

**DECLARATION OF RIGHTS,  
RESTRICTIONS, AFFIRMATIVE  
OBLIGATIONS AND CONDITIONS  
APPLICABLE TO HIGHLANDS FALLS COUNTRY CLUB COMMUNITY**

**ARTICLE II - RESIDENTIAL USE, BUILDINGS AND LOCATION OF STRUCTURES**

**Purpose of Declaration.** The primary purpose of this Declaration and the foremost consideration in the origin of same has been the creation of a community, which is aesthetically pleasing and functionally convenient. In order to implement the purposes of this Declaration, the Association may, but shall not be required to, establish and amend from time to time objective standards and guidelines which shall be used in exercising its respective responsibilities of approval hereunder.

Single-Family Residential Use. Each Lot shall be used for single-family residential purposes exclusively and is further limited by the provisions of this Declaration.

There shall be no subleasing of any part of a Lot. Only one family, and their guests, can occupy a Lot at any one time. This shall apply to any Owner, guest, user and/or lessee of the entire Lot.

There shall be no divided interest ownership or lease or timesharing of any Lot.

**Mobile or Modular Homes.** No mobile home or modular home shall be erected or maintained on the property, and the following uses of any Lot are also specifically prohibited; public office, manufacturing facilities, retail or wholesale establishments for the disbursement of goods or services to other for money or goods representing money or for any commercial or mercantile purposes. No business, fraternal, civic, historic or religious institution or organization may establish headquarters or hold regular or special meetings on the property on a regular or recurring basis or schedule.

**Temporary Structures.** No structure of a temporary character shall be placed upon any Lot at any time, provided, however, that this prohibition shall not apply to shelters used by contractors during the construction of any residential structure. Temporary shelters, tents, recreational vehicles, and similar items, may not, at any time, be used as temporary or permanent residence or, except as otherwise provided herein, be permitted to remain on any Lot after completion of construction thereon.

**Altering Lot Boundaries.** No Lot shall be subdivided under any condition. No boundary line shall be changed, except with the written consent of the Association, acting on the authority of a vote of a majority of the directors of the Association present at a duly held meeting.

**Approval of Plans, Landscaping and Builder.** (a) (Requirements) - No thinning, clearing, grading, or construction of any driveway, building, fence, mailbox, property identification sign, decorative appurtenances, exterior lighting, embellishments or other structure shall be erected, placed or altered, nor shall a building permit for such improvement be applied for on the property until the proposed building plans and specifications showing the front, rear and all side elevations, exterior materials, colors and finishes, including a plot plan detailing the proposed location of such building or structure, drives and parking areas, a complete landscape plan, the construction schedule and the identification of the builder shall have been filed with and finally approved in writing by the Association.

**(Grounds for Disapproval)** - Highlands Falls Community Association, Inc. may disapprove any application for the following reasons:

If such application does not comply with this Declaration; or

Because of the reasonable dissatisfaction of the Highlands Falls Community Association, Inc. with grading plans, location of the proposed improvements on a Lot, finished ground elevation, color scheme, finish, design, proportions, architecture, shape, height or style of the proposed additions, improvements, or modifications or the materials used therein, the kind, pitch or type of roof proposed to be placed thereon; or

If, in the judgement of Highlands Falls Community Association, Inc. reasonable exercised, the proposed improvement will be inharmonious with the Property or with the other Lots; or

Refusal of approval of plans, location, specifications or builder may be based by the Association upon any ground, indulging purely aesthetic consideration, which in the sole and uncontrolled discretion of the Association shall deem sufficient.

**(Certification of Compliance)** - At any time prior to completion of construction of any improvement, Highlands Falls Community Association, Inc. may require a certification, upon such form as it shall furnish, from the Contractor, Owner or a licensed surveyor that such improvement does not violate any set-back, ordinance or statute nor encroach upon any easement or right-of-way of record.

**(Alterations or reworking of Lot)** - No alteration in the exterior appearance of any building or structure or modification of the landscaping shall be made without like approval by the Association.

**(Failure to Approve or Disapprove)** - In the event approval of such plans is neither granted nor denied within thirty (30) days following receipt by the Association of written demand for approval, the provisions of paragraph a, b, c & d above, shall be thereby waived.

**(Minimum Size Requirements)** - In no event shall plans be approved for the construction of a one story main residential dwelling which contains less than 1,500 square feet of enclosed heated space excluding porches, garages, carports, attics, unfinished basements or other auxiliary space; nor shall plans be approved for the construction of a residential structure which does not include a covered or enclosed parking garage or carport of a size suitable to contain at the same time one normal sized automobile and at least one regular sized golf cart. The opening of said garage, or carport, shall not face the street or road running in front of the house, or if a corner Lot, to the street or road to either side of the house.

**Location of Buildings and Structures.** In order to assure that buildings and other structures will be located so that the maximum privacy will be available to each building and that structures will be located with regard to the topography of the Lot taking into consideration the location of trees, shrubs and other aesthetic and environmental considerations, the Association shall have the right to control absolutely and solely, to decide the precise site and location of any building or structure on any Lot for reasons which may, in the sole and uncontrolled discretion and judgement of the Association, seem sufficient; provided, however, that no residential structure shall be located closer than thirty-five (35) feet from the front Lot line or the right-of-way of any street within the property; ten (10) feet from any side or rear Lot line; thirty (30) feet from any rear Lot line abutting on golf course or a lake. Such location shall be determined only after reasonable opportunity is afforded the Owner to recommend a specific site.

**Alteration of Topography, Removal of Vegetation.** Topographic and vegetation characteristics of the property shall not be altered by removal, reduction, cutting, excavation or any other means without the prior written approval of the Association. Written approval will be granted hereunder only after a plan designed to protect any stream and other portions of the Lot or property from pollution resulting from erosion, or other materials, has been submitted to and accepted by the Association. Written approval shall be granted for the minimum amount of earth movement and vegetation reduction required in plans and specifications approved pursuant to the provisions of paragraphs five (5) and six (6) of Article II of this Declaration.

**Cutting of Trees and Removal of Plants.** No trees, shrubs or other vegetation may be removed without the written approval of the Association. Approval of the removal of trees located within ten (10) feet of the approved site for such buildings or drives and walks for such buildings shall be granted unless such removal will substantially decrease the beauty of the property.

**Zoning Restrictions.** Zoning ordinances, if any, restrictions and regulations of Macon County, North Carolina, and its various agencies, applicable to the property shall be observed. In the event of any conflict between any provisions of this Declaration and such ordinances, restrictions or regulations, the more

restrictive provisions shall apply.

**Completion of Construction within One Year.** The exterior of all buildings and other structures together with site work and landscaping must be completed within one (1) year after the construction of same shall have commenced, except where such completion is impossible or would result in great hardship to the owner or builder due to strikes, fires, national emergency, or natural calamities. Residential structures shall not be occupied until the construction thereof has been completed, and an occupant permit has been issued by the Association.

**Reconstruction of Damaged Structures.** Should any dwelling or other structure on any portion of the property be destroyed in whole or in part, it must be reconstructed in accordance with the original plans and specifications approved by the Association and any subsequently approved modifications thereto or the debris therefrom must be removed and the property restored to a neat and sightly condition as soon as practical but no later than six (6) months after the date of such destruction.

**Fences and Hedges.** No fence, wall, hedge, shrub, bush, tree or other thing, natural or artificial shall be placed, maintained or permitted to be erected or remain on the property if the location of such obstructs the vision of the motorist on any street and thus creates a traffic hazard.

**Underground Lines.** All cables, lines, wires or conduits of every nature and kind located on the property and used to connect the structures on the property to the main electrical, telephone and CATV lines shall be underground.

**Prevention of Erosion.** In order to implement effective and adequate erosion control and protect the purity and beauty of the streams and the property, the Association and its agents shall have the right to enter upon any Lot for the purpose of performing any grading work or construction and maintaining erosion prevention devices. Such entries shall, however, be made only after construction of improvements have commenced on such Lot or the soil thereof has been graded. Provided, however, that prior to exercising its right to enter upon a Lot for the purpose of performing any grading work or construction or maintaining erosion prevention devices, the Association shall give the Owner of that Lot the opportunity to take any corrective action required by giving said Owner notice indicating what type of corrective action is required and specifying in that notice that immediate corrective action must be taken by the Owner. If said Owner fails to take the specified corrective action immediately, the Association may then exercise its right to enter upon the Lot in order to take the necessary corrective action. The cost of such erosion prevention measures when performed by the Association shall be kept as low as reasonably possible. The cost of such work, when performed by the Association shall be paid by said Owner of the Lot on which the work is performed. The provisions of this paragraph shall not be construed as an obligation on the part of the Association to perform grading work or to construct or maintain erosion prevention devices.

**Variances.** The Association may grant reasonable variances or adjustments from the provisions of this Declaration where literal application thereof could result in unnecessary hardships to the owner, and if the granting thereof, in the sole opinion of the Association, will not be materially detrimental or injurious to the Owners of other lots or the Property.

**Water Services.** Subject to the approval of the appropriate governmental agencies, Highlands Falls Community Association, Inc. intends to construct or cause the construction of a waterworks system in the Property. Said waterworks system shall be owned and operated by Highlands Falls Community Association, Inc.

In consideration therefore, the Owners of each Lot agrees to pay to Highlands Falls Community Association, Inc. an annual fee based on the pro-rata share of costs.

**Road Maintenance.** The collector roads and the road rights-of-way within the Property are owned, or are to be owned, and maintained by Highlands Falls Community Association, Inc. which will bill the Lot Owners for their pro-rata share of costs on an annual basis.

### ARTICLE III - LAND USE RESTRICTIONS

**Television, Radio or Other Antenna.** No permanent or temporary antenna of any kind, or television, radio, short-wave, or any other use, may be erected, placed, maintained or located upon any Lot or Property, except that until such time as the underground cable television lines located into each or adjacent to each Lot is fully operable, temporary TV antenna, as provided by the Association, may be temporarily installed upon any lot.

**Maintenance of Lots.** All Lots and parcels, whether occupied or unoccupied, and any improvements placed thereon, shall at all times be maintained in such manner as to prevent becoming unsightly, unsanitary or a hazard to health. If not maintained, Declarant shall have the right, through his agent and employees, to do so, the cost of which shall be added to become a part of the annual assessment to which such Lot is subject. Neither Declarant nor any of his agents, employees, or contractors shall be liable for any damage, which may result in any maintenance as performed.

**Disposal of Sanitary Waste.** No outside toilet shall be constructed on any Lot. All plumbing fixtures, dishwashers, toilets or sewage disposal systems shall be connected to a septic tank or other sewage system approved by the Committee and the appropriate governmental authority.

**Golf Course Lots.** Owners of Lots adjacent to Golf Course Fairways shall permit the entrance upon their Lots for retrieval of golf balls.

**Drilling and Mining.** No drilling, refining, quarrying or mining operation of any kind shall be permitted on any Lots.

**Guest Houses.** No guesthouses will be permitted on corner Lots. Minimum Lot size which will permit a guesthouse will be 43,560 square feet. Guesthouse will be no less than 25% of the main house and no more than 40%. Design must be compatible with the main house. Guesthouse may not be started until the main house is under construction.

**Shoreline Maintenance.** A 15 foot wide strip running along the inside of all Lot lines coincident with the shoreline or any lake or water course in the Property for the purpose of shoreline maintenance.

**Flooding Easement.** A flowage and flooding easement running along the inside of all Lot lines coincident with the shoreline of any lake or water course, of 20 feet in width.

**Garbage and Refuse Disposal.** No owner shall burn trash, garbage or other like household refuse without a permit from the Association, nor shall any Owner accumulate on his Lot, junked vehicles or litter, refuse or garbage, except in receptacles provided for such purposes.

**Easement Reservations.** The following easements over each Lot or parcel and the right to ingress or egress to the extent reasonably necessary to exercise such easements, are reserved to Declarant and its licensees;

A five foot wide strip running along the inside of all Lot lines except those Lot lines coincident with the street right-of-way lines, in which case such strip shall be 10 feet wide, for the installation, maintenance and operation of utilities, including water, electricity, telephone and radio and T.V. transmission cables. Trimming or removal of trees or plantings where ever necessary upon such Lots in connection with such installation, maintenance and operation shall be approved in advance by the Association.

All easements, and rights of way provided for herein shall, upon being opened and placed in use, become permanent and shall not be vacated or affected by any subsequent amendment or cancellation hereby unless concurred in by all the owners of Lots or parcels which would be affected by such change.

**Animals.** No poultry, swine, cows, goats, horses, or other farm animals or bait farms shall be maintained on any portion of the property. No more than a cumulative total of two (2) domestic pets, including cats,

dogs and similar animals, which shall be kept reasonably confined so as not to become a nuisance, may be kept on the property, without the prior written consent of the Association acting upon the vote of a majority of its directors present at a duly held meeting of the board of directors of the Association.

**Screened Areas for Unsightly Items.** No garbage receptacles, fuel tanks or similar storage receptacles, electric and gas meters, air conditioning equipment, clotheslines, tools, equipment and other unsightly objects may be maintained on any portion of the property except in screened areas, as approved by the Association, which conceal them from view from the road and adjacent portions of the property. Garbage receptacles and fuel tanks may be located outside of such screened areas only if located underground.

**No Dumping, Burning or Rubbish.** No portion of the property shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept on the property except in sanitary containers screened from view as provided in Article III, Paragraph 12 hereof. It shall be the responsibility of each Owner to prevent the development of any unclean, unsightly, or unkempt conditions of buildings or grounds on his Lot which shall tend to substantially decrease the beauty of the property as a whole or the specific areas of his Lot. No outside burning of wood, trash, leaves, garbage or other refuse shall be permitted on any portion of the property.

**Trucks, Motorcycles, Trailers and Mobile Homes.** No parking of trucks, motorcycles, trailers, boats or boat trailers, campers, motor homes, vans, recreational vehicles, or similar vehicles shall be permitted on the streets which run within the property except during construction, and, thereafter, except for delivery and pickup or remodeling and repair of buildings on the property. Campers, motor homes (used for recreational purposes), travel trailers, motorcycles, trucks, vans, recreational vehicles, boats and boat trailers may be kept on a Lot if parked in screened areas as approved by the Association which conceal them from view from the streets and from adjoining Lots. No mobile home shall be placed on any portion of the property at any time. No motorcycle shall be operated on any portion of the property at any time.

**Hobbies.** The pursuit of hobbies or other activities including, without limiting the generality hereof, the assembly and disassembly of motor vehicles and other mechanical devices, which might lead to the disorderly, unsightly or unkempt conditions, shall not be pursued or undertaken on any portion of the Property.

**Noxious or Offensive Activity.** No noxious or offensive activity shall be carried on upon any portion of the Property nor shall anything be done thereon to cause embarrassment, discomfort, annoyance or nuisance to any Owner. Except as permitted herein, there shall not be maintained any plants or animals, or device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of such a nature as may diminish or destroy the enjoyment of other portions of the Property.

**Signs.** No signs shall be erected or maintained on any portion of a Lot by anyone including, but not limited to, an Owner, a realtor, a contractor or subcontractor, except with the written permission of the Association or except as may be required by legal proceedings. If such permission is granted, the Association shall have the right to restrict size, color and content of such signs.

**No Interference with Streams.** No property Owner shall obstruct, alter or interfere with the flow or natural course of the waters of any creek or stream within the Property, and shall not erect or maintain a dam or other similar structure on any such waterway.

**Parking.** There shall be provided on each Lot enclosed space for parking to accommodate at least one (1) automobile and one (1) golf cart.

**Outbuildings.** No tent, barn or other similar outbuilding or structure shall be placed permanently on any portion of the Property at any time. This shall not prohibit the erection of a child's tree house on a Lot, as approved by the Association.