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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ALPINE VILLAGE AMENITIES PROPERTY

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and the terms of the submitter agreement with the Yancey County Register of Deeds.

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STATE OF NORTH CAROLINA

COUNTY OF YANCEY

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ALPINE VILLAGE AMENITIES PROPERTY

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") is made as of the 1st day of July, 2020 by Co-Owners of Alpine Village Condominium, Inc. ("Declarant") and the undersigned Owners of Lots and Units who by their execution of the Declaration or the execution of the Declaration by their authorized agent as designated in the Master Consent Form consent, approve and agree to its terms. All capitalized terms shall have the meaning set forth in Article I or elsewhere in this Declaration.

BACKGROUND STATEMENT

The Condominium Community known as Alpine Village was created and established on the land shown on the Master Plat by the recordation of the Declaration of Condominium for Alpine Village recorded in Deed Book 147 at Page 271 and filing of plats and plans in Condominium Plat Book 1 at Page 1 of the Yancey County Public Registry on November 9, 1981 and as properly amended thereafter ("Original Condominium Declaration"). The Original Condominium Declaration was amended several times subsequent to its original recordation in 1981. Under the terms of the Original Condominium Declaration, as amended, some Units were to "Interval Ownership", and some were not.

A dispute arose between the Owners of Unit Weeks in Units committed to Interval Ownership ("Interval Owners" or "IOs") and the Owners of Units owned in fee simple and not committed to Interval Ownership ("Whole Owners" or "WOs") regarding various matters including the legality of the 2010 Amended and Restated Declaration of Condominiums for Alpine Village Condominiums and the Amended and Restated Bylaws recorded in the Yancey County Public Registry in 2017. Those disputes and claims were the subject of the civil action filed in Yancey County Superior Court on December 15, 2015 and assigned Yancey County file number 15-CVS-320 ("Lawsuit"), resulting in the 2010 Amended and Restated Declaration and 2017 Amended and Restated Bylaws being declared invalid and without legal effect.

The parties reached a settlement and resolution of all of the claims and disputes which were the subject of the Lawsuit and memorialized the terms and provisions of their agreed settlement in the Settlement Agreement. The Settlement Agreement provides for the restructuring and reconfiguration of Alpine Village into two separate residential communities governed by the Resort Association and the Townhome Association which are referred to herein as the Neighborhood Associations and the Amenities Property to be governed and administered by the Amenities Association for the mutual benefit of the Neighborhood Association and their respective members. The purpose of this Declaration is to submit and subject the Amenities Property to the covenants, conditions and restrictions contained herein as provided in the

Settlement Agreement and to provide for the administration and governance of the Amenities Property by the newly created Alpine Village Amenities Association.

STATEMENT OF DECLARATION

NOW, THEREFORE, Declarant, by and with the consent of the Owners executing this Declaration, hereby declares that (subject to certain rights of amendment as hereinafter described) the Property shall be held, transferred, sold, conveyed, occupied and used subject to the North Carolina Planned Community Act (N.C.G.S. Chapter 47F) and to the following easements, restrictions, covenants and conditions, which shall run with the Property and be binding on, and inure to the benefit of, all parties having any right, title or interest in the Property or any part thereof, and the heirs, successors and assigns of all of the foregoing parties.

ARTICLE I

DEFINITIONS

The following words, when used in this Declaration or any supplement or amendment hereto, shall have the following meanings (unless the context shall prohibit):

"Act" shall mean the North Carolina Planned Community Act, codified in Chapter 47F of the North Carolina General Statutes.

"Amenities Property" shall mean and refer to all of the Property shown on the Plat excepting and excluding the Laurel Lot and the twenty-four (24) Lots on which the buildings labeled Pisgah I and II, Finch I and II, Cherokee I and II, Dogwood I and II, Azalea I and II, Swiss I and II, Alpine I and II, Edelweiss I and II, Hemlock I and II, Mitchell I and II, Lark I and II, and Robin I and II are located.

"Association" shall mean and refer to the Alpine Village Amenities Association, a North Carolina non-profit corporation, organized pursuant to N.C.G.S. § 47F-3-101 and § 55A-2-02, and its successors and assigns.

"Board" or "Board of Directors" shall mean and refer to the executive board of the Association.

"Bylaws" shall mean the bylaws adopted by the Association pursuant to the North Carolina Non-Profit Corporation Act, as they may be amended from time to time.

"Common Elements" shall mean and refer to the Amenities Property as well as all real and personal property leased or owned by the Association, the Roadways, and any easements granted to or reserved for the benefit of the Association for the common use and enjoyment of the Owners. "Common Area," "Common Open Space" and "COS" are part of the Common Elements.

"Condominium Association" shall mean and refer to the Co-Owners of Alpine Village Condominium, Inc. or its successors and/or assigns. It is contemplated that said entity shall merge with the Alpine Village Resort Association, Inc. with the latter being the surviving entity.

"County" shall mean and refer to Yancey County, North Carolina.

"Declarant" shall mean and refer to Co-Owners of Alpine Village Condominium, Inc.

"Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions, as it may be amended, supplemented or extended from time to time.

"For-Sale Properties" shall mean and refer to the three Lots appearing on the Master Plat and designated as Azalea I, Azalea II, and Robin I together with the structures and improvements located thereon and the parking easements reserved for the benefit of those Lots in Article X.

"Laurel Lot" shall mean that real estate identified by that name as a separate lot on the Master Plat.

"Lot" shall mean and refer to any parcels of land appearing on the Master Plat of the Property which are part of the Townhome Property or the Resort Property.

"Major Utilities" refers to the utilities within Project, including, without limitation, water, sewer/septic, electricity and cable at the locations where they are interconnected and serving customers or buildings in both regimes of the Resort Association and Townhome Association or the Common Elements of the Association.

"Master Plat" shall mean and refer to the Property Survey for Alpine Village Condominium recorded in Map Book 3 at Page 379 of the Yancey County Public Registry.

"Member" shall mean and refer to the Resort Association and the Townhome Association who shall represent and act on behalf of the IOs and WOs who are their respective members and Owners.

"Neighborhood Association" shall mean and refer to the Alpine Village Resort Association and the Alpine Village Townhome Association as described and defined in Sections 1.3 and 1.4 of the Settlement Agreement.

"Occupant" shall mean and refer to any person occupying all or any portion of a Lot or any portion of the Property for any period of time.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot or any Unit or interval/week in any Unit (as defined herein) which is a part of the Property, but excluding parties who have such interest merely as security for the performance of an obligation.

"Plat" shall mean and refer to the Master Plat.

"Project Documents" shall mean and refer to this Declaration, the Articles of Incorporation of the Association, the Bylaws, and the rules and regulations governing the use of the Amenities Property as the foregoing may be amended and supplemented from time to time, and all attachments and exhibits thereto.

"Property" shall mean and refer to all of the land shown on the Master Plat.

"Resort Association" shall mean and refer to the Alpine Village Resort Association which shall govern and administer the Resort Property as provided in Section 1.3 of the Settlement Agreement.

"Resort Declaration" shall mean and refer to the condominium declaration amended or created to govern the Resort Property.

"Resort Property" shall mean and refer to the Lots appearing on the Master Plat designated as the Laurel Lot, Pisgah I and II, Cherokee I and II, Azalea I and II, Swiss I and II, Alpine I and II, Edelweiss I and II, Lark I and II, and Robin I which shall be subject to the Resort Declaration and shall be administered by and subject to the governance of the Resort Association; provided, however, that the For-Sale Properties shall be part of the Resort Property until such time as they are conveyed to the Amenities Association as provided herein.

"Roadways" shall mean and refer to the roads, streets, and cul-de-sacs shown on the Master Plat, all of which shall be maintained by the Association.

"Settlement Agreement" shall mean and refer to the Final Settlement Agreement and Release effective the 1st day of December, 2019 executed to memorialize the settlement and resolution of all of the claims in the Lawsuit filed on December 15, 2015 in Yancey County Superior Court (15-CVS-320) having the caption "Bettye Aderholt, et. al. v. Harry F. Stokes, Jr. et. al."

"Townhome" shall mean and refer to dwellings which are constructed on the Lots which are part of the Townhome Property and are subject to the Townhome Declaration.

"Townhome Association" shall mean and refer to the Alpine Village Townhome Association formed pursuant to Section 1.4 of the Settlement Agreement to the administer the Townhome Property.

"Townhome Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for the Alpine Village Townhomes which shall encumber the Townhome Property.

"Townhome Property" shall mean and refer to the Lots appearing on the Master Plat and designated as Finch I and II, Dogwood I and II, Hemlock I and II, Mitchell I and II, and Robin II which shall be subject to the Townhome Declaration and shall be administered and governed by the Townhome Association; provided, however, that the Townhome Property shall also include

each of the For-Sale Properties when and if each of those properties is sold by the Association and subjected to the Townhome Declaration as more specifically provided in Article VI.

"Unit" shall mean and refer to the Condominium Units located on the Lots which comprise the Resort Property and are subject to the Resort Declaration.

ARTICLE II

FURTHER PROJECT DEVELOPMENT

The Association, its successors and/or assigns, shall have the right to construct and sell additional townhomes and/or condominiums on the 1.72 acre tract shown on the Master Plat and to request that the Board of the Townhome Association and/or the Resort Association agree to annex those new dwellings into the Townhome Property or the Resort Property. The annexation/incorporation of Amenities Property sold or developed as allowed herein shall only require the prior consent and approval of the affected Neighborhood Association's Board of Directors, which consent and approval may be withheld for any reason. In the event additional townhomes or condominiums are constructed and annexed, each Neighborhood Association's proportionate share of common expenses and its obligation to pay Assessments shall be modified based on the number of bedrooms in the new Townhomes or Units, which modification shall be effective on the date of annexation which shall be accomplished as provided in the recorded declaration and other governing documents of each Neighborhood Association.

ARTICLE III

COMMON ELEMENTS

Section 3.1 Owners' Easements of Enjoyment. Every Owner shall have a perpetual right and easement of enjoyment in and to the Common Elements, which shall be appurtenant to and shall pass with the title to every Lot and Unit, subject to the terms of this Section 3.1. The foregoing rights shall include, without limitation, a non-exclusive easement over all Roadways for the purpose of vehicular and pedestrian access, ingress and egress to each Lot and Unit and utility access. All rights and easements created by this Section 3.1 shall be deemed appurtenant to each Lot and Unit, shall inure to the benefit of each Owner and his tenants, family members, guests, invitees and agents, and are granted subject to the provisions of this Declaration including, without limitation, the following conditions and reservations:

(a) Subject to the Act, the right of the Association, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(b) The right of the Association to take any steps that are reasonably necessary to protect the Common Elements against foreclosure;

(c) The rights of the Association to impose fines and to suspend voting rights, services provided or privileges enjoyed by any Member or Owner for any period during which

any assessment remains unpaid, or as a result of any infraction or violation of the Project Documents;

(d) The right of the Association, in accordance with the provisions of N.C.G.S. § 47F-3-112, to dedicate or transfer all or any part of the Common Elements;

(e) The easements described in Article X;

(f) The right of the Association to establish reasonable rules and regulations for the use of the Amenities Property by Members or their tenants, family members, guests, invitees and agents, as provided in Article XI; and

(g) Any and all other provisions of this Declaration and the Project Documents.

Section 3.2 Conveyance/Ownership of Common Elements. Following the recording of this Declaration, Declarant shall convey by non-warranty deed to the Association any Common Elements as provided in the Settlement Agreement pursuant to G.S. 47C-3-112(a) of the North Carolina Condominium Act with the intent for said property to be free and clear of the Original Condominium Declaration. The deed shall reserve and be subject to easement rights for vehicular and pedestrian access and utilities over and along the Amenities Property and for the use and enjoyment of the amenities to the Neighborhood Associations and their members. The deed to the Amenities Association shall also be made expressly subject to easements granted and/or reserved for the benefit of Finch I, Finch II, Robin I, Robin II, Mt. Mitchell I, Mt. Mitchell II, Lark I and Lark II for parking purposes on and over the Amenities Property. Except as otherwise provided in this Declaration or the Settlement Agreement, all personal property owned by the Condominium Association shall be the property of the Association. Notwithstanding the foregoing, all furniture, furnishings and personal property that was located within Alpine I & II, Swiss I & II, Edelweiss I & II, Cherokee I & II, Lark I & II, Pisgah I & II on January 1, 2018 shall remain in those dwelling units and shall be the property of the Resort Association.

Section 3.3 Clubhouse Space Rights/Staff Selection. The Resort Association shall have the exclusive right to use the AVRA OFFICE along with the adjacent AVRA CLOSET located in the right rear of the AVRA OFFICE and the AVRA STORAGE area outlined in pink on the floor plans attached hereto as Exhibit A. The Townhome Association shall have the exclusive right to use the office labeled TOWNHOMES OFFICE outlined in yellow on the Exhibit A. Each Neighborhood Association shall own and control any personal property existing in these exclusive spaces. The Amenities Association shall have the right to control and use all other areas within the clubhouse other than those expressly allocated for the exclusive use for the Resort Association or the Townhome Association herein which are outlined in orange on Exhibit A. The areas under the control and for the use of the Amenities Association shall include the AVRA CLOSET which is shown as connecting the MEDIA ROOM and the AVRA OFFICE on Exhibit A. The Amenities Association shall be responsible for (i) constructing a wall or a door in the opening to separate and secure that AVRA CLOSET from the AVRA OFFICE and (ii) relocating any light switches or other controls located within the AVRA OFFICE which control areas outside that office to the HALL or to some other location where those light switches and

controls are accessible to the representatives and members of the Amenities Association and the Townhome Association as well as the Resort Association.

The Resort Association shall pay the Amenities Association annual rent in the amount of $200.00 for the exclusive use of and access to the AVRA STORAGE room in the basement ("Storage Room Rental"). Storage Room Rental shall be payable by the Resort Association to the Amenities Association in advance on or before January 31 each year for which Storage Room Rental is due and payable as provided herein. Storage Room Rental shall be collectible in the same manner as assessments due and payable by the Resort Association to the Amenities Association as more particularly described herein.

Staffing of each area within the clubhouse shall be at the discretion and expense of the Neighborhood Association having control of the area. The Association shall be entitled to the "guest computer" that is currently "boxed up in the Townhome Office", including the printer and shredder for use in the multi-purpose room in the clubhouse by all Neighborhood Association members and their guests.

Section 3.4 Maintenance. Common Elements shall be maintained by the Association as more particularly detailed in Section 8.1. Maintenance of the Common Elements shall include maintenance, repair and reconstruction, when necessary, of all improvements located thereon. The Association shall not be responsible for the maintenance of any Lot or Unit or any property subject to the Resort Declaration or the Townhome Declaration.

ARTICLE IV

THE ASSOCIATION

Section 4.1 Membership. The Resort Association and the Townhome Association shall be the Members of the Association and shall represent and act on behalf of the IOs and WOs who are their respective members and Owners.

Section 4.2 Voting and Voting Rights. The Resort Association and the Townhome Association shall each have one hundred (100) votes which shall be cast as their respective directors and officers choose except to the extent this Declaration expressly requires the prior approval of a percentage of the IOs and WOs who are their respective members and Owners.

Section 4.3 Suspension of Voting Rights. Voting rights of each Member shall be suspended, automatically and without requirement of further notice or hearing, if the Member fails to pay any Assessment or installment thereof on or before the date it is due and that default is not cured within 30 days after written notice of the default is delivered to the delinquent Member by and through one of its Board appointees. It shall be the responsibility of the Board to deliver written notice of the default and right to cure within ten (10) days after the occurrence of any default.

Section 4.4 Board of Directors. The Association shall be governed by an Executive Board of four (4) directors. The Townhome Association and the Resort Association will each

elect or appoint two (2) directors to serve on the Board for the Association, subject to the eligibility requirements below. The initial Board members shall be designated in the Articles of Incorporation for the Association. Neither David Guilbeault nor Carroll Cash shall serve on the Board of Directors of the Association until on or after January 1, 2022. In order to be eligible, an appointee must satisfy one of the following criteria: (i) individual Unit or Townhome Owner; (ii) partner of a partnership Unit or Townhome Owner; (iii) officer or owner of a corporate Unit or Townhome Owner; (iv) officer, manager or member of a limited liability company Unit or Townhome Owner; or (v) spouse of an individual Unit or Townhome Owner.

At the beginning of each fiscal year as defined in the Bylaws, the Board shall, by a majority vote, appoint a person to arbitrate Board disputes and to resolve Board impasses on Association business when the directors are deadlocked ("Deadlock Arbitrator") upon request of any director. The Deadlock Arbitrator cannot be a WO or IO of Alpine Village or a family member of any Owner. He or she shall be compensated for his/her services. The presumptive arbitrator is David Hamilton. If there is a dispute in the appointment of the Deadlock Arbitrator, then David Hamilton will be appointed. If David Hamilton is not able or willing to serve and the directors cannot agree on a person to serve, the Association shall promptly petition the Superior Court of Yancey County for the appointment of an arbitrator to serve. Notwithstanding the above, the Deadlock Arbitration provision will not apply to: (i) modifications to the Default Budget (Exhibit B2), (ii) association records remaining at Alpine Village, and (iii) location of bank accounts in North Carolina. The Deadlock Arbitration provision shall apply to deadlocks and impasses on all other actions and decisions of the Amenities Association Board.

The Board shall provide members of the Townhome Association and the Resort Association with an opportunity at regular intervals to express comments and concerns at Board meetings.

Section 4.5 Association Books, Records and Bank Accounts. The Association shall maintain at all times current copies of all Project Documents, all rules and regulations concerning the Property, as well as its own books, records and financial statements as required by N.C.G.S. § 47F-3-118(a) and the North Carolina Non-Profit Corporation Act. All original records of the Association shall remain at the Property or at such other location as agreed to by a majority of its Board. All bank accounts of the Association shall be located in North Carolina unless otherwise agreed to by a majority of its Board.

Section 4.6 Management and Other Agreements. The Association may be professionally managed and may enter into such agreements for the management, operation and administration of the Project, with the individual, firm or entity that the Association deems appropriate and in the best interest of the Project from time to time. Should the Association enter into a management agreement for the Property as permitted herein, the manager (hereinafter referred to as "Independent Manager") shall obtain and at all times maintain fidelity insurance. **Director deadlocks with respect to the employment, hiring or termination of an Independent Manager shall not be subject to Deadlock Arbitration.**

Section 4.7 Liability Limitations. Neither the Board, nor any officers, directors, agents or employees of the Association shall be personally liable for debts contracted for or otherwise incurred by the Association. Neither the Association, nor its directors, officers, agents or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements or portions thereof or for failure to repair or maintain the same. Neither the Association nor any other person, firm or association making repairs or providing maintenance shall be liable for any personal injury or other incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any premises, improvements or portions thereof. The Association shall, to the extent permitted by applicable law, indemnify and defend all members of the Board from and against any and all loss, cost, expense, damage, liability, claim, action or cause of action resulting from the performance by the Board of its duties and obligations, excepting for any loss, cost, expense, damage, liability, claim, action or cause of action resulting from the gross negligence or willful misconduct of the person(s) to be otherwise indemnified.

Section 4.8 Safety and Security. Each Owner, tenant and occupant of a Lot, and their respective guests and invitees ("Person" or "Persons") shall be responsible for their own personal safety and the security of their property in the Project. The Association may, but shall not be obligated to, maintain or support certain activities within the Project designed to enhance the level of safety or security which each Person provides for such Person's property. Neither the Association nor Declarant shall in any way be considered insurers or guarantors of security within the Project, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any systems or measures, including any mechanism or system for limiting access to the Project, cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands and shall be responsible for informing each Person that the Association, its Board and committees and the Declarant are not guarantors of security or safety and that each Person using the Project assumes all risks of personal injury and loss or damage to property, including Lots and the contents of Lots, resulting from acts of third parties.

ARTICLE V

OPERATION OF THE PROPERTY AND ASSESSMENTS

Section 5.1 Adoption of Budget; Creation of Lien and Personal Obligation for Assessments. Commencing with the fiscal year starting March 1, 2021, the Board shall, from time to time and at least annually, prepare and adopt a proposed budget for the Amenities Property, determine the amount of expenditures payable by the Owners to meet the proposed budget ("Common Expenses") and allocate and assess Common Expenses to and between the two Members as provided in this Article V. The Common Expenses shall include such amounts as the Board deems necessary for the operation and maintenance of the Amenities Property and shall include, without limitation, amounts for purposes set forth in Section 5.2, amounts for permitted reserves and such amounts as may be necessary to make up any deficit for outstanding Common Expenses for any previous year.

A default interim operating expense budget for Common Expenses is attached hereto as Exhibit B1 and incorporated herein by reference, which shall apply in 2020. Thereafter, the default budget attached hereto as Exhibit B2 shall apply unless and until it is modified or amended by a majority of the Association Board (hereinafter "Default Budget"). The Default Budget (as previously amended or modified by a majority of the Directors) shall control in the event that a majority of directors cannot agree on and adopt a budget prior to December 1st for the next calendar/fiscal year.

Each Member and Owner of any Lot or Unit or portion of the Property, by acceptance of a deed therefor, is deemed to covenant and agree to pay to the Association: (1) Annual Assessments or charges of the Association, (2) Special Assessments, and (3) Special Individual Assessments (collectively, "Assessments"), such Assessments to be established and collected as hereinafter provided.

Section 5.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the Owners and other residents of the Property to the fullest extent authority or responsibility is granted to the Association hereunder including, and without limiting the generality of the foregoing, for: (i) the leasing, improvement, maintenance and operation of the Common Elements; (ii) provision of services and facilities devoted to this purpose and related to the use and enjoyment of the Common Elements, including but not limited to maintenance and landscaping; (iii) payment of insurance premiums for the insurance policies maintained by the Association in accordance with the Project Documents; (iv) the employment of property managers, attorneys, architects, accountants and other professionals to represent or assist the Association deemed necessary or appropriate by the Board; (v) the cost of utilities and fuel used in operating facilities in the Common Elements; (vi) the maintenance and upkeep of all Roadways; and (vii) for reasonable reserves and (viii) to carry out all other purposes and duties of the Association and/or the Board as provided in the Project Documents.

Section 5.3 Annual Assessments. Annual Assessments shall be approved and levied by the Board in accordance with the budget adopted and approved under Section 5.1 above. Each Member shall pay one half (1/2) of the Member's share of Annual Assessments on or before February 28 and August 30 of each fiscal year unless three out of four of the Association's directors agree that Annual Assessments may be paid at other intervals or times. Notwithstanding the forgoing, Annual Assessments for 2020 shall be levied by the Board of Directors based on the Exhibit B1 default budget and shall be considered allocated between Townhome Association and the Resort Association and their respective members as provided in Section 5.6 on July 1, 2020. Each Member shall pay one half (1/2) of the Member's share of the 2020 Annual Assessments on or before July 31, 2020 and September 15, 2020.

Section 5.4 Special Assessments. In addition to the Annual Assessments authorized above, the Association may levy a special assessment ("Special Assessment") for the purpose of defraying, in whole or in part, the cost of the construction, reconstruction, repair or replacement of the Common Elements, provided that all Special Assessments must be approved by a majority of the Association's directors.

Section 5.5 Special Individual Assessments. In addition to the Annual Assessments and Special Assessments authorized above, the Board shall have the power to levy a special assessment applicable to any particular Owner(s) ("Special Individual Assessment") (i) for the purpose of paying for the cost of any construction, reconstruction, repair or replacement of any damaged component of the Common Elements, including any improvements located thereon, which is occasioned by any act or omission of such Owner(s), members of such Owner's family or such Owner's agents, guests, employees, tenants or invitees and not the result of ordinary wear and tear, or (ii) for payment of fines, penalties or other charges imposed against any particular Owner related to such Owner's failure to comply with the terms and provisions of this Declaration or the Project Documents. The due date and payment terms (if any) for any Special Individual Assessment levied shall be fixed by the Board. Upon the establishment of a Special Individual Assessment, the Board shall send written notice of the amount and due date of such Special Individual Assessment to the affected Owner(s) at least thirty (30) days prior to the date such Special Individual Assessment is due.

Section 5.6 Allocation of Assessments and Common Expense Responsibilities. Except as provided herein, from and after the initial levying of assessments by the Board, the Townhome Association and the Resort Association and their respective members, shall each be responsible for a proportionate share of Annual and Special Assessments. Each association's share shall be based on the number of bedrooms in the buildings in each regime, as depicted on Exhibit C which is attached hereto and incorporated herein by reference and as that number may change from time to time. For purposes of this Agreement, the For-Sale Properties shall not be included in the list of bedrooms (Exhibit C) for either Neighborhood Association until each is subjected to the Townhome Declaration. Special Individual Assessments shall be assessed to and against the Lot(s) or Units owned by the Owner(s) against whom they are levied.

Section 5.7 Effect of Nonpayment of Assessments; Remedies of the Association. Unpaid Assessments shall bear interest from and after the due date at the rate of eighteen percent (18%) per annum, not to exceed, however, the maximum rate permitted by law. In addition, the Association may impose a charge for late payment of any Assessment equal to five (5%) percent of unpaid Assessments. The Association shall also be entitled to recover fees and penalties for returned checks as permitted in N.C.G.S. §6-21.3 and N.C.G.S. §25-3-506 and any administrative/collection service fees charged to the Association by its management company or any third-party agent providing collection services. Interest, late charges, administrative/collection service fees, returned check fees as well as reasonable attorney fees and costs shall be added to and collectible with and in the same manner as Assessments.

The Association shall have enforcement rights to collect delinquent Assessments from each Neighborhood Association. Prior to the filing of a civil action against a Neighborhood Association that is delinquent, the Amenities Association shall give the Neighborhood Association that is in default thirty (30) days' written notice of the default and an opportunity to cure the default as stated in Section 4.3. In the event the default is not cured, a civil action must be filed against the defaulting Neighborhood Association to obtain a judgment for the unpaid balance plus interest, late charges and attorneys' fees as provided in the Amenities Declaration and allowed by law.

Should either Member fail to pay any Assessment levied by the Association or any installment thereof within thirty (30) days after that Member is given notice of default as provided above, the voting rights of the Member in the Association, the right of the members of the defaulting Member to the use of the Common Elements and/or any other services, privileges or facilities which are provided by the Association (except the right of access to the Lots and Units) are automatically suspended without the necessity of any notice, hearing or other formal process until such Assessment and all related fees and charges are paid in full.

ARTICLE VI

FOR SALE PROPERTIES

After the Association is created and this Declaration is recorded, the Condominium Association shall convey the For-Sale Properties to the Association, in fee simple and subject to this Declaration, via a non-warranty deed for resale. The For-Sale Properties shall be kept fully furnished and maintained in good condition by the Condominium Association until each of the buildings and grounds related thereto is conveyed to the Association for resale. Starr Stevens is authorized to sign any deeds that must be signed by the Condominium Association.

After transfer from the Condominium Association, the Association will undertake to sell the For-Sale Properties at a reasonable price to be agreed upon by a majority of its Board of Directors. Upon acquisition of title to any of the For-Sale Properties, the Association's Board of Directors will obtain price/value estimates from three (3) independent, licensed real estate brokers. The "Minimum Acceptable Offer" shall be 90% of the average of the three price/value estimates obtained. Unless a majority of the Board of Directors agree otherwise in writing, the Board of Directors shall accept any offer at or above the Minimum Acceptable Offer received made on a STANDARD FORM 2-T which obligates the Association to convey title by non-warranty deed expressly subject to the Townhome Declaration and to pay only standard seller closing costs and a real estate commission not exceeding 6%. The net proceeds received by the Association from the sale of any of the For-Sale Properties shall first be used to reimburse the Amenities Association for any repair or maintenance expenses it incurs during the period it held title to the property and to reimburse $2120.00 to the Resort Association as provided in Section 3.17 of the Settlement Agreement. The sums due and payable to Mountain Mitchell Lands West ("MMLW") shall also be deducted from the sale of the For-Sale Properties and promptly paid to MMLW as part of the costs of closing of the sale. The balance remaining after these reimbursements shall be divided equally among and paid promptly upon each closing to the Resort Association, the Amenities Association and the existing pool debt; provided, however, if the remaining balance on the pool debt is less that than the portion of the proceeds allocated to the pool debt hereunder, all excess funds over and above the amount owed on the pool debt shall be paid to the Amenities Association. Since it is understood that market conditions fluctuate and are beyond the control of the Settling Parties, the timing of a sale is not a condition of this Agreement; however, the parties must continue to act in good faith, and the Board shall accept any offer that meets or exceeds the Minimum Acceptable Offer. A bank account shall be established by the Amenities Association separate from its general operating funds and other accounts and dedicated to holding and distributing in accordance with this Agreement the net

proceeds of sale related to the For-Sale Properties, which account shall be available for inspection at all times upon request by each director of the Amenities Association. Disbursements from said account require two signatures which must consist of at least one director appointed by the Resort Association and one director appointed by the Townhome Association.

Upon the sale of each Lot designated as Azalea I, Azalea II or Robin I which are part of the For-Sale Properties, the Association, acting by and through its Board, shall submit the Lot sold to the Townhome Declaration, and the Townhome Association, by and through its Board, shall promptly annex each such Lot into the neighborhood regime of the townhome community as provided for in the Townhome Declaration. The Townhome Association shall have no obligation to annex any other lots, units or property other than the For-Sale Properties.

ARTICLE VII

INSURANCE AND RECONSTRUCTION

Section 7.1 Association Insurance. The Association shall procure and maintain, or cause to be maintained, insurance in accordance with the following provisions:

(a) Property and Casualty Insurance. The Association shall obtain and maintain at all times a policy or policies of property insurance covering all Common Elements and all improvements located thereon in an amount not less than one hundred percent (100%) of the replacement cost of such improvements at the time such insurance is purchased and at the time of each renewal thereof, exclusive of the costs of land, excavation, paving, foundations and other normally excluded items but including the Roadways. Said insurance may include commercially reasonable deductibles (including percentage loss and/or fixed dollar deductibles) as the Board, acting in its sole discretion, determines are reasonable and appropriate from time to time; provided, however, that minimum coverage required by N.C.G.S. § 47F-3-113 must be maintained at all times. The Board shall, at least annually, review the insurance coverage required herein and determine the current replacement cost of such improvements, including, without limitation, fixtures, personal property and supplies. Such coverage shall provide protection against loss or damage by fire or other hazards covered by a standard extended coverage endorsement, windstorm and water damage, vandalism and malicious damage and all perils covered by a standard "all risk" endorsement and (if reasonably available) shall contain the following provisions:

(1) standard "Agreed Amount" and "Inflation Guard" endorsements;

(2) construction code endorsements if the Common Elements becomes subject to construction code provisions which would require changes to undamaged portions of any building thereby imposing significant costs in the event of partial destruction of such building by an insured peril;

(3) a waiver of subrogation by the insurer as to any claims against the Association, any officer, director, agent or employee of the Association, the Owners and their employees, agents, tenants and invitees;

(4) a provision that the coverage will not be prejudiced by the act or neglect of one or more Owners when said act or neglect is not within the control of the Association or by any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control; and

(5) a provision that coverage cannot be canceled, invalidated or suspended on account of the conduct of any director, officer or employee of the Association (i) without prior demand in writing that the Association cure the defect, and (ii) the allowance of a reasonable time thereafter within which the defect may be cured.

(b) Liability Insurance. The Association shall obtain and maintain a policy of commercial general liability insurance in such limits as the Association may, from time to time, determine, covering each member of the Board, the property manager, if any, and each Member and Owner with respect to liability arising out of the operation, use, ownership, maintenance, or repair of the Common Elements. The liability insurance policy shall include endorsements covering cross liability claims of one insured against another, including the liability of the Owners as a group to a single Owner, and shall provide that it may not be canceled or substantially modified without at least thirty (30) days' prior written notice to the Association and to all additional insureds. The Board shall review such limits annually.

(c) Other Insurance. The Board, or its duly authorized agent, shall have the authority to and shall obtain and maintain in effect such other insurance coverages as the Board shall determine from time to time to be desirable, including, without limitation, directors and officers' liability insurance.

(d) Insurance Unavailable. In the event the insurance described in Subsections (a) through (c) is not reasonably available, the Association promptly shall cause notice of that fact to be hand-delivered or sent by United States first class mail to all Owners. For purposes of this subsection, insurance will be deemed "not reasonably available" if the cost of that insurance is prohibitive in light of the Association's budget and available resources. In the event the Association determines any such insurance to be "not reasonably available," it shall take reasonable steps to obtain insurance for the benefit of the Association and the Owners which is as closely equivalent to the insurance coverage required in Subsections (a) through (c) that is reasonably available.

Section 7.2 Premiums and Deductibles. Premiums upon insurance policies purchased by the Association, and any amounts paid as a result of a deductible, shall be paid by the Association as a Common Expense of the Association, provided, however, that deductibles and/or expenses paid or incurred by the Association as a result of the negligent or intentional act or omission of any Owner, or that of his agents, guests, invitees or family members, shall be charged to and paid by the Owner as a Special Individual Assessment pursuant to Section 5.5.

All such premiums shall be paid by the Association at least thirty (30) days prior to the expiration date of such policies.

Section 7.3 General Standards. All insurance policies maintained by the Association under this Article VII shall be written with a company or companies licensed to do business in the State of North Carolina. All insurance policies shall be written for the benefit of the Association and shall be issued in the name of and provide that all proceeds thereof shall be payable to the Association. Notwithstanding any of the foregoing provisions and requirements relating to insurance, the Association's authorized representative who has the authority to negotiate losses under any policy providing such insurance may be named as an insured.

Section 7.4 Insurance Proceeds. Subject to any requirements or limitations imposed by N.C.G.S. § 47F-3-113, the Association shall use the net proceeds of property and casualty insurance to repair and/or replace any damage or destruction of property, real or personal, covered by such insurance. Any balance from the proceeds of property and casualty insurance paid to the Association remaining after satisfactory completion of repair and replacement shall be retained by the Association. If the insurance proceeds received by the Association are insufficient to reimburse, to repair and/or replace any damage or destruction to person or property, the Board may levy a Special Assessment or Special Individual Assessment, as appropriate under the circumstances, to cover the deficiency.

Section 7.5 Owner's Property. By virtue of taking title to a Lot or a Unit within the Project, each Owner acknowledges that neither the Association nor Declarant has any obligation to provide any insurance for any portion of such Lot or Unit or other property located thereon. Neither the Association nor Declarant shall be liable in any manner for the safekeeping or condition of any personal property belonging to or used by any Owner or his family, tenants, guests or invitees, located on or used at the Common Elements or for any damage or loss to any personal property of any Owner, his family, tenants, guests or invitees located on or used at the Common Elements. Except as specifically provided herein, each Owner shall be solely responsible for his Lot or Unit and his personal property and for any damage thereto or loss thereof, and shall be responsible for the purchase of, at such Owner's sole cost and expense, any liability or other insurance for damage to or loss of such property.

ARTICLE VIII

MAINTENANCE OF PROPERTY

Section 8.1 Maintenance by Association. The Association shall be responsible for the operation, maintenance and repair of the Common Elements as provided in Section 3.3. In addition, the Association shall be responsible for the maintenance and repair of all Roadways. The Association shall only be responsible for the maintenance of easements located on the Common Elements except to the extent the Association is assigned maintenance responsibility for Major Utilities easements on Lots in this Declaration. Notwithstanding the foregoing, the Association shall not be responsible for the maintenance or repair of damage caused, in whole or in part, by the negligent or intentional act or omission of any Owner, or that of his agents, invitees, tenants, guests or family members and any costs or expenses incurred by the

Association for such maintenance or repairs shall be the responsibility of that Owner and may be charged to that Owner as a Special Individual Assessment under Section 5.5.

Section 8.2 Maintenance by Neighborhood Associations and Owners. All property located within and subject to the Resort Declaration and the Townhome Declaration shall be maintained by the Resort Association or the Townhome Association respectively or by the Owners of Lots or Units located within each regime. To the extent that any existing parking for individual buildings encroach into the Roadways, those parking areas shall be the maintenance responsibility of the applicable Neighborhood Association associated with the building benefitting from such parking.

ARTICLE IX

SPECIAL TRANSITION AND FINANCIAL MATTERS

(a) Sums due and payable to Mount Mitchell Lands West ("MMLW") with respect to each Lot or Unit, except the "For Sale" Properties, for 2019 and subsequent years shall be paid directly by the Owner or Owners of the Lot or Unit located within the area for which the MMLW assessment is made or by the Neighborhood Association having jurisdiction over the area for which the MMLW assessment is made. Each Neighborhood Association agrees to indemnify and hold the Association and the other Neighborhood Association harmless from any loss or liability resulting from the failure of Neighborhood Association or its members to pay all MMLW assessments for which they are obligated hereunder on or before the date on which they are due, including any attorneys' fees incurred by the indemnified Association or Neighborhood Association to defend claims or actions asserted by MMLW. The "For-Sale Properties" sums due and payable to MMLW for 2018, 2019, and thereafter until sold, shall be deducted from the net sales proceeds of the properties by the Amenities Association and promptly paid directly to MMLW as part of the costs of closing of the sale.

(b) Until the Common Elements including the pool are conveyed to the Association, the sums due and payable to FCB Banks with respect to the pool loan shall be paid directly one half by WOs and one half by IOs. The pool loan shall be transferred and assigned to the Amenities Association which shall be solely responsible for its repayment after conveyance. Upon transfer of the pool common element, the Association shall indemnify and hold the Condominium Association, the Resort Association and the Townhome Association from any loss or liability resulting from the pool loan.

(c) Each Neighborhood Association shall be responsible for obtaining telephone, television and internet services as each deems appropriate and shall pay all costs incurred in connection with those services. The Association will have and retain control of the current mailbox. The Neighborhood Associations will obtain mailboxes and mail services as each deems appropriate.

(d) The Resort Association shall be entitled to exclusive rights to the name "Alpine Village Resort" and shall have the exclusive right to use that name when referring to its respective properties, dwelling units and weeks. The Resort Association shall be entitled to exclusive rights

to the domain www.alpine-village-resort.com and email address info@alpine-village-resort.com and hosting control shall be transferred to the Resort Association. The Resort Association shall pay any fees charged in connection with the transfer ownership and control of the domain and email address. The Townhome Association may, within the same ninety (90) day period and at its expense, move current content on the alpine-village-resort pages to another domain and use different email address(es).

(e) The Association shall indemnify and hold the Declarant harmless from and against any claims, debts, liabilities or causes of action asserted by third parties or entities that arise from acts or events occurring prior to the Final Settlement Threshold (as defined in section 3.14 of the Settlement Agreement); provided, however, the indemnification and other protections provided for herein shall not extend to, apply to or cover any claim, debt, liability or cause of action that arises out of or is the result of the actions of Boyd Switzer and/or Aaron Carey without the consent or approval of Starr Stevens or Chris White. Ms. Stevens or Mr. White are currently not aware of any circumstances triggering the indemnification exception that would result from unilateral acts of Mr. Switzer or Mr. Carey.

ARTICLE X

EASEMENTS

Section 10.1 Use of Common Elements. Subject to any limitation or restriction set forth in this Declaration (including Rules and Regulations made or amended under Section 11.27), the Common Elements are subject to a perpetual nonexclusive easement in favor of the Association, its Members, the Owners and all their family members, guests, invitees and tenants, and appropriate governmental and quasi-governmental agencies to use the Common Elements for all proper and normal purposes including, but not limited to, ingress, egress and access for the furnishing of services and utilities and for such use of the facilities as the same are reasonably intended in accordance with the terms of this Declaration. If ingress or egress to any Lot, Unit or other portion of the Property is through any Common Elements, any conveyance or encumbrance of such areas is subject to this easement.

Section 10.2 Right-of-Way Over Roadways. The Neighborhood Associations, each Owner of a Lot or Unit, their family members, tenants, guests, invitees, successors and assigns, and to each Occupant of a Lot or Unit, and all governmental and quasi-governmental agencies and service entities having jurisdiction over the Property while engaged in their respective functions shall have a perpetual non-exclusive easement, license, right and privilege of passage and use, both pedestrian and vehicular, over and across the Roadways for the purpose of providing access, ingress and egress to and from, through and between the portion or portions of the Property that each owns or administers.

Section 10.3 Parking Easements. Easements are granted to and/or reserved for the benefit of and which shall be appurtenant to Finch I, Finch II, Robin I, Robin II, Mt. Mitchell I, Mt. Mitchell II, Lark I and Lark II for parking purposes on and over the portions of the Amenities Property being used by each for parking at the time this Declaration is recorded.

Section 10.4 Cross-Easements. Within the Amenities Property, numerous electrical, water and other utility lines traverse the Property as part of the Major Utilities. Cross easements for these Major Utilities are expressly reserved and preserved over the Property for the benefit of the Association, the Townhome Association and the Resort Association and their respective members. The Association shall be responsible for the management, maintenance and operations of the Major Utilities within Project and in accordance with the reasonable requirements of any private or public utility owning said equipment or facilities; provided, however, that the Townhome Association and the Resort Association shall each be responsible for the costs associated with the management, maintenance and operations of their respective utilities that uniquely serve the buildings within each of their regimes, which costs may be delegated to certain groupings of members as provided for in their respective declarations.

ARTICLE XI

USE RESTRICTIONS

Section 11.1 Residential Use Only. Each Owner shall use his Lot or Unit for residential purposes only. Lots and Units may be rented or leased for any period of time, including vacation or short-term renting. No Owner shall permit his Lot or Unit to be used in any unlawful manner. To the extent permitted by law, any Owner may use his Lot as a home office, provided, however, that such home office use (a) shall be ancillary to the residential use of the Lot, (b) does not generate any additional pedestrian or vehicular traffic to or from any Lot or the Common Elements, and (c) does not cause any disturbance of other Owners, residents or occupants of the Property.

Without limiting the foregoing, no Lot or any portion of the Property shall be used for or as a "Residential Institution" except to the extent such use is expressly required to be allowed by law. For purposes of this paragraph, a "Residential Institution" shall mean and refer to a nursing home, child care center, boarding house, "half-way house," dependent living facility, adult care center, adult care home, family child care home, group home, residential day care, house of detention, reform school, asylum, or institution of a kindred character.

Section 11.2 Restricted Activities in Common Elements. There shall be no disturbance or obstruction of, nor any cutting of vegetation, dumping, digging, filling, destruction or other waste upon the Common Elements. Each Owner shall be liable to the Association and/or Declarant for any damage to any Common Elements caused by the negligence or willful misconduct of the Owner or his family, tenants, guests, agents, employees, or invitees. Provided, however, the provisions in this paragraph shall not apply to the Association in connection with Association's activities in discharging its duties and responsibilities. Nothing herein shall preclude commercial sales in the clubhouse or other amenities of small items incidental to the use and enjoyment of Project by Owners and their guests.

Section 11.3 Restricted Activities in Roadways. No Owner shall alter any portion of a Roadway or place anything within a Roadway or Parking Easement. Any changes made shall be corrected and any items placed, constructed or installed in violation of this section shall be

removed immediately at the request of the Association. All costs and expenses incurred by the Association as a result of a violation of this section by any Owner shall be charged to that Owner as a Special Individual Assessment.

Section 11.4 Restricted Activities in Easements. No structure, planting or other material shall be placed or permitted to remain in, upon, or within any easement shown on the Master Plat or provided for in Article X that could (i) damage or interfere with the installation, operation, maintenance or use of utilities or improvements located thereon; (ii) change the direction or flow of drainage channels; (iii) retard, obstruct or reverse the flow of water; alter or interfere with an established slope ratios; or (iv) create erosion within any easement shown on the Master Plat or provided for in Article X. All costs and expenses incurred by the Association as a result of a violation of this section by any Owner shall be charged to that Owner as a Special Individual Assessment.

Section 11.5 Occupants and Guests Bound. All provisions of this Declaration and the Bylaws and any and all rules and regulations which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Occupants and guests even though Occupants and guests are not specifically mentioned.

Section 11.6 Rules and Regulations. In addition to the restrictions set forth in this Article XI, reasonable Rules and Regulations governing the use of the Amenities Property may be made and amended from time to time by the Board without further approval. Copies of all such Rules and Regulations and any amendments thereto shall be published prior to their effective date and shall be furnished by the Association to Members and Owners upon request.

Section 11.7 Enforcement. The Association or its agent shall have the right to enforce the provisions of this Article XI, including Rules and Regulations adopted pursuant to Section 11.6 in any manner permitted by law, including, without limitation, by seeking injunctive relief and/or the imposition of fines or other sanctions permitted by N.C.G.S. § 47F-3-102(12) and § 47F-3-107.1. For any infraction of the Rules and Regulations, the Association shall only bring an enforcement action against the offending Owner or person, and not against the corresponding Neighborhood Association. Reasonable attorney's fees may be recovered as permitted by N.C.G.S. § 47F-3-120 in actions to enforce the Project Documents, including, without limitation, the provisions of this Article XI.

ARTICLE XII

AMENDMENT OF DECLARATION

This Declaration may be amended by the affirmative vote or with the written approval of both Members; provided, however, that neither Member shall consent to or vote to approve any amendment without first obtaining approval by affirmative vote or written consent of its members who are entitled to cast not less than sixty-seven (67%) percent of the votes in the Member association. Evidence of the consent and/or approval obtained from the members of the Member shall be provided to the Association upon request.

ARTICLE XIII

TERMINATION, DURATION, CONDEMNATION

Section 13.1 Termination. This planned community may be terminated only if both Members approve termination, provided, however, that neither Member shall consent to or vote to approve termination without first obtaining approval by affirmative vote or written consent of its members who are entitled to cast not less than eighty (80%) percent of the votes in the Member association. Evidence of the consent and/or approval obtained from the members of the Member shall be provided to the Association upon request.

Section 13.2 Duration. This Declaration and the controls, covenants, restrictions and standards set forth herein shall run with and bind the Property and any Owner, and shall inure to the benefit of every Owner of a Lot in the Property and every Owner of any other portion of the Property, including Declarant, and their respective heirs, successors, and assigns, for a term of thirty (30) years beginning on the date this Declaration is recorded in the County public registry. At the end of such thirty (30) year period, all of the easements, controls, covenants, conditions and restrictions set forth herein shall automatically be extended for successive period(s) of ten (10) additional years, unless prior to the expiration of any such period, both Members shall consent to or vote for termination; provided, however, that neither Member shall consent to or vote to approve termination without first obtaining approval by affirmative vote or written consent of its members who are entitled to cast not less than sixty-seven (67%) percent of the votes in the Member association. Evidence of the consent and/or approval obtained from the members of the Member shall be provided to the Association upon request.

Section 13.3 Condemnation. Whenever all or part of the Common Elements shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages for and on account of such taking shall be paid to the Association. The Association, acting through the Board, shall have the right to negotiate and litigate the issues with respect to the taking and compensation affecting the Common Elements, without limiting the right of the Owners to represent their own interests. Each Owner, by his acceptance of a deed to a Lot or other portion of the Property, hereby appoints the Association as his attorney-in-fact to negotiate, litigate or settle on his behalf all claims arising from the condemnation of the Common Elements. All compensation and damages paid to the Association on account of such a taking shall be used to restore the Common Elements, provided such restoration is possible, with the excess of such compensation or damages, if any, retained by the Association and applied to future operating expenses by the Board, in its sole discretion. Nothing herein contained shall prevent any Owner whose Lot or Unit or other property is specifically affected by the taking or condemnation from joining in the condemnation proceedings and petitioning on his own behalf for consequential damages relating to loss of value of the affected Lot or Unit, or other property, or improvements, fixtures or personal property thereon, exclusive of damages relating to the Common Elements. In the event that the condemnation award does not allocate consequential damages to specific Owners, but by its terms includes an award for reduction in value of Common Elements, Lots, Units or other property without such allocation, the award shall be divided between or among affected Owners and the Association by the Board, in its sole discretion.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 14.1 Covenants Running with the Land. Each Owner, by his acceptance of a deed of conveyance for a Lot, accepts title to that Lot subject to all of the restrictions, conditions, covenants, reservations, liens, charges, jurisdiction, rights and powers created in and/or reserved by this Declaration. All rights, benefits and privileges of every character hereby granted, created, reserved, or declared, and all responsibilities and obligations hereby imposed, shall be deemed to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such person in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance.

Section 14.2 Construction and Enforcement. The provisions of this Declaration shall be liberally construed to effectuate the purpose of creating, preserving and maintaining the development and operation of a residential community. The Association, the Members and the Owner of each Lot and Unit, by acceptance of a deed therefor, is deemed to covenant and agree that any controversy, claim or dispute arising out of or relating to the Amenities Property, the Association or any provision of the Project Documents, or any breach or violation thereof, shall be enforced by any means allowed under North Carolina law and that each has standing to seek enforcement. Reasonable attorney's fees may be recovered as permitted in N.C.G.S. § 47F-3-120.

Section 14.3 Waiver. No covenants, restrictions, conditions, obligations, or provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur. There shall be no waiver of strict compliance with the provisions of the Project Documents except expressly and in a writing signed by the waiving party.

Section 14.4 Severability. The invalidity of any covenant, restriction, condition, limitation or any other provision of this Declaration, or of any part of the same, shall not impair or affect in any manner the validity or enforceability of the rest of the Declaration.

Section 14.5 Time Limits. If any of the privileges, covenants, restrictions or rights created by this Declaration shall be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provision shall continue only until the expiration of ninety (90) years from the date of recordation of this Declaration.

Section 14.6 No Liability. Neither the Association nor any employee, agent, successor or assign of the Association or any such subsidiary, shall be liable for any claim or damage whatsoever arising out of any actions performed pursuant to or in accordance with any authority granted or delegated to them by this Declaration.

Section 14.7 Headings. The heading to each Article and Section of this Declaration is inserted only as a matter of convenience for reference and in no way limits or describes the scope or intent of such Article or Section, or this Declaration in general.

Section 14.8 Litigation by the Association. No judicial or administrative proceeding shall be initiated by the Association unless a majority of the Board of Directors approve such action.

Section 14.9 Settlement Agreement Remains Enforceable. This Declaration is executed and recorded pursuant to the terms of the Settlement Agreement and the Settlement Agreement remains in effect and enforceable in accordance with its terms.

[SIGNATURES AND NOTARY ACKNOWLEDGEMENTS ON FOLLOWING PAGES]

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ALPINE VILLAGE AMENITIES PROPERTY

DECLARANT SIGNATURE PAGE

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the day and year first above written.

DECLARANT:

Co-Owners of Alpine Village Condominium, Inc.

By: _____
Starr Stevens, Authorized Agent

STATE OF Florida

COUNTY OF Pinellas

This 13 day of May, 2020, personally came before me Starr Stevens who, being by me duly sworn, says that she is the authorized agent of Co-Owners of Alpine Village Condominium, Inc., and that said writing was signed by him, in his capacity as authorized agent of the association, by the authority given in the Settlement Agreement and on behalf of the association.

_____
Notary Public

My commission expires: Jan 23, 2022

[NOTARIAL STAMP/SEAL]

NOTARY PUBLIC
MICHELE M. SAKSA
Notary Public, State of Florida
Commission# GG 172486
My comm. expires Jan. 23, 2022

CONFIRMATION OF CONSENT AND APPROVAL
ON BEHALF OF WOs PURSUANT TO MASTER CONSENT

Declaration of Covenants, Conditions and Restrictions for Alpine Village Amenities Property

Pursuant to the terms and provisions of the **Master Consent Form and Power of Attorney** recorded in Book CR 824 Page 515 of the Yancey County Public Registry, the undersigned Agent has executed this instrument to evidence and confirm the consent and approval of the named WOs to the execution, delivery and recordation of the attached instrument by the Co-Owners of Alpine Village Condominium, Inc. as provided in the Master Consent and N.C.G.S. §47C-3-112.

This Confirmation of Consent and Approval is given on behalf of the following WOs:

Matthew and Starr Stevens
Jeremy T. Smith
Tracey L. Gerwig
DCMTB Properties, LLC
Alpine Village Properties, LLC
Lacrosse Alpine, LLC

Executed this the 30 day of April, 2020.

☒ Starr Stevens
☐ Chris White

STATE OF FLORIDA

COUNTY OF PINELLAS

I, a notary public for the county and state aforesaid, do hereby certify that ☒ **Starr Stevens** or ☐ **Chris White** personally appeared before me this day and acknowledged the due execution of this Confirmation of Consent and Approval pursuant to the Master Consent Form and Power of Attorney.

This the 30 day of April, 2020.

MICHELE M. SAKSA
Notary Public, State of Florida
Commission# GG 172486
My comm. expires Jan. 23, 2022

[NOTARY SEAL/STAMP]

Notary Public
My Commission Expires: Jan 23, 2022

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CONFIRMATION OF CONSENT AND APPROVAL ON BEHALF OF IOs PURSUANT TO MASTER CONSENT

Declaration of Covenants, Conditions and Restrictions for Alpine Village Amenities Property

Pursuant to the terms and provisions of the **Master Consent Form and Power of Attorney** recorded in Book CRP 821 at Page 515 of the Yancey County Public Registry, the undersigned Agent has executed this instrument to evidence and confirm the consent and approval of the named IOs to the execution, delivery and recordation of the attached instrument by the Co-Owners of Alpine Village Condominium, Inc. as provided in the Master Consent and N.C.G.S. §47C-3-112.

This Confirmation of Consent and Approval is given on behalf of the following IOs:

Carol P. Adolphsen
Betty Ann C. Atkins
Sandra Block-Brezner
Aaron D. and Susan C. Carey
H. Carroll and Helen T. Cash
Elizabeth K. Dapson
Scott and Mary Carroll Dickerson
Carla F. Gibson
Charles F. and Gayle S. Griffin
George E. and Mary Ellen Heinicke, Jr.
Donald G. Jacobsen and Christine H. Jacobsen
Brenda Kilmer
Palmer W. King, Jr.
Ronald C. Lyons and Patricia A. Lyons
Barry Nakell
Lynne M. Nakell
Ronald W. Noyes and Cheryle L. Noyes
Jillian Krueger Printz
John N. Ross Daryl R. Scheans
Boyd R. and Janie J. Switzer
Robert G. Thompson and Lynnette H. Thompson
Dee Ann Townsend
Pamela Wall
Patricia A. Wyman

Executed this the 22 day of May, 2020.

Boyd R. Switzer

☐ Jillian Kreuger Printz

☑ Boyd Switzer

STATE OF North Carolina

COUNTY OF Orange

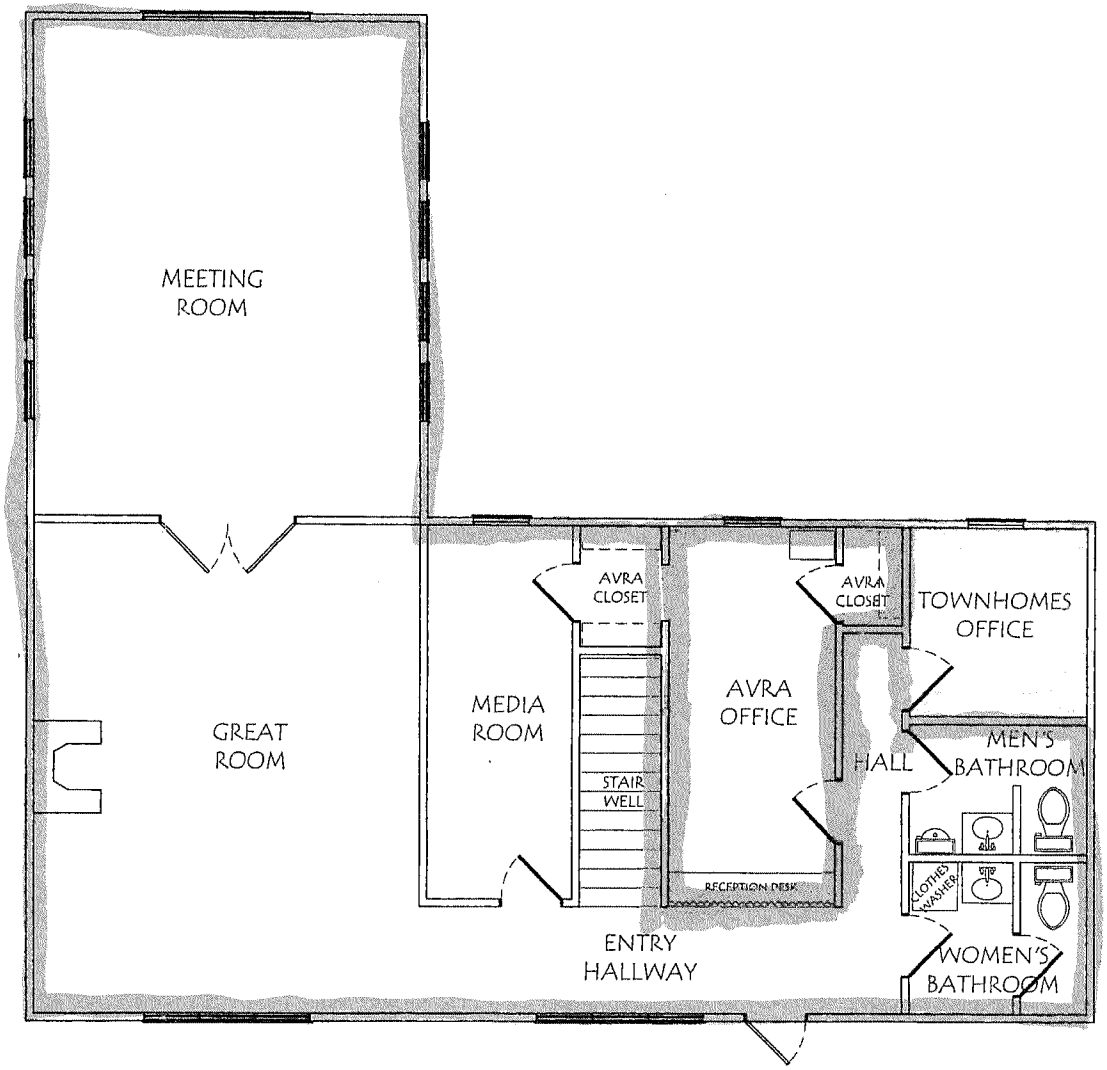
I, a notary public for the county and state aforesaid, do hereby certify that ☐ **Jillian Krueger Printz** or ☑ **Boyd Switzer** personally appeared before me this day and acknowledged the due execution of this Confirmation of Consent and Approval pursuant to the Master Consent Form and Power of Attorney.

This the 22 day of May, 2020.

MEAGHAN KEARNS NOTARY PUBLIC ORANGE COUNTY, NC

[NOTARY SEAL/STAMP]

Notary Public
My Commission Expires: 9/28/2024



FIRST FLOOR PLAN SCHEMATIC

tabbies

EXHIBIT A

Southern Harmony Designs, LLC
Katherine P.S. Walker
233 Joyce Rd. Hillsborough NC 27278
kwalker@southernharmonydesigns.com
919.384.5902 cell

ALPINE VILLAGE RESORT ASSOCIATION
40 NATIONAL FOREST DR
BURNSVILLE NC 28714

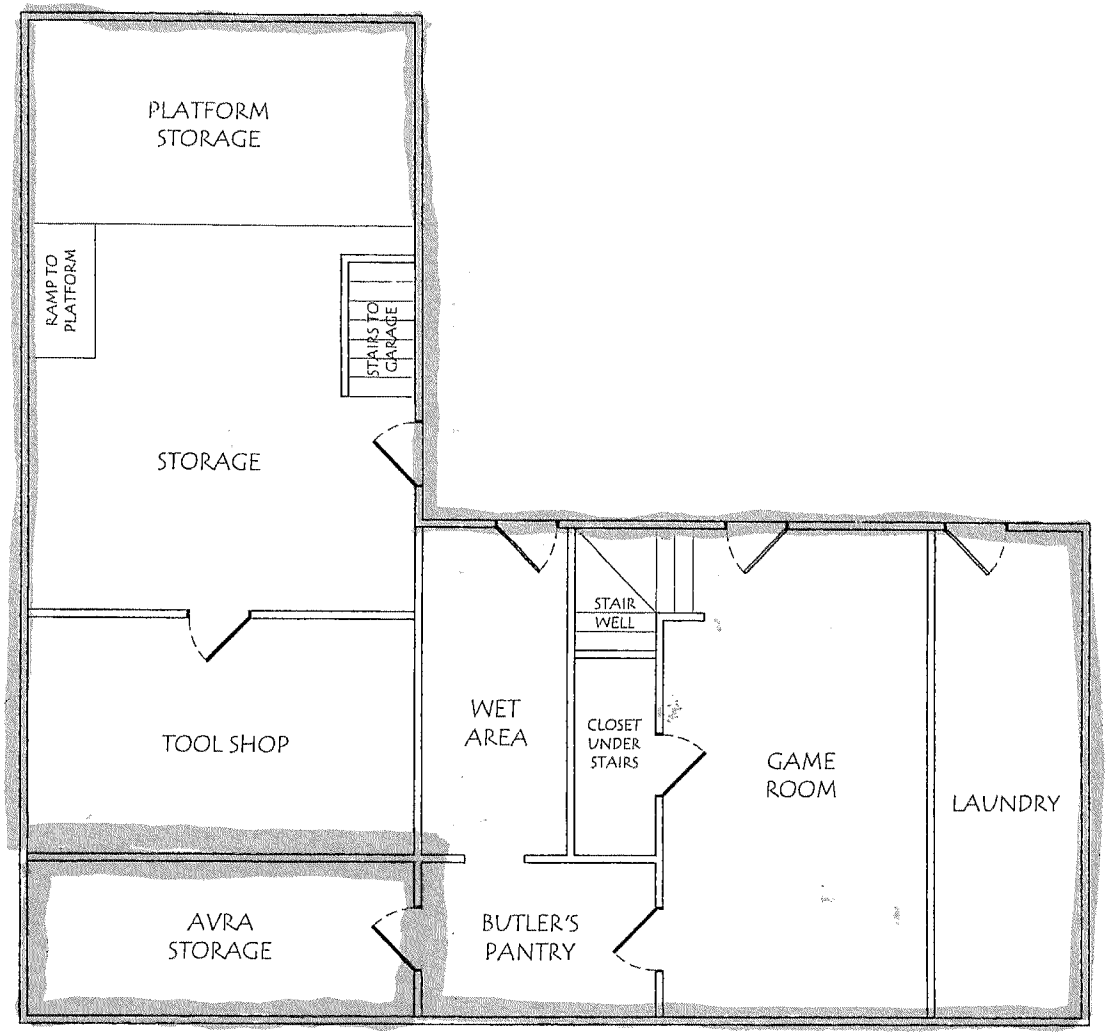
ALL WORK SHALL CONFORM TO 2018 NC RESIDENTIAL CODE.

THESE DRAWINGS WERE PREPARED UNDER CONTRACT AND ARE THE PROPERTY OF SOUTHERN HARMONY DESIGNS, LLC. IF THEY ARE USED FOR ANY OTHER PURPOSE WITHOUT THE WRITTEN PERMISSION OF THE DESIGNER, THE USER BECOMES INDEBTED TO THE DESIGNER FOR THE FULL COMMISSION.

CONTRACTORS SHALL VERIFY ALL DIMENSIONS AND SITE CONDITIONS BEFORE BEGINNING WORK.

Date : 3-21-2019
Project# W0054
SCHEMATIC
Sheet : 1 of 2

Instrument# 2020001689 Book 825 Page 354 07/20/2020 12:40:04 PM: Page 29 of 33



BASEMENT
PLAN SCHEMATIC

Southern Harmony Designs, LLC
Katherine P.S. Walker
235 Joyce Rd, Hillsborough NC 27278
kwalker@southernharmonydesigns.com
919.584.5903 cell

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Date : 3-21-2019
Project# W0054
SCHEMATIC
Sheet : 2 of 2

Instrument# 2020001689 Book 825 Page 355 07/20/2020 12:40:04 PM: Page 30 of 33

Exhibit B1

Item	Amenities Default Budget-Beginning July 1, 2020 (Exhibit 8: Settlement Agreement) Expenses	2020 Modified Expenses*	
American Swimming Pool & Spa-fees	100	0	
Electricity(clubhouse&pool) & electrical repairs	2500	800	(minimium meter charge)
Insurance- clubhouse, pool, grounds	928	0	
Landscaping Services**	2000	3080	
Firewood	300	0	
Maintenance & Repairs Clubhouse/Common Areas***	1500	500	
Pool Loan- Principal & Interst	24960	12325.92	($6162.96 x 2 payments)
Pool License-Toe River Health Dist.	200	0	
Pool Supplies, Maintenance & Repairs****	2800	500	
Pool/Amenities Personnel	3000	0	
Property Taxes-Yancey County	1250	1250	
Road Maintenance	100	60	
Telephone-pool phone, cable TV, internet (clubhse)	1064	0	(clubhouse closed)
Waste Removal	1800	1550	(6 months: June-Nov)
Water usage-pool, clubhouse	800	180	($30/mo x 6 mo; no pool)
Propane- heating pool, fire pit & clubhouse fireplace	400	0	(no firepit, clubhouse/pool heating)
Employment Taxes - Amenities Assoc. Personnel, CPA	950	0	
Insurance- Directors & Officers ($1 Million)	1500	1500	
Legal Fees	750	750	
Reserves	1000	1000	
Contingency^	1000	920	
Total	48,902	24,416	

*Modified Expenses assumes NO clubhouse or pool expenses in 2020 & Amenities common expenses beginning July 1, 2020. Clubhouse closed due to health regulations due to Covid-19 in 2020.

**Additional money ($1080) to have common amenity property cleaned up and mowed.

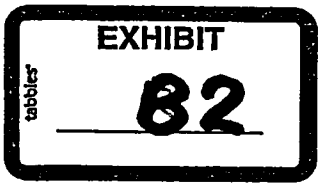
***Will include closet wall construction.

****Pool-removal of water from cover, repair cover "glide" unit, metal plate & pool stabalization.

^Provisions are stated in Amenities Declaration to pay these expenses from the sale of units. These expenses will use the "Contingency" line, which will be repaid with sale proceeds from For-sale units.

^Money that may be needed for shortfalls in budget line items.

Modified 6/17/2020 Approval



Alpine Village Amenity Association Common/Shared Operating Expense Budget

Item#	Common/Shared Operating Expense Description	Amount
1	American Swimming Pool & Spa-fees	100
2	Electricity (clubhouse & pool) & electrical repairs	2500
3	Insurance- clubhouse, pool, grounds	928
4	Landscaping Services Common area only	2000
5	Firewood	300
6	Maintenance & Repairs Clubhouse/Common Areas	1500
7	Pool Loan- Principal & Interest	24960
8	Pool License-Toe River Health Dist.	200
9	Pool Supplies, Maintenance & Repairs	2800
10	Pool/Amenity Personnel	3000
11	Property Taxes-Yancey County	1250
12	Road Maintenance	100
13	Telephone-pool, cable TV, internet (pool, clubhouse)	1064
14	Waste Removal	1800
15	Water usage-pool, clubhouse	800
16	Propane Tank for Fire Pit	400
17	Employment Taxes - Amenity Assoc. Personnel & CPA Fees	950
18	Insurance: Directors & Officers ($1 Million)	1500
19	Legal Fees	750
20	"For Sale" Unit Expenses (incurred after deeded to Amenity Assoc)	0
21	Reserves	1000
22	Contingency	1000
	TOTAL	**48902**

Year End Surplus (if any) will be retained and added to Line Item #21 - Reserves

Exhibit C

Number of Bedrooms at Settlement

Alpine Village Unit	Whole Owners	Interval Owners
Alpine 1 & 2		4
Cherokee 1 & 2		4
Dogwood 1 & 2	4	
Edelweiss 1 & 2		4
Finch 1 & 2	4	
Hemlock 1 & 2	4	
Lark 1 & 2		2
Mt. Mitchell 1 & 2	4	
Pisgah 1 & 2		4
Robin 2	1	
Swiss 1 & 2		4
Total Bedrooms	**17**	**22**
Azalea 1*	2	
Azalea 2*	2	
Robin 1*	1	

***For-Sale Property. Bedrooms in this unit will not be counted in this column until each unit is resold by the Amenities Association and annexed into the Townhome Association and subjected to the Townhome Declaration.**