HAYWOOD KNOLLS SUBDIVISION COVENANTS AND RESTRICTIONS

WHEREAS, the undersigned parties hereto desire to enact a uniform scheme of Covenants and Restrictions for the Haywood Knolls Subdivision, replacing the prior Covenants and Restrictions and restricting the entire Haywood Knolls Subdivision under a common scheme of Covenants and Restrictions henceforth;

NOW, THEREFORE, the parties hereto do hereby make the following Declarations as to limitations, restrictions and uses to which all of the lots in HAYWOOD KNOLLS SUBDIVISION shall be put:

ONE: All wastewater plumbing, lavatories, and sanitary devices must be built indoors and be connected with city sewerage or with an outside underground septic tank.

TWO: No more than (1) residence shall be built on any one lot. A separate garage for the housing of personal vehicles may be built. A utility or tool shed may be built or placed, if it is already preconstructed, only if it is as far back from the street in front of the house as the most distant portion of the rear of the house is located from the street in front of the house and no less than seventy (70) feet from the center of a side street if the property is located on a corner. A garage, utility or tool shed may be built or placed only with the approval of the Board of Directors of the Haywood Knolls Association, Inc.

THREE: No other detached building shall be erected on any lot, nor shall any structures of a temporary character be used as a permanent residence.

FOUR: The entire subdivision shall be known and kept as residential. No manufacturing or commercial enterprise(s) of any kind for profit shall be maintained upon any lot in said subdivision, nor shall any lot in any way be used for other than residential purposes. Also, no lot, nor any part thereof, shall be used for the conduct of any noxious or offensive trade or activity, nor be used or occupied in such a fashion as to injuriously affect the value of adjoining or adjacent premises for residential purposes.

FIVE: No horses, cows, hogs, goats or similar animals shall be kept or maintained on said property or any portion thereof, nor shall any chicken yard be maintained thereon. No animals shall be kept or maintained on said property or any portion thereof except domestic dogs and cats.

SIX: no billboard or signboard (except a suitable sign for the sale of the premises) shall be maintained on said property.

SEVEN: The ground floor of the main structure, exclusive of garage, carport and unenclosed porches, shall have a minimum of thirteen hundred (1300) square feet of

living area, except that a house that has more than one level may have a minimum of nine hundred (900) square feet of living area on the main floor.

EIGHT: The front structural wall of any residence shall be located not less than fifty (50) feet from the center of the street. No residence shall be built closer than fifteen (15) feet from any sideline unless the owner owns more than one contiguous lot. Whenever these covenants conflict with the Henderson County Zoning Code, the more restrictive requirement shall prevail.

NINE: It shall be lawful, for the current owners of any lot in said subdivision, or for the HAYWOOD KNOLLS ASSOCIATION, INC. to institute and prosecute any proceedings, at law or in equity, against any person(s) violating or threatening to violate these covenants.

TEN: The North Carolina Department of Transportation, the public utility and the cable TV companies have a sixty (60) foot right-of-way, thirty (30) feet from the center of the street, to build, repair and maintain the street, shoulders, drainage areas, street signs and utilities.

ELEVEN: Easements eight (8) feet in width are reserved along the rear and side lot lines for the installation and maintenance of telephone, electric, water and drainage facilities. No other easements, rights of way or rights of access shall be deeded, granted or in any way given to any person, corporation or firm through or over any lot in this subdivision, nor shall any lot be used for a street to join lands that are not a part of HAYWOOD KNOLLS SUBDIVISION, except upon written consent of the BOARD OF DIRECTORS OF THE HAYWOOD KNOLLS ASSOCIATION, INC.

TWELVE: No lot shall be subdivided except where adjacent lots have been combined under same ownership. Such subdivision shall be permitted only if the resulting lots comply with all the zoning regulations as to area, setbacks and other zoning requirements then in effect and the requirements of these restrictive covenants.

THIRTEEN: No lot shall be maintained as a dumping ground for rubbish. Trash or other garbage waste shall be kept in sanitary containers. All equipment and containers used for storage of such materials shall be kept in a clean and sanitary condition.

FOURTEEN: Trucks larger than pickups trucks, construction vehicles, motorized recreational vehicles, travel or other trailers, boats and boat trailers that are not stored in a garage may be parked or stored on the lots covered by these covenants only if they are as far back from the street in front of the house as the most distant portion of the rear of the

house is located from the street in front of the house and no less than (60) feet from the center of a side street if the property is on a corner.

FIFTEEN: All residences erected on any lot in the subdivision shall be one (1) family dwellings only. All plans, including elevations and specifications, shall be submitted to the BOARD OF DIRECTORS OF THE HAYWOOD KNOLLS ASSOCIATION, INC. for approval. Plans shall be submitted prior to commencing construction. Refusal of approval of plans, location or specifications may be based upon any ground, including purely aesthetic considerations, which the BOARD OF DIRECTORS, in its sole and uncontrolled discretion shall deem sufficient.

SIXTEEN: The BOARD OF DIRECTORS OF HAYWOOD KNOLLS ASSOCIATION, INC. retains the right to grant minor variances to any of the restrictions contained herein.

SEVENTEEN: These covenants shall take effect upon recordation and shall remain in effect for a period of twenty years from said recordation date at which time they shall automatically be extended for successive periods of ten (10) years, unless and until terminated or otherwise amended by an affirmative vote of Fifty-One *per cent* (51%) of the membership.

IN WITNESS WHEREOF, We, the undersigned , have set our hands and seals, this 1st day of September, 2009.

(See Attached Execution/Acknowledgement Pages)