

NORTH CAROLINA
MACON COUNTY

DECLARATIONS OF RESTRICTIVE COVENANTS, CONDITIONS AND
STIPULATIONS APPLICABLE TO OWNERS OF PROPERTY IN AND NEAR
HEMLOCK HILLS SUBDIVISION

Know all persons by these presents,

Whereas, the undersigned are the owners of certain tracts or parcels of land hereinafter identified that have been, or may hereafter be developed into one or more residential subdivisions; and

Whereas, portions of the lands hereafter referenced have heretofore been subjected to certain restrictive covenants, the validity and duration of which has expired; and

Whereas, the parties hereto desire to develop restrictive covenants, restrictions, easements, reservations and dedications which will be more attuned to the current and future use and development of said properties and which will provide protection and assurances with respect to the future use of said properties for residential purposes; and

Whereas, each of the parties hereto, by their execution hereof, has agreed to subject the lands owned by them to the hereinafter established covenants, restrictions, easements and dedications; and

Whereas, the parties hereto wish to provide for the continuation of the provisions of the Declaration and to provide for its modification from time to time as the owners of the lots hereby restricted may determine;

Now therefore, for and in consideration of the premises and further sum of One Dollar this day paid by each party to the other, the respective receipts of which are hereby acknowledged, the undersigned (hereinafter designated as "Owner," whether one or more) hereby establish and declare the following covenants, restrictions, easements, dedications and affirmative obligations which shall be covenants running with the lands of each owner as listed below by whosoever owned, and shall constitute a material part of the consideration

for the purchase and sale of said lands between each owner and any purchaser thereof, and shall be uniformly applicable to all lands described below (but only those certain tracts or parcels of land now owned by Owner and specifically identified in the space adjoining opposite the signature of the Owners' thereof), the same being as follows:

1. Each separate lot or parcel which is subject to these covenants shall be utilized for residential purposes only, and no commercial or business activity, other than a home office which does not require general public access thereto or public parking, shall be permitted thereon. However, leasing of a residence is permitted for a period of time no less than twelve months.
2. Each lot or parcel now owned by the Owners signing below as identified opposite their signature affixed thereto is made subject to these covenants and shall have constructed thereon only one single family dwelling for the use and occupancy of one family unit and attendant domestic live-in, together with one outbuilding which may be a garage, guest house, workshop or live-in's quarters, or a combination thereof. No residence or improvement upon any lot shall exceed two stories above ground level as measured from the highest point of natural grade at the foundation. A residence may also have a basement which has at least one side totally below ground level.
3. Any dwelling constructed on any parcel shall contain no less than 2,000 square feet of heated floor space, excluding open porches, decks, garage and basements. No residence or any other structure shall be located closer than 20 feet from any property line or the margin of any easement. Existing improvements as of the date of this Declaration are grandfathered in and no change to the existing structure will be required.
4. Construction shall conform to the applicable building codes in the jurisdiction and shall be in accordance with good residential practices. All construction shall consist of stick built or modular homes which meet the other requirements of these restrictions. There shall not be allowed any permanent house trailers, tents, motor home or mobile homes; provided, however motor homes and other recreational vehicles may be maintained upon the premises so long as they are completely shielded from view of any other lot within the subdivision or from any subdivision road.

5. All exterior wooden surfaces of all structures shall be painted or stained. All exterior masonry surfaces of all structures shall be painted or stuccoed. Metal roofing shall be permitted on any structure as long as such material has a single pre-finished color. No tin roofing shall be allowed. All buildings must be completed within 24 months of the date the permit was originally issued and/or active signs of construction has begun, whichever occurs first.
6. Driveways shall be graveled as soon as they are cut so as to prevent erosion onto community roadways and into streams. Each property owner shall install a culvert of not less than 18 inches in diameter at the point where any driveway into the property intersects with the subdivision access roads.
7. No noxious or offensive activity shall be carried on or allowed to exist on any parcel, nor shall anything be done thereon which causes embarrassment, discomfort, annoyance or nuisance to the neighborhood. No animal or livestock shall be kept on any parcel except for household pets, provided they are not kept, bred or maintained for any commercial purposes. Animals are expected to be under the control of the owner; they should not be allowed to run at large, kept penned or tethered if they bark, or make any noise that is annoying to any owner whose lands are subject to these covenants.
8. No more than 50% of any lot or parcel may be clear-cut excluding the house site and the drainways.
9. No parcel shall be used or maintained as a dumping ground for rubbish or trash. Trash, garbage or other wastes shall only be kept in sanitary containers out of the sight of other property owners and should be kept indoors due to bear activity, except for days of trash pick-up. No unlicensed or inoperable motor vehicles or nonfunctional appliances may be kept on any parcel (unless stored in garages or storage buildings that prevent their being observed from any road or adjacent property). All parcels shall be maintained in a neat and orderly condition and all grassed areas shall be kept mowed on a regular basis.
10. Clotheslines shall be located within a landscaped screen concealing the same from view from streets and adjacent parcels.
11. No sign of any type or nature, except 911 or house address numbers, shall be displayed to the public view on any parcel, except for signs no greater than four square feet in total size advertising the property for sale. Signs should be in keeping with neighborhood standards of good taste. Political signs are not to be displayed.

12. Only a sewage system constructed, equipped and approved according to applicable standards of the Macon County Health Department or its successor may be installed upon the premises.
13. No racecars, ATVs, dirt bikes, scooters or similar type of vehicles shall be operated on the streets, except for homeowners using such vehicles within the development for ingress and egress to their homes, nor shall they be maintained on any lot unless completely shielded from view from any subdivision lot or road.
14. There have been constructed a system of roads providing access for ingress and egress to the lots and parcels subject to the Declaration. Lots or parcel shall be assessed equally for the costs of the maintenance, repair and upkeep of the roadways within the subdivision. The assessment is \$300 per year (approved on 10/14/2010) per single-family residence, and \$150 per year for each undeveloped lot or parcel, or for those living solely off New Hope Road who wish to use Hemlock Hills Drive to access their property. This fee shall be paid by February 15 of each year or 30 days after invoices are distributed, whichever comes first.
15. Each property owner shall pay an additional impact fee in the amount of \$2,500 to the Association upon receipt of a building permit for the construction of a new residence.
16. Additionally, each owner subject to this Declaration shall be 100% responsible and immediately pay (within 30 days of receipt of invoice) for repairs to any road or roads, ditch, bank or common area damaged by him, his agents, employees, or invitees.
17. Additional assessments may be imposed for the purpose of making improvements, repairing extensive damage or constructing new improvements within the development upon the affirmative vote of at least 80% of the Owners in good standing (those who have paid all dues, fees and assessments owed to the Association as of the date of the vote).
18. Lots, tracts or parcels or contiguous groups of lots, tracts or parcels may be re-subdivided or re-platted in any manner so long as the final division does not result in any residential parcel containing less than one acre of land, including the rights-of-way and easements of adjoining roads. Any residential parcel may be combined with a contiguous residential parcel or portions thereof for use as a single-family residential unit.

HEMLOCK HILLS PROPERTY OWNERS ASSOCIATION

19. The property owners of each separate parcel must be and, upon recording of a deed therefore, shall automatically become a member of the Hemlock Hills Property Owners Association (Association), and shall be subject to all duly adopted articles, bylaws, rules, regulations and resolutions of the association.
20. The Association has as its principal function the obligation to maintain and repair the roadways within the development and provide for the maintenance, repair and improvement, and beautification of any common areas, facilities and/or amenities which are approved by a vote of the membership in accordance with its bylaws.
21. The Association is hereby granted the responsibility and the right to enforce any and all provisions of this Declaration, which right may be exercised along with the rights of all individual owners subject to this Declaration to enforce the same.
22. The failure of the Association or its successors to enforce any right, reservation, restriction or condition contained herein, however long continued, shall not be deemed a waiver of right to do so subsequently as to the same breach, or as to any breach occurring prior to or subsequent thereto, and shall not bar or affect its later enforcement.
23. Assessments not paid by the due date (see #14 above) shall be delinquent and shall bear interest from the delinquency date at the rate of eighteen percent (18%) per annum or the maximum interest rate allowed by law, whichever is less. The assessments levied against a lot remaining unpaid after the due date shall constitute a lien on that lot when filed for record in the office of the Clerk of Superior Court for Macon County, North Carolina in a manner provided therefore by NCGS 44A-12. No statute of limitations on the time for filing of the lien shall apply. The contents of the claim of lien shall follow the format as set forth in NCGS 44A-12C.
24. This lien may be foreclosed just as a mortgage on real estate under power of sale pursuant to Article 2A of Chapter 45 of the General Statutes of North Carolina. Such liens, however, shall be subordinate to the lien of any institutional lender that lends money used for the purpose of purchasing or improving any lot. If the delinquent assessment is placed into the hands of an attorney for collection, there shall be added to the amount due all costs of collection including all reasonable attorney fees. The lien shall include the amount of all

interest which accrues and continues to accrue on the assessment and shall include the aforementioned costs of collection and attorney fees. All assessments, interest costs and attorney fees shall be and constitute the personal, joint and several obligation of the delinquent lot owner. The Association may, in addition or in the alternative to enforcing its lien, bring an action against the lot owner to seek a money judgment for the amount of the assessment, interest, costs of collection and attorney fees. The association may purchase the lot at any sale ordered pursuant to an action to foreclose the lien.

25. These restrictive covenants, conditions, and affirmative obligations shall apply to all of the lands described in the Macon County Land Registry Deed Books and Pages opposite the name of each Owner signing below and shall be effective until January 1, 2061, and shall be automatically renewed for successive ten-year periods for an additional 100 years, unless terminated as hereinafter provided. These restrictive covenants, conditions, and affirmative obligations may be altered, amended or terminated by the action of the owners of 80% of the lots in the subdivision at any duly constituted meeting, either in person or online, of the property owners if the notice of the meeting specifies the intention to alter or amend the restrictions at such meeting. In order to be effective, any such alteration, amendment or termination must be reduced to writing and must be signed by the requisite number of property owners and placed of record in the Public Records of Macon County, North Carolina.
26. Invalidation of any of these covenants, conditions or restrictions by a Judgment or Order of any Court of competent jurisdiction shall not affect the validity of any of the other provisions, which shall remain in full force and effect.
27. In addition to the lots and parcels of land initially made subject to this Declaration, additional lots and parcels may be made subject thereto by the owner of a new lot(s) or parcel(s) agreeing to subject their lands to this Declaration and agreeing to becoming a member of and subject to the by-laws of the Hemlock Hills Property Owners Association and by being approved as a member by 80% of the owners in the Association in good standing.

In witness whereof, the undersigned Owners have set their hands and affixed their seals, intending to be bound, the year and date set opposite their signature.