



**Kenmure Property Owner's Association
10 Kenmure Drive
Flat Rock, NC 28731**

**THIRD AMENDED AND RESTATED
DECLARATION OF RESTRICTIVE COVENANTS**

August 5, 2013

Contents

1.	PURPOSE	2
2.	DEFINITIONS	2
3.	THE KENMURE PROPERTY OWNERS ASSOCIATION	4
	A. GENERAL	4
	B. KPOA MEMBERSHIP AND VOTING RIGHTS	4
	C. COMMITTEES OF THE BOARD	4
5.	SUBDIVIDING AND BOUNDARY RELOCATION	5
6.	COMMERCIAL USE	5
7.	ARCHITECTURAL REVIEW	5
	A. KENMURE ARCHITECTURAL REVIEW COMMITTEE	5
	B. PLANS AND SPECIFICATIONS	5
	C. SITE PLAN	5
	D. APPROVAL PROCESS	6
	E. CONTRACTOR APPROVAL	6
	F. REQUIREMENTS AT COMPLETION	6
	G. VIOLATIONS AND ENFORCEMENT	6
8.	BUILDING SIZE	6
9.	BUILDING REQUIREMENTS	7
10.	TEMPORARY STRUCTURES	7
11.	SETBACKS	7
12.	EXTERIOR CONSTRUCTION	7
13.	TREES	7
14.	SEWER AND WATER	8
15.	STORAGE TANKS	8
16.	TRASH	8
17.	ANTENNAE AND THE LIKE	8
18.	ROADWAYS AND TRAFFIC CONTROL	8
19.	OFF-STREET PARKING	9
20.	VEHICLES AND VEHICLE STORAGE	9
	A. STORAGE	9
	B. MOTORCYCLES AND THE LIKE	9
21.	UNIT UPKEEP	9
22.	NUISANCES	9
23.	EROSION CONTROL	9
24.	FIRES	9
25.	SIGNS	10
26.	WATER COURSES	10
27.	WATERWAYS	10
28.	BOATS	10
29.	ANIMALS	10
30.	RESIDENTIAL LOTS	10
31.	HUNTING AND FIREARMS	10
32.	EASEMENTS	10

A.	UTILITIES AND DRAINAGE	10
B.	WELLS AND PUMPING STATIONS.....	11
C.	PESTICIDES AND FIRE CONTROL	11
D.	LOT OWNER RIGHTS.....	11
E.	DEVELOPER RIGHTS TO REASONABLE ACCESS	11
33.	TRESPASS	11
34.	SERVICES PROVIDED BY KPOA.....	11
35.	ANNUAL ASSESSMENTS.....	12
A.	GENERAL.....	12
B.	ANNUAL ASSESSMENTS ALLOCATION	12
C.	INCREASE OF ANNUAL ASSESSMENTS.....	12
D.	DUE DATE FOR ANNUAL ASSESSMENTS	12
E.	ROAD RE-PAVING RESERVES	12
F.	BUDGETS, ACCOUNTS AND SURPLUS FUNDS.....	13
36.	SPECIAL ASSESSMENT TO ALL LOT OWNERS.....	13
A.	GENERAL.....	13
B.	SPECIAL ASSESSMENT FOR IMPROVEMENTS.....	13
C.	DUE DATE FOR SPECIAL ASSESSMENTS	13
37.	DELINQUENT ASSESSMENTS AND ENFORCEMENT.....	13
38.	COTTAGES OF KENMURE OWNERS ASSOCIATIONS	14
A.	PHASE V.....	14
B.	PHASE VI.....	14
C.	COTTAGES OF KENMURE DEEDS AND BYLAWS.....	14
39.	REMEDIES.....	14
A.	ENFORCEMENT OF COVENANTS.....	14
B.	SUSPENSION OF PRIVILEGES.....	14
C.	PENALTIES.....	15
D.	ENFORCEMENT PROCEDURES	15
E.	CUMULATIVE RIGHTS	15
40.	SEVERABILITY	15
41.	RESPONSIBILITY FOR OTHERS	15
42.	LEASING OR RENTING	15
A.	GENERAL.....	15
B.	COTTAGES.....	15
43.	SPECIAL RESTRICTIONS AFFECTING ALL UNITS ABUTTING GOLF COURSES	16
A.	LANDSCAPING	16
B.	EASEMENT RESERVATION FOR PLAYERS	16
C.	PROHIBITED ACTIONS.....	16
D.	DRAINAGE EASEMENT	16
44.	RULES AND REGULATIONS	16
A.	CONSISTENT WITH DECLARATION	16
B.	USE OF COMMON ELEMENTS.....	17
C.	GENERAL POWERS OF THE BOARD	17
45.	FUTURE RESTRICTIONS AND AMENDMENT	17
A.	DEVELOPER RIGHTS.....	17
B.	PROPERTY OWNER AMENDMENTS.....	17

THIRD AMENDED AND RESTATED
DECLARATION OF RESTRICTIVE COVENANTS
GOVERNING
KENMURE
A PLANNED COMMUNITY
HENDERSON COUNTY, NORTH CAROLINA
(August 5, 2013)

STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

WHEREAS, Kenmure, Inc., a North Carolina corporation, subjected 270 acres of real property in Henderson County known as Kenmure to certain restrictive covenants by means of an instrument entitled Covenants, Restrictions, Easements, Reservations, Terms, and Conditions Governing Kenmure dated February 22, 1979, recorded in Deed Book 574 at page 71 in the Henderson County, North Carolina Register of Deeds (the "Original Declaration"), now known as Phase I; and

WHEREAS, Kenmure Properties, Ltd., a North Carolina Limited Partnership (now Kenmure Enterprises, Inc., a North Carolina Corporation) acquired all of the property in Kenmure not previously conveyed by Kenmure, Inc., and an additional 1,130 acres of surrounding property, more or less, from Vincent J. Romeo, the President of Kenmure, Inc. (all of which property became and is referred to as "Kenmure") by means of a deed recorded in Deed Book 664 at page 341 in the Henderson County, North Carolina Register of Deeds, including the total rights, duties and obligations of Kenmure, Inc. under the Original Declaration; and

WHEREAS, certain plat maps have been recorded which describe the lots in the various Phases of Kenmure and certain declarations, amendments and restatements have been recorded in the Henderson County, North Carolina Register of Deeds at Book 574 at page 71 (Phase I), Book 626 at page 91, Book 697 at page 755 (Phase II), Book 697 at page 770, Book 731 at page 125, Book 731 at page 127, Book 747 at page 607, Book 769 at page 485, Book 779 at page 891, Book 803 at page 829, Book 805 at page 295, Book 809 at page 1, Book 811 at page 437, Book 864 at page 311, Book 1037 at page 162 (Phase V), Book 1088 at page 151, Book 1115 at page 607 and Book 1218 at page 682 (collectively known as the "Kenmure Declarations"); and

WHEREAS, Developer has developed condominium units on various tracts of real estate, which are part of Kenmure and subject to the Kenmure Declarations, and has recorded condominium declarations covering each of the tracts of real estate comprising each of these condominium developments in the Henderson County, North Carolina Register of Deeds at Book 677 at page 495 (Golfside I), Book 680 at page 447 (Golfside II), Book 683 at page 589 (Fairway Village I), Book 690 at page 397 (Golfside III), Book 698 at page 449 (Golfside IV), Book 700 at page 493 (Fairway Village II), Book 704 at page 221 (Vantage Point), Book 721 at page 487 (Forrest View), Book 764 at page 793 (Woodlands), Book 773 at page 523 (Ridge View) and Book 795 at page 521 (Brookwood), as they have been amended from time to time, (the "Condominium Declarations"); and

WHEREAS, the Kenmure Property Owners Association, Inc., a North Carolina Nonprofit Corporation, an Association comprised of "Members" who are all of the Lot Owners in Kenmure as defined in the Kenmure Declarations, is the transferee of certain rights, duties and obligations of Developer under the Kenmure Declarations by means of an instrument entitled Transfer Agreement, recorded in the Henderson County, North Carolina Register of Deeds at Book 1274, page 650; and

WHEREAS, the North Carolina Planned Community Act (herein the "Act"), Section 47F-1-102 (d) provides that any planned community created prior to the effective date of the Act, January 1, 1999, may elect to make the provisions of the Act applicable to it by amending its declaration by affirmative vote or written agreement signed by lot owners of lots to which at least sixty seven percent of the votes in the Association are allocated; and

WHEREAS, Kenmure is a planned community as defined in the Act, Section 47F-1-103 (23), and the Members of the Association are Lot Owners in Kenmure; and

WHEREAS, the Members of the Association have, by written ballot, approved by affirmative vote of sixty seven percent, an amendment to the Kenmure Declarations to make the provisions of the Act applicable to Kenmure and otherwise amend and restate said Kenmure Declarations, as provided Section 47F-2-117 (a) of the Act, and have recorded an Amended and Restated Declaration in the Henderson County, North Carolina Register of Deeds at Book 1124, at page 628 and have recorded a Second Amended and Restated Declaration at Book 1218 at page 682 (the "Restated Declarations");

NOW, THEREFORE, the Kenmure Declarations and the Restated Declarations, governing all of the real estate and Units in Kenmure, recorded in the Henderson County, North Carolina Register of Deeds including the real estate and lots to be developed in the undeveloped land in Kenmure located south of Pinnacle Mountain Road and owned by Developer as of the recording of this Declaration, are hereby amended by striking them in their entireties, except for the purpose of preserving legal descriptions, if any, found in the Kenmure Declarations and the Restated Declarations and by substituting therefor the following Third Amended and Restated Declaration of Restrictive Covenants which shall run with said properties and by which Kenmure, a planned community, shall be governed:

1. PURPOSE:

The primary purpose of this Declaration and the foremost consideration in the origin of the same is to continue the enhancement of a residential, planned community which is aesthetically pleasing and functionally convenient; attracting residents seeking privacy, security and superior facilities in a beautiful environment.

2. DEFINITIONS:

A. "Assessment" shall mean any and all sums levied by the Association against any Unit and its owner as Common Expenses or other charges to include but not be limited to Common Expense Liability, specific assessments, fines, late charges, interest and attorney's fees as set forth in this Declaration and the Bylaws of the Association, and those amounts as specified in Paragraph 35 and Paragraph 36 hereof.

i. "Annual Assessment" shall mean those Assessments specified in Paragraph 35

ii. "Special Assessment" shall mean those Assessments specified in Paragraph 36.

B. "Common Elements" shall mean any real estate or easements within Kenmure owned, leased or controlled by the Association for the benefit of Members, including any improvements thereon, other than a Unit. Common Elements include all rights of way for roads within Kenmure.

C. "Common Expenses" shall mean expenditures made by or financial liabilities incurred for the operation of or connected in any way with the administration of Kenmure as a Planned Community.

D. "Common Expense Liability" shall mean the liability for Common Expenses allocated to each Unit as permitted by the Act, this Declaration, the Bylaws of the Association, or otherwise by law.

E. "Cost of Repaving" shall mean the estimated cost to repave a Road Segment at the end of its Useful Life, including striping and buildup and maintenance of the rights of way incidental to repaving.

F. "Cottage Association" shall mean the Cottages of Kenmure Owners Association for either Phase V or Phase VI.

G. "Cottage Owner" shall mean the owner or owners of a Unit in any development designated on the recorded plats as "The Cottages of Kenmure" in Phase V or Phase VI.

H. "Developer" shall mean Kenmure Enterprises, Inc. a North Carolina Corporation, its successors and assigns.

I. "Development Lot" shall mean a Residential Lot that is owned by and being offered for sale by Developer.

J. "Family Dwelling Unit" shall mean any improved property used as a Single Family Residential Dwelling unit or condominium living unit located within Kenmure. A Family Dwelling Unit shall be deemed to exist only after a written Occupancy Permit has been issued by the KPOA.

K. "Kenmure" shall mean the 1400 acres, more or less, that is described in Exhibit A to a deed recorded in Deed Book 664 at page 341 in the Henderson County North Carolina Register of Deed.

L "KPOA" or "Association" shall mean Kenmure Property Owners Association, Inc, a North Carolina Nonprofit Corporation, its successors and assigns.

M. "Limited Common Element" shall mean a portion of the common elements allocated by the Declaration or by operation of law for the exclusive use of one or more but fewer than all of the Units.

N. "Lot Owner" shall mean the owner or owners as shown by the real estate records in the office of the Register of Deeds of Henderson County, North Carolina, of fee simple title to any Unit, situated within Kenmure. Unit ownership is not restricted to natural persons. Time Share ownership Programs are not permitted in any form.

O. "Member" shall mean a Lot Owner in Kenmure.

P. "Phase V" shall mean those Units in Kenmure that lie south of Pinnacle Mountain Road and east of lots 1 and 301 as shown on plat slide 4989.

Q. "Phase VI" shall mean those Units in Kenmure that lie south of Pinnacle Mountain Road and west of lots 233, 234 and 300 as shown on plat slide 4989.

R. "Residential Lot" shall mean any unimproved parcel of land located in Kenmure that is restricted by deed or this Declaration as a site for a Single Family Residential Dwelling, and shall include Development Lots unless the Development Lots are specifically differentiated in the context of a paragraph.

S. "Road Repaving Reserve" shall mean the permanent reserve on the books of account of KPOA that is maintained in order that adequate funds are available to provide the Cost of Repaving.

T. "Road Segment" shall mean a section of road in Kenmure that is owned or controlled by KPOA. A Road Segment is typically identified by the year in which it was first put into service.

U. "Single Family" shall mean a traditional family unit, a single housekeeping unit or persons substantively structured as an integrated family unit, such that any of these must function as a family within the dwelling or unit and the composition of the family unit must be relatively stable and permanent.

V. "Single Family Residential Dwelling" shall mean a residential structure built and intended for use and occupancy by a Single Family and which is constructed on a lot designated as a Residential Lot on any recorded plat for Kenmure. Such structure must be built to accommodate only single meter service for any utilities including but not limited to electric, water and gas.

W. "Time Share Interval" shall mean a week, month or any other number of days less than one year.

X. "Time Share Program" shall mean any arrangement, plan, scheme or similar device, whether by membership, agreement, tenancy in common, sale, lease, deed, rental agreement, license, right to use agreement or by any other means whereby a Time Share Interval is created and whereby the use occupancy or possession of a Unit or any other land or property within Kenmure has been or becomes subject to Time Share Intervals whereby such use, occupancy or possession circulates among purchasers/owners of the

Time Share Interval according to a fixed or floating time schedule on a periodic basis occurring annually over any period of time in excess of one year in duration.

Y. "Useful Life" shall mean the estimated number of years remaining, including the current year, before the repaving of a Road Segment will be required. Road Segments will require repaving at different intervals based on the year in which they were first constructed and the expected life of the road surface, which will vary based on traffic the segment is expected to bear. As a result, some Road Segments may require repaving before the end of the Useful Life of that segment and some Road Segments may not require repaving at the end of their Useful Life.

Z. "Unit" shall mean a Residential Lot or Family Dwelling Unit.

3. THE KENMURE PROPERTY OWNERS ASSOCIATION

A. GENERAL:

The Association is a non-profit corporation as defined in the Act, G.S. 47F-3-101, organized to further and promote the common interests of Kenmure property owners, manage and maintain the road systems and other Common Elements in Kenmure, and manage the services for which it is responsible under this Declaration. Operation of KPOA shall be in accordance with this Declaration, the Act, the Articles of Incorporation (hereinafter referred to as the "Articles"), N.C.G.S. Chapter 55A and with the By-laws, as they may be adopted or amended from time to time. KPOA, acting through its Board of Directors (herein the "Board") shall have all of the powers granted to it under N.C.G.S. 55A, the Act, the Articles, this Declaration, the Bylaws of the Association and the Rules and Regulations, as they may be adopted or amended from time to time.

Every Lot Owner now or hereafter subject to this Declaration, whether they have acquired title by purchase from Developer, Developer's grantee, successor or assignee, or by gift, conveyance or by operation of law or otherwise, is bound to and hereby agrees that they shall accept membership in KPOA and does hereby agree to be bound by this Declaration, the Articles and the Bylaws of KPOA and the rules and regulations enacted pursuant thereto. Membership is automatic upon acquiring ownership of a Unit in Kenmure and may not be hypothecated or transferred apart and separate from a transfer of the ownership of the Unit. Membership shall likewise automatically terminate for the grantee with regard to a Unit upon the sale or transfer of the ownership of a Unit, whether voluntary or involuntary. Voting, voting rights and qualifications of voters and membership in the KPOA are more fully stated, qualified and specified by the Articles and the Bylaws.

B. KPOA MEMBERSHIP AND VOTING RIGHTS:

Members shall be all Lot Owners, with the exception of KPOA, its successors and assigns, and shall be entitled to one vote for each Unit owned. When more than one natural person holds an interest in any Unit, all such persons shall be Members. The vote for such Unit shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Unit. A resident spouse of a Member shall be deemed to be a nominee of the Member. Resident spouses and nominees of a Member, if the Member is a legal entity, may serve on the KPOA Board or any KPOA committee but only the Member may exercise the vote(s) for the Unit(s) that the Member owns.

C. COMMITTEES OF THE BOARD:

In addition to the Kenmure Architectural Review Committee (herein "KARC") the Board shall have the power to establish permanent or temporary committees as it deems necessary for the benefit of the Association in accordance with the Bylaws of the Association. These committees may include, but are not limited to, the Road Maintenance Committee, the Security Committee, the Election Committee and the Judicial Committee.

The Board shall appoint, and with the exception of the Election Committee and the Judicial Committee, have the power to remove in accordance with the Bylaws of the Association all persons and chairpersons of any committee. Members of all committees shall be Members in good standing or a nominee of a Member in good standing.

4. RESIDENTIAL USE:

All units shall be used exclusively for residential purposes and shall be subject alike to this Declaration, except that Paragraphs 7, 12, 13, 21, 41, 42 and 43 shall not apply to condominium or cottage units owned by or being constructed by Developer.

5. SUBDIVIDING AND BOUNDARY RELOCATION:

No Unit shall be subdivided, or its boundary lines relocated, without the prior written approval of KPOA, except, however, Developer shall have the right to re-plot any Development Lots prior to the conveyance thereof, in order to create a modified lot or lots. This Declaration shall apply to each lot or lots that may be so created.

6. COMMERCIAL USE:

No commercial, industrial, agricultural or organized religious or business enterprise, undertaking or use shall be conducted on any Unit in Kenmure, provided, however, private offices may be maintained in residences so long as such use is incidental to the primary residential use of the Unit. "Organized religious enterprise", "undertaking" or "use" does not include informal gatherings of Members for religious studies or similar religious activities. The Board shall, in its sole discretion, determine what constitutes a commercial, industrial, agricultural, organized religious or business enterprise, undertaking or use.

7. ARCHITECTURAL REVIEW:

A. KENMURE ARCHITECTURAL REVIEW COMMITTEE:

The committee shall review all construction, and improvements or modifications thereto, on any Unit and will approve or disapprove under the direction of the Board. KPOA shall have power to levy fees and charges payable by the builder or property owner for the service provided by KARC and to require deposits to insure that construction and landscaping plans are completed as approved. KPOA shall also have the power to promulgate and enforce all reasonable and necessary rules and regulations in this regard and levy appropriate fines.

B. PLANS AND SPECIFICATIONS:

No Family Dwelling Unit, garage, fence, wall, swimming pool, tower or other structure shall be commenced, erected or maintained upon any Unit in Kenmure, nor shall any exterior addition to any existing structure or change or alteration therein, nor shall any landscaping or site work be done until complete final plans and specifications showing the nature, kind, shape, height, materials, basic exterior finish and colors, location and floor plan therefor, and showing front, side and rear alterations thereof, the name of the contractor, septic tank contractor and landscaper, have been submitted to and approved by KARC, as to harmony of exterior design and general quality with the standards of Kenmure, and as to location in relation to surrounding structures and topography.

C. SITE PLAN:

Prior to the construction of any structure, a site plan to scale must be submitted on a topographic map which shows the location of the house, septic tank, drain field, all drive, walks and parking areas, with each clearly indicated. Prior to any physical disturbance of the site, special and/or irreplaceable features are

to be identified and provisions for their protection clearly established. This includes large trees, rock outcroppings, springs and streams, and concentrations of azaleas, rhododendrons, and other shrubs and wild flowers.

D. APPROVAL PROCESS:

Refusal or approval of plans, specifications, contractor, septic system contractor and landscaper, or location of any structure may be based upon any grounds including purely aesthetic considerations, which in the sole discretion of KPOA shall be deemed sufficient. In the event that KPOA fails to approve or to disapprove any application within thirty days after submission of all information and materials reasonably requested, the application shall be deemed approved. However, no approval, whether expressly granted or deemed granted pursuant to the foregoing shall be inconsistent with this Declaration.

E. CONTRACTOR APPROVAL:

No person, firm or entity shall be approved as a contractor unless such person, firm or entity obtains his income primarily from construction or landscaping of the type which the contractor is to perform and is licensed by the State of North Carolina for his services. Any such contractor must be approved by KPOA prior to performing any work within Kenmure. No Lot Owner will be permitted to act as his own builder for the exterior of any structure, except where such Lot Owner obtains his income primarily from the construction of the type of structure to be constructed and otherwise as a licensed service provider meets the qualifications for approval by KPOA.

F. REQUIREMENTS AT COMPLETION:

At the completion of all construction in accordance with the plans submitted, the Lot Owner shall request an on-site inspection by KARC. No home may be occupied until a written Occupancy Permit has been issued by the Village or County governmental authority authorized to issue such permits. In addition to the above, the following will be required:

1. Final landscaping development plans must be approved and carried out without undue delay.
2. Exterior lighting must be approved.
3. All clean-up must be completed.

G. VIOLATIONS AND ENFORCEMENT:

In the event any Lot Owner violates the terms of this section, KPOA or its duly appointed agent, shall give written notice to the Lot Owner to cure such violation. In the event of the failure of the Lot Owner to cure such violation within thirty days, KPOA shall be entitled to enter upon the property of the Lot Owner and remedy such defect including removal of any structure built in violation hereof, all at the expense of the Lot Owner. This right of KPOA or its agent shall be in addition to all other general enforcement rights which KPOA may have for a breach or violation of the terms of this Declaration and shall not be deemed a trespass by KPOA or its agent.

8. BUILDING SIZE:

No structure except as herein provided, shall be erected, altered, placed or permitted to remain on any Residential Lot other than one Single-Family Residential Dwelling not exceeding two stories in height above the basement, with a minimum requirement of at least a two car garage which may be attached or unattached. The main building shall contain a minimum of 2,200 square feet of living space for a one story dwelling. All two-story Family Dwelling Units shall contain a minimum of 1,900 square feet of enclosed living space for the main floor, with a total minimum of 3,000 square feet of enclosed living space. Garages, porches, patios, greenhouses,

unfinished basements, cellars, or similar areas shall not be considered floor space in meeting the above requirements. One accessory building may include a private garage and/or servants' quarters, providing the use of such accessory building does not overcrowd the site and; provided further, that such building is not used for any activity normally conducted as a commercial, industrial or religious activity. Such accessory building may not be constructed prior to the construction of the main Family Dwelling Unit. Each Family Dwelling Unit must have sufficient enclosed garage space for any and all family cars. No carports are permitted. The size and carport restrictions do not apply to condominium units or The Cottages of Kenmure Phase VI.

9. BUILDING REQUIREMENTS:

No decorative features such as sculptures, bird baths, bird houses, fountains or other embellishments shall be permitted that are visible from any street unless approved in writing by KARC.

10. TEMPORARY STRUCTURES:

No structure of a temporary character shall be placed upon any portion of Kenmure at any time; provided, however, that this prohibition shall not apply to shelters used by contractors during the construction of any Family Dwelling Unit. Temporary shelters, including mobile homes, trailers, recreational vehicles, and tents, may not, at any time, be used as a temporary or permanent residence or be permitted to remain on any portion of Kenmure after completion of construction thereon as hereinabove provided. Basements or partially completed houses will be considered temporary and may not be inhabited.

11. SETBACKS:

All front setbacks for buildings in Kenmure shall be a minimum of 50 feet from the nearest edge of the paved road, side and rear setbacks shall be a minimum of 35 feet, except for Phase V and VI properties, where the front setback for buildings from the lot line shall be a minimum of 30 feet, side and rear setbacks shall be a minimum of 25 feet. Relief from said building setback lines may be given by KPOA, acting through KARC, to any Lot Owner upon a showing of extraordinary circumstances by said Lot Owner. Such extraordinary circumstances may include unusual topography, lot shape, frontages and also potential views to give property owners the fullest enjoyment of their Units. In order to assure, however, that location of houses will be staggered where practical and appropriate so that the maximum amount of view and privacy will be available to each house, that the structures will be located with regard to the ecological constraints and topography of each lot, taking into consideration topography, the location of large trees and similar considerations, KPOA, acting through KARC, reserves the right to control absolutely the precise site and location of any Family Dwelling Unit or other structure upon all Residential Lots. Provided, however, that such location shall be determined only after reasonable opportunity is afforded the Lot Owner to recommend a specific site.

12. EXTERIOR CONSTRUCTION:

The exterior of all houses and other structures as well as site work and landscaping must be completed within sixteen months after the construction of same shall have commenced, except where such completion is impossible or would result in great hardship to the Lot Owner due to strikes, fire, national emergency or natural calamities. Normally, the construction start date will be the date the Village of Flat Rock and/or Henderson County issues a construction permit. In addition, a landscaping plan and driveway surfacing plan, with firm completion dates, must also be approved. Residential units and other dwelling structures may not be occupied until the exterior thereof has been completed. If the exterior is not completed within sixteen months without the prior written approval of KARC, the Lot Owner shall, after notice and opportunity to be heard, be liable for fines as provided in Section 47F-3-102 (12) of the Act

13. TREES:

No protected flowering plants, including, but not limited to, native mountain laurels, rhododendrons, and azaleas, nor trees or portions of trees measuring six inches or more in diameter at a point two feet above ground level, may be removed without the prior written approval of KARC. Excepted from this requirement are trees

located within twenty feet of the building, or within ten feet of a driveway. Each protected plant, tree or portion of a tree removed without prior written approval of KARC shall constitute a separate violation. Should a Lot Owner remove any protected plant, tree or portion of a tree as herein provided without the above-described written approval, or negligently or intentionally damage any protected plant, tree or portion of a tree as herein provided, said Lot Owner shall, with notice and opportunity to be heard, be liable to KPOA for a fine for each violation as provided in Section 47F-3-102 (12) of the Act and other remedial action as provided in the Act.

14. SEWER AND WATER:

Prior to the occupancy of any Family Dwelling Unit, proper and suitable provisions shall be made for the disposal of sewage by means of a septic system, and no sewage shall be emptied or discharged into any creek, lake or shoreline thereof, or upon the open ground. No sewage disposal system shall be used unless such system is designed, located, constructed and maintained in accordance with the requirements, standards and recommendations of the State Board of Health or its successor governmental authority. Each septic system shall be maintained in good condition so that its use and existence shall not constitute a nuisance to any other Lot Owner. Approval of such system shall be obtained from the health authority having jurisdiction. In the event that KPOA, or other person, firm corporation, or governmental authority provides a public sewage disposal system available to the subdivision's lots, any Lot Owner whose Unit has such service available shall be required to hook up to said system on the terms generally arranged for said system. Every Family Dwelling Unit shall have permanent plumbing and running water and a permanent sewage disposal system. No temporary plumbing, water, or sewage systems are allowed.

15. STORAGE TANKS:

Fuel storage, bottled gas, with the exception of gas grills, are not permitted.

16. TRASH:

Each Lot Owner shall provide sanitary containers for garbage and all garbage receptacles, tools and equipment for use by the Lot Owner or otherwise shall be placed in an enclosure to shield same from general visibility from roads abutting the Lot Owner's property, and also from neighboring properties. Trash, garbage and other waste shall be kept in said sanitary containers. No trash, garbage, construction debris or other unsightly or offensive material shall be placed upon any portion of Kenmure, except as temporary and incidental to bona fide improvements of said area of Kenmure.

17. ANTENNAE AND THE LIKE:

All utilities, wires, cables, antennae (including television satellite receptacles) and the like, of any kind (such as telephone, electrical, television, radio and citizens band radio) must be placed underground or within or upon the house so as not to be visible from the street or adjoining units, except as may be expressly permitted by FCC regulation or approved in writing by KPOA. Solar panels shall be placed upon the house so as to not be visible from the street or adjoining Units, except as may be expressly permitted otherwise by Federal Regulations or approved in writing by KPOA.

18. ROADWAYS AND TRAFFIC CONTROL:

KPOA either owns, or shall have control of, all rights-of-way for roadways as shown on the various plat maps for Kenmure. KPOA shall have the power to place any reasonable restrictions upon the use of roadways, including but not limited to, the types and sizes of vehicles using said roads, the maximum and minimum speeds of vehicles using said roads, and the maximum noise level of vehicles. KPOA shall have the power to levy fees and charges for the impact of construction of new homes upon the roads and other common areas and to require deposits to insure roads and rights-of-way are returned to pre-construction condition at the completion of construction. KPOA shall also have the power to promulgate and enforce all reasonable and necessary traffic and parking Regulations and levy fines for violations.

19. OFF-STREET PARKING:

Each owner of a Family Dwelling Unit shall provide sufficient space for parking any and all household vehicles off the roadways including the right of way. Recurring or permanent parking of any vehicles on the roadways including the right of way in any area of Kenmure is not permitted.

20. VEHICLES AND VEHICLE STORAGE:

A. STORAGE:

Any boats, recreational vehicles, campers, motorcycles, motorbikes, all-terrain vehicles and the like must be parked in an enclosed area, and shall not be visible from the roads and streets within any portion of Kenmure. No vehicle of any kind shall be stored on any Unit. Garage doors must be closed at all times when not in use.

B. MOTORCYCLES AND THE LIKE:

No motorcycles, motorbikes, all-terrain vehicles or similar motor vehicles shall be allowed upon or in Kenmure, without prior written approval of KPOA.

21. UNIT UPKEEP:

It is the responsibility of each Lot Owner to prevent any unclean, unsightly, or unkempt condition of buildings or grounds on the Lot Owner's property, including the right-of-way. KPOA shall have the right, but not the duty, to enter upon any Unit for the purpose of abating any unclean, unsightly or unkempt condition of buildings or grounds that tend to decrease the beauty of the neighborhood as a whole or the specific area. The cost of such abatement and any damage resulting from such entry shall be at the expense of the specific Lot Owner and such entry shall not be deemed a trespass.

22. NUISANCES:

No obnoxious or offensive activity shall be carried on upon any portions of Kenmure nor shall anything be done tending to cause embarrassment, discomfort, annoyance or nuisance to any Lot Owner, tenant or guest thereof in any area of Kenmure thereby diminishing the enjoyment of Units by their owners. No plant, animal, device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant, or of a nature as to diminish or destroy the enjoyment of other property in Kenmure by the Lot Owners, tenants, and guests thereof, may be maintained. KPOA reserves the right in its sole discretion to determine a nuisance and, upon ten days' written notification by KPOA, the activity must cease.

23. EROSION CONTROL:

KPOA and Developer shall have the right to protect the land designated as areas upon which residential building shall take place from erosion by planting trees, plants, and shrubs where and to the extent necessary or by such mechanical means as providing drainage ways and/or dams or other means deemed expedient or necessary by KPOA or Developer to provide and insure against such erosion. KPOA and Developer, however, are under no duty to take such actions as hereinabove provided.

24. FIRES:

Outdoor fires and the shooting or use of fireworks of any type are prohibited. No leaves, trash, garbage or similar debris shall be burned except as permitted by a written permit issued by KPOA. Use of outdoor charcoal, gas grills or other devices, as permitted by the Rules and Regulations, shall be done with the greatest of care in view of fire and smoke hazards and general pollution.

25. SIGNS:

No signs, including "for rent," "for sale" and other similar signs shall be erected, placed, allowed or maintained on any Unit by anyone, including but not limited to a Lot Owner, a Realtor, a contractor or subcontractor, except as provided in Section 47F-3-121(2) or with the written approval of KPOA or as may be required by legal proceedings. If such approval is granted, KPOA reserves the right to restrict size, color and content of such signs.

26. WATER COURSES:

No lake, pond or other water retention basin shall be constructed, nor shall the course of any stream be changed, nor any culverts installed in any stream without prior written approval of KPOA.

27. WATERWAYS:

The owner of a Unit fronting on a lake, stream, or other waterway, or on an open-space area, separating the Unit from such waterway, will not be permitted to erect or maintain a private dock, dam or similar structure on such waterway.

28. BOATS:

No boat, canoe or other watercraft shall be operated upon any lake, stream or other waterway. No boat, canoe or other watercraft shall be beached or stored overnight or permanently on the shore of any lake, stream or other waterway. Notwithstanding this restriction, KPOA or Developer shall be entitled to maintain and operate any form of water-craft.

29. ANIMALS:

No animal, livestock, or poultry of any kind shall be raised, bred or kept on any Unit, except that dogs, cats or other commonly domesticated household pets may be kept, provided that they are not bred or maintained for commercial purposes. Pets, when running loose, must be kept strictly within the boundaries of the owner's property. At all other times, they must be kept securely on a leash. No pets are permitted if they are kept so as to constitute a nuisance.

30. RESIDENTIAL LOTS:

Residential Lots are not to be trespassed upon for any reason except as specified in Paragraph 33 herein.

31. HUNTING AND FIREARMS:

Hunting and trapping of animals, fowl and game is prohibited, and the discharge of firearms or bows and arrows for any purpose shall be prohibited.

32. EASEMENTS:

A. UTILITIES AND DRAINAGE:

KPOA and Developer reserve to themselves, a perpetual alienable and releasable easement and right on, over and under the ground to erect, maintain and use electric telephone poles, wires, cables, conduits, sewers, water mains and other suitable equipment for the conveyance and use of electricity, cable television, security cable equipment, telephone equipment, gas, sewer, water or other private or public conveniences or utilities on, over and under the rear and front ten feet of each Unit, and ten feet along all sides of each Unit and such other areas as shown on the applicable plats; provided further that KPOA and Developer may cut drain ways for surface water wherever and whenever such action may appear to KPOA or Developer to be necessary in order to maintain reasonable standards of health, safety and appearance.

KPOA and Developer further reserve unto themselves, a perpetual alienable and releasable easement and right to cut any trees, bushes or shrubbery or to take any other similar action reasonably necessary to provide economical and safe utility installation, and to maintain reasonable standards of health, safety and appearance.

B. WELLS AND PUMPING STATIONS:

KPOA and Developer reserve the right to locate wells, pumping stations and tanks within any portion of Kenmure, provided, however, that should the owner of any Unit upon which such pumping station, well or tank shall be located is other than KPOA or Developer and the applicable recorded plat of such Lot Owner's property does not designate such property for use as aforesaid, then such pumping station, tank or well shall not be located upon such Lot Owner's property without the permission of such Lot Owner.

C. PESTICIDES AND FIRE CONTROL:

In addition, KPOA and Developer reserve unto themselves, a perpetual alienable and releasable easement and right on and over and under all Units to dispense pesticides and take other action which in the opinion of KPOA or Developer is necessary or desirable to control insects and vermin, to cut fire breaks and other activities which in the opinion of KPOA or Developer are necessary to control fires. KPOA and Developer, however, are under no duty to take such actions as herein above provided.

D. LOT OWNER RIGHTS:

Every Lot Owner, their guests and lessees, shall have a right and easement of enjoyment in, to and over the Common Elements, including the paved rights-of-way, subject to the rights of KPOA under this Declaration, the Bylaws and the Rules and Regulations of the Association. Such easement shall be appurtenant to and shall pass with the title to every Unit. No Lot Owner may give easements over, under or through their property for any purpose without the prior written consent of KPOA.

E. DEVELOPER RIGHTS TO REASONABLE ACCESS:

For so long as Developer, and its successors or assigns, owns the Kenmure Country Club or any real estate or real estate sales operation within Kenmure, reasonable access to Kenmure and Country Club facilities shall be provided to the Developer for their personnel, real estate prospects, Country Club guests, and business or other guests.

33. TRESPASS:

Whenever KPOA or Developer is permitted by this Declaration to correct, repair, clean, preserve, clean out or do any action on any Unit or on the easement areas adjacent thereto, entering such Unit or easement area and taking such action shall not be deemed a trespass.

34. SERVICES PROVIDED BY KPOA:

The KPOA shall provide the following services to Lot Owners within Kenmure:

- A. Maintenance, repair, replacement or improvement of the Common Elements, including roads.
- B. Security gate guard and security patrol.
- C. Garbage and trash collection.
- D. Administrative Services for the operation of the planned community.

35. ANNUAL ASSESSMENTS:

A. GENERAL:

Each Lot Owner shall pay to KPOA, Annual Assessments for the purposes set forth in Paragraph 34, which shall be fixed, established and collected from time to time as hereinafter provided.

B. ANNUAL ASSESSMENTS ALLOCATION:

The Annual Assessments shall be allocated among Residential Lots, Family Dwelling Units and Development Lots and shall be set each year by KPOA as a necessary part of the budget process for the succeeding year as specified in Section 47F-3-103(c) of the Act and the Bylaws of the Association. Annual Assessments for Residential Lots and Development Lots shall be seventy five percent of the Annual Assessment for Family Dwelling Units.

C. INCREASE OF ANNUAL ASSESSMENTS:

The Annual Assessment for Residential Lots, Family Dwelling Units and Development Lots may be increased each year by KPOA as part of the annual budget process as necessary in order to provide the services specified in Paragraph 34. Any such increase shall be the same percentage applied to the Annual Assessment of the previous year for each of the above and shall not exceed the following unless ratified by the Members at the annual meeting at which the budget and increase are approved:

1. eight per cent (8%) per year, or
2. the percentage increase of the Consumer Price Index (for All Urban Consumers) published by the United States Government between the first month and the last month of the Annual Assessment period for the previous year (or substitute Index if said Consumer Price Index is ever discontinued), whichever of these two percentage figures is larger.

D. DUE DATE FOR ANNUAL ASSESSMENTS:

The Annual Assessments for Units shall be fixed on a calendar-year basis or fiscal-year basis as determined by KPOA, shall be invoiced on the first business day of the calendar year or fiscal year, whichever applies, and shall be due and payable no later than 45 days after the invoice date except that Annual Assessments for Development Lots shall be due and payable monthly in advance. Each new Lot Owner shall commence payment of the Annual Assessment prorated for the months remaining in the year, on the first day of the month following the date of closing, or in the case of Development Lots, the first day of the month following the date the Development Lot is recorded in the Henderson County Registry. Payment of the Annual Assessment shall be past due forty-six days after the invoice date and shall thereafter be deemed to be delinquent. Annual Assessments shall be a personal obligation of the Member and a lien on their Unit. Delinquent Annual Assessments shall be handled in accordance with Paragraph 37.

E. ROAD RE-PAVING RESERVES:

Reserves for road surface re-paving and incidental striping and right-of-way maintenance shall be maintained by KPOA out of the Annual Assessment. Each year KPOA shall collect and add to the current Road Repaving Reserves, an amount of money for each Road Segment that shall be calculated as follows: Cost of Repaving that segment divided by the Useful Life of that segment. A qualified civil engineer or paving contractor shall be consulted by KPOA at least every four years for help in determining the future Costs of Re-paving and the Useful Life of the existing Road Segments. Road Re-paving Reserves funds shall not be expended for any purpose other than road surface repaving, striping and right of way maintenance, including when road surface repaving is required due to a catastrophic event.

F. BUDGETS, ACCOUNTS AND SURPLUS FUNDS:

A separate budget and separate operating accounts shall be maintained for management of and disbursements of Annual Assessments funds allocated for (1) road maintenance, (2) security and trash collection and (3) administration and other Common Element maintenance. Any surplus funds remaining in the operating account for road maintenance at the end of any given fiscal year shall be deposited in the account for Road Repaving Reserve unless the Board determines, in its sole discretion, that such surplus funds should be used for another road maintenance purpose or distributed to the Members. Any surplus funds remaining in the operating account for security and trash collection or administration and other Common Element maintenance at the end of any given fiscal year shall be deposited in an account for other Common Element reserves unless the Board determines, in its sole discretion, that such surplus funds should be used for another purpose or distributed to the Members.

36. SPECIAL ASSESSMENT TO ALL LOT OWNERS:

A. GENERAL:

If during a given fiscal year extraordinary expenses significantly exceed the funds available in the operating accounts or emergency reserves for that fiscal year, whether budgeted or unbudgeted, the Board may pass a Special Assessment in the amount that the total budget for that fiscal year will be exceeded by the extraordinary expense.

B. SPECIAL ASSESSMENT FOR IMPROVEMENTS:

Any Special Assessment that is for purposes other than the services specified in Paragraph 34 that exceeds \$100,000, such as a Special Assessment for capital improvements, shall be approved by the affirmative vote of the majority of the votes entitled to be cast by Members, either by ballot or in person or by proxy at the annual meeting or a special meeting called to consider the Special Assessment.

C. DUE DATE FOR SPECIAL ASSESSMENTS:

The Special Assessment shall be due and payable on the invoice due date of the written notice by KPOA to Members and shall be past due forty-six days after the invoice due date and thereafter deemed to be delinquent. Special Assessments shall be a personal obligation of the Member and a lien on their real property and delinquent Special Assessments shall be handled in accordance with Paragraph 37. Each Lot Owner shall pay an equal share of the Special Assessment, which share shall be a fraction with the numerator of one and a denominator which equals the sum of all Units subject to this Declaration.

37. DELINQUENT ASSESSMENTS AND ENFORCEMENT:

Delinquent Assessments together with interest thereon at the maximum rate as provided in Section 47F-3-115 of the Act, a late charge of \$40 and cost of collections thereof as hereinafter provided shall be a charge and continuing lien on the Lot Owner's property against which each such assessment is made at such time as KPOA or its designee or assignee files a notice of lien to enforce such charge in the manner provided in Section 47F-3-116 of the Act. Each such Assessment, together with such interest thereon, late charge and cost of collection thereof as hereinafter provided, shall be the personal obligation of the person who was the Lot Owner of such real property at the time when the Assessment first became due and payable. In the case of co ownership of a Unit, all such co owners shall be jointly and severally liable for the entire amount of the Assessment. Any lien as established herein shall be enforceable as a lien against the defaulting Lot Owner's property as provided in Section 47F-3-116 of the Act. KPOA may bring an action at law against the Lot Owner personally obligated to pay a delinquent Assessment or to foreclose the lien against the property, as stated above, and there shall be added to the amount of such assessment, the costs of preparing and filing the notice of lien, the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee actually incurred, together with the costs of the action.

38. COTTAGES OF KENMURE OWNERS ASSOCIATIONS

A. PHASE V:

Developer has established The Cottages of Kenmure Owners Association in Phase V for lots identified on plat slide 3516 as "The Cottages of Kenmure". This association was formed in order to provide lawn, landscaping and sidewalk maintenance services for cottages in this association, but in all other respects the Units included in this association shall be subject to this Declaration. All Cottage Owners in Phase V shall be members of the Cottage Association for Phase V upon acceptance of a deed from Developer or a Grantor, as well as Members defined in this Declaration. Membership in the Cottages of Kenmure Owners Association for Phase V, services provided by this association, assessments of this association and restrictions related to membership and services shall be in accordance with the bylaws of the Cottages of Kenmure Owners Association for Phase V.

B. PHASE VI:

Developer may also form additional cottage associations in Phase VI for lots identified on recorded plat maps as The Cottages of Kenmure". Any such associations formed in Phase VI may charge assessments and provide services for cottages in the association, but in all other respects the Units included in the association shall be subject to this Declaration. All Cottage Owners in Phase VI shall become members of any such cottage association upon acceptance of a deed from Developer or a Grantor as well as Members as defined in this Declaration. Membership in the Cottages of Kenmure Owners Association for Phase VI, services provided by this association, assessments of this association and restrictions related to membership and services shall be in accordance with the bylaws of the Cottages of Kenmure Owners Association for Phase VI.

C. COTTAGES OF KENMURE DEEDS AND BYLAWS:

No deed, or conveyance from Developer or a grantee, no bylaw adopted by a cottage association and no rule or regulation adopted by a cottage association shall abridge, conflict with or supersede the covenants or restrictions contained in this Declaration, the Bylaws of KPOA or Rules and Regulations of KPOA, except where they may be more strict than required by this Declaration, the Bylaws of KPOA and KPOA Rules and Regulations. Any such restriction must be approved in writing by KPOA which has sole discretion in granting such request.

39. REMEDIES:

A. ENFORCEMENT OF COVENANTS:

Each person to whose benefit this Declaration inures, including KPOA, and Developer, may proceed at law or equity to prevent the occurrence, continuation or violation of any provisions of this Declaration, and the court in such action may award the successful party reasonable expenses in prosecuting such action, including attorney fees.

B. SUSPENSION OF PRIVILEGES:

After notice and an opportunity to heard in accordance with subparagraph D, below, the Board may suspend all voting rights, if any, and all rights to use the Common Elements, of any Lot Owner for any period during which any Assessment against such Lot Owner remains unpaid, or during the period of any continuing violation by such Lot Owner of the provisions of this Declaration, the Bylaws of the Association or the published Rules and Regulations of KPOA. The right of ingress and egress of a Lot Owner to their Unit shall not be affected by any suspension of privileges.

C. PENALTIES:

In accordance with Sections 47F-3-102 (11) and (12) and 47F-3-107.1 of the Act, the Board may impose penalties for violations of the provisions of this Declaration, the Bylaws and the published Rules and Regulations, after notice and an opportunity to heard in accordance with subparagraph D. Those penalties may include, but are not limited to, suspension of rights to use the Common Elements, and reasonable fines.

D. ENFORCEMENT PROCEDURES:

The Board shall not suspend privileges or impose a fine or charge for damages against a Lot Owner unless and until enforcement procedures contained in the Bylaws of the Association are followed, which procedures are incorporated by reference herein. The enforcement procedures shall meet the requirements of Section 47F-3-107.1 of the Act and shall include at a minimum, a written notice of the violation, an opportunity for a hearing and an opportunity to appeal any hearing decision to the Board.

E. CUMULATIVE RIGHTS:

Remedies specified herein are cumulative and any specifications of them shall not be taken to preclude an aggrieved party's resort to any other remedy at law or in equity. No delay or failure on the part of an aggrieved party to invoke an available remedy in respect of a violation of any provision of this Declaration shall be held to be a waiver by that party of any right available to them under this Declaration or the law upon the recurrence or continuance of said violation or the occurrence of a different violation.

40. SEVERABILITY:

Should any covenant, restriction, article, paragraph, subparagraph, sentence, clause, phrase or term herein contained be declared to be void, invalid, illegal or unenforceable, for any reason whatsoever, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect any other provisions hereof that are hereby declared to be severable and that shall remain in full force and effect.

41. RESPONSIBILITY FOR OTHERS:

Lot Owners are obligated to assume the responsibility that any and all dependents, guests, servants, lessees and visitors observe and maintain all the rules, regulations, covenants and restrictions binding the Lot Owners themselves.

42. LEASING OR RENTING:

A. GENERAL:

A Family Dwelling Unit owner may lease or rent their Family Dwelling Unit, provided, however, that the tenant or lessee shall be bound by this Declaration and the Bylaws of the Association and the Rules and Regulations of KPOA. Except as provided for Cottage Owners in subparagraph B, below, and for condominium owners in the Condominium Declarations, the term of such lease or rental for a Family Dwelling Unit shall be no less than six months and no more than three years; and the owner of the Family Dwelling Unit may not lease or rent more than twice in any twelve month period. In no event and at no time may a Family Dwelling Unit owner lease or rent a portion of the Family Dwelling Unit unless the entire Family Dwelling Unit is leased or rented. Time Share Programs in any form are prohibited.

B. COTTAGES:

A Cottage Owner shall have the right to rent or lease their cottage provided, however, that the tenant or lessee shall be bound by this Declaration and Bylaws of the Association and the Rules and

Regulations of KPOA. In the event the rental is for a period in excess of thirty days, then said lease shall be in writing. Failure of the Lessee to comply with the terms of such documents shall be a default under the lease. Any Cottage Owner who enters into a lease of his Cottage in excess of thirty days shall promptly notify KPOA and the applicable Cottage Association of the name and address of each lessee, the Cottage rented, and the term of the lease. Other than the foregoing restrictions, each Cottage Owner shall have the full right to lease his Cottage and said right may not be altered, amended or abridged without the written consent of the majority of the Cottage Owners.

43. SPECIAL RESTRICTIONS AFFECTING ALL UNITS ABUTTING GOLF COURSES:

Some Lots and Family Dwelling Units (the "Course Lots") in Kenmure may abut a golf course owned by the Developer. For those Course Lots only, the following special restrictions apply:

A. LANDSCAPING:

The landscaping pattern of that portion of the Course Lot within fifty feet of the lot line bordering a golf course shall be in general conformity with the overall landscaping pattern for the course fairway area established by the golf course architect and communicated to the Lot Owner by Developer.

B. EASEMENT RESERVATION FOR PLAYERS:

Until such time as a Family Dwelling Unit is constructed on a Course Lot, Developer reserves an easement to permit and authorize registered golf course players to enter upon such lot to recover a ball or play a ball, subject to the *official rules* of the course, without such entering and playing being deemed a trespass. After a Family Dwelling Unit is constructed, such easement shall be limited to that portion of the Course Lot within fifty feet of the lot line; and, recovery of balls only, not play, shall be permitted in such area. Golfers shall not be entitled to enter on any such lot with a golf cart or other vehicle, nor spend unreasonable time on such lot, or in any way commit a nuisance while on such lot. After construction of a Family Dwelling Unit on a Course Lot, markers may be placed on said lot within fifty feet of the lot line at the expense of Developer.

C. PROHIBITED ACTIONS:

All Course Lot owners shall be obligated to refrain from any actions which would detract from the playing qualities of the golf course or the development of an attractive overall landscaping plan for the entire golf course area. Such prohibited actions shall include, but are not limited to, such activities as burning trash, leaves or other debris, the maintenance of dogs or other pets on the Course Lot under conditions interfering with play in any way, and permitting children or pets to be on the fairway in such a manner as to interfere with play in any way.

D. DRAINAGE EASEMENT:

Each Course Lot owner hereby grants the Developer an easement to cut drainage ways to control the flow of surface water, during the construction and/or maintenance of golf fairways, such improvements to be at the expense of Developer.

44. RULES AND REGULATIONS:

A. CONSISTENT WITH DECLARATION:

The Board may from time to time promulgate reasonable Rules and Regulations respecting the restrictive covenants set out in this Declaration, but such Rules and Regulations shall be consistent with this Declaration and not in derogation of or intended as an amendment thereof.

B. USE OF COMMON ELEMENTS:

The Board may from time to time promulgate reasonable Rules and Regulations respecting the use of the Common Elements, including exclusive use of part of the Common Elements (such as picnic facilities, if any) by a Lot Owner and his or her guests, which exclusive use may be conditioned upon, among other things, payment of a fee.

C. GENERAL POWERS OF THE BOARD:

The Board may from time to time, without the consent of the Members, promulgate, modify, or delete Rules and Regulations applicable to Units, Common Elements, administration and management of Kenmure, or Kenmure as a whole. Such Rules and Regulations shall be binding upon all Lot Owners, guests of Lot Owners, tenants of Lot Owners, contractors and other guests until and unless overruled, canceled, or modified at an annual or special meeting by a majority vote of Members, in person or by proxy, entitled to cast votes in the Association. Such Rules and Regulations may be enforced by the Association in accordance with the Act, this Declaration and the Bylaws of the Association, to include but not be limited to the imposition of fines and penalties pursuant to Sections 47F-3-102 (11) and (12) and 47F-3-107.1 of the Act, after notice and an opportunity to be heard.

45. FUTURE RESTRICTIONS AND AMENDMENT:

A. DEVELOPER RIGHTS:

Developer may add additional restrictive covenants in respect to lands currently owned by Developer in Kenmure and conveyed in the future by Developer and may amend these covenants and restrictions from time to time, however, any such additions or amendments shall only be allowed for Phase V or later Phases of Kenmure and only with the written consent of KPOA, which consent shall not be unreasonably withheld, and shall not at any time alter the rights which shall have already been vested in any Lot Owner prior to such additions or amendments.

B. PROPERTY OWNER AMENDMENTS:

This Declaration may be amended by the affirmative vote of sixty-seven percent of the votes entitled to be cast by Members present or represented by proxy at a meeting called for that purpose, or by written ballot in accordance with Section 47F-2-117 of the Act and the Bylaws of the Association. No such amendment approved by the Members shall alter or impair any rights of Developer under this Declaration without the written consent of Developer. Amendments under this subparagraph B shall be effective and binding on all property owners in Kenmure when duly recorded in the office of the Register of Deeds of Henderson County, North Carolina.

IN WITNESS THEREOF the undersigned President of the Kenmure Property Owners Association, Inc., acting on behalf of the Members, hereby amend and restate the Kenmure Declarations and the Restated Declaration by striking them in their entireties, except for the purpose of preserving legal descriptions, if any, contained therein, and by substituting therefor this Third Amended and Restated Declaration of Restrictive Covenants Governing Kenmure which they certify incorporates amendments duly adopted and approved by the Members of the Association by a sixty seven percent affirmative vote of the votes entitled to be cast by Members.

IN WITNESS WHEREOF, the undersigned President of the Kenmure Property Owners Association (“KPOA”), a nonprofit corporation, hereby certifies that the above Third Amended and Restated Declaration of Restrictive Covenants Governing Kenmure A Planned Community was duly adopted by the KPOA and its membership in accordance and pursuant to the Declaration and Bylaws of the KPOA.

This 26th day of August 2013.

KENMURE PROPERTY OWNERS ASSOCIATION, a nonprofit corporation.

By: _____ (SEAL)

Richard Brown, President

Attest: _____ (SEAL)

Michael Mulcahy, Corporate Secretary

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

I, _____, a Notary Public for Henderson County and North Carolina, certify that _____ personally appeared before me this day and acknowledged that he is the _____ of the Kenmure Property Owners Association and that by authority duly given and as the act of the corporation, the foregoing instrument was signed by the President and attested by the Corporate Secretary.

Witness my hand this 26th day of August, 2013.

Notary Public