

NORTH CAROLINA
WATAUGA COUNTY

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
SKI MOUNTAIN PROPERTY OWNERS' ASSOCIATION
AREA 1**

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS,
is hereby made the day noted on the Joinder Agreement attached
hereto by the owners of real property located at Ski Mountain, near
Blowing Rock, North Carolina, and known as Ski Mountain Property
Owners' Association, Area 1, or Ski Mountain subdivision, Area 1.

BACKGROUND STATEMENT:

WHEREAS, Carolina Mill and Lumber Company, Inc. recorded a
Declaration of Restrictions for Sections 1-A and Sections 1-B of
the Ski Mountain subdivision as more particularly described in Map
Book 3 at Pages 68 and 69 of the Watauga County Public Registry as
recorded at Deed Book 86 at Page 469 of the Watauga County Public
Registry; and

WHEREAS, the Declaration of Restrictions provides that a
majority of the owners of lots affected by the covenants may change
the covenants, in whole or in part, every ten years from November
1, 1986; and

WHEREAS, the property owners who have joined in the execution
of this Declaration of Covenants, Conditions and Restrictions
constitute a majority of the owners of lots in the Ski Mountain
subdivision, Area 1; and

WHEREAS, the term "Declarant" or "Declarants" shall include
not only the property owner who joins in the execution of this
document, but shall include the Ski Mountain Property Owners'
Association, Area 1, a North Carolina non-profit corporation, which
was formed by the property owners of Ski Mountain subdivision, Area
1, and which restrictions shall be interpreted to be enforced by
Ski Mountain Property Owners' Association, Area 1, a North Carolina
nonprofit corporation.

ARTICLE I: PROPERTY DESCRIPTION

Section 1-1: The Property. The Property which is and shall be held, transferred, sold, conveyed, and occupied subject to these covenants for SKI MOUNTAIN SUBDIVISION, AREA 1 is a portion or portions of the property, as hereafter determined by Declarant, which is located in Blowing Rock Township, Watauga County, North Carolina, and more particularly described in the Joinder Agreement attached to these Covenants and incorporated herein by reference.

ARTICLE II: GENERAL LAND USE RESTRICTIONS AND OBLIGATIONS

Section 2-1: Building Requirements. The Property and the tracts located therein shall be used for residential purposes exclusively. No structure except as may be hereinafter provided, shall be erected, altered, placed, or permitted to remain on any tract other than one (1) detached single-family dwelling, not to exceed two (2) stories in height above fronting road level and one small one (1) story accessory building which may include a detached private garage, provided the use of such dwelling or accessory building does not include any activity normally conducted as a business. A guest suite or like facility may be included as part of the main building but may not be leased or rented separately from the main building. Such accessory building may not be constructed prior to the construction of the main dwelling.

Section 2-2: Other Buildings and Vehicles. No structure of a temporary character shall be placed upon any tract at any time, provided, however, that this prohibition shall not apply to equipment shelters used by the contractor during the construction of the main dwelling house, it being clearly understood that these latter temporary shelters may not, at any time, be used as residences or permitted to remain on the tract after completion of construction.

No mobile home, motor home, trailer, house trailer, prefabricated or modular home, barn, tree house or other similar out-building shall be placed on the Property at any time without

prior approval from the Architectural Board Review Committee made up of the three officers and two additional persons appointed by the President and to be changed annually. Such approvals shall normally be limited to temporary use of such structures reasonably essential to economical, orderly, and efficient construction during the construction process only.

Section 2-3: Architectural and Site Plan Review of Specifications for New Construction or Additions, Reconstruction Alterations or Changes to Structures and Landscaping. No driveway, home, building, fence, or other structure shall be constructed, erected, placed, or altered on any tract until the proposed building plans, specifications, exterior color and finish, plot plans (showing the proposed location of such building or structure, drives and parking areas), landscaping plan and construction schedule shall have been approved in writing by the Declarant, its successors or assigns. Upon written request by Property Owners for approval of plans, the Declarant shall have thirty (30) days to approve or disapprove the plans. In the event of failure to approve or disapprove within the thirty (30) days, said approval will not be required, provided the design of the proposed building is in harmony with existing structures in the area. Garages must be constructed of the same or compatible materials as specified for the dwelling. Refusal of approval of plans, location or specifications may be based upon any ground, including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Declarant, shall deem sufficient. No alterations in the exterior appearance of any building or structure shall be made without like approval by the Declarant. One copy of all plans and related data shall be furnished the Declarant for its records.

Section 2-4: Siting. To assure that homes, buildings and other structures, if any, will be located so that desirable views and privacy will be available and maintained to the owners of tracts within the Property, and that buildings will be located with regard to the topography of each tract, taking into consideration the

location of large trees, buildings previously built or approved pursuant to these Covenants for adjacent tracts and other aesthetic and environmental considerations, Declarant shall have the right to control and to decide the precise site and location of any buildings or other structures and driveway access within the Property. The location shall be determined only after reasonable opportunity is afforded the Property Owner to recommend a specific site. Unless where restricted to a greater degree by Declarant in the individual deeds to Property Owners, or unless waived by Declarant as part of the site plan approval process, no building shall be located closer than twenty (20) feet to the street right-of-way and not closer than fifteen (15) feet to the adjoining property line.

Section 2-5: Tree and Bush Removal. No large trees measuring (10) inches or more in diameter at ground level may be removed without the written approval of the Declarant, unless located within ten (10) feet of the main dwelling or accessory building or within ten (10) feet of the approved site for such building. Unless Declarant gives prior written approval, no trees shall be removed from any tract until the owner shall be ready to begin construction, following submission of building plans and approval of the same.

Section 2-6: Completion of Construction. The exterior of all buildings and other structures must be completed within twelve (12) months after the construction of a particular building or structure shall have commenced, except where such completion is impossible or would result in great hardship to the Property Owner or builder due to strikes, fires, national emergency, or natural calamities. Houses and other dwelling structures may not be temporarily or permanently occupied until the exteriors thereof have been completed. Substantially all the landscaping shown in plans submitted to and approved by the Declarant must be completed within one (1) year of the initial occupancy.

Section 2-7: Minimizing Construction Disturbances. During the continuance of construction, the Property Owner shall require the contractor to maintain the site of the building in a reasonably clean and uncluttered condition, and construction may not commence before 7:30 a.m. or be continued after 6:30 p.m., nor may construction activities take place on any Sunday. Declarant may waive the time and day restrictions if Declarant deems no undue nuisance is caused to any other Property Owner in the area.

Section 2-8: Service Yards. All garbage receptacles, electric and gas meters, heat pumps and air-conditioning equipment, clotheslines, water pumps, equipment and service yard contents on the Property must be placed or stored in safe landscaped, fenced or screened-in areas to conceal them from the view on the road and adjacent properties or installed within the main dwelling house, within an accessory building or buried underground. All fuel tanks must be buried underground with the exception of grill tanks.

Section 2-9: Lights, Signs, and Advertising Devices. No "For Sale" sign either commercial or by owner should exceed four (4) square feet. Declarant reserves the right, after two (2) days notice is given to the Property Owner, to enter upon the lands or premises of any Property Owner to remove any such non-conforming sign, light, banner, flag, ornament, or advertising device at the expense of the owner thereof.

Section 2-10: Antennas and Power Lines. No television or radio receiver or transmitter or other antennas, which are visible from any Common Area, street or adjoining Lot will be permitted without written approval from Declarant. All telephone, electrical and other wires of all kinds running from the poles or transmission cables located within the utility easements reserved in this Declaration to any dwelling, building or other structure must be installed underground.

Section 2-11: Parking. Each Property Owner shall provide space for parking a minimum of two (2) automobiles off the street right-of-way prior to the occupancy of any dwelling constructed on

said tract in accordance with reasonable standards established by Declarant.

Section 2-12: Animals. No animals, livestock, or poultry of any kind shall be raised, bred, kept, or pastured on the Property other than household pets kept in any one house. Each person who keeps a pet within a house shall abide by the following restrictions and affirmative obligations: (a) no pets may be kept, bred, or maintained on the Property for any commercial purpose; (b) no pet shall be allowed to be kept if the pet causes undue disturbance or annoyance to other Property Owners.

Section 2-13: Unsightly Conditions. Each Property Owner shall prevent and remove the accumulation of litter, trash, or rubbish; prevent the development of any unclean, unsightly, or unkempt conditions of buildings or grounds, either before, during or after construction; prevent and remove accumulations on his tract which tend to substantially decrease the beauty of the specific tract or the Property as a whole, as determined by the Declarant.

Section 2-14: Sound Devices. No exterior speaker, horn, whistle, bell, or other sound device, except devices intended for use and used exclusively (and with reasonable regard to neighbors) for safety or security purposes, shall be located, used, or placed upon any part of the Property without prior permission from Declarant.

Section 2-15: Offensive Activity. No offensive or noxious activity shall be carried on upon the Property. "Offensive or noxious" activity or behavior shall include but not be limited to a public nuisance per se and shall also include any behavior which is inconsistent with both the reasonable pleasurable use of the Property by Property Owners and their reasonable expectations of vacationing, year-round living, studying, or working free of excessively noisy behavior disrespecting the rights of others, flashing or excessively bright lights, racing or loud vehicles, significantly loud electronic music distractions, or other similar

unreasonable behavior or activity curtailing or likely to curtail the reasonable pleasure and use of the Property by others who are not participating in such offensive or noxious activity.

Section 2-16: Prohibition of Motorcycles. No motorcycles or motor-powered bicycles shall be permitted within the Property for recreational purposes; however, licensed motorcycles or motor-powered bicycles may drive on roads within the Property to and from specific tracts only.

Section 2-17: Willful Destruction of Fish and Wildlife. No hunting shall be allowed within the Property.

Section 2-18: Drainage. The Declarant may establish reasonable regulations and restrictions pertaining to drainage and siltation, originating on construction sites and parking lots, porosity of pavement materials used on roadways and parking lots, and similar provisions relating to hydrological factors on the Property.

Section 2-19: Duty to Insure.

- (a) Property Owners. Each Property Owner shall insure his buildings for their replacement value against loss by fire or other hazards, and if Declarant has outstanding deed of trust against said property, then he shall be named also as "loss payee" on insurance policy.
- (b) Repair or Replacement of Damaged or Destroyed Property. In the event of damage or destruction by fire or other casualty to any building, the owner of such building shall within thirty (30) days of the receipt of the insurance proceeds paid pursuant to an insurance policy covering such building but in no event later than six (6) months from the date of such damage or destruction either
 - (i) commence reconstruction of the damaged or destroyed building; or
 - (ii) clear the tract upon which the damaged or destroyed building is located of all debris and reseed the entire tract. In the event: (i) restoration of the building is commenced but is terminated before completion of the building and such termination continues for a

period of at least ninety (90) days; or (ii) the tract is not cleared of debris within thirty (30) days after commencement of clearance of the tract; or (iii) restoration or commencement of clearance of the tract does not occur within said six (6) month period, Declarant shall have the right to clear the tract of debris and reseed the tract. The cost of such repairs shall be an expense attributable to the tract collectible in the same manner as any assessment. In the event a tract shall be cleared and reseeded, then it shall be the obligation of the owner of such tract to continue to maintain the tract.

Section 2-20: Duty of Property Owners to Inform Declarant of Current Address. Each Property Owner shall have the affirmative duty and obligation to inform Declarant in writing of any change of ownership of the Property, the Property Owner's current address, and of any known failure of the Property to receive any information from the Declarant at the correct address of the Property Owner. No Property Owner may be excused from his obligations established in these Covenants if the Declarant mailed notice of such obligation, assessment, bill, statement, or other notice to the last address of said Property Owner which is recorded on the books of the Declarant and for which Declarant has not received the Property Owner's current address or notice of change of ownership from the Property Owner.

**ARTICLE III: RIGHTS RESERVED BY DECLARANT,
ITS SUCCESSORS AND ASSIGNS**

Section 3-1: Other Rights and Reservations. The omission of any right or reservation in this Article shall not limit any other right or reservation by Declarant which is expressly stated in or implied from any other provision in these Covenants.

Section 3-2: No Affirmative Obligation Unless Stated. Any reservation or right of Declarant which is stated in or implied from these Covenants shall not give rise to any affirmative

obligation or duty on the part of Declarant unless expressly stated in these Covenants.

Section 3-3: Utility Easements. Declarant reserves unto itself, its successors and assigns, a perpetual, alienable, and releasable easement over, on, across, and under each tract for the erection, maintenance, installation, and use of electrical and telephone poles, wires, cables, conduits, and other suitable equipment for the conveyance and use of electricity, telephone equipment, or other public conveniences or utilities and Declarant may further cut drain ways for surface water wherever and whenever such action may appear to Declarant to be necessary in order to maintain reasonable standards of health, safety, and appearance. These easements and rights expressly include the right to cut any trees, bushes, or shrubbery, make any grading of the soil or to make any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety, and appearance. Such rights may be exercised by licensee of Declarant to provide or maintain any such utility or service. In exercising the rights of this easement all necessary work shall be located in an area not more than ten (10) feet from the property line of each tract. This reservation shall not be considered an obligation of Declarant to provide and maintain any such utility or service.

Section 3-4: Compliance. In the event that any Owner fails to comply with any of the restrictions set forth in this Article or the rules and regulations subsequently promulgated by the Declarant, or its successors or assigns, the Declarant and its successors or assigns, or the authorized agents of Declarant and its successors or assigns, shall have the right, but not the obligation, to enter any Lot or Unit and undertake any necessary action in order to cure such Owner's default. All expense and cost incurred by the Declarant or its successors and assigns or their authorized agents incurring such default shall be charged to the defaulting Owner and shall be payable by such Owner to the

Declarant or its successors or assigns immediately upon demand. Declarant, its successors or assigns and their authorized agents shall not be liable for any damage which may result from such entry unless such damage results from the willful misconduct of Declarant, its successors or assigns or their authorized agents.

Section 3-5: Subdivision and Re-platting of Property. No tract shall be subdivided, or its boundary line changed, except with the written consent of the Declarant. Declarant hereby expressly reserves to itself, its successors or assigns, the right to re-plat any tract shown on the plat of any said subdivision prior to its sale in order to create a modified building tract or tracts. The Covenants herein shall apply to any of said modified tracts resulting from said subdivision as if the resulting tracts had been originally platted in such manner. No tract shall be used as access to other property not part of Ski Mountain Subdivision, Area 1, except as approved by Declarant. Declarant, however, retains the right to add additional property to the development provided such additional property be subject to these Covenants.

**ARTICLE IV: MEMBERSHIP, NOTICE, VOTING RIGHTS AND CERTAIN
OBLIGATIONS OF MEMBERS OF THE SKI MOUNTAIN SUBDIVISION,
AREA 1, PROPERTY OWNERS' ASSOCIATION, INC.**

Section 4-1: General. Every Property Owner and Declarant shall be a member of the Ski Mountain Subdivision, Area 1 Property Owners' Association, Inc., a non-profit corporation organized and to exist under the laws of the State of North Carolina (hereinafter called the "POA"). The purpose of said non-profit corporation shall be to promote the welfare of the Property Owners and the Property, to enforce these Covenants, to maintain the common properties and roads within Ski Mountain Subdivision, Area 1, to fix, levy and collect payment if charges and assessments, to pay expenses in connection with the POA, and such other purposes as may be set fourth in the Articles of Incorporation and By-Laws of the POA. There shall be one (1) membership for each tract owned. At such

times, as the POA becomes active, a meeting shall be called of all Property Owners, the purpose of which shall be the adoption of By-Laws and election of the Board of Directors, all by majority vote of the Property Owners, voting in person or by proxy. The types or classes of members, voting rights, Board of Directors matters, etc. shall be determined by the By-Laws of the POA. Until the POA has become active and assumes the affairs of the Association, Declarant shall manage the affairs and make all decisions.

ARTICLE V: COMMON PROPERTIES

Section 5-1: General. Title to all Common Property within Ski Mountain Subdivision, Area 1 shall be held by the Ski Mountain Subdivision, Area 1 Property Owners' Association, Inc. (the "POA"). All Common Property shall be devoted to and intended for the common use and enjoyment of the Property Owners, Declarant, their guests, and invitees. Common Property may be deeded to the POA by Ski Mountain Subdivision, Area 1 Property Owners.

Section 5-2: Extent of Members' Easements in Common Property. Every member of the POA shall have a right and easement of access, use and enjoyment in all Common Property and such easement shall be appurtenant to and shall pass with the title to every tract within the Property; provided, however, that the rights and benefits created hereby shall be subject to the rights and functions of Declarant and the POA as set fourth in these Covenants and subject to such Rules and Regulations, as may from time to time be established by Declarant and/or the POA.

ARTICLE VI: ASSESSMENTS AND OTHER CHARGES

Section 6-1: Collection and Use of Assessments and Other Charges. The assessments, fees, charges, and liquidated damages described in these Covenants or hereafter established by the Ski Mountain Subdivision, Area 1, Property Owners' Association, Inc. (the "POA") shall be collected by the POA as herein provided, and used exclusively for carrying out the functions described in these Covenants and the By-Laws and/or the Rules and Regulations of the

POA. The POA shall establish the various types, classes, and categories of assessments applicable to the tracts within the Property and the Board of Directors of the POA shall annually establish a budget and fix the amount of the assessment against each Property Owner and give notice of assessments to every Property Owner subject thereto. Declarant shall not be subject to any assessments set fourth herein or hereafter established for any property or tracts owned by Declarant.

Section 6-2: Standard Assessment. Each Property Owner shall pay an annual assessment which the POA shall establish the amount or type of the Standard Assessment.

Section 6-3: Time and Method of Paving Assessments. Any assessment year shall run from July 1 to June 30. For any assessment year, each Property Owner shall pay in advance, either annually or periodically, all annual assessments due on said property.

Section 6-4: Effect of Non-Payment of Assessments and Other Charges. The following actions may be taken by the Declarant until activation of the POA as herein provided and thereafter by the POA in the event a Property Owner fails to make payment of any assessments set fourth above or other charges and obligations when due:

- (a) Interest on Late Payment. An interest charge at an ANNUAL PERCENTAGE RATE OF EIGHTEEN (18) PERCENT will be charged on all late payment of assessments.
- (b) Personal Liability. If the assessment or charge is not paid within sixty (60) days after the past due date, the POA may bring an action at law or in equity against the Property Owner personally, and there shall be added to the amount of such assessment the cost of preparing and filing the legal documents in such action, and in the event a judgment order against the Property Owner is obtained, such judgment shall include interest on the assessment as provided in (a) above, reasonable

attorney's fees and expenses to be fixed by the court and the costs of the action.

- (c) Execution on Lien. Subject to Section 7-2 relating to subordination of the lien to mortgages and other encumbrances, the POA may execute its lien upon the subject property according to procedures prescribed by the laws of North Carolina.
- (d) Other Rights. In addition to the above, the POA shall reserve the rights it may have under and according to applicable law to attach and execute against any personal assets of a Property Owner in order to receive assessments due.

**ARTICLE VII: DURATION, OBLIGATION, AND APPURTENANCE OF RIGHTS
AND OBLIGATIONS CREATED HEREIN**

Section 7-1: Duration. These Covenants shall be in effect, shall run with and bind the land, and shall insure to the benefit of and be enforceable by and against Declarant, the POA, and Property Owner, their respective legal representatives, heirs, successors and assigns for a period of twenty (20) years from the date the Declaration is recorded. Upon the expiration of said twenty (20) year period, this Declaration shall be automatically renewed and extended for successive ten (10) year periods. The number of ten-year renewal periods hereunder shall be unlimited with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten-year period; provided, however, that there shall be no renewal or extension of this Declaration if, during the last year of the initial twenty (20) year period or during the last year of any subsequent ten (10) year renewal period, seventy-five percent (75%) of the members vote in favor of terminating this Declaration at the end of its then existing term.

Section 7-2: Protection of Mortgages and Other Encumbrances. No violation or breach of, or failure to comply with, any provision

of this Declaration and no action to enforce any such provision or to prevent a violation shall effect, defeat or render invalid or impair the lien of any mortgage, deed of trust or other lien on any property if such lien or deed of trust is taken in good faith and for value and is recorded prior to the time and instrument describing such property and listing the name or names of the owners of fee simple title to the property and giving notice of a claimed violation, breach or failure to comply with the provisions of this Declaration as recorded. Any such violation, breach, or failure to comply shall not affect, defeat, render invalid or impair the title or interest of the holder of any such mortgage, deed of trust or other lien or title or interest acquired by any purchaser upon foreclosure of any such mortgage, deed of trust or other lien, nor shall the former owner's violation, breach, or failure to comply result in any liability, personal or otherwise, of any mortgage holder or new owner resulting from foreclosure. Any such new owner on foreclosure shall, however, take subject to this Declaration with the exception of the former owner's violations hereof or failures to comply herewith with respect to such new owner, his heirs, personal representatives, successors or assigns; provided, however, that any action of the new owner, after taking title to, or possession of, such property, which constitutes a violation shall cause such new owner to be subject to all assessments, charges, restraints, restrictions, burdens and obligations under these Covenants.

Section 7-3: Owner's Rights and Obligations Appurtenant. All rights, easements, restrictions and obligations of a Property Owner under this Declaration and all rights of a Property Owner with respect to memberships in the POA under this Declaration are hereby declared to be and shall be appurtenant to the title held by the Property Owner and may not be transferred, conveyed, devised, bequeathed, encumbered, or otherwise disposed of separate or apart from the title held by the Property Owner. Every transfer, conveyance, grant, devise, bequest, encumbrance, or other

disposition of the title held by a Property Owner shall be deemed to constitute a conveyance, grant, devise, bequest, encumbrance, transfer or disposition of such rights and obligations.

ARTICLE VIII: EFFECT OR COVENANTS AND ENFORCEMENT

Section 8-1: Effect of Provisions of These Covenants. Each Property Owner, his heirs, successors and assigns, and all others who take an interest in land or realty within the Property do promise, covenant, and undertake to comply with each provision of these Covenants, which provisions:

- (a) shall be considered incorporated in each deed or other instrument by which any right, title, or interest in any real property within the Property is granted, devised, or conveyed, whether or not set forth or referred to in such deed or other instrument;
- (b) shall, by virtue of acceptance of any right, title, or interest in any real property within the Property by a Property Owner (i) be deemed accepted, ratified, adopted, and declared as a personal covenant of the Property Owner; and (ii) be deemed a personal covenant to, with and for the benefit of Declarant, the POA, and any other Property Owner;
- (c) shall be deemed a real covenant by Declarant for itself, its successors and assigns and also an equitable servitude, running in each case, as both burdens and benefits with and upon the title to each tract of real property within the Property and, as a real covenant and also as an equitable servitude, shall be deemed a covenant and servitude for the benefit of any real property now or hereafter owned by Declarant within the Property and for the benefit of any and all other real property within the Property; and
- (d) shall be deemed a covenant, obligation and restriction secured by a lien binding, burdening, and encumbering the

title to each parcel of real property within the Property which lien, with respect to any respective unit of real property within the Property, shall be deemed a lien in favor of the Declarant and the POA, jointly and severally.

Section 8-2: Who May Enforce. The benefits and burdens of these Covenants run with the land and in equity and Declarant, its successors, and assigns, the POA, its successors and assigns, or any Property Owner, his heirs, representatives, administrators, successors and assigns with respect to the Property, shall have the right to proceed against a party to compel compliance with the terms hereof or to prevent the violation or breach in any event.

Section 8-3: Enforcement Remedies. In the event that any residential dwelling or other structure is erected, constructed, reconstructed, altered, repaired, converted or maintained or any land use is in violation of these Covenants, Declarant, the POA or any Property Owner may institute appropriate legal proceedings or actions, at law or in equity: (a) to prevent such unlawful erection, construction, reconstruction, alteration, repair, conversion, maintenance or use; (b) to restrain, correct or abate such violation or breach of these Covenants; (c) to prevent the occupancy of said residential dwelling, structure or land; (d) to prevent any act, conduct business or use which is in breach of these Covenants; or (e) to compel any affirmative act which, pursuant to these Covenants "shall" be performed. Violators shall be personally obligated for reimbursement in full for all direct and indirect costs or damages resulting from the violation or breach, including but not limited to legal fees and expenses incurred in maintaining compliance with the Declaration, and such obligation shall also constitute a lien upon the property of the violating Property Owner.

ARTICLE IX: INTERPRETATION AND CONSTRUCTION

Section 9-1: Severability. Should any Covenant or restriction herein contained, or any Article, Section, paragraph, sentence, clause, phase, or term in this Declaration be declared to be void, invalid, illegal, or unenforceable for any reason by the adjudication of the highest court or other tribunal which considers such matter and has jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable.

Section 9-2: Interpretation. In all cases, the provisions of this Declaration shall be given that reasonable interpretation or construction which will best effect consummation of the general plan of land use restrictions and affirmation obligations of the Property, which will carry out the intent of the Declarant as expressed in the recitals of these Covenants, and which will preserve the Property as a situs for a high amenity, attractive, well maintained, privately-governed commercial and residential resort community.

Contrary to the restrictive common law rule of construction, these Covenants shall by this Covenant be interpreted broadly to touch and concern the Property with recognition of modern, economic land use planning and real estate finance and development principles, theories, and practices. It Declarant's intent, and all Property Owners who take subject to these Covenants to covenant and agree and are thereby estopped to deny, that any function Declarant or the POA, and any other covenant, condition, restriction or obligation within these Covenants is intended to promote the use and enjoyment of the Property, is intended to promote the use and enjoyment of the Property, is intended to foster the creation, preservation or enhancement of economic or intangible values associated with the Property, and does touch and concern, benefit and burden and run with the Property.

The provisions of these Covenants shall be given full force

and effect notwithstanding the existence of any subsequently adopted zoning ordinance which allows a lease restricted use of the Property.

Section 9-3: Gender, Tense, and Number. When necessary for proper construction, the masculine form of any word used in this Declaration shall include the feminine or neuter gender, and the singular, the plural and vice versa, and words used in the present tense shall include the future tense.

Section 9-4: No Waiver. Failure to enforce any provisions of this Declaration shall not operate as a waiver of any such provision or of any other provisions of this Declaration.

Section 9-5: Captions. The captions and headings in this instrument are for convenience only and shall not be considered in construing any provisions of this Declaration.

Section 9-6: No Implied Liabilities or Duties. Any rules or regulations established pursuant to these Covenants shall not expressly or impliedly create any duty of care to any Property Owner.

STATE OF NORTH CAROLINA

JOINDER AGREEMENT

COUNTY OF WATAUGA

The undersigned property owner hereby joins in the execution of this Declaration of Covenants, Conditions, and Restrictions to subject Lot _____, Section _____, as recorded at Map Book 3 at Pages 68 and 69 of the Watauga County Public Registry to this Declaration of Covenants, Conditions, and Restrictions.

(SEAL)

(SEAL)

(SEAL)

(SEAL)

STATE OF
COUNTY OF

I, _____, a Notary Public, do hereby

Certify that _____ personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

This the _____ day of _____, 20 .

(SEAL)

Notary Public

My Commission expires:

-OR, IF CORPORATE-

By: _____ (SEAL)

President

ATTEST:

Secretary

(CORPORATE SEAL)

STATE OF
COUNTY OF

I, _____, a Notary Public of the County and State aforesaid, certify that _____ personally came before me this day and acknowledged that he is _____ Secretary of Gay Mountain Corporation, a corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its _____ President, sealed with its corporate seal and attested by _____ as its _____ Secretary.

Witness my hand and official stamp or seal, this _____ day of _____, 20____.

(SEAL)
Notary Public

My Commission expires:
corporate\poa\skimtn.dec\85-36