed to transfer title by gift, or inheritance to heirs. In such case, the aforementioned thirty (30) month moratorium (6) shall not apply. Any further conveyance shall be subject to all Lease restrictions as described herein.
- 8) Lease agreements now and in future between current members and or past members shall be excluded from the minimum stay requirements.

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DOC# 984976

IN WITNESS WHEREOF, the undersigned officers of the Lake Sheila Property Owners Association, Inc. certify that the above AMENDMENT TO AMENDMENT AND RESTATEMENT OF RULES, REGULATIONS AND COVENANTS FOR LOTS 1-73 OF LAKE SHEILA SUBDIVISION is duly adopted by the Association.

LAKE SHEILA PROPERTY OWNERS ASSOCIATION, INC.

Gerafd Prendergast, President

ATTEST:

Debbie Ahlers, Secretary

STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

I, a Notary Public of the State and County aforesaid, do hereby certify that Debbie Ahlers personally appeared before me this day and acknowledged that she is Secretary of Lake Sheila Property Owners Association, Inc., a North Carolina nonprofit 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, sealed with its corporate seal and attested by him as its Secretary.

Witness my hand and official stamp or seal, this the $\frac{70}{12}$ day of $\frac{440057}{2022}$

Notary Public

My Commission Expires