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by: SHEILA W. WHITMIRE
REGISTER OF DEEDS
BOOK 333 PAGE 1943

Prepared by and return to: Waymon L. Morris, P.A.
308 Martin Luther King Jr. Blvd.
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STATE OF NORTH CAROLINA

COUNTY OF POLK

PROTECTIVE COVENANTS CONDITIONS AND RESTRICTIONS FOR THE FARMS AT MILL SPRING, AN EQUESTRIAN RESERVE AND SUBDIVISION

W I T N E S S E T H :

THESE PROTECTIVE COVENANTS, conditions and restrictions are made this 28th day of October, 2005, by and between TRAVIS L. OATES, LLC, a North Carolina Limited Liability Company, hereinafter "Developer" and every person hereafter acquiring parcel(s) of land ("Lots") shown on Plats of The Farms at Mill Spring subdividing said property into separate parcels, and their successors and assigns, hereafter collectively ("Owners");

WHEREAS, Developer is the Owner of all that tract or parcel of land as shown on that certain plat recorded in the Polk County Registry in Card File E, Page 1053 as the same is amended and re-recorded in Card File E at Page 1179, and will hereafter be supplemented with additional plats of the property shown in Card File E, Page 1053 together with the designated Trails, Carriage Ways, and public access areas as appear or shall appear on the recorded Plats, reference to which Plats is hereby made for a more particular description (referred to hereafter as "Subdivision" and/or the Property)

WHEREAS, Developer has determined for the benefit of all subsequent Owners within said Subdivision that Subdivision property shall be developed and used exclusively for the purposes as hereinafter set forth; and

WHEREAS, the Property has not been previously restricted, burdened nor subdivided; and

WHEREAS, Developer by this document does establish these certain private land use controls, conditions, restrictions, servitudes, encumbrances, affirmative obligations, burdens, benefits, reservations, easements, assessments, charges and liens as hereinafter set forth; and

WHEREAS, Developer has determined that the primary land use within the Subdivision shall be for use and enjoyment by human habitation within single family dwellings centered around equestrian activities, but with the intent to maintain the natural environment and beauty of the property for enjoyment by all residents thereof.

NOW, THEREFORE, in consideration of the premises and for the protection the Owners will receive by such Lots being located in a restricted subdivision, the Developer, and its successors in title, covenant and agree and hereby restrict the above referred to real property as follows:

1. These Covenants and Restrictions are to be covenants and restrictions running with the land and shall be binding upon all Owners, whether the same are purchasers or otherwise receive an interest in the Subdivision, their heirs, assigns, and successors in interest, and all parties, firms and corporations, claiming by, through or under them until October 31, 2029, at which time said Covenants shall automatically extend for successive terms of ten (10) years each, unless modified or deleted by a vote of the then Owners of subdivision lots. Except as otherwise reserved herein, these protective covenants may, however, be modified or deleted in whole or in part at any time by a properly recorded and executed instrument signed by the written declaration of the holders of seventy-five percent (75%) of The Farms at Mill Spring Subdivision voting as set forth in paragraph 31. Nothing hereinafter contained shall create any liability or responsibility on the part of Developer to perform , nor discharge any of the matters herein set out after the formation of the Farmowners Association.

2. If any Owner shall violate, or attempt to violate, any of the Covenants and Restrictions herein, it shall be lawful for any other Owner and/or Developer to prosecute any proceeding at law or in equity against the person or persons violating or attempting to violate any such Covenants or Restrictions, and to either enjoin such breach and/or to recover damages for such violation, including reasonable attorney's fees and costs incurred in prosecuting said action.

3. Invalidation of one or more of these declarations by judgment or Court order shall not affect any of the other provisions hereof which shall remain in full force and effect.

4. The Developer or the Farmowners Association may establish by appointment of one or more members thereto, an Architectural Review Board, the purpose and function of which shall be to thereafter exercise primary authority for decisions and actions relating to approval or disapproval of plans and specifications for single family dwellings, guest cottages, farm buildings, water and septic facilities, equestrian facilities, including, but not limited to arenas, covered arenas, riding rings, dressage rings, fences to include approval for fencing material and location thereof, gates and other structures. Siting of the above shall be as approved and in a manner to provide each lot owner with such preservation of views and privacy as circumstances may permit; the removal of vegetation, including trees, shall first be approved by the Architectural Review Board; landscaping and hedges shall be subject to approval from plans or drawings submitted by lot owners. Commercial activities shall not be conducted on any lot except lot 22, where a Bed & Breakfast facility is permitted subject to restrictions hereinafter imposed. Existing barns are accepted as is, where is.

The business of the Architectural Review Board shall be as follows:

(a) No warranties of good workmanship, design, habitability, quality, fitness for purpose or merchantability shall arise as a result of any plans, specifications, standards or approval made by the Developer, The Association or the Architectural Review Board.

(b) The Association may compensate the members of the Architectural Review Board in a manner and to the extent that is deemed prudent, desirable and reasonable in the judgment and discretion of the Board of Directors of the Association, and the Architectural Review Board may engage or contract with such consultants or professional services as may be necessary to carry out this Function

(c) Two (2) copies of all plans and related data shall be furnished the Architectural Review Board. One (1) copy shall be retained in the records of the Architectural Review Board. The other copy shall be returned to the Property Owner, and both copies shall be marked "Approved" or "Disapproved" with the signature of the Chairman or Executive Director of the Review Board. The Architectural Review Board or the Association may require payment of a cash fee, which fee is expected to reimburse the Association for the reasonable expense of reviewing plans and related data at the time they are submitted for review, for site inspections or related matters. A similar fee may be required for appeals and re-considerations.

(d) Approvals shall be dated and shall not be effective for construction which is commenced more than twelve (12) months after such approval. Disapproved plans and related data shall be accompanied by a reasonable statement of items found unacceptable. In the event approval of such plans is neither granted nor denied within sixty (60) days following receipt by the Architectural Review Board of written request for approval, the applicant may send a demand for action by certified mail, and if the application is neither granted nor denied within ten (10) days of receipt of such demand, the provisions of this Section shall be thereby waived by the Architectural Review Board and the Association.

(e) Refusal or approval of plans, location or specifications may be based by the Architectural Review Board for the Association upon any reasonable ground which is consistent with the objectives of these Covenants, including but not limited to: aesthetic considerations; the harmony and scale, bulk, coverage, function and density of use of the exposed Structure; visual blight or ugliness which might result from outdoor lighting; the effect of the Structure or plans on neighboring properties; the impact of the proposed Structure on the rural and natural setting; the safety of users of Nature Trails, Bridle Paths and Carriage Lanes; the view of the Structure or Property from public or private roads; the placement of buffer zones, fences, shrubbery, trees, vegetation, berms and parking spaces, shading, desirable solar access, impact on birds, fish and wildlife, safety, and the desirability of preserving significant trees or other unique vegetation. Vineyards, but not wineries, may be approved. The Architectural Review process shall not be conducted in an arbitrary and capricious manner.

(f) No approval of plans, location or specifications, and no publication of architectural standards bulletins by the Architectural Review Board or the Association shall ever be construed as representing or implying that such plans, specifications or standards will, if followed, result in a properly designed residence or that such standards comply with relevant law. Such approvals and standards shall in no event be construed as representing or guaranteeing that any residence will be built in a good workmanlike manner.

5. All of the Lots in the Subdivision shall be used solely for the development of one detached single-family residence, and one detached guest house which shall be sited by approval of the Developer and/or the Architectural Review Board, and shall not be used for any other purpose. In the case of a one story residence, the main floor shall contain not less than 2,000 square feet of heated, finished living area. In the case of a one and one-half or two-story building, the dwelling shall contain not less than 2,500 square feet of heated, finished living area. For the purpose of this covenant, split-level and split-foyer homes shall be considered one and one-half story residences. Finished living space excludes unfinished basements, porches, breezeways, garages, patios and greenhouses. No commune, time shares or similar type living arrangements shall exist anywhere in the subdivision. Three story homes are permitted provided the basements thereof are not finished up to habitable standards. Barns, garages, structures for equestrian activities, and necessary farm sheds are permitted after approval by Developer and/or the Architectural Review Board.

6. No dwelling, porch, carport, garage or permitted outbuilding shall be erected or located nearer than one hundred (100) feet from any road right of way or nearer than eighty (80) feet from any side, rear or interior lot line as shown on the Subdivision plat. Notwithstanding the foregoing, Developer and/or Architectural Review Board shall have the absolute discretion to grant such building set-back variances as is deemed to be in the best interest of the Subdivision.

7. No Owner shall erect, license or suffer to be erected or maintained in the Subdivision, or any part thereof, any commercial, business, or trade venture, manufacturing establishment, factory, apartment house, multi-unit dwelling house or building to be used for a sanitarium or hospital of any kind, or at any time, use or suffer to be used, any house or building erected thereon for any such purpose. No office serving the public may be maintained within the Subdivision except an office for sale of lots within The Farms at Mill Spring is permitted.

8. No trailer, mobile home, modular home, motor home, camper truck, travel trailer or other vehicle or any tent, garage, shack, basement, barn, or other outbuilding shall at any time be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted. No guest house, garage, carport, or other building, except as approved by Developer, and/or Architectural Review Board shall be constructed on any Lot until after construction of the dwelling house on the same Lot is completed or simultaneously therewith. The exterior finish of all houses, barns, outbuildings or other structures must be approved by Developer or the Architectural Review Board, and the Owner must complete such finish before occupancy.

9. No fence shall be erected on any lot until the size, location and materials thereof are approved by Developer and/or Architectural Review Board. Barbed wire, chain link, chicken wire nor any similar fencing shall not be permitted on any lot. Developer may, at his initial expense, construct, erect and paint fencing of his design with materials of Developer's choosing at locations to be determined in Developer's sole discretion. The Owners of any Lots on which any such fencing is located shall be obligated to repair, maintain and paint such fencing as is located on their Lot at such time and in such manner as is directed by the Developer, Farmowners Association or the Architectural Review Board. In case of violation of this covenant, the Developer or the Farmowners Association may, after written notice to the Owner, perform the repair, maintenance or painting of the fencing on any Lot and assess the Owner of such Lot the costs incurred, which assessment shall constitute a lien against the Lot in the same fashion as set forth in paragraph 31 below.

10. Hunting of wildlife shall not be permitted within the boundaries of the Subdivision.

11. Firearms, explosives and/or arrows shall not be shot or discharged within the Subdivision.

12. Noisy vehicles of any kind, such as unmuffled trail bikes, automobiles or motorcycles, shall not be used anywhere within the subdivision. This restriction does not apply to farm machinery and equipment.

13. No Lot Owner, other than Developer, may grant, sell or convey an easement, license or right of way for any purpose across any portion of the Subdivision nor subdivide a Lot. Developer, may further subdivide lots, but all such lots will be subjected to this document as the same may have been amended.

14. No billboard, outdoor advertising, display, or other sign shall be constructed, erected, used or placed on any Lot other than two professional quality signs each of not more than six square feet in area, advertising such Lots, or improvements thereon, for sale, lease or rent. This restriction shall not apply to Developer.

15. Each Lot Owner shall comply with all applicable statutes and ordinances and shall meet the minimum standards required by law.

16. All natural drainage channels shall remain open and no diversion of natural drainage shall be allowed where such diversion will affect any adjacent lot or waterway.

17. All exposed foundation walls and chimneys shall be covered with wall covering materials as required by Developer and/or Architectural Review Board.

18. Except for the roads constructed by the Developer and present easements of public record within the Subdivision, no Owner, other than Developer, shall grant a right of way, easement or license across, on, over or in any Lot to an Owner of property whose land is contiguous to but not within the boundaries of the Subdivision, for purposes of obtaining access to a private or public road located within the Subdivision, or for the purpose of obtaining access from the Subdivision to a public road. Developer shall have and retain the continuing right to the use of the roads constructed by the Developer within the Subdivision for access to and from adjacent properties; provided that Owners of the lots within the Subdivision, with the prior written approval of the Developer, may grant limited cross easement for construction of cooperative facilities for equestrian purposes, such as, but not limited to, barns, arenas, including covered arenas, riding rings, dressage facilities, eventing and jumping courses and like undertakings.

19. Developer and/or The Farmowners Association may subject, at any time, all equestrian trails set out in the plat(s) of the Farms at Mill Spring to equestrian use as a part of F.E.T.A. or a similar trail system.

20. Each driveway connected to a private drive or roadway shall have a 15-inch culvert installed at the point of intersection of such driveway with the drive or roadway. The Developer reserves the right to require a larger culvert to be installed at the Owner's expense, when the same is necessary for proper drainage. All culverts shall be of an approved material, each end of which shall be set into a head wall constructed of material approved by the Developer and/or Architectural Review Board.

21. Any television satellite dish, outside radio or television antenna, or any tank for the storage of gas or a liquid, shall be subject to approval by the Developer and/or Architectural Review Board and shall be hidden or screened to the extent practicable from the view of all other Lots and public roadways as Developer may require.

22. All refuse, rubbish, trash, garbage or waste shall be kept, disposed of or removed in a sanitary manner. All household refuse and rubbish, trash, garbage or waste shall be kept in closed containers, and shielded from view, until collected by the proper authority for such disposal. Refuse, rubbish, trash, garbage, or waste shall not be permitted to remain exposed on a lot.

23. Unless licensed and maintained in an operable condition, no vehicle, whether self-propelled or not, shall be permitted to remain on any Lot unless it is enclosed within a building or garage. No vehicle, whether self-propelled or not, shall be parked upon any Lot in such a manner so as to constitute a nuisance to other Owners. Vehicle repairs outside of an enclosed garage and/or leaving an inoperable vehicle exposed on a Lot shall constitute a nuisance. Lot owners are encouraged to use electric vehicles whenever possible.

24. Subject to limitations as may from time to time be set by the Developer or the Farmowner's Association, generally recognized house or yard pets in reasonable numbers may be kept and maintained at an Owner's residence, provided such animals and pets are not kept and maintained for commercial purposes. All pets must be kept under the control of their Owner when on the outside of the Owner's premises and must not become a nuisance to other Owners at any time.

25. Horses and other large animals may be kept subject to rules and regulations that Developer or the Farmowners Association may from time to time propound, in such numbers as approved by Developer. In general the number of animals approved for any one lot shall be one (1) per each three (3) acres of fenced pasture land, and shall not exceed eight (8) in number on any one lot. Occasional sales of animals shall not be prohibited and breeding of animals is permitted. In limiting the number of animals to be kept on a lot, size and age of the animal(s) shall be considered by the Developer or The Farmowners Association either of which can grant temporary, or in exceptional cases, permanent approval for keeping numbers of animals greater than those specified.

26. All improvements shall be maintained in such a manner that they do not become (a) unsightly, (b) in disrepair, (c) unsanitary, or (d) a hazard. No noxious, obnoxious, noisy, unsightly, or otherwise offensive objects or activities, specifically including, but not limited to, vehicle repairs outside of an enclosed garage, dogs barking on a regular basis audible on other Lots, other noise-making animals or pets, shall be permitted in the Subdivision; nor shall any condition be permitted to remain that is an unreasonable annoyance or nuisance to other Owners. Further, no substance, thing, or material shall be kept upon any property within the subdivision that will emit foul or obnoxious odors or will cause any noise that will or might unreasonably disturb the reasonable peace, quiet, and comfort of any Lot Owner. This provision shall not be interpreted to prevent the keeping of horses, fertilization of pastures nor to interfere with equestrian activities.

27. The Developer reserves the right to enter upon any Lot for the purpose of abating a nuisance or breach hereof.

28. The Developer reserves all those easements shown on the Plat for the installation and maintenance of appropriate utilities and for drainage purposes. The easements reserved herein shall entitle Developer to convey easements to utility companies or appropriate government authorities or agencies. Developer and/or the Farmowners Association may designate the reserved easements as common use areas by lot owners and may join interconnecting easements within or without the subdivision to a system of horse trails, such as F.E.T.A.

29. No trees shall be cut, topped, pruned or otherwise altered from their natural state other than those removed to clear the site necessary to construct approved residence or structures. Notwithstanding the foregoing, Developer shall have the absolute discretion to allow such additional cutting, topping, pruning, etc., as he deems to be either in the best interest of the Subdivision or to not be injurious to it. Any reservation of specific cutting pruning and topping rights must be granted by Developer in writing and signed by Developer. At all times trees within the Subdivision must be protected from damage or destruction and shall be maintained by the Owner.

30. Until the formation of the Architectural Review Board no residence, structures (including barns or outbuildings) or other improvements or portions thereof shall be constructed, placed or erected on any Lot until the plans and specifications therefore shall have been submitted to Developer and approved by him in writing. Developer shall have the absolute discretion to disapprove the size, elevation, placement, style, specification, materials or other qualities of the proposed building for any reason or no reason. Should Developer fail to approve or disapprove such plans and specifications within sixty (60) days after receipt of same, the plans shall be deemed approved. All approved construction shall be completed as quickly as possible and all building and the specifications therefor shall be in accordance with those approved by Developer. No residence shall be occupied until the same is certified for occupancy by the appropriate governmental agency, and no barn, garage, or other structure shall be used unless the exterior thereof is complete.

31. Each owner shall provide off-street space for parking as directed by the Developer and/or the Architectural Review Board for the number of vehicles regularly owned or used by Owner and other Lot occupiers, but not less than space for parking at least two automobiles on the Lot prior to the occupancy of any residence. Parking on the streets of the Subdivision will not be permitted except during those infrequent times when the normal parking facilities on the Lot will not accommodate all the vehicles owned by persons visiting said Owner.

32. Electric power, telephone and cable television services to all structures on all Lots shall be by underground cable or wires from the utility company's main underground cables or lines to said structures. The Developer reserves the right to subject the Subdivision to a contract with an electric utility company servicing properties within the Subdivision for the installation of underground electric cables and/or the installation of street lighting, either or both of which may require an initial assessment and/or a continuing monthly payment to said electric utility companies by the Owner of each Lot. All Owners shall promptly pay such assessments and monthly charges.

33. Developer may, at his initial expense, but is not required to:

(a) Plant, transplant and or seed in such quantity and with such materials of his choosing landscaping for the common use and benefit of all Owners.

(b) Design, locate and clear a multi-use equestrian recreational trail within the trail easement area shown on the Plats for the common use and benefit of all Owners and others licensed or granted easements by the Developer. Except where necessitated for construction, repair and/or maintenance purposes, no motorized vehicles shall be used on the Trail.

(c) Design, construct and erect gates and signs at locations to be selected by Developer; including an entrance "sign" for the Subdivision.

(d) Construct and dedicate for public use roadways within the Subdivision.

Developer will pay the costs of maintenance of the non-public roadways, common amenities, trail and gates, which he in his sole discretion shall deem to be necessary, until such time as fifty percent (50%) by number of the lots within the Subdivision are sold. After Developer has sold fifty percent (50%) of the Lots within the Subdivision, the costs of maintenance of the roadways, common amenities, trail and gates, as deemed necessary by the Developer, shall be borne equally among the Owners (with each Lot bearing its pro-rata share). If Developer should cause a Farmowners Association (the "Association") to be established, the roadways, common amenities, trail and gate maintenance shall be undertaken by the Association and the costs of maintenance shall be included in the dues therefor. All Owners shall automatically be members of the Association from and after its establishment by Developer. In his sole discretion, Developer may, at any time, transfer any of Developer's right, title and interest in and to the roadways, easements, common amenities, trails and gates to the Association, and the Association shall accept any such conveyance. The Developer may transfer to the Association its reserved power or authority as the same is set out herein.

The Association from and after its establishment shall conduct annual meetings and such other meetings as may be necessary to assure the proper maintenance of said roadways, amenities, trails and gates. Ownership of a Lot shall carry with it voting rights in the Association with each of the numbered Lots as shown on the Plat having one vote for each full acre owned; provided the Developer shall have two votes for each full acre owned. All decisions of the Association shall be by majority vote except as provided in paragraph 1.

34. The pro-rata share of maintenance and upkeep chargeable to each Owner if not timely paid shall serve as a lien against said Lot Owner's Lot from and after the recording of same in the Office of the Clerk of the Superior court of Polk County, North Carolina. The collection of said share shall be as set forth in the general statutes of North Carolina for the collection of same and foreclosure of other liens on real property or as otherwise allowed by law. Notwithstanding the foregoing, the lien of said assessments shall at all times be subordinate to the lien established by any deed of trust in favor of a bank, savings and loan association, insurance company or other like lending institution or in favor of the seller of a Lot when such deed of Trust is a purchase money deed of trust as the term is understood in North Carolina.

35. Grass and weeds (including all growth under and around fence lines) are to be cut down on all lots to a height not to exceed ten (10) inches in order to prevent an unsightly and unsanitary condition. This obligation shall apply to the area of the lot shown on the Plat and that area within the right of way of the roadway adjoining such Lot, which obligation is that of the Owner of the Lot in question and it is to be done at his expense. This restriction does not apply to pasture land, hayfields nor vineyards.

In case of violation of this covenant, the Developer or the Association may, after written notice to the owner of such Lot which fails to comply with this covenant, perform necessary mowing or clearing of such Lot and assess the Owner of such Lot the cost incurred, which assessment shall constitute a lien against the Lot.

36. Developer shall have at all times hereafter the right of first refusal to repurchase any Lot which is not improved with a residence. Developer shall respond to a written offer of sale within fifteen days of its receipt. No conveyance of a Lot without a residence located thereon by someone other than Developer shall be valid as against Developer unless the deed for the same is accompanied by a written document in recordable form executed by Developer waiving the right of first refusal. An acceptance of a deed of conveyance from the Developer shall constitute notice of and the acceptance of the terms hereof, for which a valuable consideration is acknowledged to have been received by the grantee(s) of a lot.

37. Subject to submission of plans and approval thereof by the developer, and/or the Architectural Review Board, the grantee of lot number 22, and only the original grantee of lot number 22 holding directly from Travis L. Oates, LLC, shall be permitted to operate a business enterprise commonly referred to as a Bed and Breakfast (Hereinafter "B&B"). The B&B shall be limited to six guest bedrooms in the main or residential structure and two bedrooms for short term guests in a guest cottage. Meals may be served only to the guests of the B&B, provided other lot owners and guests thereof may be served meals on special or pre-arranged occasions. The operator of the B&B shall give, upon request of the developer and/or the Architectural Review Board, information concerning the numbers and length of stay of guests of the B&B including lot owners and guests thereof.

Lot number 22 shall not be sold as an operating B&B except upon explicit written application to be made to the Architectural Review Board for its approval of proposed operating plans. Approval or disapproval thereof by the Architectural Review Board shall be granted not later than thirty (30) days thereafter or the same shall be deemed to have been approved.

No facility shall be used by a successor, assignee, devisee or heir of the original grantee as a B&B except after an approved application, evidenced by an instrument in writing signed by the chair person of the Architectural Review Board and/or by the Developer. In the event a waiver of the foregoing requirement is necessary to secure a loan on lot 22 the Architectural Review Board and the

Developer shall have the authority to waive this restriction provided the loan to be secured is for use in placing improvements on lot 22.

All improvements for guests' accommodation on lot 22 shall be set back two hundred (200) feet from the near side edge of the public roadway. The intervening area shall be landscaped according to a landscaping plan to be approved by the Architectural Review Board and/or the Developer.

The Architectural Review Board may grant approval in writing for additional commercial enterprise on lot number 22, but will have oversight authority over any activity or enterprise carried out on lot number 22 including the authority to issue cease and desist orders.

38. "Developer" as used herein shall include Developer's successors in interest, and its assigns. Except as herein limited, Developer's rights shall remain solely vested in Developer until such time as Developer specifically conveys its rights hereunder. "The Architectural Review Board", and "The Farmowners Association" shall be construed as included within the meaning of the term "Developer" whenever the context so indicates or where that construction will benefit the overall purpose of this Subdivision.

IN WITNESS WHEREOF, the undersigned has set his hand and seal as of the day and year first above written.

By: _____
TRAVIS L. OATES, LLC

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

I, a Notary Public of said State and county, do hereby certify that Travis L. Oates, Member/Manager of the Travis L. Oates, LLC personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and Notarial Seal this the 28 day of October, 2005.

Angela Gosnell
Notary Public

My commission expires:
02-19-07

ANGELA GOSNELL NOTARY PUBLIC HENDERSON COUNTY, N.C.

Prepared by and Return to: * Waymon L. Morris
308 Martin Luther King Jr Blvd
Hendersonville
NC 28792

Filed in POLK County,NC
on Nov 12 2009,at 02:41:09 PM
by SHEILA W. WHITMIRE
REGISTER OF DEEDS
Book 377 Page 135

STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

AMENDMENT TO THE PROTECTIVE COVENANTS AND RESTRICTION FOR THE FARMS AT MILL SPRING, AN EQUESTRIAN RESERVE AND SUBDIVISION AS SAME APPEARS IN DEED BOOK 333, PAGE 1943 POLK COUNTY REGISTRY.

This amendment to the Protective Covenants and Restrictions for THE FARMS AT MILL SPRING, is made and entered into this 6 day of November, 2009, by Travis L. Oates, LLC as Developer:

WITNESSETH

WHEREAS, the undersigned is the Owner of the three fourths of the lots in THE FARMS AT MILL SPRING as the same appears by record plats on file at Card File E, Pages 1053; 1179; 1391; 1416; 1725; 1726; 1769; 1770; 1811; 2077; 2247 and 2248 Polk County Registry; and

WHEREAS, the Owner now desires to amend the Restrictive Covenants of THE FARMS AT MILL SPRING, as before set out in Deed Book 333 at Page 1943; and

WHEREAS, the Protective Covenants and Restrictions, heretofore on file for THE FARMS AT MILL SPRING provides in Article 1, thereof that the Owner is vested with such power and that it is the owner of three fourths of lots within the subdivision; and property as more particularly described in Plats above set out;

NOW THEREFORE, the said Owner does hereby make the following amendment to the Restrictive Covenants of THE FARMS AT MILL SPRING:

1. Section 1 of said document as amended shall be altered and amended to read and shall hereafter read as follows:

> These Covenants and Restrictions are to be covenants and restrictions running with the land and shall be binding upon all Owners, whether the same are purchasers or otherwise receive an interest in the Subdivision, their heirs, assigns, and successors in interest, and all parties, firms and corporations, claiming by, through or under them until October 31, 2029, at which time said Covenants shall automatically extend for successive terms of ten (10) years each, unless modified or deleted by a vote of the then Owners of subdivision lots. Except as otherwise reserved herein, these protective covenants may, however, be modified or deleted in whole or in part at any time by a properly amended recorded and executed instrument signed by the written declaration of the holder(s) of seventy-five percent (75%) of The Farms at Mill Spring Subdivision voting as set forth in paragraph 33, e.g. the developer shall have two (2) votes for each lot retained, returned or owned whether the plat therefor has been filed of recorded or not. Nothing hereinafter contained shall create any liability or responsibility on the part of Developer to perform, nor discharge any of the matters herein set out after the formation of the Farmowners Association.

2. Section 9 of said document as amended shall be altered and amended to read and shall hereafter read as follows:

> No fence shall be erected on any lot until the size, location and materials thereof are approved by Developer and/or Architectural Review Board. Barbed wire, chain link, chicken wire nor any similar fencing shall not be permitted on any lot. Developer may, at his initial expense, construct, erect and paint fencing of his design with materials of Developer's choosing at locations to be

determined in Developer's sole discretion. The Owners of any Lots on which any such fencing is located shall be obligated to repair, maintain and paint such fencing as is located on their Lot at such time and in such manner as is directed by the Developer, Farmowners Association or the Architectural Review Board. In case of violation of this covenant, the Developer or the Farmowners Association may, after written notice to the Owner, perform the repair, maintenance or painting of the fencing on any Lot and assess the Owner of such Lot the costs incurred, which assessment shall constitute a lien against the Lot in the same fashion as set forth in paragraph 34 below.

3. Section 30 of said document as amended shall be altered and amended to read and shall hereafter read as follows:

Until the formation of the Architectural Review Board no residence, structures (including barns or outbuildings) or other improvements or portions thereof shall be constructed, placed or erected on any Lot until the plans and specifications therefor shall have been submitted to Developer and approved by him in writing. Developer shall have the absolute discretion to disapprove the size, elevation, placement, style, specification, materials or other qualities of the proposed building for any reason or no reason. Should Developer fail to approve or disapprove such plans and specifications within sixty (60) days after receipt of same, the plans shall be deemed approved. All approved construction shall be completed as quickly as possible and all building and the specifications therefor shall be in accordance with those approved by Developer. No residence shall be occupied until the same is certified for occupancy by the appropriate governmental agency, and no barn, garage, or other structure shall be used unless the exterior thereof is complete.

4. Section 34 of said document as amended shall be altered and amended to read and shall hereafter read as follows:

> The pro-rata share of maintenance and upkeep chargeable to each Owner if not timely paid shall serve as a lien against said Lot Owner's Lot from and after the recording of same in the Office of the Clerk of the Superior court of Polk County, North Carolina. The collection of said share shall be as set forth in the general statutes of North Carolina for the collection of same and foreclosure of other liens on real property or as otherwise allowed by law. Notwithstanding the foregoing, the lien of said assessments shall at all times be subordinate to the lien established by any deed of trust in favor of a bank, savings and loan association, insurance company or other like lending institution or in favor of the seller of a Lot when such deed of Trust is a purchase money deed of trust as the term is understood in North Carolina. If Developer and/or Farmowners Association determines that it is desirable to establish guidelines and procedures for perfection of enforceable liens the proposed guidelines and procedures shall be presented in written form to all subdivision lot owners, each lot to be considered as having one owner, the address of which shall be the address listed with the Polk County Assessor's office. Written responses shall be requested and considered by the Developer and/or Farmowners Association, notwithstanding which, the proposed guidelines and procedures may be implemented and made applicable to each lot and each owner in the Farms at Mill Spring.

The undersigned Owner does hereby declare that the advantages accruing to its property from this amendment to the Protective Covenants and Restrictions of THE FARMS AT MILL SPRING as above set forth constitute a good and valuable consideration for the execution of this instrument.

No other amendment or change is made to the Protective Covenants and Restrictions for THE FARMS AT MILL SPRING as heretofore recorded and the same are republished and reaffirmed as previously recorded in Deed Book 333, Page 1943 of the Polk County Registry.

In Witness whereof, the undersigned Owner has executed the foregoing instrument this the day and year first above written.

TRAVIS L. OATES, LLC

By: Travis L. Oates, Member/Manger

STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated herein and in the capacity indicated: Travis L. Oates, Member/Manager of Travis L. Oates, LLC.

Witness my hand and official seal, this the 6 day of November, 2009.

My Commission Expires: March 28, 2010

Notary Public

Filed in POLK County,NC
on Jan 05 2010 at 11:28:40 AM
by SHEILA W. WHITMIRE
REGISTER OF DEEDS
Book 378 Page 120

Prepared by and return to: Waymon L. Morris, P.A.
308 Martin Luther King Jr. Blvd.
Hendersonville, N.C. 28792

STATE OF NORTH CAROLINA
COUNTY OF POLK

PROTECTIVE COVENANTS CONDITIONS AND RESTRICTIONS
FOR THE FARMS AT MILL SPRING,
AN EQUESTRIAN RESERVE AND SUBDIVISION

W I T N E S S E T H:

THESE PROTECTIVE COVENANTS, conditions and restrictions are made this 4th day of January, 2010, by and between C. LEMUEL & SANDRA T. OATES, LLC and MOLLY OATES SHERRILL, LLC, both North Carolina Limited Liability Companies, hereinafter "Developers" and every person hereafter acquiring parcel(s) of land ("Lots") shown on Plats of The Farms at Mill Spring subdividing said property into separate parcels, and their successors and assigns, hereafter collectively ("Owners");

WHEREAS, Developers are the Owners of all that tract or parcel of land as described in Deed Book 353, Page 393 and as shown on that certain plat recorded in the Polk County Registry in Card File E, Pages 2312, 2313 and 2314 and may hereafter be supplemented with additional plats of the property together with the designated Equine Trails, Carriage Ways, and public access areas as appear or shall appear on the recorded Plats, reference to which Plats is hereby made for a more particular description of each lot and of the equine trails, road, utility, drainage, conservation and other easements to and for which a particular lot is subjected and benefited. Developers, their successors and assigns reserve the right to establish and reserve sight and view easements for or across each lot (referred to hereafter as "Subdivision" and/or the Property)

WHEREAS, Developers determined for the benefit of all subsequent Owners within said Subdivision that Subdivision property shall be developed and used exclusively for the purposes as hereinafter set forth; and

WHEREAS, the Property has not been previously restricted, burdened nor subdivided; and

WHEREAS, Developers by this document establish these certain private land use controls, conditions, restrictions, servitudes, encumbrances, affirmative obligations, burdens, benefits, reservations, easements, assessments, charges and liens as hereinafter set forth; and

WHEREAS, the roads, trails, easements and other subdivision amenities shown on the recorded subdivision plats including plats to be filed in future, are planned and proposed but may not exist and may never be built, installed nor improved to the same extend as shown.

WHEREAS, Developers determined that the primary land use within the Subdivision shall be for use and enjoyment by human habitation within single family dwellings centered around equestrian activities, but with the intent to maintain the natural environment and beauty of the property for enjoyment by all residents thereof.

NOW, THEREFORE, in consideration of the premises and for the protection the Owners will receive by such Lots being located in a restricted subdivision, the Developers, and successors in title, covenant and agree and hereby restrict the above referred to real property as follows:

1. These Covenants and Restrictions are to be covenants and restrictions running with the land and shall be binding upon all Owners, whether the same are purchasers or otherwise receive an interest in the Subdivision, their heirs, assigns, and successors in interest, and all parties, firms and corporations, claiming by, through or under them until December 31, 2034, at which time said Covenants shall automatically extend for successive terms of ten (10) years each, unless modified or deleted by a vote of the then Owners of subdivision lots. Except as otherwise reserved herein, these protective covenants may, however, be modified or deleted in whole or in part at any time by a properly amended recorded and executed instrument signed by the written declaration of the holder(s) of seventy-five percent (75%) of The Farms at Mill Spring Subdivision voting as set forth in paragraph 33, e.g. the developer shall have two (2) votes for each lot retained, returned or owned whether the plat therefor has been filed of record or not. Nothing herein contained shall create any liability or responsibility on the part of Developer(s) to perform, nor discharge any of the matters herein set out or shown on a subdivision map before or after the formation of the Farmowners Association.

2. If any Owner shall violate, or attempt to violate, any of the Covenants and Restrictions herein, it shall be lawful for any other Owner and/or Developer(s) to prosecute any proceeding at law or in equity against the person or persons violating or attempting to violate any such Covenants or Restrictions, and to either enjoin such breach and/or to recover damages for such violation, including reasonable attorney's fees and costs incurred in prosecuting said action. These Covenants and Restrictions are similar to but not cross-enforceable by any person holding hereunder with, for or against any person holding or having vested rights under any previously recorded set of Covenants and Restrictions and amendments thereto filed of record by Travis L. Oates, LLC.

3. Invalidation of one or more of these declarations by judgment or Court order shall not affect any of the other provisions hereof which shall remain in full force and effect.

4. The Developers or the Farmowners Association may establish by appointment of one or more members thereto, an Architectural Review Board, the purpose and function of which shall be to thereafter exercise primary authority for decisions and actions relating to approval or disapproval of plans and specifications for single family dwellings, site easements, guest cottages, farm buildings, water and septic facilities, equestrian facilities, including, but not limited to arenas, covered arenas, riding rings, dressage rings, fences to include approval for fencing material and location thereof, gates and other structures. Siting of the above shall be as approved and in a manner to provide each lot owner with such preservation of views and privacy as circumstances may permit; the removal of vegetation, including trees, shall first be approved by the Architectural Review Board; landscaping and hedges shall be subject to approval from plans or drawings submitted by lot owners. Commercial activities shall not be conducted on any lot existing barns (etc.)

The business of the Architectural Review Board shall be as follows:

(a) No warranties of good workmanship, design, habitability, quality, fitness for purpose or merchantability shall arise as a result of any plans, specifications, standards or approval made by the Developers, The Association or the Architectural Review Board.

(b) The Association may compensate the members of the Architectural Review Board in a manner and to the extent that is deemed prudent, desirable and reasonable in the judgment and discretion of the Board of Directors of the Association, and the Architectural Review Board may engage or contract with such consultants or professional services as may be necessary to carry out this Function.

(c) Two (2) copies of all plans and related data shall be furnished the Architectural Review Board. One (1) copy shall be retained in the records of the Architectural Review Board. The other copy shall be returned to the Property Owner, and both copies shall be marked "Approved" or "Disapproved" with the signature of the Chairman or Executive Director of the Review Board. The Architectural Review Board or the Association may require payment of a cash fee, which fee is expected to reimburse the Association for the reasonable expense of reviewing plans and related data at the time they are submitted for review, for site inspections or related matters. A similar fee may be required for appeals and re-considerations.

(d) Approvals shall be dated and shall not be effective for construction which is commenced more than twelve (12) months after such approval. Disapproved plans and related data shall be accompanied by a reasonable statement of items found unacceptable. In the event approval of such plans is neither granted nor denied within sixty (60) days following receipt by the Architectural Review Board of written request for approval, the applicant may send a demand for action by certified mail, and if the application is neither granted nor denied within ten (10) days of receipt of such demand, the provisions of this Section shall be thereby waived by the Architectural Review Board and the Association.

(e) Refusal or approval of plans, location or specifications may be based by the Architectural Review Board for the Association upon any reasonable ground which is consistent with the objectives of these Covenants, including but not limited to: aesthetic considerations; the harmony and scale, bulk, coverage, function and density of use of the exposed Structure; visual blight or ugliness which might result from outdoor lighting; the effect of the Structure or plans on neighboring properties; the impact of the proposed Structure on the rural and natural setting; the safety of users of Nature Trails, Bridle Paths and Carriage Lanes; the view of the Structure or Property from public or private roads; the placement of buffer zones, fences, shrubbery, trees, vegetation, berms and parking spaces, shading, desirable solar access, impact on birds, fish and wildlife, safety, and the desirability of preserving significant trees or other unique vegetation. Vineyards, but not wineries, may be approved. The Architectural Review process shall not be conducted in an arbitrary and capricious manner.

(f) No approval of plans, location or specifications, and no publication of architectural standards bulletins by the Architectural Review Board or the Association shall ever be construed as representing or implying that such plans, specifications or standards will, if followed, result in a properly designed residence or that such standards comply with relevant law. Such approvals and standards shall in no event be construed as representing or guaranteeing that any residence will be built in a good workmanlike manner.

5. All of the Lots in the Subdivision shall be used solely for the development of one detached single-family residence, and one detached guest house which shall be sited by approval of the Developers and/or the Architectural Review Board, and shall not be used for any other purpose. In the case of a one story residence, the main floor shall contain not less than 2,000 square feet of heated, finished living area. In the case of a one and one-half or two-story building, the dwelling shall contain not less than 2,500 square feet of heated, finished living area. For the purpose of this covenant, split-level and split-foyer homes shall be considered one and one-half story residences. Finished living

space excludes unfinished basements, porches, breezeways, garages, patios and greenhouses. No commune, time share or similar type living arrangements shall exist anywhere in the subdivision. Three story homes are permitted provided the basements thereof are not finished up to habitable standards. Barns, garages, structures for equestrian activities, and necessary farm sheds are permitted after approval by Developers and/or the Architectural Review Board.

6. No dwelling, porch, carport, garage or permitted outbuilding shall be erected or located nearer than one hundred (100) feet from any road right of way or nearer than eighty (80) feet from any side, rear or interior easement line as shown on the Subdivision plat. Notwithstanding the foregoing, Developers and/or Architectural Review Board shall have the absolute discretion to grant such building set-back variances as is deemed to be in the best interest of the Subdivision.

7. No Owner shall erect, license or suffer to be erected or maintained in the Subdivision, or any part thereof, any commercial, business, or trade venture, manufacturing establishment, factory, apartment house, multi-unit dwelling house or building to be used for a sanitarium or hospital of any kind, or at any time, use or suffer to be used, any house or building erected thereon for any such purpose. No office serving the public may be maintained within the Subdivision except an office for sale of lots within The Farms at Mill Spring is permitted.

8. No trailer, mobile home, modular home, motor home, camper truck, travel trailer or other vehicle or any tent, garage, shack, basement, barn, or other outbuilding shall at any time be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted. No guest house, garage, carport, or other building, except as approved by Developers, and/or Architectural Review Board shall be constructed on any Lot until after construction of the dwelling house on the same Lot is completed or simultaneously therewith. The exterior finish of all houses, barns, outbuildings or other structures must be approved by Developers or the Architectural Review Board, and the Owner must complete such finish before occupancy.

9. No fence shall be erected on any lot until the size, location and materials thereof are approved by Developers and/or Architectural Review Board. Barbed wire, chain link, chicken wire nor any similar fencing shall not be permitted on any lot. Developer may, at his initial expense, construct, erect and paint fencing of his design with materials of Developers' choosing at locations to be determined in Developers' sole discretion. The Owners of any Lots on which any such fencing is located shall be obligated to repair, maintain and paint such fencing as is located on their Lot at such time and in such manner as is directed by the Developers, Farmowners Association or the Architectural Review Board. In case of violation of this covenant, the Developers or the Farmowners Association may, after written notice to the Owner, perform the repair, maintenance or painting of the fencing on any Lot and assess the Owner of such Lot the costs incurred, which assessment shall constitute a lien against the Lot in the same fashion as set forth in paragraph 34 below.

10. Hunting of wildlife shall not be permitted within the boundaries of the Subdivision.

11. Neither Firearms, explosives nor arrows shall be shot or discharged within the Subdivision.

12. Noisy vehicles of any kind, such as unmuffled trail bikes, automobiles or motorcycles, shall not be used anywhere within the subdivision. This restriction does not apply to farm machinery and equipment.

13. No Lot Owner, other than Developers, may grant, sell or convey an easement, license or right of way for any purpose across any portion of the Subdivision nor subdivide a Lot. Developers may further subdivide lots, but all such lots will be subjected to this document as the same may have been amended.

14. No billboard, outdoor advertising, display, or other sign shall be constructed, erected, used or placed on any Lot other than two professional quality signs each of not more than six square feet in area, advertising such Lots, or improvements thereon, for sale, lease or rent. This restriction shall not apply to Developers.

15. Each Lot Owner shall comply with all applicable statutes and ordinances and shall meet the minimum standards required by law.

16. All natural drainage channels shall remain open and no diversion of natural drainage shall be allowed where such diversion will affect any adjacent lot or waterway.

17. All exposed foundation walls and chimneys shall be covered with wall covering materials as required by Developers and/or Architectural Review Board.

18. Except for the roads constructed by the Developers and present easements of public record within the Subdivision, no Owner, other than Developers, shall grant a right of way, easement or license across, on, over or in any Lot to an Owner of property whose land is contiguous to but not within the boundaries of the Subdivision, for purposes of obtaining access to a private or public road located within the Subdivision, or for the purpose of obtaining access from the Subdivision to a public road. Developers shall have and retain the continuing right to the use of the roads constructed by the Developers within the Subdivision for access to and from adjacent properties; provided that Owners of the lots within the Subdivision, with the prior written approval of the Developers, may grant limited cross easement for construction of cooperative facilities for equestrian purposes, such as, but not limited to, barns, arenas, including covered arenas, riding rings, dressage facilities, eventing and jumping courses and like undertakings.

19. Developers and/or The Farmowners Association may subject, at any time, all equestrian trails set out in the plat(s) of the Farms at Mill Spring to equestrian use as a part of F.E.T.A. or a similar trail system.

20. Each driveway connected to a private drive or public roadway shall have a 15-inch culvert installed at the point of intersection of such driveway with the drive or roadway. The Developers reserve the right to require a larger culvert to be installed at the Owner's expense, when the same is necessary for proper drainage. All culverts shall be of an approved material, each end of which shall be set into a head wall constructed of material approved by the Developers and/or Architectural Review Board.

21. Any television satellite dish, outside radio or television antenna, or any tank for the storage of gas or a liquid, shall be subject to approval by the Developers and/or Architectural Review Board and shall be hidden or screened to the extent practicable from the view of all other Lots and public roadways as Developers may require.

22. All refuse, rubbish, trash, garbage or waste shall be kept, disposed of or removed in a sanitary manner. All household refuse and rubbish, trash, garbage or waste shall be kept in closed containers, and shielded from view, until collected by the proper authority for such disposal. Refuse, rubbish, trash, garbage, or waste shall not be permitted to remain exposed on a lot.

23. Unless licensed and maintained in an operable condition, no vehicle, whether self-propelled or not, shall be permitted to remain on any Lot unless it is enclosed within a building or garage. No vehicle, whether self-propelled or not, shall be parked upon any Lot in such a manner so as to constitute a nuisance to other Owners. Vehicle repairs outside of an enclosed garage and/or leaving an inoperable vehicle exposed on a Lot shall constitute a nuisance. Lot owners are encouraged to use electric vehicles whenever possible.

24. Subject to limitations as may from time to time be set by the Developers or the Farmowners Association, generally recognized house or yard pets in reasonable numbers may be kept and maintained at an Owner's residence, provided such animals and pets are not kept and maintained for commercial purposes. All pets must be kept under the control of an Owner when outside the Owner's premises and must not become a nuisance to other Owners at any time.

25. Horses and other large animals may be kept subject to rules and regulations that Developers or the Farmowners Association may from time to time propound, in such numbers as approved by Developers. In general the number of animals approved for any one lot shall be one (1) per each three (3) acres of fenced pasture land, and shall not exceed eight (8) in number on any one lot. Occasional sales of animals shall not be prohibited and breeding of animals is permitted. In limiting the number of animals to be kept on a lot, size and age of the animal(s) shall be considered by the Developers or The Farmowners Association either of which can grant temporary, or in exceptional cases, permanent approval for keeping numbers of animals greater than those specified.

26. All improvements shall be maintained in such a manner that they do not become (a) unsightly, (b) in disrepair, (c) unsanitary, or (d) a hazard. No noxious, obnoxious, noisy, unsightly, or otherwise offensive objects or activities, specifically including, but not limited to, vehicle repairs outside of an enclosed garage, dogs barking on a regular basis audible on other Lots, other noise-making animals or pets, shall be permitted in the Subdivision; nor shall any condition be permitted to remain that is an unreasonable annoyance or nuisance to other Owners. Further, no substance, thing, or material shall be kept upon any property within the subdivision that will emit foul or noxious odors or will cause any noise that will or might unreasonably disturb the reasonable peace, quiet, and comfort of any Lot Owner. This provision shall not be interpreted to prevent the keeping of horses, fertilization of pastures nor to interfere with equestrian activities.

27. The Developers reserve the right to enter upon any Lot for the purpose of abating a nuisance or breach hereof.

28. The Developers reserve all those easements shown on the Plat for the installation and maintenance of appropriate utilities and for drainage purposes. The easements reserved herein shall entitle Developers to convey easements to utility companies or appropriate government authorities or agencies. Developers and/or the Farmowners Association may designate the reserved easements as common use areas by lot owners and may join interconnecting easements within or without the subdivision to a system of horse trails, such as F.E.T.A.

29. No trees shall be cut, topped, pruned or otherwise altered from their natural state other than those removed to clear the site necessary to construct approved residence or structures. Notwithstanding the foregoing, Developer(s) shall have the absolute discretion to allow such additional cutting, topping, pruning, etc., as is deemed to be either in the best interest of the Subdivision

or to not be injurious to it. Any reservation of specific cutting pruning and topping rights must be granted by Developers in writing and signed by Developer(s). At all times trees within the Subdivision must be protected from damage or destruction and shall be maintained by the Owner. The Architectural Review Board may also exercise the rights and discretions reserved to Developer(s).

30. Until the formation of the Architectural Review Board no residence, structure (including barns or outbuildings) or other improvements or portions thereof shall be constructed, placed or erected on any Lot until the plans and specifications therefor shall have been submitted to Developer(s) and approved in writing. Developer(s) shall have the absolute discretion to disapprove the size, elevation, placement, style, specification, materials or other qualities of the proposed building for any reason or no reason. Should Developer(s) fail to approve or disapprove such plans and specifications within sixty (60) days after receipt of same, the plans shall be deemed approved. All approved construction shall be completed as quickly as possible and all building and the specifications therefor shall be in accordance with those approved by Developer(s). No residence shall be occupied until the same is certified for occupancy by the appropriate governmental agency, and no barn, garage, or other structure shall be used unless the exterior thereof is complete.

31. Each owner shall provide off-street space for parking as directed by the Developers and/or the Architectural Review Board for the number of vehicles regularly owned or used by Owner and other Lot occupiers, but not less than space for parking at least two automobiles on the Lot prior to the occupancy of any residence. Parking on the streets of the Subdivision will not be permitted except during those infrequent times when the normal parking facilities on the Lot will not accommodate all the vehicles owned by persons visiting said Owner.

32. Electric power, telephone and cable television services to all structures on all Lots shall be by underground cable or wires from the utility company's main underground cables or lines to said structures. The Developers reserves the right to subject the Subdivision to a contract with an electric utility company servicing properties within the Subdivision for the installation of underground electric cables and/or the installation of street lighting, either or both of which may require an initial assessment and/or a continuing monthly payment to said electric utility companies by the Owner of each Lot. All Owners shall promptly pay such assessments and monthly charges.

33. Developers may, but are not required to:

(a) Plant, transplant and or seed in such quantity and with such materials of their choosing landscaping for the common use and benefit of all Owners.

(b) Design, locate and clear a multi-use equestrian recreational trail within the trail easement area shown on the Plats for the common use and benefit of all Owners and others licensed or granted easements by the Developer(s). Except where necessitated for construction, repair and/or maintenance purposes, no motorized vehicles shall be used on the Trail.

(c) Design, construct and erect gates and signs at locations to be selected by Developers; including an entrance "sign" for the Subdivision.

(d) Construct and dedicate for public use roadways within the Subdivision.

Developers will pay the costs of maintenance of the non-public roadways, common amenities, trail and gates, which they in their discretion shall deem to be necessary, until such time as fifty percent (50%) by number of the lots within the Subdivision are sold. After Developers have sold fifty percent (50%) of the Lots within the Subdivision, the costs of maintenance of the roadways, common amenities, trail and gates, as deemed necessary by the Developers, shall be borne equally among the Owners (with each Lot bearing its pro-rata share). If Developers should cause a Farmowners Association (the "Association") to be established, the roadways, common amenities, trail and gate maintenance shall be undertaken by the Association and the costs of maintenance shall be included in the dues therefor. All Owners shall automatically be members of the Association from and after its establishment by Developers. In their sole discretion, Developers may, at any time, transfer any of Developers' right, title and interest in and to the roadways, easements, common amenities, trails and gates to the Association, and the Association shall accept any such conveyance. The Developers may transfer to the Association its reserved power or authority in whole or in part as the same is set out herein.

The Association from and after its establishment shall conduct annual meetings and such other meetings as may be necessary to assure the proper maintenance of said roadways, amenities, trails and gates. Ownership of a Lot shall carry with it voting rights in the Association with each of the numbered Lots as shown on the Plat having one vote for each full acre owned; provided the Developers shall have two votes for each full acre owned. All decisions of the Association shall be by majority vote except as provided in paragraph one (1).

34. The pro-rata share of maintenance and upkeep chargeable to each Owner if not timely paid shall be a lien against said Lot Owner's Lot from and after the recording of same in the Office of the Clerk of the Superior court of Polk County, North Carolina. The collection of said share shall be as set forth in the general statutes of North Carolina for the collection of same and foreclosure of other liens on real property or as otherwise allowed by law. Notwithstanding the foregoing, the lien of said assessments shall at all times be subordinate to the lien established by any deed of trust in favor of a bank, savings and loan association, insurance company or other like lending institution or in favor of the seller of a Lot when such deed of Trust is a purchase money deed of trust as the term is understood in North Carolina. If Developer(s) and/or Farmowners Association determine that it is desirable to establish guidelines and procedures for perfection of enforceable liens the proposed guidelines and procedures shall be presented in written form to all subdivision lot owners, each lot to be considered as having one owner, the address of which shall be the address listed with the Polk County Assessor's office. Written responses shall be requested and considered by the Developer and/or Farmowners Association, notwithstanding which, the proposed guidelines and procedures may be implemented and made applicable to each lot and each owner in the Farms at Mill Spring.

35. Grass and weeds (including all growth under and around fence lines) are to be cut down on all lots to a height not to exceed ten (10) inches in order to prevent an unsightly and unsanitary condition. This obligation shall apply to the area of the lot shown on the Plat and that area within the right of way of the roadway adjoining such Lot, which obligation is that of the Owner of the Lot in question and it is to be at his expense. This restriction does not apply to pasture land, hayfields nor vineyards.

In case of violation of this covenant, the Developers or the Association may, after written notice to the owner of such Lot who fails to comply with this covenant, perform necessary mowing or clearing of such Lot and assess the

Owner of such Lot the cost incurred, which assessment shall constitute a lien against the Lot.

36. Developers shall have at all times hereafter the right of first refusal to repurchase any Lot which is not improved with a residence. Developers shall respond to a written offer of sale within fifteen days of its receipt. No conveyance of a Lot without a residence located thereon by someone other than Developers shall be valid as against Developers unless the deed for the same is accompanied by a written document in recordable form executed by Developers waiving the right of first refusal. An acceptance of a deed of conveyance from the Developers shall constitute notice of and the acceptance of the terms hereof, for which a valuable consideration is acknowledged to have been received by the grantee(s) of a lot.

37. "Developers" as used herein shall include Developers' successors in interest, and its assigns. Except as herein limited, Developers' rights shall remain solely vested in Developers until such time as Developers specifically convey their rights hereunder. "The Architectural Review Board", and "The Farmowners Association" shall be construed as included within the meaning of the term "Developers" whenever the context so indicates or where that construction will benefit the overall purpose of this Subdivision.

38. The singular shall include the plural; reference to gender, whether by pronoun or directly shall include the opposite gender; the entire document is to be construed as a whole consistent with its intent and purpose; voidance of provision(s) or term(s) shall not void others not effected; and, this document shall be interrupted by and under the law of North Carolina.

IN WITNESS WHEREOF, the undersigned has set his hand and seal as of the day and year first above written.

C. LEMUEL & SANDRA T. OATES, LLC

BY: C. Lemuel Oates Sandra T. Oates

C. Lemuel Oates, Member/Manager

MOLLY OATES SHERRILL, LLC

BY: Molly Oates Sherrill

Molly Oates Sherrill, Member/Manager

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

I, a Notary Public of said State and county, do hereby certify that C. Lemuel Oates, Member/Manager of the C. Lemuel & Sandra T. Oates, LLC personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and Notarial Seal this the 4th day of January, 2010.

Melissa H. Bell
Notary Public

My commission expires:
March 28, 2010

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

I, a Notary Public of said State and county, do hereby certify that Molly Oates Sherrill, Member/Manager of the Molly Oates Sherrill, LLC personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and Notarial Seal this the 4th day of January, 2010.

Melissa H. Bell
Notary Public

My commission expires:
March 28, 2010

Doc ID: 004491500003 Type: CRP
Recorded: 05/12/2015 at 02:45:05 PM
Fee Amt: $26.00 Page 1 of 3
Polk, NC
Sheila Whitmire Register of Deeds
BK412 PG1807-1809

Prepared by:
Mail/Box/Return to: Jack Lyda, PLLC. 308 Martin Luther King Jr., Blvd,
Hendersonville, NC 28792

STATE OF NORTH CAROLINA
COUNTY POLK

SECOND AMENDMENT TO PROTECTIVE COVENANTS AND RESTRICTIONS FOR THE FARMS AT MILL SPRING, AN EQUESTRIAN SUBDIVISION (PHASE I)
AS RECORDED IN THE POLK COUNTY REGISTRY IN DEED BOOK 333 AT PAGE 1943 ET SEQ.

WHEREAS, Travis L. Oates, LLC (hereafter referred to as the "Declarant/Developer") filed a declaration of Protective Covenants and Restrictions for the Farms at Mill Spring, an Equestrian Subdivision, Phase I, (hereafter referred to as the "Covenants") of record in Deed Book 333 at Page 1943 of the Polk County Registry and an Amendment to the Protective Covenants and Restriction for The Farms at Mill Spring, an Equestrian Reserve and Subdivision as same appears in Deed Book 377, Page 135, Polk County Registry (the "Amendment");; and

WHEREAS, Paragraph 1 of the Amendment provides that the protective covenants may be modified or deleted in whole or in part at any time by a properly recorded and executed instrument signed by the written declaration of the holders of seventy five percent of The Farms at Mill Spring Subdivision voting; and

WHEREAS, Paragraph 33 of the Covenants provides that ownership of a lot shall carry with it voting rights in the Association with each of the numbered lots as shown on the

Plat having one vote for each full acre owned; provided the Developer shall have two votes for each full acre owned; and

WHEREAS, Travis L. Oates, LLC, the Declarant/Developer, currently possesses a voting interest in excess of the seventy five percent (75%) of votes required to amend the Covenants; and

NOW THEREFORE, in accordance with the foregoing, the declaration of Protective Covenants and Restrictions for the Farms at Mill Spring, an Equestrian Subdivision, Phase I, is hereby amended as follows:

1. Paragraph 1 of the Amendment states in part "Except as otherwise reserved herein, these protective covenants may, however, be modified or deleted in whole or in part at any time by the written declaration of the holder(s) of seventy five percent (75%) of The Farms at Mill Spring Subdivision voting as set forth in paragraph 33, e.g. the developer shall have two (2) votes for each lot retained, returned, or owned whether the plat therefor has been filed of record or not." That sentence is hereby deleted and replaced with the following:

   > Except as otherwise reserved herein, these protective covenants may, however, be modified or deleted in whole or in part at any time by the written declaration of the holder(s) of greater than fifty percent (50%) of The Farms at Mill Spring Subdivision voting as set forth in paragraph 33, e.g. the developer shall have two (2) votes for each full acre owned, whether the plat therefor has been filed of record or not.

2. Paragraph 25 of the Covenants states in part "In General the number of animals approved for any one lot shall be one (1) per each three (3) acres of fenced pasture land and shall not exceed eight (8) in number on any one lot." That sentence is hereby deleted and replaced with the following:

   > In General the number of animals approved for any one lot shall be one (2) per each one (1) acres of fenced pasture land and shall not exceed eight (8) in number on any one lot.

Except as amended herein the remainder of the declaration of Protective Covenants and Restrictions for the Farms at Mill Spring, an Equestrian Subdivision, Phase I, of record in Deed Book 333 at Page 1943 of the Polk County Registry as amended by the Amendment to the Protective Covenants and Restriction for The Farms at Mill Spring, an

Equestrian Reserve and Subdivision as same appears in Deed Book 377, Page 135, Polk County Registry are hereby re-affirmed and republished in its entirety.

IN WITNESS WHEREOF, the Declarant/Developer has caused this instrument to be signed this the 6 day of April, 2015.

TRAVIS L. OATES, LLC

By: _____
Travis L. Oates, Member/Manager

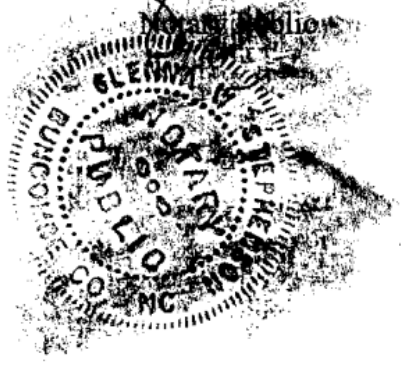
STATE OF NORTH CAROLINA
COUNTY OF

I, a Notary Public of the State and County aforesaid do hereby certify that Travis L. Oates, the Member/Manager of Travis L. Oates, LLC personally appeared before me this day and acknowledged his signature on the foregoing instrument.

Witness my hand and Seal this the 6 day of April, 2015.

_____
Notary Public

My Commission Expires: 12-7-15



Doc ID: 004491510004 Type: CRP
Recorded: 05/12/2015 at 02:45:59 PM
Fee Amt: $26.00 Page 1 of 4
Polk, NC
Sheila Whitmire Register of Deeds
BK 412 PG 1810-1813

Prepared by:
Mail/Box/Return to: Jack Lyda, PLLC. 308 Martin Luther King Jr., Blvd, Hendersonville, NC 28792

STATE OF NORTH CAROLINA
COUNTY POLK

AMENDMENTS TO PROTECTIVE COVENANTS AND RESTRICTIONS FOR THE FARMS AT MILL SPRING, AN EQUESTRIAN SUBDIVISION
(PHASE II)
AS RECORDED IN THE POLK COUNTY REGISTRY IN DEED BOOK 378 AT PAGE 120 ET SEQ.

WHEREAS, on the 5th day of January, 2010, C. LEMUEL & SANDRA T. OATES, LLC and MOLLY OATES SHERRILL, LLC (hereafter referred to as the "Declarant/Developer") filed a declaration of Protective Covenants and Restrictions for the Farms at Mill Spring, an Equestrian Subdivision, Phase II, (hereafter referred to as the "Covenants") of record in Deed Book 378 at Page 120 of the Polk County Registry; and

WHEREAS, Paragraph 1 of the Covenants provides that the protective covenants may be modified or deleted in whole or in part at any time by a properly recorded and executed instrument signed by the written declaration of the holders of seventy five percent (75%) of The Farms at Mill Spring Subdivision voting as set forth in paragraph 33; and

WHEREAS, Paragraph 33 of the Covenants provides that ownership of a lot shall carry with it voting rights in the Association with each of the numbered lots as shown on the

Plat having one vote for each full acre owned; provided the Developer shall have two votes for each full acre owned; and

WHEREAS, C. LEMUEL & SANDRA T. OATES, LLC and MOLLY OATES SHERRILL, LLC, the Declarant/Developer, currently owns twenty eight of the 31 total lots in Phase II of the Farms at Mill Spring, which is in excess of the seventy five percent (75%) of votes required to amend the Covenants; and

NOW THEREFORE, in accordance with the foregoing, the declaration of Protective Covenants and Restrictions for the Farms at Mill Spring, an Equestrian Subdivision, Phase I, is hereby amended as follows:

1. Paragraph 1 of the Covenants states in part "Except as otherwise reserved herein, these protective covenants may, however, be modified or deleted in whole or in part at any time by the written declaration of the holder(s) of seventy five percent (75%) of The Farms at Mill Spring Subdivision voting as set forth in paragraph 33, e.g. the developer shall have two (2) votes for each lot retained, returned, or owned whether the plat therefor has been filed of record or not." That sentence is hereby deleted and replaced with the following:

   > Except as otherwise reserved herein, these protective covenants may, however, be modified or deleted in whole or in part at any time by the written declaration of the holder(s) of greater than fifty percent (50%) of The Farms at Mill Spring Subdivision voting as set forth in paragraph 33, e.g. the developer shall have two (2) votes for each full acre owned, whether the plat therefor has been filed of record or not.

2. Paragraph 25 of the Covenants states in part "In General the number of animals approved for any one lot shall be one (1) per each three (3) acres of fenced pasture land and shall not exceed eight (8) in number on any one lot." That sentence is hereby deleted and replaced with the following:

   > In General the number of animals approved for any one lot shall be one (2) per each one (1) acres of fenced pasture land and shall not exceed eight (8) in number on any one lot.

Except as amended herein the remainder of the declaration of Protective Covenants and Restrictions for the Farms at Mill Spring, an Equestrian Subdivision, Phase II, of record

in Deed Book 378 at Page 120 of the Polk County Registry are hereby re-affirmed and republished in its entirety.

IN WITNESS WHEREOF, the Declarant/Developer has caused this instrument to be signed this the 7 day of APRIL, 2015.

C. LEMUEL OATES & SANDRA T. OATES, LLC

BY: C Lemuel Oates
C. ~~Lemueal~~ Oates, Member/Manager
LEMUEL

BY: Sandra T. Oates
Sandra T. Oates, Member/Manager

MOLLY OATES SHERRILL, LLC

BY: Molly Oates Sherrill
Molly Oates Sherrill, Member/Manager

STATE OF NORTH CAROLINA
COUNTY OF Buncombe

I, a Notary Public of the State and County aforesaid do hereby certify that C. Lemuel Oates, the Member/Manager of C. LEMUEL OATES & SANDRA T. OATES, LLC personally appeared before me this day and acknowledged his signature on the foregoing instrument.

Witness my hand and Seal this the 7 day of April, 2015.

Glenna W. Stephenson
Notary Public

My Commission Expires: 12-7-15

GLENNA W. STEPHENSON NOTARY PUBLIC BUNCOMBE CO

STATE OF NORTH CAROLINA
COUNTY OF

I, a Notary Public of the State and County aforesaid do hereby certify that Molly Oates Sherrill, the Member/Manager of MOLLY OATES SHERRILL, LLC, LLC personally appeared before me this day and acknowledged his signature on the foregoing instrument.

Witness my hand and Seal this the 1 day of April, 2015.

Notary Public

My Commission Expires: 12-7-15

Doc ID: 004556150004 Type: CRP
Recorded: 10/08/2015 at 12:43:06 PM
Fee Amt: $26.00 Page 1 of 4
Polk, NC
Sheila Whitmire Register of Deeds
BK 415 PG 1013-1016

Prepared by: William A. McFarland, Jr., McFarland and McFarland, PLLC
39 South Trade Street, Tryon, NC 28782

STATE OF NORTH CAROLINA

COUNTY OF POLK

SECOND AMENDMENT TO THE PROTECTIVE COVENANTS AND RESTRICTIONSFOR THE FARMS AT MILL SPRING

THIS SECOND AMENDMENT is made and entered into this 24th day of July, 2015 by C. LEMUEL & SANDRA T. OATES, LLC and MOLLY OATES SHERRILL, LLC, (the "Developer"):

W I T N E S S E T H:

THAT WHEREAS, the Developer has heretofore executed that certain Protective Covenants, Conditions and Restrictions for The Farms at Mill Spring, an Equestrian Subdivision, Phase II recorded in Book 378, Page 120, Polk County Registry (the "Declaration") and that certain Amendment to the Protective Covenants and Restriction for The Farms at Mill Spring, an Equestrian Subdivision (Phase II) as same appears in Deed Book 378, Page 120, Polk County Registry, recorded in Book 412, Page 1810, Polk County Registry (the "Amendment"); and

WHEREAS, Section 1 of the Declaration, as amended by the Amendment, provides, in part, that the Declaration may be modified by a properly recorded and executed instrument signed by the written declaration of the holders of fifty percent (50%) of The Farms at Mill Spring Subdivision voting as set forth in Section 33 of the Declaration; and

WHEREAS, the undersigned Developer represents fifty percent (50%) of The Farms at Mill Spring Subdivision voting as set forth in Section 33 of the Declaration; and

WHEREAS, the undersigned Developer now desires to amend the Declaration and Amendment by the terms and provisions contained herein.

NOW, THEREFORE, the undersigned Developer does hereby make the following amendments to the Declaration and Amendment:

1. The third sentence in Section 4. Paragraph d. of the Declaration as amended shall hereafter read as follows:

"4. (d) ..... In the event approval of such plans is neither granted or denied within twenty (20) days following receipt by the Architectural Review Board of written request for approval, the applicant may send a demand for action by certified mail, and if the application is neither granted or denied with ten (10) days of receipt of such demand, the provisions of this Section shall ne thereby waived by the Architectural Review Board and the Association."

2. The first sentence in Section 5 of the Declaration as amended shall hereafter read as follows:

"5. All of the Lots in the Subdivision shall be used for the development of one detached single-family residence, and one detached guest house which shall be sited by approval of the Developers and/or Architectural Review Board."

3. The following sentences shall be added at the end of Section 5 of the Declaration as amended shall hereafter read as follows:

"5. .....Structures for equestrian activities may include structures for the purpose of housing equestrian staff. The location and design of such structures are subject to approval by the Developer and/or Architectural Review Board which approval shall not be unreasonably withheld."

4. The following sentence shall be added at the end of Section 7 of the Declaration as amended shall hereafter read as follows:

"7. .....The renting of stalls to third parties is an acceptable and permitted use."

5. Section 8 of the Declaration as amended shall hereafter read as follows:

"8. No trailer, mobile home, modular home, motor home, camper truck, travel or other vehicle or any tent, garage, shack, basement ,barn or other outbuilding shall at any time be used as a permanent residence. No guest house, garage, carport, or other building except as approved by Developers and/or Architectural Review Board shall be constructed on any Lot until after construction of the dwelling house on the same Lot is completed or simultaneously therewith. The exterior of all houses, barns, outbuildings or other structures must be approved by Developers and/or the Architectural Review Board, and the Owner must complete such finish before occupancy. Notwithstanding the foregoing, there shall be allowed on each Lot one motor home, camper truck or travel

trailer for temporary occupancy provided that the location of the same is shielded from public view and approved by the Developer and/or Architectural Review Board."

6. The second sentence of Section 25 of the Declaration as amended by Section 2 of the Second Amendment as amended shall hereafter read as follows:

"25. .....In general the number of horses approved for any one lot shall be two (2) per each one (1) acre. There shall be no limitation on the maximum numbers of horses allowed on each lot other than as herein provided."

7. The following sentence shall be added to Section 25 of the Declaration as amended shall hereafter read as follows:

"25. .....Notwithstanding the foregoing, any other non-domesticated animals shall not be allowed on any lot without the consent and approval of the Developers and/or the Architectural Review Board."

The undersigned Developer does hereby declare the benefits accruing to its property from this Second Amendment to the Declaration and Amendment constitute a good and valuable consideration for the execution of this instrument.

Except as amended herein, all of the protective covenants, conditions and restrictions contained in the Declaration and Amendment are hereby reaffirmed and ratified by the undersigned Developer and shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned Developer has executed this Second Amendment the day and year first above written.

"DEVELOPER"

C. LEMUEL OATES & SANDRA T. OATES, LLC

By: _____
C. Lemuel Oates, Member/Manager

By: _____
Sandra T. Oates, Member/Manager

MOLLY OATES SHERRILL, LLC

By: _____
Molly Oates Sherrill, Member/Manager

STATE OF North Carolina
COUNTY OF Buncombe

I, Glenna W. Stephenson, a Notary Public of the State and County aforesaid, does hereby certify that C. LEMUEL OATES and SANDRA T. OATES, personally appeared before me this day and acknowledged that they are the Members/Managers of C. LEMUEL OATES, LLC, a North Carolina limited liability company, and that by authority duly given and as the act of such entity, they signed the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and notarial stamp or seal, this 24 day of July, 2015.

My Commission Expires:
12-7-15

Glenna W. Stephenson
Notary Public

STATE OF North Carolina
COUNTY OF Buncombe

I, Glenna W. Stephenson, a Notary Public of the State and County aforesaid, does hereby certify that MOLLY OATES SHERRILL, personally appeared before me this day and acknowledged that she is the Member/Manager of MILLY OATES SHERRILL, LLC, a North Carolina limited liability company, and that by authority duly given and as the act of such entity, she signed the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and notarial stamp or seal, this 24 day of July, 2015.

My Commission Expires:
12-7-15

Glenna W. Stephenson
Notary Public

Doc ID: 004556160004 Type: CRP
Recorded: 10/08/2015 at 12:44:32 PM
Fee Amt: $26.00 Page 1 of 4
Polk, NC
Sheila Whitmire Register of Deeds
BK 415 PG 1017-1020

Prepared by: William A. McFarland, Jr., McFarland and McFarland, PLLC
39 South Trade Street, Tryon, NC 28782

STATE OF NORTH CAROLINA

COUNTY OF POLK

THIRD AMENDMENT TO THE PROTECTIVE COVENANTS AND RESTRICTIONSFOR THE FARMS AT MILL SPRING

THIS THIRD AMENDMENT is made and entered into this 14th day of July, 2015 by TRAVIS L. OATES, LLC, (the "Developer"):

W I T N E S S E T H:

THAT WHEREAS, the Developer has heretofore executed that certain Protective Covenants, Conditions and Restrictions for The Farms at Mill Spring, an Equestrian Reserve and Subdivision, recorded in Book 333, Page 1943, Polk County Registry (the "Declaration") and that certain Amendment to the Protective Covenants and Restriction for The Farms at Mill Spring, an Equestrian Reserve and Subdivision as same appears in Deed Book 333, Page 1943, Polk County Registry, recorded in Book 377, Page 135, Polk County Registry (the "Amendment"), and that certain Second Amendment to Protective Covenants and Restrictions for The Farms at Mill Spring, an Equestrian Subdivision (Phase I) recorded in Book 412, Page 1807, Polk County Registry (the Second Amendment"); and

WHEREAS, Section 1 of the Declaration, as amended by the Second Amendment, provides, in part, that the Declaration may be modified by a properly recorded and executed instrument signed by the written declaration of the holders of fifty percent (50%) of The Farms at Mill Spring Subdivision voting as set forth in Section 33 of the Declaration; and

WHEREAS, the undersigned Developer represents fifty percent (50%) of The Farms at Mill Spring Subdivision voting as set forth in Section 33 of the Declaration; and

WHEREAS, the undersigned Developer now desires to amend the Declaration, Amendment and Second Amendment by the terms and provisions contained herein.

NOW, THEREFORE, the undersigned Developer does hereby make the following amendments to the Declaration , Amendment and Second Amendment:

1. The third sentence in Section 4. Paragraph d. of the Declaration as amended shall hereafter read as follows:

"4. (d) ..... In the event approval of such plans is neither granted or denied within twenty (20) days following receipt by the Architectural Review Board of written request for approval, the applicant may send a demand for action by certified mail, and if the application is neither granted or denied with ten (10) days of receipt of such demand, the provisions of this Section shall ne thereby waived by the Architectural Review Board and the Association."

2. The first sentence in Section 5 of the Declaration as amended shall hereafter read as follows:

"5. All of the Lots in the Subdivision shall be used for the development of one detached single-family residence, and one detached guest house which shall be sited by approval of the Developers and/or Architectural Review Board."

3. The following sentences shall be added at the end of Section 5 of the Declaration as amended shall hereafter read as follows:

"5. .....Structures for equestrian activities may include structures for the purpose of housing equestrian staff. The location and design of such structures are subject to approval by the Developer and/or Architectural Review Board which approval shall not be unreasonably withheld."

4. The following sentence shall be added at the end of Section 7 of the Declaration as amended shall hereafter read as follows:

"7. .....The renting of stalls to third parties is an acceptable and permitted use."

5. Section 8 of the Declaration as amended shall hereafter read as follows:

"8. No trailer, mobile home, modular home, motor home, camper truck, travel or other vehicle or any tent, garage, shack, basement ,barn or other outbuilding shall at any time be used as a permanent residence. No guest house, garage, carport, or other building except as approved by Developers and/or Architectural Review Board shall be constructed on any Lot until after construction of the dwelling house on the same Lot is completed or simultaneously therewith. The exterior of all houses, barns, outbuildings or other structures must be approved by Developers and/or the Architectural Review Board,

and the Owner must complete such finish before occupancy. Notwithstanding the foregoing, there shall be allowed on each Lot one motor home, camper truck or travel trailer for temporary occupancy provided that the location of the same is shielded from public view and approved by the Developer and/or Architectural Review Board."

6. The second sentence of Section 25 of the Declaration as amended by Section 2 of the Second Amendment as amended shall hereafter read as follows:

"25. .....In general the number of horses approved for any one lot shall be two (2) per each one (1) acre. There shall be no limitation on the maximum numbers of horses allowed on each lot other than as herein provided."

7. The following sentence shall be added to Section 25 of the Declaration as amended shall hereafter read as follows:

"25. .....Notwithstanding the foregoing, any other non-domesticated animals shall not be allowed on any lot without the consent and approval of the Developers and/or the Architectural Review Board."

The undersigned Developer does hereby declare the benefits accruing to its property from this Third Amendment to the Declaration and Amendment constitute a good and valuable consideration for the execution of this instrument.

Except as amended herein, all of the protective covenants, conditions and restrictions contained in the Declaration, Amendment and Second Amendment are hereby reaffirmed and ratified by the undersigned Developer and shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned Developer has executed this Third Amendment the day and year first above written.

"DEVELOPER"

TRAVIS L. OATES, LLC

By: _____
Travis L. Oates, Member/Manager

STATE OF North Carolina
COUNTY OF Henderson

I, Melissa H. Bell, a Notary Public of the State and County aforesaid, does hereby certify that TRAVIS L. OATES personally appeared before me this day and acknowledged that he is the Member/Manager of TRAVIS L. OATES, LLC,

a North Carolina limited liability company, and that by authority duly given and as the act of such entity, he signed the foregoing instrument in its name on its behalf as its act and deed. Witness my hand and notarial stamp or seal, this 14 day of July, 2015.

My Commission Expires:
March 30, 2020

Melissa H. Bell
Notary Public