

STATE OF NORTH CAROLINA
COUNTY OF GRAHAM

**DECLARATION OF EXCEPTIONS, RESERVATIONS
AND RESTRICTION ON USE FOR
LOWELL CRISP PROPERTY**

THIS Declaration made and entered into this the 23rd day of July, 2008 by and between LOWELL CRISP and wife, CAROLYN CRISP, hereinafter referred to as "SUBDIVIDER" and NORMAN D. AXELSON and wife, MELODY AXELSON, hereinafter referred to as "AXELSON".

WITNESSETH:

THAT WHEREAS, the SUBDIVIDER is the owner of certain tracts or parcels of land lying and being in Stecoah Township, Graham County, North Carolina, and being a 80 acre, more or less, tract of land conveyed to them by deed recorded in Book 82 at page 477, Graham County Registry; a 30 acre, more or less, tract of land conveyed to them by deed recorded in Book 85 at page 411, Graham County Registry; Lot 3 as set forth on map recorded in Map Book 4 at page 274, Graham County Registry; Revised Lot 4, containing 1.57 acres, and Revised Lot 5, containing 1.92 acres, as set forth on a plat and survey dated February 15, 2008 by Charles V. Bryson, PLS, entitled "Lowell Crisp", project # 08004B; and Lot 10 and a 0.46 acre tract conveyed to them by deed recorded in Book 294 at page 344, Graham County Registry; and

WHEREAS, AXELSON are the owners of Lot 1 conveyed to them by deed recorded in Book 294 at page 348, Graham County Registry; Lot 2, containing 2.01 acres, conveyed to them by deed recorded in Book 195 at page 616, Graham County; Tract 1, containing 6.90 acres, conveyed to them by deed recorded in Book 199 at page 223, Graham County Registry; and

WHEREAS, SUBDIVIDER and AXELSON intends to sell the remaining portions of said real property as individual Lots or Tracts; and,

WHEREAS, Both SUBDIVIDER and AXELSON desires that the

development of said land be carried on in an orderly manner and in such a way so as to benefit all future owners of Lots in said subdivision; and

WHEREAS, a portion of said lands were heretofore subjected to Covenants, Restrictions, Easements, Reservations, Terms and Conditions set forth in instrument recorded in Book 106 at page 465, Graham County Registry; and

WHEREAS, both SUBDIVIDER and AXELSON desire to vacate said Covenants, Restrictions, Easements, Reservations, Terms and Conditions set forth in instrument recorded in Book 106 at page 465, Graham County Registry, in its entirety and substitute this Declaration in its place.

NOW, THEREFORE, SUBDIVIDER and AXELSON do hereby declare and impose the following exceptions, reservations and restrictions on use which shall run with the land by whomsoever owned:

1. North Carolina Planned Community Act. Regardless of the number of lots that initially or ultimately are included within the Community, Chapter 47F of the North Carolina General Statutes, the North Carolina Planned Community Act, shall apply in full to the Community pursuant North Carolina General Statute 47F-1-102(b)(1).

2. RESERVATION OF SPECIAL SUBDIVIDER'S RIGHTS. SUBDIVIDER expressly reserves all Special Developer rights as the same are defined in North Carolina General Statute 47F-1-103(28), including, without limitation, the right (a) to complete improvements indicated on plats and plans filed with this Declaration; (b) to exercise any development right; (c) to maintain sales offices, management offices, signs advertising the planned community, and models; (d) to use easements through the common elements for the purpose of making improvements within the planned community or within real estate which may be added to the planned community; (e) to make the planned community part of a larger planned community or group of planned communities; (f) to make the planned community subject to a master association; or (g) to appoint or remove any officer or executive board member of the association or any master association during the period of SUBDIVIDER control.

The SUBDIVIDER expressly reserves a period of control of the Association pursuant to North Carolina General Statute 47F-3-103(d), during which period the SUBDIVIDER, or persons designated by the SUBDIVIDER may appoint and remove the officers and members of the Board.

The period of SUBDIVIDER control shall last until such time as SUBDIVIDER (a) voluntarily relinquishes control of the Association as provided herein; or (b) shall have transferred more than eighty percent (80%) of the total acreage of the land subject to this Declaration, whichever occurs first.

3. Lot. Lot means any tract or parcel of land within the Subdivision. The ownership of each Lot shall include, and there shall automatically pass with the title to each Lot as an appurtenance thereto, membership in the Association. Only one single-family dwelling shall be permitted on each Lot or each subdivision thereof.

4. Association. The word "Association" as used herein shall mean the LOWELL CRISP PROPERTY OWNERS ASSOCIATION, INC., a North Carolina corporation formed pursuant to N.C.G.S. Chapter 55A, which shall be composed of all Lot Owners. There shall be one vote per Lot.

All Lot Owners shall be members of the Association. Members shall be entitled to one vote for each Lot owned. When more than one Person holds an ownership interest in a Lot, the vote for such Lot shall be exercised as those Owners themselves determine and advise the Secretary prior to any meeting or referendum. The vote attributable to a Lot shall be suspended in the event more than one person seeks to exercise it.

SUBDIVIDER shall have one vote for each lot owned or, in the case of acreage not yet divided into lots, one vote for each acre owned. AXELSON shall have one vote for each lot owned, or, in the case of acreage not yet divided into lots, one vote for each acre owned.

5. Subdivider The word "SUBDIVIDER" as used herein shall mean LOWELL CRISP, his successors and/or assigns.

6. Lot Owner. The word "Lot Owner" or "Owner" as used herein shall mean the owner of an individually numbered Lot or deeded tract of land, regardless of whether the owner is an individual, group of individuals, corporation, partnership or other entity.

7. Membership in Owners Association. All Lot Owners shall become members in the Association, and shall be subject to said Association's bylaws, rules and regulations.

8. Land Use and Building Type. No structure shall be erected, altered, placed or permitted to remain on any Lot other than for use as a single-family residential dwelling and only one single-family residential dwelling shall be erected or permitted to remain upon any Lot. Notwithstanding anything herein to the contrary, AXELSON may continue all aspects of his glass business.

No outbuilding shall be erected upon any Lot unless same is incidental to the residential use of said Lot and of a design similar to the dwelling on the Lot and be aesthetically compatible with the dwelling located on said Lot. No outbuilding shall be permitted for the use of sewage disposal to include but not limited to the disposal of human waste.

It is the express intent of the SUBDIVIDER that no Lot may be used for any commercial or business purpose whatsoever, to include but not limited to wholesale or retail sales. Notwithstanding anything herein to the contrary, a home office is permissible so long as no commercial traffic whatsoever is associated with said home office.

9. Lot Size. Lots 1 through 6, inclusive shall not be subdivided into two or more parcels or sold or conveyed less than the whole. Tract 2, containing 0.46 acres shall not be subdivided into two or more parcels or sold or conveyed less than the whole. All of the remaining lands subject to this Declaration may not be subdivided into any tract containing less than one and one-half (1.5) acres; and neither the tract subdivided therefrom nor the remaining property may contain less than one and one-half (1.5) acres.

10. Combination Of Lot: SUBDIVIDER, AXELSON and/or ASSOCIATION may combine lots for assessment purposes. Any lots so combined will have one assessment and shall have one vote for all Association matters which require a vote.

11. Dwelling Quality. All dwellings erected upon any Lot must be erected in such a manner as to meet the requirements of the North Carolina Building Code.

12. Trailers and Mobile Homes. No campers, camper trailers, trailers, manufactured homes or mobile homes shall be erected, placed or permitted to remain on any Lot.

Notwithstanding anything herein to the contrary, motor homes and/or campers with self contained sewer systems may be used as a temporary residence on a lot during the construction phase of the dwelling on that said lot.

13. Dwelling Size. The minimum square footage for any dwelling erected upon any Lot shall be not less than 1,000 square feet of heated or air conditioned floor finished space excluding garages, basements, attics, porches and patios.

14. Plans Pre-approved. All site plans and dwelling plans must be pre-approved by the SUBDIVIDER or Association prior to the commencement of any site preparation or construction. Approval for any plan may not be unreasonably withheld.

15. Exterior Completion. The exterior construction of all dwellings and/or outbuildings erected or placed on any Lot must be completed within one year from the date the building permit is issued.

During construction all construction debris must be removed within a reasonable time not to exceed one week. It is the express intent of the SUBDIVIDER that all construction sites be kept in a

neat and orderly manner. During construction a waste container must be onsite and used to deposit all waste during the construction of all dwellings and/or outbuildings.

16. Temporary Structure. No structure of a temporary character, basement, shack, barn, or other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently, except as set forth above.

17. Garages and Carports. All garages and carports shall be aesthetically compatible with the dwelling located on said Lot.

18. Setback Lines. No structure shall be erected or permitted to remain nearer than ten (10) feet to any subdivision road or nearer than five (5) feet to any boundary line. If and in the event one or more adjacent lots are owned by the same person or entity and only one single family dwelling is erected upon same, then and in that event the setback lines shall be along the most exterior lot lines; however, if said combination of lots is redivided and conveyed as only one lot, then and in that event the setback lines shall be along the original lot lines.

19. Easements. Easements for the installation and maintenance of utilities, to include but not limited to electric, water, sewer, cable and telephone service, and drainage facilities are expressly reserved over a ten foot wide strip of land lying along either side of each Subdivision Road Right of Way. The owner of each Lot shall maintain that portion of the Lot lying within the easement areas as defined herein.

20. Subdivision Roads.

(A). Right of Way. SUBDIVIDER and AXELSON expressly dedicate and convey a right of way and easement for roads and utilities thirty (30) feet in width the centerline of which is the centerline of all existing subdivision roads and future subdivision roads.

SUBDIVIDER and AXELSON expressly dedicate and convey a right of way and easement for a road and utilities sixteen (16) feet in width the centerline of which is the centerline of the road set forth in instrument recorded in Book 84 at page 401, Graham County Registry.

(B). Maintenance. SUBDIVIDER and AXELSON expressly state that the Subdivision roads hereinabove described are now not suitable for acceptance by the North Carolina Department of Transportation as state maintained roads. The Subdivision roads described above shall be maintained by the Association.

(C). All Roads Open. All Subdivision roads shall remain open at all times for the purpose of ingress and egress and for the maintenance of said roads.

(D) Road Damage. Lot owners shall be solely responsible for damage to that portion of the subdivision road(s) incurred during any construction or improvement on the Lot Owners Lot incurred by reason of placement of underground utilities or by reason of travel by equipment, trucks or other vehicles to and from said Lot to the public road.

21. Association Fees. The Association shall maintain all roads, and development entrance. The Association shall, from time to time, establish a yearly association fee. All fees shall be due and payable within thirty (30) days after receipt of notice of same. Any fee so established and unpaid by the Lot Owner shall become a lien upon that Lot Owners Lot.

All such assessments, together with late charges, interest (at a rate set by the Board of Directors from time to time, but not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum on the principal amount due) and costs of collection, including, without limitation, reasonable attorney's fees actually incurred, shall, from the time the sums become due and payable, be a charge on the land and shall be a continuing lien in favor of the Association on the Lot against which each assessment is made. The recording of this Declaration shall constitute record notice of the existence of the lien and no further recordation of any claim of lien shall be required, except as required by North Carolina law. Each such assessment, together with such late charges, interest and costs, shall also be the personal obligation of the person or entity who was the Owner of the Lot at the time the assessment fell due. Each Owner shall be personally liable for the portion of each assessment coming due while the Owner of a Lot and each grantee of an Owner shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance. No Owner may waive or otherwise exempt themselves from liability for the assessments provided for herein, including, by way of illustration, but not limitation, abandonment of the property. No diminution or abatement of any assessment shall be claimed or allowed by reason of any failure of the Association to take some action or perform some function required to be taken or performed by the Association, the obligation to pay assessments being a separate and independent covenant on the part of each Owner. All payments shall be applied first to costs, then to late charges, then to interest and then to delinquent assessments.

(A) Remedies of the Association. Any assessments or installments thereof which are not paid when due shall be delinquent. Any assessment or installment thereof delinquent for a period of more than ninety (90) days shall incur a late charge in an amount as the Board may from time to time determine. The Association may cause a notice of delinquency to be given to any Owner who has not paid within ten (10) days following the due date. In the event that the assessment remains unpaid after thirty (30) days, the Association may file a claim of lien to collect such

amounts and may foreclose its lien as provided in the North Carolina Planned Community Act. The Association shall have the right to name and/or designate a Trustee to conduct the foreclosure of any lien arising hereunder. Each Owner, by acceptance of a deed vests in the Association the right and power to bring all actions against such Owner personally, for the collection of such charges as a debt or to foreclose the lien. The lien provided for in this Declaration shall be in favor of the Association and shall be for the benefit of all Owners. The Association shall have the power to bid on any property within the Subdivision at any foreclosure sale and to acquire, hold, lease, mortgage and convey the same. The Association may also suspend the membership rights of the delinquent Owner, including the right to vote, to receive and enjoy such servicing and other benefits as may then be provided by the Association. Any such suspension shall not affect such member's obligation to pay assessments coming due during the period of such suspension and shall not affect the permanent lien on such property in favor of the Association.

(B) Estoppel Letter. The Association shall, within five (5) days after receiving a written request therefor and for the reasonable charge, as established by the Board, certify to the amount of any unpaid assessments constituting a lien on a specified Lot. A certification letter signed by an officer of the Association or the Association's managing agent, if any, as to the amount of assessments due with respect to a Lot shall be binding upon the Association.

22. Notice of Sale, Lease or Acquisition. Within seven (7) days after the sale or lease of a Lot, the Owner shall provide the Association with written notice of the name of the purchaser or lessee, as the case may be, and such other information as the Board may reasonably require. Upon acquisition of a Lot each new Owner shall provide the Association with written notice of the name and mailing address of the Owner and such other information as the Board may reasonably require.

23. Garbage and Refuse Disposal. No Lot shall be used or maintained in an unsightly manner or as a dumping ground for rubbish, trash or debris. Rubbish, trash, debris, garbage and other waste shall be kept only in sanitary containers. All incinerators, containers or other equipment for the storage or disposal of such waste materials shall be kept in a clean and sanitary condition. All Lots must be kept mowed, mulched, trimmed and maintain in such a way not to devalue adjacent Lots or to cause a nuisance. All garbage receptacles shall be kept in areas not visible from the street or any other Lot in the Subdivision.

24. Nuisances. No noxious or offensive trade or activity shall be carried on upon any Lot nor shall anything be done thereon which may be or become a nuisance or annoyance to the neighborhood. Loud noises of any nature whatsoever are prohibited. No machinery, machinery parts or motor vehicle parts shall be allowed to remain

on any Lot.

25. Signs. No signs of any kind shall be displayed to the public view on any Lot. However, one sign of not more than five square feet advertising the property for sale or rent, and signs used by a builder to advertise the property during the construction and sales period are permissible or one sign of not more than four square feet stating the Owners name and/or "911" address are permissible.

26. Guns. The use or discharge of firearms in the Subdivision is prohibited. The term "firearms" includes, without limitation, "B-B" guns, pellet guns and other guns of any type, regardless of size. Notwithstanding anything herein to the contrary a firearm is permitted for self defense purposes.

27. Trees. No trees more than eight (8) inches in diameter may be cut or cleared from any lot. Notwithstanding anything herein to the contrary, trees of any size may be cut or cleared from the dwelling site area, driveways, roadways or utility easement areas.

28. Livestock and Poultry. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except that dogs, cats, or other household pets may be kept providing they are not kept, bred, or maintained for commercial purposes and do not constitute a nuisance. All animals must be kept on a lease at all times. No animals shall be kept or permitted to remain if they bark or otherwise make noises excessively or at nighttime.

29. Driveways. It shall be the responsibility of each landowner to maintain his own driveway so as to be aesthetically compatible with the dwelling located on said Lot. Any and all culverts installed in the ditch area along the subdivision road must be of sufficient size and design to allow water from lots higher in elevation to flow freely and unobstructed through said culvert and ditch

30. Drainage and Run-Off. All Lot Owners shall be solely responsible for all drainage and run off from their Lot. All pipes or other drainage systems shall be of sufficient size and design to take and carry all water from the lot, homelike, gutters, roofs and/or driveway to the main ditch area along the subdivision road. The Lot Owner shall be solely responsible for maintaining the ditch along the subdivision road on his/her Lot. Any Owner who fails to maintain the ditch free of debris and said ditch overflows with water as a result of said debris shall be liable for any and all damage caused as a result of the water overflowing from the ditch.

31. Motor Vehicles: All motor vehicles must be parked upon the driveway or inside a garage or carport. Vehicles shall include but not be limited to motor homes, boats, trailers, motorcycles, mini-bikes, scooters, go-carts, trucks, automobiles, campers,

buses, and vans. No truck or commercial vehicle in excess of one ton load capacity shall be parked or permitted to remain on any Lot. No wrecked, disabled or junked motor vehicle or vehicle without current license plates and registration shall be permitted to remain upon any Lot unless housed in a garage enclosure.

32. Water and Sewer. All dwellings must use water and sewer systems constructed, equipped and approved by the local health department. SUBDIVIDER makes no warranties as the availability, quantity or quality of water.

33. Water Streams. No water streams, springs or like water source may be altered, however, any water streams, springs or like water source located on any of the Lots may be utilized to provide water for domestic purposes.

34. Amendment. This declaration may be amended or modified by a sixty-seven percent (67%) vote of all Lot Owners and SUBDIVIDER. For the purposes herein and all other purposes, each Lot shall have one vote per Lot owned. SUBDIVIDER and/or the Association may grant up to a 20% variance on any restriction contained herein.

35. Time. These covenants are to run with the land and shall be binding on all persons acquiring title to any of the aforementioned Lots up to and including the 1st day of January 2060.

36. Enforcement. Enforcement of these restrictions and conditions, by Lot owner, SUBDIVIDER, or AXELSON shall be by proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or condition, either to restrain violation thereof or to recover damages therefore. Any party in breach of these restrictions as set forth hereby agrees to pay all court costs and reasonable attorney's fees arising out of said breach or violation and understands that any judgments entered against the party in breach or violation will become a lien against the Lot of said party.

37. Severability. Invalidation of any one of these covenants or conditions by judgment or order of any court shall in no way affect any of the other provisions which shall remain in full force and effect.

IN TESTIMONY WHEREOF, SUBDIVIDER has caused this instrument to be executed, the day and year first above written.

Lowell Crisp (SEAL)
LOWELL CRISP

Carolyn Crisp (SEAL)
CAROLYN CRISP

STATE OF NORTH CAROLINA
COUNTY OF SWAIN ~~GRAHAM~~

I, Dorothy H. CLAY, a Notary Public of the County and State aforesaid, certify that LOWELL CRISP and CAROLYN CRISP personally appeared before me this day and acknowledged the execution of the foregoing instrument.

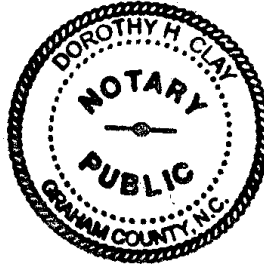
Witness my hand and official stamp or seal, this 23rd day of July, 2008.

Dorothy H. Clay
NOTARY'S SIGNATURE

(NOTARY SEAL)

Dorothy H. CLAY
NOTARY'S PRINTED NAME

3-27-2010
DATE COMMISSION EXPIRES



Norman D. Axelson (SEAL)
NORMAN D. AXELSON

Melody Axelson (SEAL)
MELODY AXELSON

STATE OF NORTH CAROLINA
COUNTY OF SWAIN

I, Elizabeth Brigham, a Notary Public of the
County and State aforesaid, certify that NELSON D. AXELSON and
MELODY AXELSON personally appeared before me this day and
acknowledged the execution of the foregoing instrument.

Witness my hand and official stamp or seal, this 23rd day of
July, 2008.

Elizabeth Brigham
NOTARY'S SIGNATURE

(NOTARY SEAL)

Elizabeth Brigham
NOTARY'S PRINTED NAME

4-30-2010
DATE COMMISSION EXPIRES

