

STATE OF NORTH CAROLINA

COUNTY OF MADISON

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
DEERFIELD MEADOWS PROPERTY OWNERS ASSOCIATION, INC.

THIS DECLARATION of covenants, conditions, and restrictions is made and entered into this the 30th day of OCTOBER, 1993, by the Deerfield Meadows Property Owners Association, Inc. (the "Association"), and by S. Gerald & S. Diann Harmon (the "Developers"). Individual lot owners of property within the subdivision enter into these covenants for the purpose of submitting their property to the covenants, conditions and restrictions contained herein.

WHEREAS, the Developers are the owners of that real estate being developed as "Deerfield Meadows Subdivision" as shown on plats filed or to be filed for recording in the office of the Register of Deeds for Madison County, North Carolina, and desire to subject said property to the following covenants, conditions, and restrictions, which shall run with the land and be binding not only upon the Developers but upon all of their successors in title.

NOW, THEREFORE, the Developers, the Association and individual lot owners do hereby make the following Declaration as to the limitations, restrictions and uses to which the above-described tract of land known as Deerfield Meadows Subdivision shall be subject:

1. All lots shall be used for single-family residential purposes only. Farm animals including, but not limited to, horses, cows, goats, shall be allowed for recreational purposes only. Commercial raising of farm animals or livestock for sale, or the sale of farm products, shall not be permitted.

2. Subdivision of lots shall be controlled as follows:

Lots under five (5) acres shall not be further subdivided. Lots over five (5) acres and less than ten (10) acres may be subdivided once into no more than two (2) parcels, with each parcel having at least two and one-half (2 1/2) acres; Lots having more than ten (10) acres may be subdivided with each new parcel containing at least five (5) acres.

3. House trailers, mobile homes, recreational vehicles, or any other non-permanent residential structure, used for dwelling purposes, shall not be permitted on any lot in the Deerfield Meadows Subdivision, except as a means of temporary residence while construction of a permanent residence is ongoing, not to exceed a period of two (2) years.

4. The construction of residences upon such lots from and after the date of the adoption and filing of these covenants, conditions and restrictions shall be governed and further restricted as follows, however, none of the provisions herein concerning the construction of residences shall apply to those residences built and completed prior to the adoption and filing of these covenants, conditions and restrictions:

a. Each dwelling must have a minimum of one thousand (1,000) heated square living space exclusive of garages, patios, and porches, and all plans must be approved by the Board of Directors before construction begins, provided that such approval shall not be unreasonably withheld.

5. No commercial cutting or logging of native growth or trees shall be allowed, excepting and excluding therefrom, the cutting of evergreens, pursuant to the business enterprise of the of the Developers.

6. Each lot owner shall be responsible for maintaining his premises in a sightly and tidy fashion, and shall not allow the storage of rubbish, or other refuse of any character whatsoever, or to allow his lot to be used in any manner which would cause an unclean or untidy condition, or that would be obnoxious to the eye, nor shall any owner engage in any activity, or possess any material that will cause any nuisance to the adjacent and surrounding property owners. Subject to review and any actions taken therewith by the Board of Directors pursuant to the powers granted to them in the Articles of Incorporation and Bylaws of Deerfield Meadows Property Owners Association, Inc.

7. No minerals of any kind may be extracted from any part of said premises.

8. All springs, wells, and septic tanks located on said lot shall be maintained in conformity with Department of Health regulations.

9. These covenants, conditions and restrictions shall not be binding on any person who has acquired title to a lot within the Subdivision before the recording of this Declaration, unless said person submits the property to this Declaration by recording a declaration of submission in the form attached.

10. Any and all roads now or hereafter shown on recorded plat of Deerfield Meadows Subdivision are private roads dedicated to the exclusive use of the property owners of Deerfield Subdivision, for the purposes of ingress and egress, and for public utilities. A right-of-way is reserved for each lot in Deerfield Meadows Subdivision for all roads abutting said lot. The following provisions shall apply to all roads in Deerfield Meadows Subdivision:

a. The cost of maintaining all roads shall be equally divided among all lots and according to the provisions contained herein. The maintenance cost paid by the owner of each lot, for that lot, shall be the total cost of maintenance of said roads divided by the total number of lots served by said roads. For the purposes of such cost and assessment, where there are adjoining lots owned by the same person or persons, abutting a common road, there shall be but one assessment for both lots, further provided however that if said lots are not adjoining, then each lot shall be assessed separately.

b. The Association shall, in its discretion, establish and collect an annual assessment against each lot for road maintenance. The amount of the assessment shall be the same for all lots, unless and until an exception is made by the Board of Directors, upon good cause shown, and such assessment shall be in such amount as the Association shall determine to be necessary in order to provide for road maintenance for the ensuing year. The Association shall not be obligated to expend in any twelve-month period all of the assessments collected during that period, and may carry forward any balance remaining. Such funds shall be held by the Association for the exclusive purpose of road maintenance.

c. The owner of each lot, by the acceptance of a deed or other conveyance, or by submitting his property to these Declarations of Covenants, Conditions and Restrictions, does agree to pay to the Association that lot's pro-rata share for road maintenance expenses. Each lot is hereby made subject to a specific and continuing lien in favor of the Association to secure the payment of such charges, including interest at the maximum rate allowed by law and reasonable attorney's fees incurred in the collection thereof. This lien shall run with the land and be enforceable notwithstanding any change of ownership of the lot. The successive owners of each lot, by the acceptance of deeds therefore, shall be deemed to personally have assumed and agreed to pay all such charges which are a lien upon said lot. The Board, acting on behalf of the Association, shall have standing to collect the charges which are a lien on any lot, by means of a civil action against the owner of such lot.

d. All charges for road maintenance which are not paid within forty-five (45) days after being billed to the lot owners shall bear interest at the rate of eight percent (8%) per annum, compounded annually, until paid. Upon demand, the Home Owners Association shall furnish to any lot owner or mortgagee a certificate showing all amounts which are a lien against any lot as of a given date.

e. The Board shall have the power and authority to declare upon the owner of any lot or lots, a special assessment for any damage to the common roads in the Deerfield Meadows Subdivision, caused by the said lot owners, or their guests,

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excluding ordinary wear and tear, in such amounts as are reasonable to make said repairs within the discretion of the Board of Directors.

f. In recognition of the cost and labor incurred by the Developers, in installing and constructing the roads and rights-of-ways as they currently exist, parcels and tracts held by the Developers for sale, not as their primary residence, shall not be subjected to any assessment for the maintenance of such road, for a period of ten (10) years from the date of filing these Covenants, Conditions and Restrictions.

11. Invalidation of any one of these covenants by judgment or Court order shall not affect any of the remaining provisions above set out, which shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have hereunto set their hands and seals the day and year first above written.

By: 
S. GERALD HARMON

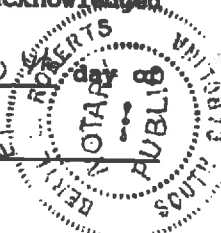
By: 
S. DIANN HARMON

~~SOUTH~~
STATE OF NORTH CAROLINA
~~LEXINGTON~~
COUNTY OF ~~MADISON~~

I, Beryl Roberts, a Notary Public, in and for the aforesaid County and State, do hereby certify that S. GERALD HARMON personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and Notarial Seal, this the 30th day of October, 1993.

Beryl L. Roberts
NOTARY PUBLIC



My Commission Expires:

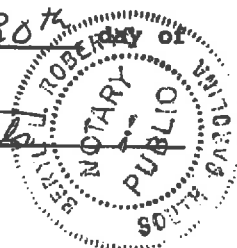
February 20, 2002

STATE OF NORTH CAROLINA
COUNTY OF MADISON

I, Beryl Roberts, a Notary Public, in and for the aforesaid County and State, do hereby certify that S. DIANN HARMON personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and Notarial Seal, this the 30th day of October, 1993.

Beryl L. Roberts
NOTARY PUBLIC



My Commission Expires:

February 20, 2002

NORTH CAROLINA -- MADISON COUNTY

The foregoing certificate(s) of

Beryl L. Roberts
a Notary Public

is (are) certified to be correct. Presented for recording on and recorded in this Office in Book 419, Page 349, this 30th day of November, 1993.

Jana Lee Buckner
Register of Deeds

Delma Lark
Deputy

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STATE OF NORTH CAROLINA

COUNTY OF MADISON

DECLARATION CREATING
DEERFIELD MEADOWS PROPERTY OWNERS ASSOCIATION, INC.

This DECLARATION creating the Deerfield Meadows Property Owners Association, Inc. is made by S. Gerald and S. Diann Harmon (the "Developers"), who subjected certain real property to that Declaration of Covenants, Conditions and Restrictions recorded in Deed Books 181/450, ^{Page} 189/104, Madison County Register of Deeds. The Declaration reserves to the Developers the right to create a Property Owners Association to administer Deerfield Meadows Subdivision. In recognition of the need to provide a method for the administration, maintenance, preservation, use and enjoyment of the Property, the Developers filed Articles of Incorporation with the North Carolina Secretary of State forming a non-profit corporation under the name Deerfield Meadows Homeowners Association, Inc.

Now, pursuant to the reserved power in the Restrictions, Developers hereby declare the creation of Deerfield Meadows Property Owners Association, Inc. to administer and maintain the property. The procedures for the internal government and operation of the Association shall be as set out in the attached Bylaws.

IN WITNESS WHEREOF, the undersigned Developers have executed this Declaration this the 30 day of Oct, 1993.

By: S. Gerald Harmon
S. GERALD HARMON

By: S. Diann Harmon
S. DIANN HARMON