

**STATE OF NORTH CAROLINA
COUNTY OF CLAY**

**COVENANTS, RESTRICTIONS, EASEMENT, RESERVATIONS,
TERMS AND CONDITIONS GOVERNING DAVY MOUNTAIN PROPERTIES**

WHEREAS, the undersigned are the owner's and Developer's of The Deer Valley Subdivision, said tract or parcel of land lying and being in Clay County, North Carolina, containing 174 acres, more or less, as shown on a plat of survey by _____ dated _____, and recorded in Clay County Records in Plat Book _____, Page _____. Said plat is incorporated herein, by reference hereto, for a full and complete description of the above described property.

The purpose of the following restrictions and covenants is to ensure the use of said realty by the Owners, to prevent the impairment of the attractiveness of said realty, and to maintain the desired character of the community, and thereby to secure all present or future owners, the full benefit and enjoyment of their property. The reservations and restrictive covenants hereinafter set out are to run with the land and shall be binding upon all parties and persons owning lots in The Deer Valley Subdivision or claiming under them.

If the owners of such lots or any of them, or their heirs, successors and/or assigns shall violate any of the covenants hereinafter set out, it shall be lawful for any other person owning real property situated in said subdivision to prosecute any proceeding at law or in the equity against the person or persons violating any of such covenants and either to prevent him from so doing or to recover damages for such violations, or both. Invalidation of any of these covenants by judgment or otherwise shall in no way affect any of the provisions which shall remain in full force and effect.

NOW, THEREFORE, know all men by these presents, that the undersigned as owner's of the lands herein above described, for full value received in consideration of the obligations of said owner's to purchasers of portions of said land, do hereby establish these covenants, restrictions, easements, reservations, terms and conditions with regard to said land as follows:

1. After the conveyance of a lot or tract by the Developer, no lot or tract shall be subdivided into another lot.
2. No mobile homes, double wide mobile homes, manufactured homes or relocated homes shall be placed permanently or temporarily on any lot or subdivision road.

3. All subdivision lots are for single family residential purposes only. Only one residence shall be erected on any one lot, provided however, that the owner of any lot may erect a detached garage or outbuilding of similar construction as the main house for use in connection with such residence.
4. No lot shall be used for commercial activity or business.
5. Each single family residence shall be constructed with at least fifteen-hundred (1500) square feet of heated living space. If the house is more than one story, the first floor must contain at least one-thousand (1000) square feet of living space with the total house containing no less than fifteen-hundred (1500) square feet of living space. Excluding the garage and basement. No residence shall be constructed with more than three (3) vertical levels or exceed a total height of 38 (thirty-eight) feet above the foundation.
6. All concrete blocks or poured concrete foundations and site retaining walls must be covered with stone, siding, brick or stucco. All colors for siding, trim, roofing, etc., must be confined to earth tone colors, which are compatible with the natural environment. No bright colors such as, but not limited to, white, blue, or yellow may be used.
7. No building or any part thereof, including garages and porches, shall be erected on any lot closer than ten feet (10') to the line bordering any easement or closer than ten feet (10') to either side lot line. Where two or more lots are acquired as a single building site, the lot lines shall refer only to lot lines bordering adjoining property owners.
8. Construction. When house construction begins, work must be pursued diligently and the exterior construction must be completed within nine (9) months from start thereof. All homeowners shall be held responsible for the acts of their contractors, employees, sub-contractors, suppliers and other persons or parties involved in construction or alteration of a home site. In this regard, a homeowner shall be responsible for any damage to roads and other common property. The builder/owner must ensure that the construction site is kept clean and free of debris and waste materials, and that stockpiles or unused materials are kept in neat and orderly fashion. To prevent mud and other debris from being tracked onto a street, a construction drive must be installed prior to beginning construction on the foundation and properly maintained. Job sites must have toilet facilities.
9. Roofing and siding. Primary roofing materials must be cedar shakes, architectural shingles or factory painted metal in colors and texture which complement the balance of the other colors and materials used.

10. Animals. No commercial animals, birds, or fowl shall be kept or maintained on the property, and no Pit bulls, Rottweilers, German Shepherds, Huskies, Alaskan Malamutes, Doberman Pinschers, Chow Chows, Great Danes, St. Bernards or Akitas, shall be kept or maintained on the property. All other animals that are kept on the property shall be kept leashed or caged and not permitted to roam free. The property owner shall be responsible for ensuring that the animals do not make any noise that will disturb the quiet enjoyment of other property owners.
11. Each lot owner shall pay assessments for the upkeep of the roads and common areas as established therein, and determined by the homeowners association.

1. Water Hook Up Fee - Each home site owner will be assessed a one time water hook up fee of \$1500. Payment of this fee shall entitle the home site owner to water service from The Towns County [Georgia] Water Authority, if available, or from a community well within the Deer Valley development. The Developer reserves the right and the appropriate easements along the development roadways and the property lines of the individual lots to place underground pipes, not to exceed six (6) inches in diameter, which may be necessary to transport potable water to the individual lots.

The water hookup fee will be payable to the Developer at the time of closing. Additional meter charges may be payable to the Towns County Water Authority, if the home site owner elects to receive water service from the Towns County Water Authority, if necessary.

Monthly water usage charges will be payable by the home site owner to the Developer or to the Towns County Water Authority, at the rate established by the Towns County Water Authority . Monthly water usage charges will begin to accrue from the date of application for a building permit for those home site owners selecting community well service, or from the date of meter installation for those home site owners selecting Towns County Water Authority service, if available.

2. Home Owners Association - Each home site owner will be assessed an annual homeowners association fee of \$250. This fee will be payable to The Deer Valley Homeowners Association on January 1st of each calendar year. A prorated home owners association fee for the year of home site purchase will be payable at the time of closing.

The Deer Valley Homeowners Association will be established and operated by the Developer until 51% of the Deer Valley home sites

have been sold. Thereafter, the Deer Valley Homeowners Association shall be operated by the home site owners.

12. No lot shall be used in whole or in part for any illegal activity or for the storage of rubbish of any character whatsoever or for the storage of any property or thing that will cause such lot to appear in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept upon any lot that will emit foul or obnoxious odors or that will cause any noise that will or might disturb the peace, quiet, comfort or serenity of the occupants of surrounding property.
13. There are hereby reserved for the purpose of installing and maintaining municipal and public utility facilities, and for such other purposes incidental to the development of the property, easements along the subdivision roads and lot lines. All claims for damages, if any, arising out of the construction, maintenance, and repair of utilities or on account of temporary or other inconveniences caused thereby against owner or any of his agents or servants are hereby waived by the owners.
14. All roadway easements shown on the subdivision plat shall remain for use by the subdivision owners, and the rights to the roadways are reserved by the Developers. All lots are conveyed to the centerline of the roads, not withstanding any conveyance, or same used in any deed or conveyance, no fee simple title will be conveyed to the lot owners of the roads.
15. Vehicles. No motorcycles or other vehicles with external engines shall be permitted to ride along the streets or property of said subdivision except for the entry and exit from the area. All such vehicles shall be properly muffled so as not to disturb the peace, quiet, comfort or serenity of the subdivision. Following completion of home construction, a recreational vehicle or motor home may be parked and used on the property for a period not to exceed two (2) weeks of any given year.
16. Hunting. No hunting or discharge of any firearm, paint ball gun, crossbow or bow and arrow shall be permitted on the property.
17. Tree Removal. Only those trees necessary to the construction of authorized buildings may be removed. Dead or naturally fallen trees may be removed.
18. Signage. No signs of any type shall be displayed to public view on any portion of said property except one sign of not more than 24 inches by 24 inches advertising property for sale or a temporary builders sign, or such permits as required by law. All said signs shall be professionally lettered and neatly installed. Developer reserves the right to erect larger entrance signs, street signs and traffic control signs.

19. No unlicensed, unused, discarded or salvaged vehicle or any part thereof and no unusable or salvaged household appliances or any part thereof, shall be placed or left anywhere on any lot outside of an enclosed building or on the right-of-way of any subdivision road.
20. Satellite dishes cannot exceed 24" in size. No antennas may extend more than 15 feet above the roof line of an authorized building.
21. These covenants and restrictions shall be recorded in the deed records of Clay County, North Carolina, and shall run with said land and shall be binding upon all parties and all persons claiming under them for a period fo 25 years from the date of recording after which time, said covenants shall be automatically extended for a successive period of ten (10) years unless an instrument signed by a majority of the then owners of record of the land, agreeing to change said covenants and restrictions, in whole or part.
22. The Developer reserves the right to annex Additional Property to the Subdivision and to thereby bind such Additional Property by these Covenants, whether or not such Additional Property adjoins the original Subdivision Property. In the event the Developer annexes Additional Property and thereby subjects the same to this Declaration, the Developer shall be entitled to connect any and all portions of said Additional Property to the Subdivision roads and to connect any and all portions of the Additional Property to any and all Subdivision utilities (including but not limited to water, electric, cable, sewer and gas), without incurring any connection fee or paying any amount for such right whatsoever.
23. The Developer reserves the right, if necessary, and the appropriate easements, along the development roadways and the property lines of the individual lots to place underground pipes, not to exceed six (6) inches in diameter, which may be necessary to transport waste water from individual lots not otherwise suitable for septic systems to locations designated by Developer for treatment of such waste water.

IN WITNESS WHEREOF, Davy Mountain Properties, LLC, a North Carolina Limited Liability Company, has caused this instrument to be signed in its name by its duly authorized manager.

This ____ day of _____, 2005.

DAVY MOUNTAIN PROPERTIES, LLC
a North Carolina Limited Liability Company

BY:

STATE OF NORTH CAROLINA)
COUNTY OF CLAY)

I, _____, a Notary Public of the aforesaid state and county, do hereby certify that _____ **of Davy Mountain Properties, LLC, a North Carolina Limited Liability Company**, personally appeared before me this day and acknowledged the execution and sealing of the foregoing instrument on behalf of and as the act of the company referred to in this acknowledgment.

WITNESS my hand and Notarial Seal this ____ day of _____, 2005.

Notary Public

My Commission Expires: