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MELISSA BURCH

REGISTER OF DEEDS
BY: PHYLLIS MANEY
ASSISTANT

BK: CRP 354

PG: 140-140

Jose Lindsay, Deputy

Enchanted Ridge Subdivision

COVENANTS

December 14, 2010

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR

ENCHANTED RIDGE SUBDIVISION

The undersigned, being the owners of lots in Enchanted Ridge Subdivision; and Enchanted Ridge Subdivision Association; and Enchanted Ridge Limited Partnership, the Declarants, do hereby amend the Covenants and Restrictions as set forth in the instrument recorded in Deed Book 201 at Page 119, records of Clay County, N.C.

WITNESSETH:

WHEREAS, the Covenants and Restrictions provide for a method for amending the Covenants and Restrictions which has been complied with; and

WHEREAS, the parties heretofore desire now to amend and replace those Covenants and Restrictions with these Covenants and Restrictions,

NOW, THEREFORE, ENCHANTED RIDGE, L.P., Enchanted Ridge Subdivision Association and the undersigned, do hereby revoke the Covenants and Restrictions set forth in Deed Book 201, page 119, and hereby declare that all of the property hereinafter described is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the following covenants, conditions, restrictions and easements, all of which are declared and agreed to be in furtherance of a plan for subdivision improvements and sale of said real property, and are established and agreed upon for the purpose of enhancing and protecting the value, desirability, and attractiveness of said real property and every part thereof, all of which shall run with the land, be appurtenant thereto and shall be binding on all parties having acquired any part thereof.

CHAPTER I

DEFINITIONS

Unless the context expressly requires otherwise, the terms listed in this

Article I shall have the following meaning whenever used in this

Declaration of Protective Covenants.

Section 1. "ARB" shall hereinafter stand for Architectural Review Board.

Section 2. "Builder" means any person or entity who acquires a lot from Declarants, or their successors in title, for the purpose of constructing thereon a single-family residence and appurtenances, for his personal needs or for resale in the ordinary course of the business of such person or entity, or a licensed contractor who contracts to build for an owner.

Section 3. "Covenants" shall mean and refer to the entire set of covenants, conditions, restrictions, reservations, easements and obligations contained herein.

Section 4. "Declarant" shall mean and refer to the original Declarant named in the original covenants and restrictions as recorded in Deed Book 198 at Page 40, records of Clay County, North Carolina, and any amendments thereto.

Section 5. "Declaration" shall mean this Declaration of Protective Covenants, as the same may be amended, renewed or extended from time to time in the manner herein prescribed.

Section 6. "Drive" shall mean a Right of Way of less than thirty (30') feet in width, which has been or will be surveyed and constructed for the use of pedestrian and/or vehicular traffic over and across the ENCHANTED RIDGE SUBDIVISION.

Section 7. "Driveway" shall mean a way for pedestrian and/or vehicular traffic to approach, enter and connect a residence and appurtenant structures located on an individual lot, to the drive or to the road.

Section 8. "ERSA" shall hereinafter stand for ENCHANTED RIDGE SUBDIVISION ASSOCIATION

Section 9. "Law" shall include any statute, ordinance, rule, regulation or order created, promulgated or adopted by the United States, or any of its agencies, officers or instrumentalities, or by the State of North Carolina, or any of its agencies, officers, municipalities or political subdivisions, including, but not limited to, Clay County, and from time to time applicable to the property or to any activities on or about the property.

Section 10. "Lot" or "Property" shall mean and refer to a parcel of land shown and identified by number upon a plat of survey, now or hereafter made subject to this declaration.

An undeveloped Lot means that the property owner has not submitted Plans and Siting to the ARB for review. No construction activity has been initiated. Application for and approval of a Septic Permit from Clay County does not in and of itself constitute construction activity. Installation of such septic system does constitute construction activity.

A developed Lot shall mean a lot is considered developed when a dwelling or structure is constructed on the lot and/or lot shall be considered developed when activities of construction have been started by the lot owner or other persons or companies on behalf of the owner. Activities may include but not limited to grading, utility permitting, construction permit application, septic system installation.

Section 11. "Owner" shall mean and refer to the record owner, and if more than one person or entity, then to them collectively, of the fee simple title to any lot which is a part of the property, so that for purposes of this declaration, as defined herein, each lot shall be deemed to have one owner. Both the Declarant and purchasers are owners for all purposes under this declaration, to the extent of each lot owned, except where expressly provided otherwise.

Section 12. "Person" shall mean an individual, corporation, partnership, trust, or any other legal entity.

Section 13. "Purchaser" means any person who acquires property in ENCHANTED RIDGE SUBDIVISION

Section 14. "Recorded" shall mean filed for record in the office of the Register of Deeds, Clay County, North Carolina, or such other place as from time to time is designated by Law for providing constructive notice of matters affecting title of real property in Clay County, North Carolina.

Section 15. "Road" shall mean a Right of Way thirty (30') feet in width or greater which has been or will be surveyed and constructed for the use of pedestrian or vehicular traffic over and across ENCHANTED RIDGE SUBDIVISION.

Section 16. "Structure" shall mean:

(a) Any thing or object, the placement of which upon any lot may affect the appearance of such lot, including by way or illustration and not limitation, any building or part thereof: garage, porch, shed, greenhouse, bathhouse, coop or cage, covered or uncovered patio, swimming pool, fence, curbing, paving, wall, tree, shrub, sign, signboard, temporary or permanent living quarters (including any house trailer) or any other temporary or permanent improvement to such lot.

(b) Any excavation, grading, fill, ditch, diversion, dam or other thing or device which affects or alters the flow at any waters in any nature or wash or drainage channel from, upon or across any lot.

CHAPTER II

DESCRIPTION OF REAL PROPERTY

TRACT ONE: All that tract of land as shown on that plat of survey by Ridge Runner Land Surveying, Roddy D. McDonald, R.L.S., dated June 26, 1996, and recorded in Plat Cabinet 3, Slide 51, Clay County, North Carolina, Registry, of Enchanted Ridge Subdivision in Hiawassee Township, Clay County, North Carolina, reference to which is hereby made and incorporated as if fully set out herein.

TRACT TWO: Lots 26 through 32 and Lot 40 of the Enchanted Ridge Subdivision as shown on the plat of survey by Jeffery B. Weatherly, R.L.S., dated June 16, 1997 and recorded in Plat Cabinet 3 at Slide 164, records of Clay County, N.C., reference to which is hereby made for a more complete description of said lands.

TRACT THREE: All that tract of land being Lot 6 of Indian Trails Subdivision of Hiawassee Township, Clay County, North Carolina, and being more particularly described in the deed from Alfred Guy Boykin and wife, Mildred Kathryn Boykin, to Bernd Stoy and wife, Gisa Stoy, dated November 10, 1993, and recorded in Deed Book 173, page 265, Clay County, North Carolina, Registry, reference to which is hereby made and incorporated as if fully set out herein.

CHAPTER III

RIGHTS OF WAY AND EASEMENTS

All properties described in CHAPTER II, above, are conveyed together with and subject to the rights of others in and to those road rights of way shown on the plats referenced in CHAPTER II, above, and those road rights of way more particularly described in the deeds referenced in CHAPTER II, above, as a permanent means of ingress, egress and regress to and from the public road identified as North Carolina Secondary Road #1336 (known as "George Sorrells Road"), and for utilities, bikeways, trails, jogging paths and other connective trails.

The Enchanted Ridge Limited Partnership reserve unto themselves, their heirs, successors and assigns, a permanent right of way for roads, utilities, bikeways, trails, jogging paths and other connective trails, over all existing rights of way referenced above, not only for all lands currently owned and developed as ENCHANTED RIDGE SUBDIVISION, but also as an appurtenance to any other lands acquired by Enchanted Ridge, L.P.

The road named Hidden Forest Lane shall have a paved surface. ENCHANTED RIDGE, L.P., shall be responsible for the initial construction and paving costs of Hidden Forest Lane (Hidden Forest Lane being defined as the main access road leading from the George Sorrells Road and running over and across Lot 9 to the South boundary line of

Lot 9) then down mountain as a loop that reconnects back into Hidden Forest Lane between Lot 2 and Lot 3.

The purchaser of a lot in this SUBDIVISION shall receive a non-exclusive perpetual right of way from State Road #1336 (George Sorrells Road) across the properties of Ms. Nixon to the property which has been purchased within the SUBDIVISION.

Rights of way shall be given to lots, which require access by crossing other lots as shown in the plat of survey.

CHAPTER IV

UTILITIES

Section 1. Water The Water System currently consists of three (3) wells; One well located on Lot 3; one well on the Pump House Lot; and a third well on Lot 30 accessed by easements from Hidden Forest Lane.

This Water System is owned and operated by ENCHANTED RIDGE, L.P., who shall be responsible for the construction and extension of the water lines to the boundary of the lots. ENCHANTED RIDGE, L.P., will operate and maintain the water system until 75% of the lots have been sold or until December 31, 2000, whichever comes first. ENCHANTED RIDGE, L.P., may, at its option, continue to operate and maintain the water system after that event.

When and if the aforementioned water system ownership is legally transferred by contract to ERSA, the Board of ERSA has the right to have the systems, pumps and controls checked for proper operation and integrity. If the systems pumps and controls are in need of repairs, the ERSA Board has the right to assess Enchanted Ridge, L.P., or its successor for all updates and repairs. After acceptance of the systems, pumps and controls by the ERSA Board there is no recourse against Enchanted Ridge, L.P.

It shall be the sole responsibility of Enchanted Ridge, L.P. to run all new water lines to sold lots and/or future proposed lots sold by Enchanted Ridge, L.P. ERSA, nor the ERSA Board, will be responsible to coordinate the activity, or payment thereof, for the installation of water or utility lines run to developed lots or building sites.

All updates and expansion to existing wells, because of new housing, will be the responsibility of Enchanted Ridge, L.P. as long as it owns and operates the water system.

ENCHANTED RIDGE, L.P., may, at its option, either connect Lots 26, 27, 28, 29 and 40 to the present water system, or ask the purchasers of such lots to have their own water system.

ENCHANTED RIDGE, L.P., and/or its successors and assigns, shall assess the owner of a lot a one-time connection fee of \$ 1,200.00 (One Thousand Two Hundred Dollars) upon obtaining a Building Permit from Clay County. This fee shall be due and payable ten (10) days from the date of issuance of the building permit or at the time of closing when a house has been purchased from Enchanted Ridge, L.P.

Once a house or structure is connected to the Water System and once water is available, the property owner will be assessed a Monthly Water Fee. This Monthly Water Fee may be adjusted annually thereafter by the percentage rate of inflation noted for the Consumer Price Index (CPI) as published by U.S. Bureau of Labor Statistics. The Monthly Water Fee shall be paid to Enchanted Ridge L.P. or it's successors and assigns, and is due by the 10th of each month.

Special Exceptions: The Bed and Breakfast, based upon there being 5 apartment units, shall be assessed two (2) times the current Monthly Water Fee. Should additional units be added to the Bed and Breakfast the Monthly Water Fee will be increased \$9.00 per month per each unit added. Adjustments may be made annually.

The chemical and bacteriological content of the Community Water System shall be tested annually. The test results shall be made available to the lot owners as required by law.

Lawn and Garden Sprinklers, and/or Swimming Pools or other special purposes, which require more than one hundred and forty gallons per day, shall be supplied by a separate well on the property owners lot and at his expense.

Section 2. Electricity Underground electrical service (including the transformer) shall be constructed and installed as part of the purchase price. The construction and installation of the secondary service from the transformer to the meter and the costs of residential service shall be paid for by the purchaser to the utility company serving ENCHANTED RIDGE SUBDIVISION.

Section 3. Telephone Service and Cable Television All telephone cables shall be installed underground. Telephone cables shall be installed to the boundary of the lot and the costs shall be included in the purchase price.

The purchaser is responsible to pay the necessary installation costs for service and installation of telephone from their property line to their home.

Cable television service shall be installed underground to the property line for each lot purchased from Enchanted Ridge L.P. on or before January 1, 2010. The purchaser to be responsible for the necessary installation cost of the cable television service from their property line to their home.

After January 1, 2010 Enchanted Ridge L.P. will not be responsible for the installation of cable television service lines to the property line of the lots purchased. After the January 1, 2010 date, Purchaser shall be responsible for the installation and cost associated with providing cable television service to the boundary of their lot line as well as the installation of the cable service to their home.

CHAPTER V

ARTICLE 1

ARCHITECTURAL REVIEW BOARD

Section 1. ARB *The ARB shall consist of the vice president of the Enchanted Ridge Subdivision Association, one other permanent resident of Enchanted Ridge Subdivision, and one member appointed by Enchanted Ridge, L.P.*

It is the responsibility of the ARB to review all lot improvements for compliance with size, setback, materials and other related matters it deems necessary to protect the integrity and the original guideline as set forth in the following sections 2- 7.

The ARB shall have the power to issue variances to its adopted policies.

All matters related to the ARB, be they petitions for approval or variances, shall be submitted in writing. The ARB shall respond to these matters in a timely manner, also in writing, stating its position.

Section 2. Design Standards The ARB shall, from time to time, subject to this Declaration, adopt, promulgate, amend, revoke, and enforce guidelines, hereinafter referred to as the "Design Standards" for the purposes of:

- (a) Governing the form and content of plans and specifications to be submitted to the ARB for approval pursuant to this declaration;
- (b) Governing the procedure for such submission of plans and specifications; and

(c) Establishing guidelines with respect to the approval and disapproval of design features, architectural styles, exterior colors and materials, details of construction, location and size of any structure, preservation of nature and all other matters that require approval by the *ARB* pursuant to this declaration.

Section 3. Review of Plans and Siting Structures, including clearing and grading shall not be commenced, erected or maintained on any lot, nor shall any exterior addition to or alteration (including exterior painting) thereof be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same have been submitted to the *Architectural Review Board* for written approval as to conformity and harmony of external design and general quality with the existing standards of ENCHANTED RIDGE SUBDIVISION. If the *ARB* fails to approve or disapprove such plans and specifications within thirty (30) days after said plans and specifications have been submitted in writing, such plans and specifications will be deemed approved; provided, however, any construction pursuant to such plans must comply with the provisions of the declaration.

Such plans and specifications shall be in such a form and shall contain such information as may be reasonably required by the *ARB* including, without limitation:

- (a) A site plan; showing the location of all proposed and existing structures on the lot including building setbacks, open space, driveways, walkways and parking spaces including the number thereof;
- (b) A foundation plan; showing all footings and concrete slab dimensions and layout.
- (c) Exterior elevations of any proposed structure and alterations to existing structures, as such structures will appear after all back filling and landscaping are completed;
- (d) Specifications of materials, color scheme, lighting schemes and other details affecting the exterior appearance of any proposed structure and alterations to existing structures; and
- (e) Plans for landscaping and grading, especially if the proposed structure consists of such landscaping or grading.

To assure that buildings and other structures will be located so that desirable views, privacy and breezes will be available to the largest practical number of buildings or structures built within ENCHANTED RIDGE SUBDIVISION, and that structures will be located with regard to the topography of each property (taking into consideration the location of large trees, structures previously built or approved pursuant to this Article for adjacent parcels of land and other aesthetic and environmental considerations), the *ARB* shall have the right to control and to decide (subject to the provisions of the pertinent land use regulations of public authorities having jurisdiction) the precise site and location of any building or structures within the property consistent with setback lines, if any, which may be established on an individual development or survey plat.

Section 4. Approval of Plans and Siting. Upon approval by the *ARB* of any plans and specifications submitted pursuant to this declaration, a copy of such plans and specifications, as approved, shall be deposited for permanent record with the *ARB*, and a copy of such plans and specifications bearing such approval in writing, shall be returned to the applicant submitting the same.

Approval for use in connection with any lot or structure of any plans and specifications shall not be deemed a waiver of the *ARB* right, in its discretion, to disapprove similar plans and specifications or any of the features or elements included therein if such plans, specifications, features or elements are subsequently submitted for use in connection with any other lot or structure. Approval of any such plans and specifications relating to any lot or structure, however, shall be final as to that lot or structure and such approval may not be reviewed or rescinded thereafter, provided that there has been adherence to, and compliance with, such plans and specifications, as approved, and any conditions attached to any such approval.

Notwithstanding anything to the contrary, the *ARB* may request changes in any plans or structures that are completed or being built if required by law and neither *ERSA* nor its *BOARD*, nor the *ARB* shall be liable for damages.

Neither *ERSA*, nor the *ARB*, shall be responsible or liable in any way for any defects or

deficiencies in any plans or specifications approved by the *Architectural Review Board*, nor for any structural defects in any work done according to such plans and specifications approved by the ARB. Further, neither ENCHANTED RIDGE, L.P., nor the ARB shall be liable for damages to anyone by reason of mistake in judgment, negligence, misfeasance, malfeasance or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications or the exercise of any other power or right of the ARB provided for in this Declaration. Every person who submits plans or specifications to the ARB for approval agrees, by submission of such plans and specifications, and every property owner of any lot agrees, that he will not bring any action or suit against ERSA or any member of the ARB to recover for any such damage.

Any employee or agent of the ARB may, with the accompaniment of the land owner or his/her representative, after reasonable notice, at any reasonable time, enter upon any lot thereon for the purpose of ascertaining whether the installation, construction, alteration, or maintenance of any structure or the use of any lot or structure is in compliance with the provisions of this declaration.

Section 5. Building Construction Not more than one single-family dwelling, not to exceed a height of two (2) stories or thirty-two feet (32') shall be erected on any lot unless otherwise approved, in writing, by the Architectural Review Board. The first level or basement beneath a building built approximately at, or above grade, and used for parking, shall not be considered a story.

Flat roofs on cottages, houses, residential homes, garages, barns, gazebos, garden houses or other buildings are not permitted. The inclination of a roof has to be at least twenty-two and one half (22.5°) degrees or a 6/12 pitch.

Section 6. Certificates At the request of any property owner, the ARB from time to time will issue, without charge, a written certification that the improvements, landscaping and other exterior items situated upon such property owner's lot have been approved by the ARB, if such is the case.

Section 7. Violations If any structure shall be erected, placed, maintained, moved, or altered upon any lot, other than in accordance with the plans and specifications approved by the *Architectural Review Board* pursuant to the provisions of this Article, such erection, placement, maintenance or alteration shall be deemed to have been undertaken in violation of this Article and without the approval required herein. If, in the opinion of the *Architectural Review Board*, such violation shall have occurred, the *Architectural Review Board* shall provide written notice to the owner by certified mail, setting forth in reasonable detail the nature of the violation and the specific action or actions required to remedy the violation.

If the owner shall not have taken reasonable steps toward the required remedial action within thirty (30) days after the mailing of the aforesaid notice of violation and has not completed the required remedial action within ninety (90) days, then the *Architectural Review Board* shall have, in addition to any other rights available, all rights and remedies allowed at law or in equity.

ARTICLE 2

PROTECTIVE COVENANTS

Section 1. Residential Use of Property All lots, unless otherwise provided herein, shall be used for single-family, residential purposes only, and business or business-like activities shall not be carried on upon any lot at any time, provided, however, that nothing herein shall prevent Declarant or any builder or purchaser of homes in ENCHANTED RIDGE SUBDIVISION from using any lot owned by ENCHANTED RIDGE LIMITED PARTNERSHIP or such builder or purchaser of homes for the

purpose of carrying on business related to the development, improvement and sale of lots; provided further, private offices may be maintained in dwellings located on any of the lots so long as such use is incidental to the primary residential use of the dwellings and not in conflict with any law. Notwithstanding anything to the contrary herein, it shall be expressly permissible for Declarant and any builder or purchaser to carry on such activities as, in the sole opinion of Declarant or such builders or purchasers, is required, incidental or convenient to Declarant's and such builders' or purchasers' development, improvement and sales activities with respect to the property.

Section 2. Setbacks and Building Lines

(a) Dwellings: Each dwelling which shall be erected on any lot shall be situated on such lot in accordance with building and setback lines shown on the plat or required by law. In no event shall any dwelling be erected and located upon any such lot in a manner which violates or encroaches upon the building and setback lines shown on the plat or required by law.

(b) Walls and Fences. Fences or walls shall not be erected, placed, or altered on any lot nearer to any road or drive than the rear of any dwelling located thereon unless the same be a retaining wall of masonry construction which does not in any event rise more than three feet (3') above a finished grade elevation of the earth embankment so retained, reinforced, or stabilized, except that this restriction shall not apply to fences or walls which have been approved by the *Architectural Review Board* pursuant to this Declaration. The exposed part of retaining walls shall be made of clay brick, natural stone, stucco, railroad ties or veneered with brick or natural stone.

(c) Terraces, Eaves and Detached Garages: Terraces, stoops, eaves, wing-walls, and steps extending beyond the outside wall of a structure shall not be considered as a part of the structure. Side yard requirements for any detached garage or accessory outbuilding, which has been approved, in writing, by the *Architectural Review Board* shall be the same as provided for herein; provided that all such detached structures must not be located closer than ten feet (10') from any side line or by a distance of thirty feet (30') from the front or rear boundary line or forty feet (40') from the centerline of a road or thirty feet (30') from a drive.

Rear of building shall be defined as the back wall of an existing structure.

(e) All additions, exterior improvements, garages or changes to the original building site shall be approved by the ARB. All additions, exterior improvements, garages or changes to the original building site shall not interfere with the view of other lot owners, as spelled out in Section 18 Aesthetics and Nature Growth.

Section 3. Building Requirements Except as otherwise provided, the living area of any dwelling, exclusive of open porches, garages, carports, patios, gazebos and breezeways, shall be not less than 1500 square feet. The first floor of two (2) story dwellings and split-level dwellings must contain at least 900 square feet. All lots upon which construction of homes has commenced after July 31, 2010, shall be required to have at least a one-car garage.

Section 4. Building Materials Building materials or equipment used for building purposes shall not be stored on any lot, except for the purpose of construction on such lot and shall not be stored on such lot for longer than the length of time reasonably necessary for the completion of construction of the improvement for which the same is to be used; provided, however, that said length of time shall not exceed eighteen (18) months.

Section 5. Storage Each house must have a storage area of sufficient size for the storage of yard tools, maintenance equipment and miscellaneous items that may not be left out for a extended period of time in order to maintain the natural aesthetics of *Enchanted Ridge Subdivision*. All storage must be substantial and conform architecturally with the house to which they relate. When storage areas are not in use, doors shall be closed. Any construction, alteration, relocation or additional

landscaping of the parking areas, or extension of paved areas to areas previously grassed, landscaped or left in a natural condition shall be submitted for approval to the ARB.

Section 6. Driveways and entrance to garages All Driveways and entrances to garages shall be finished in such a way as to conform to the natural landscape that is trying to be maintained in Enchanted Ridge Subdivision.

Section 7. Service Yards All garbage receptacles, electric and gas meters, clothes lines, water pumps, fuel tanks, and other unsightly objects, equipment and service yard contents on the property must be placed or stored in safe, landscaped, fenced or screened-in areas to conceal them from the view from the road and nearby properties.

Section 8. Septic System Sewage disposal shall be through a septic system which shall be installed by the property owner according to the regulations of Clay County. The permit approving the installation of the system, authorized by the Clay County Health Department, will be given by ENCHANTED RIDGE, L.P. to the builder or purchaser who will have the responsibility to operate the septic system from the date of his ownership.

Section 9. Water System Water shall be supplied through a system which has been installed by ENCHANTED RIDGE, L.P. (see *Chapter IV, Section 1*). Underground sprinkler systems shall not be permitted to connect to the water system, although private sprinkler systems may be installed as set forth in *Chapter IV, Section 1*.

Section 10. Gas Storage Gas storage tanks shall be above or below ground. If they are above ground, they shall be as screened provided in Section 7, above.

Section 11. Air Conditioners Air conditioning units permanently mounted through the wall or through the window shall not be installed without prior written approval of the ARB.

Section 12. Antennas. Radio, television transmission or reception devices over eighteen (18) inches in diameter shall not be permitted on the property. All towers, antennas or satellites receiving apparatus proposed by homeowner must be pre-approved by the ARB.

Section 13. Swimming Pools. Swimming pools must be in ground and located to the rear of the dwelling. Swimming pools must conform to the same setback and building requirements as all other structures on the property.

Section 14. Use of Outbuildings and Similar Structures. Structures of a temporary nature, unless approved in writing by the *Architectural Review Board*, shall not be erected or allowed to remain on any lot. Trailers, campers, shacks, tents, garages, barns or other structures of a similar nature shall not be used as a residence, either temporarily or permanently; provided, this section shall not be construed to prevent the Declarant and those engaged in construction from using sheds or other temporary structures for the purpose of storing materials and equipment during construction. The installation of temporary structures shall be approved by the ARB before any clearing, grading or construction commences.

Section 15. Delivery Receptacles and Property Identification Markers The Architectural Review Board shall have the right to approve the location, color, size, design, lettering and all other particulars of receptacles for the receipt of mail, newspapers or similarly delivered materials.

Section 16. Minimizing Construction Disturbances During the construction of any building in Enchanted Ridge Subdivision, the owner of that property shall require the contractor to:

- (a) Maintain the site of the building in a reasonably clean and uncluttered condition;
- (b) If the site is located within three hundred feet (300') of an occupied residential dwelling, ensure that construction activities do not take place on Sunday and do not commence before 7:00 a.m. or be continued after 7:00 p.m.;

- (c) Maintain active erosion control devices so that storm water leaving the site is free of suspended soil particles. The owner of the site shall be responsible for the cleanup of debris and soil and the repair of erosion damage transported from his site by wind or water;
- (d) All on-site trash shall be placed in a container and removed from the site on a weekly basis;
- (e) Loud music shall not emanate from a construction site.

Section 17. Completion of Construction The ARB shall have the right to take appropriate action, whether at law or in equity, to compel the immediate completion of any residence or structure not completed within eighteen (18) months from the date of commencement of construction. The construction, repair, or replacement of any dwelling or other structure must be promptly undertaken and pursued diligently and continuously to substantial completion by its owner without unreasonable delay. Houses and other dwelling structures may not be temporarily or permanently occupied until the exteriors thereof have been completed. All of the landscaping shown in plans submitted to the ARB must be completed within 90 days of occupancy or, in lieu of completion, a bond may be required by the ARB which guarantees payment of the landscape contractor's estimated cost of installation to implement the plan as submitted and approved by the ARB. If any owner leaves any dwelling or other structure in an incomplete condition for a period of more than eighteen (18) months, then the ARB may complete all required restoration or construction, or may raze and otherwise remove the incomplete structure from such owner's lot. Construction of a dwelling shall be deemed to have commenced upon the commencement of grading of a lot and shall be deemed to be completed upon the issuance of a certificate of occupancy by Clay County for the dwelling constructed on the lot.

Section 18. Aesthetics and Nature Growth Trees of any kind, which have a diameter in excess of seven inches (7") measured three feet (3') above ground level, shall not be destroyed or removed except with the prior approval, in writing, of the ARB or the ERSA Board. In addition, a special concern and restrictions shall be placed on maintaining all those trees, of any size, with distinctive flora fragrance. (i.e.; dogwood, azalea, laurel, rhododendron and others)

The ERSA, ARB, and all other homeowners shall adopt a flexible attitude concerning diseased trees or trees creating safety hazards on all property held in common. To preserve the distinctive atmosphere of ENCHANTED RIDGE SUBDIVISION, every diseased tree, which poses a hazard, and every tree which has fallen to the ground by storm, snow, or other events or by Act of God, the home owner will make an acceptable effort to replace a tree with a height of the young tree of at least seven feet (7'). If regarded suitable to enhance the character of ENCHANTED RIDGE SUBDIVISION, the young tree may be of a different species than the fallen tree, but adapted to the natural habitat of the Southern Appalachian Mountains.

However, in order to maintain the panoramic view of each lot, each purchaser of a lot is advised to take a minimum of three photographs of the panoramic view from the lot he has purchased showing the panorama and the remaining trees and shrubs. These photographs will be taken from a point and location, to be noted on the photograph, and shall be filed with the ARB and/or its successors.

These photographs may be used to determine which trees and shrubs could be trimmed, topped or removed should the view be obstructed by the natural growth of the trees and shrubs on adjoining lots. If the purchaser of a lot wishes to preserve and maintain the panoramic view of his lot, he has, at his option, the right to trim, top or remove, at his own cost, trees and shrubs on adjoining lots. The purchaser is obliged to present such photos to the ARB for their written approval. In addition, the adjoining lot owners shall receive, at the same date, the same photographs. After having trimmed, topped or removed trees and shrubs, the respective purchaser is responsible for removing all trunks, branches and limbs at his own costs. Small trees and shrubs of four inches (4") in diameter, or smaller, may be cut and felled. Larger trees shall be removed in such a manner as not to cause major damage to surrounding trees and structures. To insure that damages do not occur to structures and only minimal damages may occur to surrounding trees and shrubs, an experienced tree trimmer or cutter shall be employed. When the ARB feels it is necessary, a Certificate of Insurance for General Liability Insurance shall be submitted to the ARB and to the adjoining lot owners with the before-mentioned photographs.

As all the Lots of ENCHANTED RIDGE SUBDIVISION are situated in a hilly wooded area, therefore as little lawn as possible or even no lawn or natural lawn is desirable and appreciated. But if some lawn is requested by the owner of the property, it shall

not cover more than twenty (20%) percent of the total size of the lot (e.g., 8712 square feet for a one-acre lot). The lawn shall include any and all flower gardens, vegetable gardens, orchard or similarly cultivated areas.

As all Enchanted Ridge Subdivision property owners would like to protect their view as well as that of other property owners in Enchanted Ridge Subdivision, no building, extension or expansion or addition to a home or other buildings on owner's property shall interfere with the existing or expected view of other property owners.

Hunting shall not be allowed on the property except under controlled conditions approved by appropriate governmental wildlife authorities for the purpose of protecting property owners, the public and other animals against health hazards, disease and other anomalies resulting from species overpopulation and significant wildlife predation. Any violation of this provision with respect to other properties shall constitute both a breach of these covenants and a trespass against property owned by the Declarant, ERSA and individual property owners. Since ENCHANTED RIDGE SUBDIVISION is not intended to be, nor is it to be maintained as, a wildlife sanctuary, any depletion of wildlife stock which may result from the process of planned development shall not be deemed to be a violation of this section. Nonetheless, the property owner of a lot in ENCHANTED RIDGE SUBDIVISION may undertake reasonable measures to protect or replenish species of wildlife that can be expected to adapt to man's presence on the property or in the area.

Section 19. Animals Animals, livestock or poultry of any kind shall not be raised, bred, pastured, or kept on any lot or combination of lots that is smaller than four (4) acres, except that dogs, cats or other small household pets may be kept, provided that they are not kept, bred, or maintained for any commercial purposes and are limited to two (2). Such household pets must not constitute a nuisance or cause unsanitary conditions. To maximize the overall use and enjoyment of the property, each person who keeps a pet shall abide by the following restrictions and affirmative obligations: (a) pets may not be kept, bred or maintained on the property for any commercial purpose:

(b) best efforts shall be exercised to prevent pets from excreting upon the shrubbery or in any area outside of the owner's property;

(c) any defecation or solid excrement left by the pet upon the common properties (roads, trails, pastures, woodlands, and so on) shall be removed by the owner or the attendant of the pet;

(d) the pet shall not be allowed to roam from its owner or domicile uncontrolled by voice or leash in such a manner to cause a nuisance to other property owners; and

(e) any pet which consistently barks, howls, or makes disturbing noises which might disturb other property owners, their lessees and guests, shall be muzzled and/or brought into a controlled situation. The breach of any of these restrictions and obligations and duties shall be a noxious and offensive activity instituting a private nuisance.

Farm animals shall be allowed if the property owner has at least four (4) acres in one tract or a combination of adjacent tracts within ENCHANTED RIDGE SUBDIVISION. The property owner may clear the amount of land necessary for grazing purposes on these tract(s) for pasture. If any of the tract(s) is (are) woodland-leased land from other property owners in ENCHANTED RIDGE SUBDIVISION the same rule shall apply. The structure(s) (e.g., stable, barn) and fences for sheltering, containing animals or storage, shall be submitted to the ARB. Fences shall be constructed and maintained to be strong and able to prevent the unwanted wandering of animals onto adjacent properties. Damages caused by wandering animals shall be the sole responsibility of the property owner of the tract(s). The ARB and ERSA shall not be held responsible in anyway for any damages arising from escaped and/or wandering animals. Three or more incidences, in which animals escape the confines of their property owner's boundaries within a one year period, may be reviewed by the Architectural Review Board and additional fencing or stronger fencing required or no more allowance for farm animals shall be given.

Farm animals shall not be permitted until the necessary structure(s) and fences for sheltering and containing animals have been erected. Animal excretions shall not be allowed to cause stench or unsanitary conditions.

Acceptable animals are horses, cows and sheep, however, no more than two horses or cows may be allowed per acre of pasture or six sheep per acre of pasture.

The owner shall not allow standing water where insects may breed or odors may emanate. If owner chooses to construct a water feature (garden pool or waterfall) on their property, special care must be taken to provide for water movement or aeration in order to prevent stagnation.

Section 20. Signs Signs shall not be erected on any lot or displayed to the public on any lot, except as approved by the Architectural Review Board under Section 15, above. Project signs erected by the Declarant, builder or realtor signs are permitted as long as they do not interfere with the natural beauty of the area.

Section 21. Trailers, Trucks, School Busses, Boats, Boat Trailers House trailers or mobile homes, school busses, trucks or commercial vehicles over one (1) ton capacity, boats or boat trailers, campers or tents, barns or other similar out buildings shall not be kept, stored or parked either on any street or on any lot, except within enclosed garages or completely screened from view. Notwithstanding the foregoing, passenger automobiles may be parked in driveways if the number of vehicles owned by the owner exceeds the capacity of the garage. The foregoing will not be interpreted, construed, or applied to prevent the temporary non-recurrent parking of any boat or trailer for a period not to exceed forty-eight (48) hours upon any lot.

Section 22. Smells and Odors The Owner of any property within the Enchanted Ridge Subdivision shall have the affirmative duty to prevent the release of obnoxious smells and odors from his property which might tend to adversely affect the reasonable use and enjoyment of the lands and other interests in realty owned by adjacent and nearby property owners.

Section 23. Garbage and Refuse Disposal No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste will not be kept except in sanitary containers designed for that purpose. All equipment used for the storage or disposal of such waste material shall be kept in a clean and sanitary condition. If such litter or other materials is found on any lot, the same will be removed by the owner of such lot, at the owner's expense, upon written request by the Architectural Review Board.

Section 24. Laundry Drying In order to preserve the aesthetic features of the architecture and landscaping, each property owner, his or her family, his or her guests, or his or her tenants shall not hang laundry from any dwelling unit, if such laundry is within the public view. This provision, however, shall, be temporarily waived by the Architectural Review Board during periods of severe energy shortages or other conditions making the enforcement of this Section contrary to the national or local interests.

Section 25. Offensive Activities Noxious, offensive or illegal activities shall not be permitted upon any lot or property, nor shall anything be done thereon which is or may become an annoyance or nuisance to the owners of other property in ENCHANTED RIDGE SUBDIVISION or within Clay County. "Offensive or Noxious" activity or behavior shall include but not be limited to:

- (a) a public nuisance or a nuisance per se;
- (b) any behavior which is inconsistent with both the reasonable pleasurable use of the property area by property owners, their lessees and guests and their reasonable expectations of vacationing, year-round living, studying, working or recreating, free of excessively noisy behavior that is grossly disrespectful of the rights of others;
- (c) flashing or excessively bright lights, racing vehicles (regardless of the number of wheels);
- (d) public drunkenness;
- (e) significantly loud electronic musical or natural distractions;

- (f) other similar unreasonable behavior or activity curtailing or likely to curtail the reasonable pleasure and use of the property. Athletic events, concerts, festivals, competitions or shows primarily for the use and enjoyment of the property by property owners and their guests, conducted under permit from the Architectural Review Board, shall not constitute offensive or noxious activity or behavior unless such permit is withdrawn by that committee or its terms and conditions violated. Without limiting the foregoing, the following shall also constitute offensive or noxious activity:
- (g) Indiscriminate discharge of firearms, guns, pistols or arrows of any kind, caliber, type or any method of propulsion except (i) pursuant to Section 18; (ii) by security personnel in the course of their duties; (iii) protection of household or self-defense consistent with pertinent law; or (iv) as part of an event or festival authorized and approved by the Architectural Review Board;
- (h) Mechanical amusement rides;
- (i) Fireworks stores, the sale of fireworks, and the discharge of fireworks except in controlled events approved by the before mentioned committee;
- (j) Artificial wild animals or birds, flashing lights, painted tree trunks, stacks of tires, outdoor displays of manufactured products, balloons, banners, wind socks, whirling plastic devices on poles, ropes or cables, painted vehicles, caged or penned animals used as a roadside commercial attraction, and similar commercial devices;
- (k) Any facility or equipment which creates dust, noise, odors, glare, vibrations or electrical disturbances beyond the property lines of the owner of such facility or equipment; provided, however, that this sub-paragraph shall not apply to normal construction disturbances or to any utility or communications facility owned by ENCHANTED RIDGE, L.P., or its assignee;
- (l) Discharge of explosives except by experienced detonation experts as a part of a necessary and controlled construction undertaking; and
- (m) Outdoor parties after 1:00 a.m. and before 7:00 a.m. which are likely to disturb other property owners and their guests unless approved in advance by the ARB.

Section 26. Sound Devices Exterior speakers, horn, whistle, bell or other sound device, except devices intended for use and used exclusively (and with reasonable regard for neighbors) for safety or security purposes, or as a part of a utility warning device, shall not be located, used or placed upon any part of the property without a permit from the ARB.

Section 27. Prohibition of Snowmobiles. Off-Road Vehicles Snowmobiles and off-road vehicles shall not be permitted on roads, drives, driveways and trails within the property. The use of any fuel driven motorcycles, mopeds, or bicycles on bicycle trails, cart paths, nature trails and recreation areas is prohibited.

Section 28. Changing Elevations Property owners shall not excavate or extract earth from a lot for any business or commercial purpose. Elevation changes shall not be permitted which materially affect surface grade of surrounding lots, unless approved by the ARB as part of the construction process. In any such event, neighboring lots shall be protected as provided for in the Erosion and Sedimentation Act of 1975, as amended through 1989.

Section 29. Maintenance Each Owner shall keep and maintain each lot and structure owned by him, including all landscaping located thereon, in good condition and repair, including, but not limited to the repairing and painting (or other appropriate external care) of all structures and the pruning and trimming of all trees, hedges and shrubbery which obstruct motorists, pedestrians or street traffic. Each property owner and its lessees shall prevent and remove the accumulation of litter, trash, packing crates or rubbish; prevent the development of any unclean, unsightly or unkempt conditions of buildings or grounds on the property either before, during or after construction; prevent and remove accumulations on his property which tend to substantially decrease the beauty of the specific property or the community as a whole; and, keep their buildings, roofs, structures and improvements in good repair with a reasonably high standard of care. A property owner, lessee or guest shall not litter or create unsightly conditions on public or private road sides within ENCHANTED RIDGE SUBDIVISION. If, in the

opinion of the ARB, any owner shall fail to perform the duties imposed by this Section, the ARB shall give written notice by certified mail to the owner to remedy the condition in question, setting forth in reasonable detail the nature of the condition and the specific action or actions needed to be taken to remedy such condition. If the owner shall fail to take reasonable steps to remedy the condition within thirty (30) days after the mailing of the aforesaid notice of violation, the ARB shall have, in addition to all other rights at law or in equity, a right of abatement as provided in Article 4, Section 1, hereof.

Section 30. Subdivision of Property Lands in ENCHANTED RIDGE SUBDIVISION shall not be subdivided other than by ENCHANTED RIDGE, L.P., except by means of a written and recorded instrument indicating that such subdivision has been approved by ENCHANTED RIDGE, L.P. With the approval of ENCHANTED RIDGE, L.P., which approval may be denied in the sole discretion of ENCHANTED RIDGE, L.P., two (2) or more contiguous lots may be combined into one (1) larger lot. Following the combining of two (2) or more lots into one (1) larger lot, only the exterior boundary lines of the resulting larger lot shall be considered in the interpretation of these covenants. Prior to granting the approval, ENCHANTED RIDGE, L.P., may make specific provisions for payment of assessments.

Section 31. Duty to Insure In order to insure that damaged or destroyed buildings can be reconstructed or the land cleared and landscaped, each property owner shall have the affirmative duty to procure and maintain full replacement value casualty Insurance for any house or detached building owned by the property owner. The ARB may require at any time that all or any property owner(s) submit a Certificate of Insurance, policy or other proof that the buildings are insured in conformity with this Section.

Section 32. Exceptions

(1) Notwithstanding any provisions of these covenants and restrictions, Lot 30 containing 2.70 acres and Lot 29 containing 1.87 acres as shown on the plat of survey by Jeffery B. Weatherly, recorded in Plat Cabinet 3, Slide 164, records of Clay County, N.C., formerly owned by John S. Howard, Jr." and wife, Jodi D. Howard, and used as a Bed and Breakfast Inn, may continue to be used as a Bed and Breakfast Inn or a sales office for ENCHANTED RIDGE SUBDIVISION. Four additional units may be added to the Bed and Breakfast operation subject to approval of the Architectural Review Board.

(2) Building Restrictions for Lots 28 and 29: On each lot a house only can be built on the Eastern side of the South-North centerline of the lots as shown in the plat.

Section 33. Vehicle Markings No marking of any commercial nature shall be allowed on vehicles parked outside for more than forty-eight (48) hours, or for the length of time needed for house repair or maintenance.

Section 34. Rental of Homes If any home that is within the boundaries of Enchanted Ridge Subdivision is to be used as rented property for a period of longer than six (6) months, an application shall be given to the ERSA Board of Directors. This application is for the sole purpose that the renter may be provided a set of the covenants and an acceptance form for the covenants. The acceptance form is to be returned to the ERSA Board within ten (10) business days or prior to move-in.

Section 35. Address Designation All homes shall have their house numbers displayed in a prominent area with numbers not less than four (4) inches in height and visible from the road or lane. This is to assist any emergency vehicles to find the necessary address.

ARTICLE 3

MAINTENANCE FEES, ASSESSMENTS and IMPACT FEES

Section 1. Maintenance On or before the 1st of November each year, the ERSA BOARD in ENCHANTED RIDGE SUBDIVISION shall prepare a statement of the total costs, including interest, for maintenance and/or improvement of the roads, drives, landscaping, entrance, common areas, removal of fallen trees on the roads and drives and other SUBDIVISION ASSOCIATION during the preceding twelve (12) months. In addition the ERSA BOARD shall prepare and approve a projected budget for the upcoming year. Based upon the year's projected budget, the ERSA BOARD shall set and establish the next years Property Owners Monthly Maintenance Fees. The monthly maintenance fees activities deemed necessary, which were expended by ENCHANTED RIDGE may be adjusted annually to cover projected increases in the operating and maintenance cost. Notification to the Property Owners of any changes in the monthly maintenance fees will be provided 30 days in advance of the effective date.

Section 2 Payment of Maintenance Fees. Monthly maintenance fees shall be paid to Enchanted Ridge Subdivision Association by the 10th of the month.

A penalty of \$10.00 may be assessed the homeowner for all payments deemed late or past due. If maintenance fees are not current the property owner may not be able to vote at the annual meeting. The ERSA BOARD has the right and obligation to place a lien on any delinquent account and the property owner will be responsible for all legal fees.

Section 3. Assessments. In the unlikely event that an unexpected expense occurs that requires expenditure not anticipated by the ERSA BOARD, and can not be paid from existing ERSA funds, the ERSA BOARD may assess property owners additional fees to cover a short fall in funds. Should such an event occur, the BOARD shall make every legal effort to remedy such expenses on behalf of the property owners with the intent of limiting liabilities.

Section 4. Proportionate Shares. In the event that an assessment is deemed necessary, the proportionate share of the cost for each property owner shall be the total assessment cost divided by the number of undeveloped and developed lots designated within Enchanted Ridge Subdivision. The number of lots shall be equal to the total of both the undeveloped and developed lots owned by a person or persons and/or other entity other than Enchanted Ridge L.P.

Special Exceptions:

1. Enchanted Ridge L.P. shall be assessed for two (2) lots corresponding to all "Undeveloped lots" owned by them. In addition, Enchanted Ridge L.P. shall be assessed for each "Developed lot" owned. (See Chapter 1, Section 9 for definition details)
2. The Bed & Breakfast Inn shall be treated as one (1) developed lot.
3. Lots 26 and 27 only shall be included as two (2) lots, should the roads and drives of ENCHANTED RIDGE SUBDIVISION be used.

Additional lots shall be added to, and included for the proportionate share, if they have access to the roads and drives of ENCHANTED RIDGE SUBDIVISION.

Section 5. Payment of Assessments The owner of each lot agrees to pay, upon notice, their proportionate share of the total costs of maintenance and improvements. Payment shall be due to the ERSA no later than thirty (30) days after the notification date of costs to the property owner. Interest of 18% annually, calculated daily, shall be paid by the property owner for late payments. Payments shall be deemed late 30 days past the due date.

Section 6 Impact Fees Property owners shall be responsible for a one time Impact Fee at the time of lot excavation and/or construction commencing on their lot. The Impact Fee is needed to help maintain and repair the roads that will be used by heavy equipment used to do the work at the lot. The Impact Fees assessed shall be as follows;

- "Meadow Lots" (28,29,40) the Impact Fee shall be \$250.
- "Lower Ridge Lots" (6,16,17,18,19,20) the Impact Fee shall be \$500.
- "Upper Ridge Lots" (7,9,10,15,22) the Impact Fee shall be \$1,000.

Additional lots may be added and the corresponding Impact Fee will be designated at the time of listing for sale. Lots 26 and 27 shall be exempt from the Impact Fee if the equipment road access does not use any portion of Hidden Forest Lane. In the event the trucks and equipment does utilize Hidden Forest Lane for the purpose of delivering or removing equipment, ERSA has the right to assess the property owner an Impact Fee of \$250 for that usage.

Section 7 Payment of Impact Fees The owner of each lot agrees to pay the Impact Fee upon notice. The payment shall be made to ERSA and is due no later than 30 days past the due date. Interest of 18% annually, calculated daily, shall added and be paid for late payments. Payments shall be deemed late 30 days past the due date.

ARTICLE 4

GENERAL PROVISIONS

Section 1. Enforcement Each lot owner shall comply strictly with the covenants, conditions, restrictions and easements set forth in this Declaration. In the event of a violation or breach, or threatened violation or breach, of any of the same, the Declarant, the *Architectural Review Board* or any aggrieved lot owner, jointly or severally, shall have the right to proceed at law or in equity for the recovery of damages, or for injunctive relief, or both, If any owner is the prevailing party in any litigation involving this Declaration, then that party also has a right to recover all costs and expenses incurred (including reasonable attorneys' fees). However, no owner has the right to recover attorneys' fees from or against the Declarant, unless otherwise provided by law. Failure by the Declarant, the *Architectural Review Board*, or any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

In addition to the above rights, the Declarant or the *Architectural Review Board* shall have a right of abatement if the owner fails to take reasonable steps to remedy any violation or breach within ten (10) days after written notice sent by certified mail. A right of abatement, as used in this Section, means the right of the Declarant or *Architectural Review Board*, through its agents and employees, to enter at all reasonable times

upon any lot, as to which a violation, breach or other condition to be remedied exists, and to take the actions specified in the notice to the owner to abate, extinguish, remove, or repair such violation, breach or other condition which may exist thereon contrary to the provisions hereof, without being deemed to have committed a trespass or wrongful act by reason of such entry and such actions; provided, such entry and such actions are carried out in accordance with the provisions of this Article. The cost thereof, including the costs of collection and reasonable attorneys' fees, together with interest thereon at ten (10%) percent per annum, shall be a binding personal obligation of such owner's lot, enforceable at law, and shall be a lien on such owner's lot enforceable as provided herein.

Section 2. Severability If any term or provision of this Declaration or the application thereof to any person or circumstance shall to any extent, be invalid or unenforceable, the remaining terms and provisions of this Declaration and the applications thereof shall not be affected and shall remain in full force and effect and to such extent shall be severable.

Section 3. Duration This Declaration. (exclusive of all easements reserved by the owner of any land subject to this Declaration or reserved by their respective heirs, legal representatives, successors and assigns) shall remain in effect for a term of

twenty (20) years from the date *February 18, 1997*, and shall be automatically extended for successive periods often (10) years each, unless an instrument signed by at least seventy-five (75%) percent of the then recorded owners of all of the lots has been recorded, agreeing to terminate this Declaration in whole or in part. All easements set forth in the covenants and restrictions shall remain in full force and effect until agreed to, in writing, by all owners affected by said rights of way and easements.

This Declaration may be terminated only by a vote of at least seventy-five (75%) percent of all Owners.

Section 4. Amendment So long as the Declarant owns a lot subject to this Declaration, the Declarant may, in its sole discretion, except as herein stated, amend this Declaration so long as such amendment is not in violation of the provisions contained on the plat as approved by Clay County or any law and does not materially and adversely affect the interest of any mortgagee or owner of a lot or any adjacent property owner.

In addition to the foregoing, this Declaration may be amended by a vote of seventy-five (75%) percent of the owners; provided that (a) any such amendment shall not be effective until recorded in the office of the Register of Deeds, Clay County, North Carolina, or such later date as may be specified in the amendment. (b) any such amendment must be consented to by ENCHANTED RIDGE, L.P. as long as ENCHANTED RIDGE, L.P., owns a lot, and (c) any such amendment shall not materially and adversely affect any mortgagee of a lot unless such mortgagee shall consent in writing thereto, which consent shall be filed with such amendment.

Every purchaser or grantee of any interest in any real property now or hereafter subject to this Declaration, by acceptance of a deed or other conveyance therefore, thereby agrees that this Declaration may be amended as provided in this section.

Section 5. Permission When any act by any party affected by this Declaration requires the permission or consent of ENCHANTED RIDGE, L.P., such permission or consent shall only be deemed given when it is in written form, executed by ENCHANTED RIDGE, L.P.

Section 6. Applicable law The law of the State of North Carolina shall govern the terms and conditions of this Declaration.

Section 7. Definitions Whenever used herein and appropriate, the singular shall include the plural, the plural shall include the singular, and any gender shall include the others.

Section 8. Captions The captions in this Declaration are for convenience only and shall not be deemed to be part of this Declaration or construed as in any manner limiting the terms and provisions of this Declaration to which they relate.

Section 9. Variances Notwithstanding anything to the contrary contained herein, the *Architectural Review Board* shall be authorized to grant by written application and consent individual variances from any of the provisions of this Declaration, if it determines that waiver of application or enforcement of the provision in a particular case would not be inconsistent with the overall scheme of development for the property.

Section 10. Assignment of Rights owned by ENCHANTED RIDGE, L.P. ENCHANTED RIDGE, L.P., may, at any time and from time to time, delegate and assign to an association, person or any entity, in whole or in part, its rights and authority under these covenants. Such assignment shall be by written instrument recorded in the Clay County, North Carolina records.

Section 11. Cumulative Effect. Conflict The covenants, restrictions, conditions and easements of this Declaration shall be cumulative with those imposed by Clay County and applicable to the property; provided, however, in the event of conflict between the two, the more restrictive shall control.

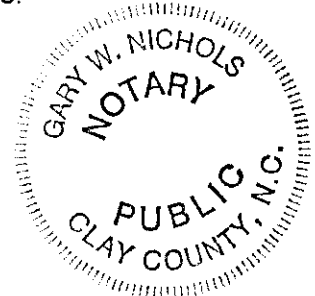
Section 12. Notice Unless otherwise provided herein, any notice required or permitted to be given pursuant to this Declaration shall be in writing sent by prepaid, certified mail to such address of the person to be notified as such person may have designated or as would be reasonably anticipated to effectuate receipt of the notice. Any such notice shall be effective upon mailing in conformity with this Declaration. If any person consists of more than one person or entity, notice to one (1) as provided herein shall be notice to all.

This the 14th day of April, 2010.

Signatures and notary acknowledgments are below and on following pages.

ENCHANTED RIDGE, L.P., a Delaware Limited Partnership
BY: Enchanted Ridge, Inc., a Pennsylvania Corp., as Manager of
Enchanted Ridge, L.P.

Bernd Stoy (SEAL)
Bernd Stoy, Secretary of Enchanted Ridge, Inc.



STATE OF NORTH CAROLINA
COUNTY OF CLAY

I, Gary W. Nichols, a Notary Public, of Clay, Clay County, N.C. do hereby certify that Bernd Stoy personally came before me this day and acknowledged that he is Secretary of ENCHANTED RIDGE, INC. a Pennsylvania Corporation, which corporation is the manager of ENCHANTED RIDGE, L.P., a Delaware limited partnership, and by authority duly given and as the act of the corporation as a manager of said limited partnership, this writing was signed by the corporation's Secretary, as the duly authorized act of the corporation as manager of said limited partnership.

Witness my hand and official seal, this the 14th day of April, 2010.

Gary W. Nichols
Notary Public

My Commission Expires:

04/05/12
(Attach Notary Seal)

Lawrence Wainwright (SEAL)

Judy Wainwright (SEAL)

SEAL - STAMP

NORTH CAROLINA, Clay County

I, _____, a Notary Public of the County and State aforesaid, certify that Lawrence Wainwright and wife, Judy Wainwright, who are personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this _____ day of _____, 2010.

My commission expires: _____ Notary Public

_____(SEAL)
Property Owner

_____(SEAL)
Property Owner

SEAL - STAMP NORTH CAROLINA, Clay County

I, _____, a Notary Public of the County and State aforesaid, certify that, the above signed property owners in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument.
Witness my hand and official stamp or seal,
this _____ day of _____, 2010.

My commission expires: _____

Notary Public

_____(SEAL)
Property Owner

_____(SEAL)
Property Owner

SEAL - STAMP State of _____, County of _____

I, _____, a Notary Public of the County and State aforesaid, certify that, the above signed property owner in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument.
Witness my hand and official stamp or seal,
this _____ day of _____ 2010.

My commission expires: _____

Notary Public

aforesaid, certify that Shane Crook and wife, Andrea Crook, who are personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this 19 day of Nov, 2010.

My commission expires: _____ Notary Public

Linda Macdonald (SEAL)

Linda Godwin
Notary Public
Clay County, NC
My Commission Expires June 26, 2012

SEAL - STAMP State of NC, County of Clay
I, Linda Godwin, a Notary Public of the County and State
aforesaid, certify that Linda Macdonald, who is personally known to me or who
presented a driver's license as identification, personally appeared before me this
day and acknowledged the voluntary execution of the foregoing instrument.
Witness my hand and official stamp or seal, this 19 day of Nov,
2010.
Linda Godwin
Notary Public
Clay County, NC
My Commission Expires June 26, 2012
My commission expires: 6-26-2012 Linda Godwin Notary Public

(SEAL)
Joseph Hill

(SEAL)
Cynthia Hill

SEAL - STAMP State of _____, County of _____
I, _____, a Notary Public of the County and State
aforesaid, certify that Joseph Hill and wife, Cynthia Hill, who are personally known
to me or who presented driver's licenses as identification, personally appeared
before me this day and acknowledged the voluntary execution of the foregoing
instrument. Witness my hand and official stamp or seal, this _____ day of
_____, 2010.

My commission expires: _____ Notary Public

By: _____ (SEAL)
Eugene T. Schrader
Member / Manager

(SEAL)

SEAL STAMP STATE OF

COUNTY OF

Section 12. Notice Unless otherwise provided herein, any notice required or permitted to be given pursuant to this Declaration shall be in writing sent by prepaid, certified mail to such address of the person to be notified as such person may have designated or as would be reasonably anticipated to effectuate receipt of the notice. Any such notice shall be effective upon mailing in conformity with this Declaration. If any person consists of more than one person or entity, notice to one (1) as provided herein shall be notice to all.

_____(SEAL)STATE OF NORTH CAROLINA,

COUNTY OF CLAY

(Attach Notary Seal)

J.M. Greay (SEAL)
Property Owner

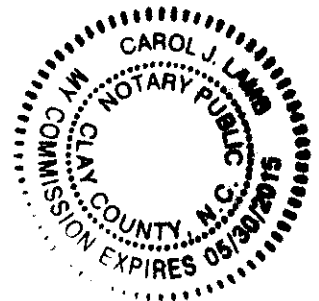
N/A (SEAL)
Property Owner

SEAL - STAMP NORTH CAROLINA, Clay County

I, Carol J. Lamb, a Notary Public of the County and State aforesaid, certify that, the above signed property owners in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this 12th day of November 2010.

My commission expires: May 30, 2015

Carol J. Lamb
Notary Public



N/A (SEAL)
Property Owner

N/A (SEAL)
Property Owner

SEAL - STAMP State of N/A, County of N/A

I, N/A, a Notary Public of the County and State aforesaid, certify that, the above signed property owner in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this _____ day of _____ 2010.

My commission expires: _____

Notary Public

Witness my hand and official stamp or seal,
this _____ day of _____, 2010.

My commission expires: _____

Notary Public

Dillon M. Reese
(SEAL)
Property Owner

(SEAL)
Property Owner

SEAL - STAMP

State of NC, County of Clay

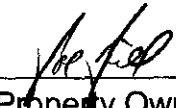
Laura E. Farmer

Notary Public of the County and State aforesaid, certify that, the above signed property owner in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument.

Witness my hand and official stamp or seal,
this 30 day of December, 2010

My commission expires: 07/07/2013

Laura E. Farmer
Notary Public



Property Owner
JOE HILL

(SEAL)



Property Owner
SHANE CROOK

(SEAL)

SEAL - STAMP

NORTH CAROLINA, Clay County

I, Esther F Fullerton, a Notary Public of the County and State
aforesaid, certify that, the above signed property owners in the Enchanted Ridge
Subdivision, who personally known to me or who presented driver's licenses as
identification, personally appeared before me this day and acknowledged the
voluntary execution of the foregoing instrument.
Witness my hand and official stamp or seal,
this 12th day of Nov, 2010.

My commission expires: 5-30-2012

Esther F Fullerton
Notary Public

Property Owner

(SEAL)

Property Owner

(SEAL)

SEAL - STAMP

State of _____, County of _____

I, _____, a Notary Public of the County and State
aforesaid, certify that, the above signed property owner in the Enchanted Ridge
Subdivision, who personally known to me or who presented driver's licenses as
identification, personally appeared before me this day and acknowledged the
voluntary execution of the foregoing instrument.
Witness my hand and official stamp or seal,
this _____ day of _____, 2010.

My commission expires: _____

Notary Public

_____(SEAL)STATE OF NORTH CAROLINA,
COUNTY OF CLAY

(Attach Notary Seal)

Talk H. Weathers (SEAL)
(SEAL)
Property Owner

Property Owner

SEAL - STAMP NORTH CAROLINA, Clay County

I, Laura E. Farmer, a Notary Public of the County
and State aforesaid, certify that, the above signed property owners in the
Enchanted Ridge Subdivision, who personally known to me or who
presented driver's licenses as identification, personally appeared before
me this day and acknowledged the voluntary execution of the foregoing
instrument.

Witness my hand and official stamp or seal,
this 9th day of November, 2010.

My commission expires: 07/27/2013

Laura E. Farmer
Notary Public

_____(SEAL)
(SEAL)
Property Owner

Property Owner

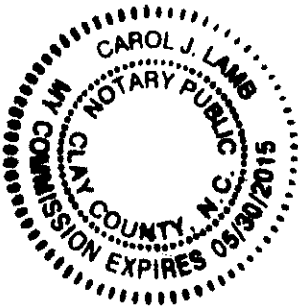
SEAL - STAMP State of _____, County of _____

I, _____, a Notary Public of the County
and State aforesaid, certify that, the above signed property owner in the
Enchanted Ridge Subdivision, who personally known to me or who

Lawrence Wainwright (SEAL)
Lawrence Wainwright

Judy L. Wainwright (SEAL)
Judy Wainwright

SEAL - STAMP



NORTH CAROLINA, Clay County

I, CAROL J. LAMB, a Notary Public of the County and State aforesaid, certify that Lawrence Wainwright and wife, Judy Wainwright, who are personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this 14th day of October, 2010.

My commission expires: May 30, 2015 Carol J. Lamb Notary Public

Frank Johns

Judith Johns

SEAL - STAMP

State of _____, County of _____
I, _____, a Notary Public of the County and State aforesaid, certify that Frank Johns and wife, Judith Johns, who are personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this _____ day of _____, 2010.

My commission expires: _____ Notary Public

Heather Fritz

SEAL - STAMP

State of _____, County of _____
I, _____, a Notary Public of the County and State aforesaid, certify that Heather Fritz, who is personally known to me or who presented a driver's license as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal. this _____ day of _____.

Jack Chamblee

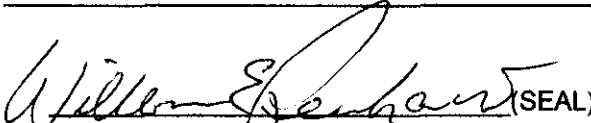
Anna R. Chamblee

SEAL - STAMP

State of _____, County of _____

I, _____, a Notary Public of the County and State aforesaid, certify that Jack Chamblee and wife, Anna R. Chamblee, who are personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this _____ day of _____, 2010.

My commission expires: _____ Notary Public

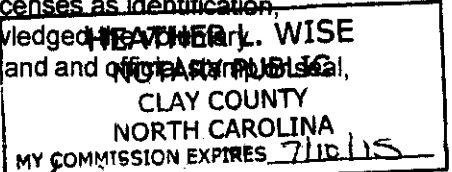
 (SEAL)
William Reinhardt

 (SEAL)
Susan Reinhardt

SEAL - STAMP

State of NC, County of Clay

I, Heather L. Wise, a Notary Public of the County and State aforesaid, certify that William Reinhardt and wife, Susan Reinhardt, who are personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this 29th day of October, 2010.

My commission expires: July 10, 2015 Heather L. Wise Notary Public

(SEAL)
Dallas Reese

(SEAL)
Susan Reese

SEAL - STAMP

State of _____, County of _____

I, _____, a Notary Public of the County and State aforesaid, certify that Dallas Reese and wife, Susan Reese who are personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this _____ day of _____, 2010.

My commission expires: _____ Notary Public

(SEAL)
Tim Treacy

(SEAL)
Susanne Treacy

SEAL - STAMP

State of _____, County of _____

I, _____, a Notary Public of the County and State aforesaid, certify that Tim Treacy and wife, Susanne Treacy, who are personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this _____

Section 12. Notice Unless otherwise provided herein, any notice required or permitted to be given pursuant to this Declaration shall be in writing sent by prepaid, certified mail to such address of the person to be notified as such person may have designated or as would be reasonably anticipated to effectuate receipt of the notice. Any such notice shall be effective upon mailing in conformity with this Declaration. If any person consists of more than one person or entity, notice to one (1) as provided herein shall be notice to all.

_____(SEAL)STATE OF NORTH CAROLINA,

COUNTY OF CLAY

(Attach Notary Seal)

_____(SEAL)
Property Owner

_____(SEAL)
Property Owner

SEAL - STAMP NORTH CAROLINA, Clay County

I, _____, a Notary Public of the County and State aforesaid, certify that, the above signed property owners in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this _____ day of _____, 2010.

My commission expires: _____

Notary Public

_____(SEAL)
Property Owner

_____(SEAL)
Property Owner

SEAL - STAMP

State of NC, County of LASTON

I, G. Elaine Tallmon, a Notary Public of the County and State aforesaid, certify that, the above signed property owner in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this 4th day of October, 2010.

NR My commission expires: 11/15/2014
G. Elaine Tallmon
Notary Public

_____(SEAL)
Property Owner

_____(SEAL)
Property Owner

SEAL - STAMP NORTH CAROLINA, Clay County

I, _____, a Notary Public of the County and State aforesaid, certify that, the above signed property owners in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument.
Witness my hand and official stamp or seal,
this _____ day of _____, 2010.

My commission expires: _____

Notary Public

Heather Fritz _____(SEAL)
Property Owner

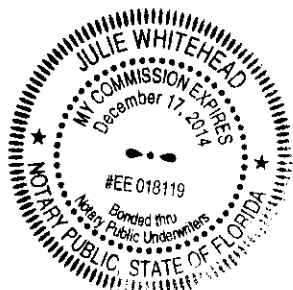
_____(SEAL)
Property Owner

SEAL - STAMP State of Florida, County of Palm Beach

I, Heather Fritz, a Notary Public of the County and State aforesaid, certify that, the above signed property owner in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument.
Witness my hand and official stamp or seal,
this 9 day of November, 2010.

My commission expires: 12/17/2014

Julie Whitehead
Notary Public



[Signature] (SEAL)
Property Owner

[Signature] (SEAL)
Property Owner

SEAL - STAMP NORTH CAROLINA, Clay County

NV

I, Esther F Fullerton, a Notary Public of the County and State aforesaid, certify that, the above signed property owners in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument.
Witness my hand and official stamp or seal,
this 12th day of Nov, 2010.

My commission expires: 5-30-2012

Esther F Fullerton
Notary Public

____ (SEAL)
Property Owner

____ (SEAL)
Property Owner

SEAL - STAMP State of _____, County of _____

I, _____, a Notary Public of the County and State aforesaid, certify that, the above signed property owner in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument.
Witness my hand and official stamp or seal,
this _____ day of _____ 2010.

My commission expires: _____

Notary Public

Public of the County and State aforesaid, certify that, the above signed property owners in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument. Witness my hand and official stamp or seal, this _____ day of _____, 2010.

My commission expires: _____

Notary Public

Jac. D. Brady (SEAL)
Property Owner

Lisa R. Brady (SEAL)
Property Owner

SEAL - STAMP State of Florida, County of Polk

I, Susan V. Trout, a Notary Public of the County and State aforesaid, certify that, the above signed property owner in the Enchanted Ridge Subdivision, who personally known to me or who presented driver's licenses as identification, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument.

Witness my hand and official stamp or seal, this 30th day of November 2010.

My commission expires: _____

Susan V. Trout
Notary Public

NOTARY PUBLIC-STATE OF FLORIDA
Susan V. Trout
Commission # DD690262
Expires: AUG. 16, 2011
BONDED THRU ATLANTIC BONDING CO., INC.

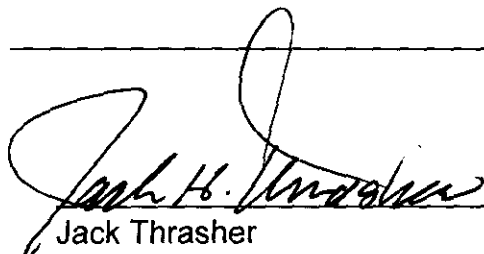
_____(SEAL)
Edward Cliff

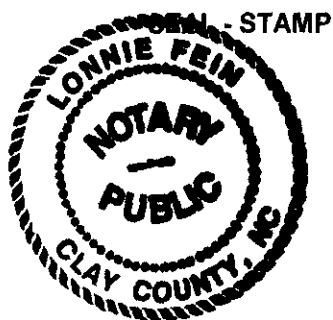
_____(SEAL)
Linda Cliff

SEAL - STAMP

State of _____, County of _____
I, _____, a Notary Public of the County and
State aforesaid, certify that Edward Cliff and wife, Linda Cliff, who are personally
known to me or who presented driver's licenses as identification, personally
appeared before me this day and acknowledged the voluntary execution of the
foregoing instrument. Witness my hand and official stamp or seal, this
_____ day of _____, 2010.

My commission expires: _____ Notary Public

 (SEAL)
Jack Thrasher



SEAL - STAMP State of NORTH CAROLINA County of CLAY
I, LONNIE FEIN, a Notary Public of the County and
State aforesaid, certify that Jack Thrasher, who is personally known to me or who
presented a driver's license as identification, personally appeared before me this
day and acknowledged the voluntary execution of the foregoing instrument.
Witness my hand and official stamp or seal, this 15TH day of APRIL,
2010.

My commission expires: 02/19/2012  Notary Public

_____(SEAL)
Jack Chamblee

_____(SEAL)
Anna R. Chamblee

SEAL - STAMP

State of _____, County of _____
I, _____, a Notary Public of the County and
State aforesaid, certify that Jack Chamblee and wife, Anna R. Chamblee, who
are personally known to me or who presented driver's licenses as identification,
personally appeared before me this day and acknowledged the voluntary
execution of the foregoing instrument. Witness my hand and official stamp or
seal, this _____ day of _____, 2010.

My commission expires: _____ Notary Public

_____(SEAL)
William Reinhardt

_____(SEAL)
Susan Reinhardt

SEAL - STAMP

State of _____, County of _____
I, _____, a Notary Public of the County and
State aforesaid, certify that William Reinhardt and wife, Susan Reinhardt, who
are personally known to me or who presented driver's licenses as identification,
personally appeared before me this day and acknowledged the voluntary
execution of the foregoing instrument. Witness my hand and official stamp or
seal, this _____ day of _____, 2010.

My commission expires: _____ Notary Public