

Declaration of the Covenants and Restrictions
For
The Retreat at Mountain High Subdivision

This Declaration of Covenants and Restrictions ("the Declaration") made this the 19th day of Sept., 2014, by Cherokee LandSource, LLC a North Carolina limited liability company, and hereinafter called "Declarant".

WHEREAS, the Declarant is the developer of the real property described in Article I of this Declaration and has heretofore subjected the said real property to the protective covenants set forth in the public records of Cherokee County for the benefit of such property and for each Owner thereof, to apply to and bind the said real estate, and any Owner thereof, their successors and assigns, and

NOW, THEREFORE, the Declarant hereby declares that the real property described in and referred to in Article I hereof is and shall be held, transferred, sold and conveyed subject to this Declaration.

ARTICLE I
The Retreat at Mountain High Subdivision

The real property which is and shall be, held, transferred, sold and conveyed subject to this Declaration is located in Hothouse Township, Cherokee County, North Carolina, and is more particularly described as follows:

The plat of the subdivision named The Retreat at Mountain High Subdivision as more fully shown on that certain plat prepared by Lane Bishop & Associates, LLC, dated Sept, 19, 2014, and recorded in the Cherokee County Registry in Plat Cabinet H, Slide(s) 195-200. Such property described above is sometimes referred to herein as the "Property", "Subdivision" or "Development." Each individual numbered Lot as shown on the above described plat is referred to herein as a "Lot".

ARTICLE II
Definitions

1. "Association" or "Property Owners Association" means The Retreat at Mountain High Owner's Association of Cherokee County, a North Carolina Non-Profit Corporation organized by the Developer. The membership of the Association shall consist exclusively of the Declarant and all of the Lot Owners.
2. "Declarant" is Cherokee LandSource, LLC, a North Carolina Limited Liability Company, their successors and assigns. All special Declarant rights as herein defined and the obligations of Declarant as set out herein may be transferred only by written instrument recorded in Cherokee County, North Carolina, executed by both transferor and transferee.
3. "North Carolina Planned Community Act" or the "Act" is Chapter 47F of the North Carolina General Statutes. Declarant hereby incorporates the provisions of the North Carolina Planned Community Act, and declares the same applicable to this subdivision in all respects except as specifically modified herein.

4. "Common Area" or "Common Element" means any real estate within The Retreat at Mountain High Subdivision, other than a Lot, owned by the Association, and specifically includes rights of way held for, and roadways constructed for the general use of Lot Owners.
5. "Common Expense" means expenditures made by or financial liabilities of the Association, together with any allocations to reserves.
6. "Common Expense Liability" means the liability for common expenses allocated to each Lot as permitted by this declaration, by the Act, or otherwise by law.
7. "Lot Owner" means the Declarant or other person who owns a Lot, but does not include a person having an interest in a Lot solely as security for an obligation.
8. "Special Declarant Rights" means rights reserved for the benefit of a Declarant including, without limitation, the right (i) to complete improvements indicated on plats and plans filed with the declaration; (ii) to exercise any development right; (iii) to maintain sales offices, management offices, signs advertising the planned community, and models; (iv) to use easements through the common elements for the purpose of making improvements within the planned community or within real estate which may be added to the planned community; (v) to make the planned community part of a larger planned community or group of planned communities; (vi) to make the planned community subject to a master Association; or (vii) to appoint or remove any officer or executive board member of the Association or any master Association during the period of Declarant control.

ARTICLE III Owners Easement of Enjoyment

Every Owner of any Lot shall have a right and easement of enjoyment in and to the common areas, including roads, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following reservations:

1. Easements, restrictions, reservations and rights of way as may actually exist, or as shown on the recorded plats, or as set out herein, including but not limited to utility easements, setbacks and roadways.
2. Rights reserved herein to the Property Owners Association, including but not limited to the right to impose reasonable regulations on the use and enjoyment of the Lots and of the common areas, the right to dedicate or transfer parts of the common area to any public agency, the right to suspend an Owner's voting rights and rights to use the common areas for non-payment of any assessment or for infraction of the published rules and regulations of the Association.
3. Rights reserved to the Declarant as set forth herein.
4. The Association shall have an easement for maintenance, installation and repair of utilities over a 20 foot wide strip centered along all lot boundary lines and over a strip of land lying 10 feet on either side of the each development road right of way. If a single owner purchases adjoining lots, then the utility easement shall apply only to the exterior boundary of the adjoining lots.
5. The Developer reserves a non-exclusive easement, forty-five (45) feet in width, for ingress, egress, regress and the placement, maintenance, inspection, repair and replacement of utilities, centered upon the centerline of all development roads within the Property, either presently existing or constructed in the future by the Developer. This reservation is for the benefit of the Developer, its successors and assigns and is reserved for access to all Lots within the Property and for the benefit of any other lands that the Developer now owns or may acquire in the future adjoining the Property.

ARTICLE IV Protective Covenants

1. No Lot shall be used except for residential and recreational purposes. No swine or livestock shall be raised or bred on any Lot; however horses, ponies and household pets such as cats or dogs, are permissible provided they are not bred or maintained for commercial purposes. Each Lot Owner shall maintain in good order any improvements placed upon any Lot, and no unsightly or dilapidated buildings or other structures shall be permitted on any Lot. No parking or storing of any junked, inoperable or unlicensed automobiles, trucks or heavy equipment is permitted on any Lot or road in the Development.
2. Each Lot is permitted to contain one (1) single-family dwelling. Any dwelling must adhere to the Design Guidelines set forth in this declaration. Each dwelling shall have a minimum finished heated area of 1200 (one thousand two hundred) square feet. There is no time limit to begin construction on the Lot. However, once

construction has begun on any structure; all exterior construction must be completed within one (1) year of the commencement of construction.

3. No dwelling or other structure shall exceed 40 feet above the highest point off of the foundation and shall comply with the standards set forth in the Mountain Protection Act of 1983, NCGS 113A-205 et seq.
4. Each Lot may also have one detached outbuilding, one detached garage and one detached guest suite/house that all must adhere to the Design Guidelines set forth in this declaration. Said structures may be built before the primary residence, however the primary residence must begin construction within one year of the construction of any structure. All structures must be built in a professional manner and be constructed of like kind or matching exterior materials and colors.
5. Lots two and a quarter acre (2.25 acres) to less than five (5.0) acres may be subdivided once provided the newly created lot is a minimum of one (1.0) acre. Lots five (5.0) acres or greater may be subdivided twice provided any newly created lot is a minimum of one (1.0) acres. Any newly created lot must be recorded in the Cherokee County Register of Deeds and the lot owner must notify The Retreat at Mountain High Owners Association within thirty (30) days of recordation. Any newly created lots will immediately become part of The Retreat at Mountain High Owners Association and will be subject to the current annual dues and must abide by the Declaration of the Covenants and Restrictions For The Retreat at Mountain High Subdivision. Any newly created lot may not be subdivided again.
6. Lots may be combined within The Retreat at Mountain High Subdivision. Any combination must be recorded in the Cherokee County Register of Deeds. Proof of combination must be provided by the lot owner to The Retreat at Mountain High Owners Association in the form of recorded documents from the Cherokee County Register of Deeds. Combined lots will pay the full current annual dues for the initial lot and one-half (1/2) current annual dues for each lot combined with the initial lot.
7. Any grading, stump removal or other land use which creates erosion runoff into streams, rivers or onto other Lots is prohibited. Any land disturbance performed in violation of any county, state or federal ordinance, statute or regulation shall be deemed to be a noxious or offensive activity and may result in fines by the Association or in a civil action to enjoin such activity.
8. In the event that horses or ponies are kept on any Lot, an additional structure for housing such animals may be erected on the Lot provided such structure is kept in good repair and conforms generally in appearance to the dwelling and structures located on such Lot. Once construction has begun on said structure, all exterior construction must be completed within one (1) year of the commencement of construction and must adhere to the Design Guidelines set forth in this declaration.
9. Mobile homes of any type are not permitted on any Lot at any time. Systems built homes and modular homes will be permitted provided they adhere to the Design Guidelines set forth in this declaration and are reasonably equivalent or superior in quality and appearance to a site built home.
8. No commercial or clear cutting of timber shall be permitted on any Lot. However, the clearing of home sites, pastures or clearing to establish views is permitted. The removal of any dead trees or leaning trees that may pose an imminent hazard is not prohibited in any circumstance.
9. No above ground structure, other than a fence, may be built within ten (10) feet of any property line or ten (10) feet from the edge of any road right of way.
10. No well for the production of, or from which there may be produced, oil, gas or minerals shall be dug or operated upon any Lot, nor shall any machinery, appliance or structure ever be placed, operated or maintained thereon in connection therewith, nor shall there be any subsurface mining or drilling activity thereon; provided further that the prohibition against drilling activity shall not include any drilling or excavation activity associated with the installation of water, utilities and communication facilities and any activities associated with soil testing, construction of building foundations or master drainage control.
11. Solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed in an integral and harmonious part of the architectural design of a structure.
12. All clotheslines, garbage cans, above-ground tanks, woodpiles, and other similar items shall be located or screened so as to be concealed from view of the other Lots, streets and areas in the Development outside the Lot on which such items are located. Each Lot Owner shall provide closed sanitary receptacles for garbage and all rubbish, trash, and garbage shall be regularly removed from each Lot and shall not be allowed to accumulate thereon. Furthermore, no bedding or clothing of any type, nor any towels, clothes or other items of wearing or cleaning apparel, or any mops, brushes, brooms or other types of cleaning apparatus shall be hung or placed outside of any structure located on any Lot in the Development in such a manner as to be visible from any street, or other Lot or area located in the Development.

13. After any improvements are made to any Lot, the Owner shall keep and maintain such Lot in a neat and well-maintained condition, free of unsightly undergrowth, brush piles, felled trees and the like, and shall keep yards and other open areas of the Lot neatly trimmed and either mowed or landscaped.
14. This development is not intended to be used as a campground. Lot Owners of lots less than three (3) acres are not prohibited from overnight stays in professionally manufactured equipment, provided the camping equipment is not left on any Lot for more than fifteen (15) days out of any thirty (30) day period and is not in violation of any local ordinance. Tent camping is allowed provided tent(s) are professionally made and in good appearance. Lot Owners of lots three (3) acres or greater are permitted to permanently leave one professionally manufactured camping equipment(RV or pull behind camper) on a lot provided the equipment is not visible from any street, or other lot or area located in the Development. Permanent dwelling in any type of camping equipment is strictly forbidden. No decking or other structures may be affixed to any type of camping equipment. No camping is permitted within any Common Area.
15. No Lot or Lots within the Development shall be used for the establishment of a hunt club and no property within the Development shall be leased for the purpose of hunting. Hunting is not allowed at any time or on any part of the subdivision.
16. No trade, commerce or other activity which may be considered a nuisance to the neighborhood may be carried on upon any Lot. It is permissible to operate a home-based business, provided that deliveries to the home do not generally exceed two (2) UPS, Federal Express or similar express carrier per day. No trade materials or inventories may be stored upon any Lot outside of a structure and no tractor trailer type trucks, house trailers or mobile homes may be stored or regularly parked on any Lot. No junk or unsightly vehicles of any type or description or unsightly buildings may be placed upon any Lot. No advertisements or signage of any kind will be permitted on any Lot for home-based businesses.
17. The Declarant reserves the right to erect any signs in The Retreat at Mountain High Subdivision. Signs may be erected by individual Lot Owners but must be neat, clean and kept in good condition. Signs cannot be mounted on trees. Only one (1) "For Sale" or "For Rent" or similar sign for the sale or rent of a property may be placed on a Lot at any given time. If a Lot has frontage on more than one road that Lot may install one sign per road that the Lot has frontage on. Builders may erect a sign only during construction of the home and said sign must follow the above criteria. Name and address signs do not have to abide by these criteria, but must be neat, clean and made of metal or wood material. Directional signs or any signs for advertisement at the entrance and road intersections are prohibited. Any exceptions of this covenant must be approved by a majority vote of the officers of the The Retreat at Mountain High Property Owners Association. No "For Sale" signs may be erected on any Lot until Declarant has conveyed all Lots within the Development. Any "For Sale" signs erected on any Lot before conveyance of all Lots by Declarant or without written approval of the Declarant will be removed by the Declarant or Association. Declarant is not required to follow the above criteria when placing signage within the Development.
18. Lot owners may construct their own private water wells for their residential use. Two or more Lot Owners may at any time establish an agreement between themselves for the construction and/or sharing of well water from a single well. Water lines may be installed from the well to structures on other Lots by using the reserved utility easements and/or road right of ways with the written permission of the Declarant or Association.

ARTICLE V

Design Guidelines for Dwellings and Structures

The following are "Design Guidelines" for The Retreat at Mountain High Subdivision:

Building Type:

- Dwellings and structures must be stick built, systems built or modular homes that adhere to these Design Guidelines. No mobile, single or doublewide trailers of any kind are permitted at any time.

Exterior:

- Block, brick, rock, or stone foundations are allowed. Exposed concrete or block foundations or basement walls must have stucco or a similar type of application applied to cover the exposed block or concrete before completion of home.
- Wood, log, rock, stone, stucco, brick or fiber cement siding is permitted. Vinyl and aluminum siding is not permitted as a siding application. Any new materials that are approved by the North Carolina Homebuilders' Association will be considered and must be approved by the Association before use.
- Exterior of dwellings and outbuildings must be of majority earth tone colors.

- Windows and doors must be of sound quality and workmanship and installed properly.
- No satellite dishes over 36 inches in diameter shall be permitted.
- No pre-fabricated, metal or plastic outbuildings, structures or garages will be permitted. Outbuildings and garages must be constructed of similar materials and colors as the primary home.
- Roof-pitch of all structures must be a minimum of 6/12. No chain-link, barbed wire or other similar wire fencing is allowed. All fencing must be constructed of wood, stone or wrought iron. Any other material used for fencing must be approved by the Association before installation.

Contractor Responsibilities:

- Contractor must have proof of insurance; to include but not limited to automobile, workman's compensation, and liability insurance of no less than one million dollars.
- Contractor must provide one (1) portable toilet kept in good repair for each job site within the development. The contractor must present a maintenance agreement, which allows for weekly dumping/cleaning of portable toilet.
- Contractors must have a dumpster on site for each job site. Trash and excess/waste building materials shall be placed in dumpster at the end of each working day.
- The Association reserves the right to levy fines of \$100 per day against contractors who do not adequately clean building site or do not have a functioning portable toilet.
- Building materials, supplies or any other materials cannot be placed within subdivision road right of ways, common areas or utility easements without Association approval.
- Contractor must assume liability for all construction vehicles that enter The Retreat at Mountain High en route to their job site, specifically overweight vehicles that damage the road surface and negligence of operators. Concrete truck weight limit is 5 yards per truck. Contractor must repair any road damage caused to subdivision roads or right of ways.
- Contractor is responsible for actions of all subcontractors.
- Contractors and subcontractors are responsible for any cut, break or damage to underground utility caused by their negligence.

Lot Owner Responsibilities:

- Lot Owner is responsible for agents, employees, contractors, subcontractors and assigns.
- If the Lot has been improved (built upon), then the Owners of the improved Lot shall maintain their Lot (s) to be neatly kept and mowed condition. All stumps, brush piles and debris shall be removed from Lot (s) or hidden from sight from the roadways.

ARTICLE VI

Powers and Duties of the Owners Association

The Retreat at Mountain High Property Owners Association of Cherokee County, a North Carolina non-profit corporation, (the "Association"), shall have and exercise all of the following rights, powers and authority:

1. Adopt and amend bylaws and rules and regulations applicable to the subdivision.
2. Adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for common expenses from Lot Owners;
3. Hire and discharge managing agents and other employees, agents, and independent contractors;
4. Institute, defend or intervene in litigation or administrative proceedings on matters affecting the planned community;
5. Make contracts and incur liabilities;
6. Regulate the use, maintenance, repair, replacement and modification of the common elements;
7. Cause additional improvements to be made part of the common elements;
8. Acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property, provided that common elements may be conveyed or subjected to a security interest only pursuant to N.C.G.S. 47F-3-112;
9. Grant easements, leases, licenses and concession through or over the common elements.

10. Impose and receive any payments, fees, or charges for the use, or operation of the common elements, and for services provided to Lot Owners;
11. Impose reasonable charges for late payment of assessments, not to exceed the greater of twenty dollars(\$20.00) per month or ten percent (10%) of any assessment installment unpaid and, after notice and an opportunity to be heard, suspend privileges or services provided by the Association (except rights of access to Lots) during any period that assessments or other amounts due and owing to the Association remain unpaid for a period or 30 days or longer;
12. After notice and an opportunity to be heard, impose reasonable fines or suspend privileges or services provided by the Association (except rights of access to Lots) for reasonable periods for violations of the declaration, bylaws and rules and regulations of the Association;
13. Provide for the indemnification of and maintain liability insurance for its officers, executive board, directors, employees, and agents;
14. Exercise all other powers that may be exercised in this State by legal entities of the same type as the Association, or as set out in the Planned Community Act, or as necessary and proper for the governance and operation of the Association.

The Retreat at Mountain High Property Owners Association of Cherokee County shall have the following duties and obligations;

1. The Association shall cause the common elements, including the subdivision roadways and the rights of ways appurtenant thereto to be maintained, repaired and replaced when necessary, to assess the Lot Owners as necessary for such costs, and to recover the costs of such maintenance, repair or replacement as herein provided;
2. The portion of Loki Lane between lots 16, 17, 18 and 26, 27, 28, 29 will not be the responsibility of the Association to maintain. Lot owners of said lots are responsible for up fit and maintenance of the portion of the road that said lot owner uses to access their lot.
3. Twenty foot drive easements between lots 8 and 9 and across 10 and 11 are not the responsibility of the Association to maintain. Lot owners of said lots are responsible for the up fit and maintenance of the portion of the road that said lot owners uses to access their lot.
4. The Association shall keep financial records sufficiently detailed to enable the Association to comply with the Planned Community Act and the North Carolina Non-Profit Corporation Act, and shall make such records reasonably available for examination by any Lot Owner and the authorized agents of such Lot Owner. Such records shall include records of meetings of the Association and the executive board, cash receipts and expenditures, and all assets and liabilities. The Association shall make an annual income and expense statement and balance sheet available to all Lot Owners at no charge within 75 days of the close of the fiscal year. An audit of the Associations books and records for the current or immediately preceding fiscal year may be required by a vote of the executive board, or of a majority of the Lot Owners voting at any annual meeting or special meeting duly called for that purpose.
5. In addition to the limitations of Article 8 of Chapter 55A of the General Statutes, no financial payments, including payments made in the form of goods and services, may be made to any officer or member of the executive board or to a business, business associate or relative of an officer or member of the executive board, except as expressly provided for in the bylaws or in payment for services or expenses paid on behalf of the Association which are approved in advance by the executive board.
6. The Association shall maintain casualty and liability insurance in such amounts and on such common elements as are insurable, in accordance with N.C.G.S. 47F-3-113.
7. The Association shall cause a meeting of the members to be duly called and held in accordance with this declaration at least once each year.

ARTICLE VII Executive Board Powers and Duties

There shall be an Executive Board of The Retreat at Mountain High Property Owners Association of Cherokee County, which shall consist of such members and officers as determined by the By Laws, and shall have the following duties and obligations;

1. Consistent with the by-laws, this declaration, and existing law, the executive board may act unilaterally in all instances on behalf of the Association. In the performance of their duties, officers and members of the

executive board shall discharge their duties in good faith. Officers shall act according to the standards for officers of a non-profit corporation set forth in N.C.G.S. 55A-8-42, and members of the board shall act according to the standards for directors of a non-profit corporation set forth in N.C.G.S. 55A-8-30.

2. The executive board may not act unilaterally on behalf of the Association to amend the declaration or the bylaws, to terminate the planned community, to elect members of the executive board, or to raise annual or special assessments.
3. The Lot Owners, by a majority vote of all persons present and entitled to vote at any meeting of the Lot Owners at which a quorum is present may remove any member of the executive board with or without cause, other than a member appointed by the Declarant.
4. Meetings of the executive board shall be held as provided in the bylaws. At regular intervals, the executive board meeting shall provide Lot Owners an opportunity to attend a portion of an executive board meeting and to speak to the executive board about their issues or concerns. The executive board may place reasonable restrictions on the number of persons who speak on each side of an issue and may place reasonable time restrictions on persons who speak.
5. Within 30 days after adoption of any proposed budget for the Association the executive board shall provide to all the Lot Owners a summary of the budget and a notice of the meeting to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. The executive board shall set a date for a meeting of the Lot Owners to consider ratification of the budget, such meeting to be held not less than 10 days or more than 60 days after mailing of the summary and notice. There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless at that meeting a majority of all the Lot Owners in the Association rejects the budget. In the event the proposed budget is rejected, the periodic budget last ratified by the Lot Owners shall be continued until such time as the Lot Owners ratify a subsequent budget proposed by the executive board in the same manner.
6. Notwithstanding any provision to the contrary, no action of the Association or the executive board, including the proposal or approval of any budget, shall be effective to raise annual assessments by more than five percent (5%) unless such budget or assessment increase shall be ratified by the affirmative vote of a majority of the Lot Owners present in person or by proxy at an annual or special meeting called for the purpose of considering such increase, and at which a quorum is present.

ARTICLE VIII

Association Meetings, Membership and Voting Rights

1. In addition to the annual meeting, a meeting of the Association may be called by the president, a majority of the executive board, or by Lot Owners having thirty percent (30%) of the votes in the Association. Not less than 10 nor more than 60 days in advance of any meeting the secretary shall cause notice to be hand delivered or sent prepaid by U.S. mail to the mailing address of each Lot or to any other mailing address designated in writing by the Lot Owner, or sent by electronic means, including by electronic mail over the Internet to an electronic mailing address. The notice of any meeting shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the declaration or bylaws, any budget changes, and any proposal to remove a director or officer.
2. A quorum is present throughout any meeting of the Association if persons entitled to cast twenty percent (20%) of all the authorized votes are present in person or by proxy at the beginning of the meeting.
3. In the event business cannot be conducted at any meeting of the Association or the executive board because a quorum is not present, that meeting may be adjourned to a later date by the affirmative vote of a majority of those present in person or by proxy. The quorum requirement at the next meeting shall be one-half of the quorum requirement applicable to the meeting adjourned for lack of a quorum. This provision shall continue to reduce the quorum by fifty percent (50%) from that required at the previous meeting, as previously reduced, until such time as a quorum is present and business can be conducted.
4. Meetings of the Association and the executive board shall be conducted in accordance with the most recent edition of Robert's Rules of Order.
5. Except for Lots owned by Declarant during the period of Declarant control, each Lot is entitled to one vote in the Association. If only one of the multiple Owners of a Lot is present at a meeting of the Association, the Owner who is present is entitled to cast such vote. If more than one of the multiple Owners is present, the vote may be cast only in accordance with the agreement of a majority in interest of the multiple Owners. Such majority interest is conclusively presumed if any one of the multiple Owners casts the vote without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot.

6. Votes may be cast by written proxy executed by any Lot Owner. If a Lot is owned by more than one person, each Owner may vote, or may register protest to the casting of votes by other Owners, by proxy. A Lot Owner may not revoke a proxy except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated. Every proxy expires 11 months after its date, unless a shorter term is specified in the proxy.
7. No votes may be cast on behalf of Lots owned by the Association.
8. The Association or the Executive Board may by affirmative action, delegate to one or more committees the responsibility for any authorized actions, so as to facilitate efficient and effective management of the Association.

ARTICLE IX Assessments for Common Expenses

1. Except as provided in N.C.G.S. 47F-3-115, common expenses shall be assessed against all Lots equally, except that no assessment shall be made on any Lot owned or beneficially controlled by the Declarant. Until the Association shall make a different common expense assessment, **the current annual assessment for common expense shall be \$300.00 per Lot per year for all Lots, due on January 1st of each year and pro-rated for the remaining portion of any given year when a Lot is purchased from Declarant.**
2. Payments of annual assessments shall be considered late after January 31st of each year, or otherwise as determined by the Association. Any assessment levied against a Lot which remains unpaid for a period of 30 days or longer shall bear interest at the rate of eighteen per cent (18%) per year from the due date thereof, and shall constitute a lien on that Lot when a claim of lien is filed in the office of the Clerk of Superior Court of Cherokee County, North Carolina.
3. Service charges, late charges and other all other charges imposed on a Lot or Lot Owner by the Association as fines, fees, special assessments, penalties or the like under the provisions of Article constitute a similar lien, bear the same interest, and are enforceable under this Article as annual assessments, except as limited by the provisions of N.C.G.S. 47F-3-116.
4. Under the provisions of N.C.G.S. 47F-3-116, the Association may collect and enforce any and all such assessments by civil action, by foreclosure under Article 2A of Chapter 45 of the General Statutes, by judicial foreclosure as provided in Article 29A of Chapter 1 of the General Statutes, or otherwise as provided by law. In any such action the Association may include and shall recover costs or expenses of collection or foreclosure, including reasonable attorney's fees. The collection of attorney's fees in any such action is limited by the requirement in such General Statute that notice of intent to seek attorney's fees must be provided to the Lot Owner, and that attorney's fees may not be charged unless the debt is contested.
5. The lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within three years after the docketing of the claim of lien in the Office of the Clerk of Superior Court of Cherokee County.
6. The lien created by this Article is prior to all liens and encumbrances on a Lot except (i) liens and encumbrances (specifically including but not limited to a deed of trust on the Lot) recorded before the docketing of the claim of lien in the Office of the Clerk of Superior Court, and (ii) liens for real estate taxes and other governmental assessments and charges against the Lot.

ARTICLE X Declarant Control

1. Until such time as Declarant has sold more than 90% of the Lots in the subdivision, or until Declarant specifically relinquishes such rights in writing, Declarant shall have the right to appoint each of the members of the Executive Board of the Association, and shall have three votes in the Association for every Lot owned by Declarant.
2. While Declarant owns any Lot, or until Declarant specifically relinquishes such rights in writing, Declarant shall have the right to waive, amend or modify this Declaration, to add land to or withdraw land from the subdivision, to revise the subdivision plat as to any unsold Lot or the routes of any subdivision roadways, to dedicate additional common areas, to grant easements and rights of way which benefit the Association, or to grant variances from the restrictions contained herein as to any Lot or Lots.
3. In the exercise of any of the rights set forth herein, Declarant shall have such additional rights and authority as may be necessary to the full and complete enjoyment thereof.

ARTICLE XI
Procedures for Fines and Suspension of Community Privileges

1. The executive board, or an adjudicatory panel appointed by the executive board may hold a hearing to determine if any Lot Owner should be fined, or if planned community privileges or services should be suspended for violations of the declaration, bylaws, and rules and regulations of the Association.
2. Any adjudicatory panel appointed by the executive board shall be composed of members of the Association who are not officers of the Association or members of the executive board.
3. The Lot Owner charged shall be given notice of the charge, opportunity to be heard and to present evidence, and notice of the decision. If it is decided that a fine should be imposed, a fine not to exceed one hundred dollars (\$100.00) may be imposed for the violation and without further hearing, for each day more than five days after the decision that the violation occurs.
4. The Lot Owner may appeal the decision of an adjudicatory panel to the full executive board by delivering written notice of appeal to the executive board within 15 days after the date of the decision. The executive board may affirm, vacate or modify the prior decision of the adjudicatory body.

ARTICLE XII
Amendment

1. Except in case of amendment executed by Declarant under the terms of this declaration or by special Declarant right, this declaration may be amended only by affirmative vote or written agreement signed by the Owners of at least seventy percent (70%) of the Lots.
2. Every amendment to this declaration shall be prepared, executed, recorded and certified in accordance with N.C.G.S. 47-41, shall be recorded in the Office of the Register of Deeds of Cherokee County, North Carolina, and shall be effective only upon such recordation.
3. No action to challenge the validity of an amendment adopted pursuant to this article may be brought more than one year after the amendment is recorded.

ARTICLE XIII
Miscellaneous Provisions

1. This Declaration, as may be amended from time to time, shall run with the land and shall be binding on all parties, their successors and assigns, and upon all persons claiming by or under them until January 1, 2045, at which time said covenants shall be automatically extended for successive periods of ten (10) years unless, by majority vote of the current Owners of the Lots described herein, it is agreed to terminate said covenants in whole or in part.
2. Invalidation of any of these covenants or any part thereof by judgments or Court order shall in no way affect any of the other provisions which shall remain in full force and effect. The failure of any person or persons to take action to restrain the violation of any of these covenants and restrictions shall not be construed as waiver of any enforcement rights and shall not prevent the enforcement of such covenant or covenants in the future.

IN WITNESS WHEREOF, CHEROKEE LANDSOURCE, LLC has caused this instrument to be executed in its name by its Member- Manager, this the day and year first above written.

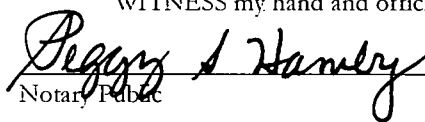
Cherokee LandSource, LLC

By: LandSource, LLC, Member-Manager

By:  (seal)
Joel Brown, Member-Manager of LandSource, LLC

STATE OF North Carolina
COUNTY OF: Cherokee

I, Peggy S. Hamby, a Notary Public of the State and County aforesaid, certify that
Joel Brown personally appeared before me this day and acknowledged that he is a Member-
Manager for LandSource, LLC, a North Carolina limited liability company and by authority duly given and as the act of
the LLC, he executed the foregoing instrument.

WITNESS my hand and official seal, this the 19th day of September, 2014.
 My commission Expires: 4/25/2017
Notary Public

