STATE OF NORTH CAROLINA COUNTY OF BUNCOMBE

. .

SECOND AMENDMENT TO DECLARATION OF COVENANTS FOR BUTLER MOUNTAIN HIGHLANDS

This Second Amendment is made and entered into this the day and year following the signature line hereof, by BROWNCOR, INC., a North Carolina corporation, Declarant.

WHEREAS, Declarant has heretofore executed and recorded a Declaration of Covenants, Bylaws and Road Maintenance Agreement for Butler Mountain Highlands Subdivision, which is recorded in Buncombe County Deed Book 2404, page 510, as amended in Buncombe County Book 2505 at page 82 (the "Declaration"): and

WHEREAS, Declarant desires to amend the Declaration to clarify certain of the provisions thereof; and

WHEREAS, Declarant desires to impose and make applicable the Declaration to additional property in Buncombe County;

NOW, THEREFORE, Declarant does hereby amend the Declaration as follows:

 The definition of "Common Elements" in Section 1a of the Declaration is amended so that it reads as follows:

"Common Elements" shall mean and refer to i) private roads shown on any plat recorded by the Declarant which shows any part of the Subdivision or Property as redefined herein, or which is designated as lying within Bufler Mountain Highlands Subdivision, as well as any other private road constructed by Declarant which serves the Subdivision or serves any property adjoining the Subdivision; ii) the entrance area to the Subdivision as shown on any plat recorded by the Declarant which shows any of the Subdivision or is designated as lying within Butler Mountain Highlands Subdivision; iii) any other property designated as such, or as Common Area by the Declarant on any plat recorded by the Declarant which shows any part of the Subdivision or is designated as lying within Butler Mountain Highlands, but this provision shall not enable Declarant to so designate any of the Property which is not owned by Declarant at the time of the designation and iv) any real estate owned by the Association other than a Lot.

2. The definition of "Lot" in Section Ia of the Declaration is amended to read as follows:

"Lot" shall mean and refer to any parcel of land shown on any plat recorded by the Declarant which shows any part of the Subdivision or is designated as lying within Butler Mountain Highlands Subdivision and is platted for separate ownership or occupancy by a Lot Owner.

- 3. Section 5 of the Declaration is amended to read as follows:
 - SINGLE-FAMILY RESIDENTIAL ONLY: MINIMUM SQUARE FOOTAGE. Except as otherwise provided herein all of the Property in the Subdivision shall be used solely for single-family residential purposes. No more than one single-family residence plus appropriate ancillary buildings may be erected on any Lot. EXCEPT THAT, where the deed from Declarant so provides, R Lay and the state of the section o FUT 1 2 ... In the Charles for (6.20) are a positive ly proming to finity No. apartments (other than a single apartment for a family member within a guest house, detached garage or other like building ancillary to the single residence structure), duplexes, townhomes, condominiums or other multi-family structures may be placed anywhere within the Subdivision by anyone. Any residence constructed in the Subdivision shall contain no less than eighteen hundred (1,800) square feet outside measurement of enclosed heated area on the main level of the residence, exclusive of basements, porches and garages. Dwellings of more than one story shall contain no less than two thousand two hundred (2,200) square feet of heated finished living area with a minimum of eleven hundred (1,100) square feet thereof on the first floor. Appropriate ancillary buildings including a guest house, barn and stable in keeping with the architectural style of the principal building shall be permitted. Grade shall be defined as the highest elevation that earth abuts the structure. No multi-family commune unit or similar type living arrangement shall be permitted anywhere in the Subdivision.

Declarant may, at Declarant's sole option, impose upon any and all common elements of the Subdivision a restriction or easement limiting the same to use as a nature preserve, scenic area, educational and research area, or other use of a similar nature. This provision shall not enable Declarant to so designate a Lot which is not then owned by Declarant. Declarant reserves unto itself any tax or other advantage of said imposition, though the Common Elements may ultimately be conveyed to the Association.

- 4. Section 6 of the Declaration is amended to read as follows:
 - 6. SETBACKS; VARIANCE. No structure shall be constructed nearer than fifty (50) feet from any parcel line, or from any road right of way line. In addition, parcels contiguous with any Common Area at the crest of Butler Mountain as delineated on any plat of the Subdivision shall be set back one hundred (100) feet from that Common Area.

Declarant reserves the right to vary this setback requirement in the event that strict enforcement of such requirement will cause undue and reasonably unanticipated hardship or will prevent the reasonable use of the parcel conveyed by the Declarant in accord with all use limitations hereof.

Declarant reserves the right to vary any other requirement of these Covenants in specific individual instances where strict enforcement of such requirement will result in genuine unreasonable hardship in that instance. This right shall not include the right to loosen or reduce the use limitations of the Declaration.

 Section 23 of the Declaration is amended by adding the following to subsection 3 thereof:

Such right shall not enable Declarant to so designate a Lot not then owned by Declarant.

- 6. Section 25 of the Declaration is amended by adding the following at the end thereof: Plans and specifications so submitted and not disapproved in writing within 21 days of receipt by Declarant shall be deemed approved.
- Notwithstanding anything to the contrary elsewhere contained herein, or in the Declaration as the same presently and previously exists, the "Subdivision" and the "Property" is all that real property which is encompassed within the bounds of the tract described in the deed recorded in Buncombe County Deed Book 2270, page 142 and which is either presently owned by Declarant or which has been heretofore sold by Declarant, but the conveyance was subject to the Declaration. The limitations, restrictions, conditions, prohibitions and all other provisions contained in the Declaration are intended to and shall apply to the Property heretofore or hereafter sold by the Declarant and to the portions of the Property owned by the Declarant.
- 8. The "crest of Butler Mountain", as set forth in Section 6 of the Declaration, is a tract of 4.39± acres (subject to Declarant's right to enlarge or reduce) shown on an unrecorded Master Preliminary as Common Area, and is bounded by Lots 336, 338 and 340 on the Master Preliminary. No portion of any other Lots are within 100 feet of such Area.
- 9. The first sentence of Section 8 of the Declaration is deleted and the following substituted therefor and made a part thereof, to wit: "No owner of any Property in the Subdivision will erect, license or suffer to be erected or maintained in the Subdivision, or any part thereof, any commercial business or trade venture, manufacturing establishment, factory, apartment house, or building to be used for a sanitorium or hospital of any kind, or at any time, use or suffer to be used, any house or building erected thereon for any such purpose.
- 10. The "Declaration" hereafter shall hereafter be as the same is modified hereby, notwithstanding the previous definition, but except as herein modified, said (original and first amended) Declaration shall remain in full force and effect.

BUT EXCEPT as herein modified, said Declaration shall remain in full force and

IN WITNESS WHEREOF, Declarant has caused this Amendment to be executed by its duly authorized officer.

effect.

BROWNCOR, MC.	
by: Elligh	the second secon
STATE OF NORTH CAROLINA COUNTY OF BUNCOMBE	
I, a Notary Public of said State and Coun personally came before me this day and acknowledge a North Carolina corporation, and that, as President, foregoing on behalf of the corporation.	that he is President of BROWNCOR, INC.
WITNESS my hand and Notarial Seal this	day of,2003
NOTARY PUBLIC My commission expires:	,

Book 2404 Pres 531

EXHIBIT C

ROAD MAINTENANCE AGREEMENT and SUBDIVISION STREETS DISCLOSURE STATEMENT for BUTLER MOUNTAIN HIGHLANDS

BUTLER MOUNTAIN HIGHLANDS (hereinafter "the Subdivision") is a residential development located in Fairview Township of Buncombe County, North Carolina and described on Exhibit A attached to those Covenants, Bylaws and Road Maintenance Agreement of which this Exhibit is a part. The Declarant is BROWNCOR, INC.

This Road Maintenance Agreement is established to assure the proper maintenance of the streets and roads in the Subdivision and the fair sharing of the cost thereof. Because the Subdivision is accessed through private roads, the streets and roads in the Subdivision are to remain private even though they may be constructed to the standards for subdivision streets adopted by the Board of Transportation for acceptance on the highway system.

Responsibility for maintenance of the private streets and roads in the Subdivision shall be borne by the BUTLER MOUNTAIN HIGHLANDS ASSOCIATION, INC. (the "Association") of which each purchaser of a parcel in the Subdivision is automatically a member. However, the Decisrant shall pave the roads initially as areas of the Subdivision are developed and shall maintain all unpaved roads. The obligation of Decisrant to maintain a road or section thereof cases upon final paving thereof and the maintenance thereof then becomes the obligation of the Association. The obligation of the Owner of a parcel to pay regular maintenance assessments to the Association commences upon the completion of the Owner's dwelling, or upon paving of the road in front of the Owner's lot, whichever comes first. Such assessments shall be prosated to the date of commencement of the obligation.

The method of determining the manner, frequency and extent of maintenance shall be established by vote of the Owners pursuant to the Bylaws sitsched as Exhibit B to those Covenants, Bylaws and Road Maintenance Agreement of which this Exhibit is a part.

This Exhibit C is intended to serve as a Subdivision Streets Disclosure Statement pursuant to NCGS 136-102.6(f) to disclose the status of the streets and roads in BUTLER MOUNTAIN HIGHLANDS as private and the responsibility as to maintenance thereof, which is set out herein. The undersigned Purchaser of a parcel in the Subdivision acknowledges receipt of the above Disclosure Statement and the Covenants and Bylaws for Butler Mountain Highlands.

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STATE OF NORTH CAROLINA COUNTY OF BUNCOMBE

DECLARATION OF COVENANTS, BYLAWS
stud
ROAD MAINTENANCE AGREEMENT
for
BUTLER MOUNTAIN HIGHLANDS

This Agreement for Covenants, Bylaws and Road Maintenance is made this 17th day of January, 2001, by BROWNCOR, INC., a North Carolina corporation, Declarant, and future of lots in that subdivision hereinafter described and known as "Butler Mountain Highlands."

WHEREAS, Declarant is the owner of certain real property in Buncombe County, North Carolina, the same being described on Exhibit A attached hereto, identified and designated as Butler Mountain Highlands (hereinafter referred to as "the Subdivision"), and

WHEREAS, Declarant desires to subject all of the property identified and described on the attached Exhibit A, and possibly other property, to Restrictive Covenants and a Road Maintenance Agreement, for the benefit of Declarant and the benefit of future purchasers and owners of land within the Subdivision, so that the same shall be developed and used exclusively for the purposes hereinafter set out.

NOW, THEREFORE, in consideration of the advantages to Declarant and to present owners and to future purchasers of parcels in the subdivision, Declarant, for itself, its successors and assigns, does hereby impose upon the subdivision the following covenants and agreements:

1. APPLICABILITY; DURATION; MODIFICATION. These covenants and restrictions ("Covenants") are to be covenants and restrictions running with the Subdivision to be known as Butler Mountain Highlands, (hereinafter "Subdivision"). They shall be binding upon all parties who are purchasets or otherwise receive an interest in the property hereinabove described, their heirs, assigns and successors in interest, and all parties, firms and corporations, claiming by, through or under them together with those purchasers who purchase property in the Subdivision to be known as Butler Mountain Highlands. These covenants shall bind said parties until January 1, 2012, at which time they shall be automatically extended for successive terms of ten (10) years, unless modified or deleted by the filing in the Buncombe County Registry within 90 days before or 90 days after said date or the succeeding 10 year anniversaries thereof of an

Page 2 of Covenants

instrument executed by the owners of 67% of the parcels in the Subdivision.

Except as otherwise reserved herein, these Covenants may be modified or deleted in whole or in part at any time by a properly recorded and executed instrument signed by the owners of the property herein described and by a written declaration of the owners of ninety percent (90%) of the parcels located in Butler Mountain Highlands, and for this purpose each platted percel on any plat to be recorded which shall include the property herein described or added to Butler Mountain Highlands as provided herein, shall entitle the owner or owners of same to one vote for or against said written declaration; provided further that such written declaration shall be recorded in the Buncombe County Public Registry; provided further that in the event any parcel or tract of land within the boundaries of Butler Mountain Highlands is owned by two or more persons by the entirety or tenants in common or otherwise, such owners shall nevertheless have only one vote for such designated percel as platted.

It is the intent of the Declarant to comply with the North Carolina Planned Communities Act (NCGS 47F-1-101 ff.). Where the terms hereof conflict with the provisions thereof, the provisions of said Act shall control.

1a. DEFINITIONS. The following terms shall have the meaning indicated unless otherwise stated:

"Act" shall mean and refer to the North Carolina Planned Community Act as set forth and contained in Chapter 47F of the North Carolina General Statutes.

"Association" shall mean and refer to BUTLER MOUNTAIN HIGHLANDS ASSOCIATION, INC., a nonprofit corporation organized under the laws of the State of North Carolina, it successors and assigns.

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

"Bylawa" shall mean and refer to the Bylaws of the Association which are attached to this Declaration as an Exhibit.

"Common Elements" shall mean and refer to i) private roads designated on the Plat or any other subdivision Plat recorded by Declarant, as well as any other private road constructed by the Declarant serving the Subdivision or any property adjoining the Subdivision; ii) the entrance area as shown on the Plat; iii) any other property designated as such by the Declarant; and iv) any real estate owned by the Association, other than a Lot.

"Declarant" shall mean BROWNCOR, INC., a North Carolina corporation, its successors and/or assigns; including any person which succeeds to any Special Declarant Rights as set forth herein and in the Act.

"Directors" shall mean and refer to the members of the Board of Directors of the

Page 3 of Covenants



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BOOK 3401

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STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE
Box #-35
Phith 29040-5

SECOND AMENDMENT TO DECLARATION OF COVENANTS FOR BUTLER MOUNTAIN HIGHLANDS

This Second Amendment is made and entered into this the day and year following the aigmature line hereof, by BROWNCOR, INC., a North Casolina corporation, Declarant.

WHERHAS, Declarant has heretoflare executed and recorded a Declaration of Covenents, Bylaws and Road Maintenance Agreement for Butler Mountain Highlands Subdivision, which is Book 2505 at man \$2 (the "Declaration"): and

WHEREAS, Declarent desires to amend the Declaration to clarify certain of the provisions thereof; and

WHEREAS, Declarant desires to impose and make applicable the Declaration to additional property in Buncombe County;

NOW, THEREFORE, Declarent does hereby amend the Declaration as follows:

 The definition of "Common Elements" in Section 1s of the Declaration is smended so that it reads as follows:

"Lommon Elements" shall mean and refer to i) private roads shown on any plat recorded by the Declarant which shows any part of the Subdivision or Property as redefined herein, or which is designated as lying within Butler Mountain Highlands Subdivision, as well as any other private road constructed by Declarant which serves the Subdivision or serves any property adjoining the Subdivision; ii) the antranse area to the Subdivision as shown on any plat recorded by the Declarant which shows any of the Subdivision or is designated as lying within Butler Mountain Highlands Subdivision; iii) any other property designated as such, or as Common Area by the Declarant on any plat recorded by the Declarant which shows any part of the Subdivision or is designated as lying within Butler Mountain Highlands, but this provision shall not enable Declarant to so designate any of the Paperty which is not owned by Declarant at the time of the designation and iv) any real estate owned by the Association other than a Lot.

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 The definition of "Lot" in Section Is of the Decimation is amended to read as follows:

"Lof" shall mean and refer to any percel of land shown on any plat recorded by the Declarant which shows any part of the Subdivision or 1s designated as lying within Butler Mountain Highlands Subdivision and is platted for separate ownership or occupancy by a Lot Owner.

- Section 5 of the Declaration is amended to need as follows:
 - SINGLE-FAMILY RESIDENTIAL ONLY; MINIMUM RQUARE FOOTAGE. Except as otherwise provided benein all of the Property in the Subdivision shall be used solely for single-family residential purposes. No more than one single-family residence plus appropriate ancillary buildings may be erected on any Lat, EXCEPT THAT, where the deed from Declarant so provides, a Lot conveyed by Declarect may be subdivided thereafter once only, with no resulting parcel to contain less then four (4.00) scree, and only one single-family residence may be constructed on each resulting percel of four or more serce. No spartments (other than a single spartment for a family member within a guest houses, detached garage or other like building ancillary to the single residence structure), duplaces, townbornes, condominiums or other multi-family structures may be placed anywhere within the Subdivision by snyone. Any residence constructed in the Subdivision shall contain no less than eighteen hundred (1,500) square feet outside measurement of enclosed heated area on the main level of the residence, eminsive of basements, porches and garages. Dwellings of more than one story shall contain no less than two thousand two hundred (2,200) aguare fast of hosted finished living area with a minimum of eleven hundred (1,100) square feet thereof on the first floor. Appropriate ancillary buildings including a guest house, been and stable in inceping with the architectural style of the principal building shall be permitted. Grade shall be defined as the highest elevation that earth abuts the structure. No multi-family commune unit or similar type living arrangement shall be permitted anywhere in the Subdivision,

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Section 6 of the Declaration is amended to read as follows:

6. SETBACKS; VARIANCE. No structure shall be constructed nearer than fifty (50) feet from any parcel line, or from any road right of way line. In addition, parcels contiguous with any Common Area at the creat of Butler Mountain as delineated on any plat of the Subdivision shall be set back one hundred (100) feet from that Common Area.

Declarant reserves the right to very this setback requirement in the event that strict coforcement of such requirement will cause undue and reasonably manticipated hardship or will prevent the reasonable use of the parcel conveyed by the Declarant in accord with all use limitations hareof.

Declarant reserves the right to very any other requirement of these Covenants in appendic individual instances where strict enforcement of such requirement will result in genuine unreasonable hardship in that instance. This right shall not include the right to known or retince the use limitations of the Declaration.

Section 23 of the Declaration is amended by adding the following to subsection 3

Such right shall not enable Declarant to so designate a Lot not then owned by

- Section 25 of the Declaration is amended by adding the following at the end thereof:
 - Plans and specifications so submitted and not disapproved in writing within 21 days of receipt by Declarant shall be deemed approved.
- Notwithstanding anything to the contrary elsewhere contained herein, or in the Declaration as the same precently and previously exists, the "Subdivision" and the "Property" is all that real property which is encompassed within the bounds of the tract described in the deed recorded in Runcombe County Deed Book 2270, page 142 by Declarant, but the conveyance was subject to the Declaration. The limitations, Declaration are intended to and shall apply to the Property heretaking or hereafter cold by the Declarant and to the portions of the Property owned by the Declarant.
- The "crest of Butler Mauntain", as set forth in Section 6 of the Declaration, is a tract of 4.394; some (subject to Declarative right to enlarge or reduce) shown on an unrecorded Master Preliminary as Common Area, and is bounded by Lots 336, 338, and 340 on the Manter Bestiminary. Ma working of any other 1 of the property of the section of the control of the contr and 340 on the Master Proliminary. No position of any other Lotz are within 100 feet
- The first sentence of Section 8 of the Declaration is deleted and the following substituted therefor and made a part theseof, to wit: "No owner of any Property in the Subdivision, or any part thereof, any commencial business or trade venture, manufacturing cataliferment, factory, spartment house, or building to be used for a cor building to be used for a cor building tracted thereon for any such purpose.
- 10. The "Declaration" hereafter shall hereafter be as the same is modified hereby, and first amended) Declaration shall tensin in full force and effect, said (original).

BUT EXCEPT as herein modified, said Declaration shall remain in full force and

offort.

IN WITNESS WHEREOF, Declarent has caused this Amendment to be executed by its duly sutherized officer.



BROWNCOR, P.C.

9-23-03 PARSIDENT

STATE OF NORTH CAROLINA COUNTY OF BUNCOMBE

I, a Notary Public of said State and County, certify that HIBERT S. BROWN, IR. personally came before me this day and solmovindes that he is President of BROWNCOR, INC., a North Carolina corporation, and that, as President, being anthorized to do so, he executed the foregoing on behalf of the corporation.

WITNESS my hand and Notarial Seal this 13, day of Styl. 2003

NOTARY PORTO

field of North Carolina, County of Succession

Constitution of Constitution the

OTTO W DEBAULA, Support of Dools

Prepared by and Return to: James Michael Lloyd - Attorney; PO Box 948; Asheville, NC 28802

Raf: Book 2404 page 510

for Butler Mountain Highland Subdivision

WHRREAS, the Butler Mountain Highland Subdivision was created by that Declaration of Covenants recorded in Book 2404 at page 510, et sag. in the Buncombe County Register of Deed's office (hereinsfier referred to as "the Declaration"); and

WHEREAS, the Declaration has been previously amended by those two (2) amendments recorded in Book 2505 at page 82 and in Book 3401 at page 56 in the Buncombe County Registry;

WHEREAS, pursuant to Paragraph 1 of the Declaration the Covenants may be modified by a properly executed instrument signed by the owners of ninety percent (90%) of the platted recorded (67%) of the parcels in the Subdivision with 90 days before or after January 1, 2012; and

WHERKAS; Lots 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 338, 341, 342, 343, and 344 and are the current recorded platted parcels within Butler Mountain: and

WHEREAS, Pursuant to Paragraph 26 of the Declaration, until the sale of all parcels within the Subdivision has occurred, Declarant, Browncor, Inc., shall be entitled to two (2) votes in the conduct of Association affairs for each parcel which has been platted and recorded but not initially sold: and

WHEREAS, at the time relevant to this amendment, Declarant Browncor, Inc., has platted and recorded but not initially sold Lots 323, 324, 327, 329 and 330; and

IN WITNESS THEREOF the undersigned hereby declare that he is entitled and authorized to cast the votes allocated to Parcel numbers 323, 324, 327, 329 and 330 in the Butler Mountain Highlands subdivision and that by his signature below attests that he cast said vote or votes in favor of and for the Third Amendment to the Declaration of Covenants for Butler Mountain Highland Subdivision.

By: Blocat S. Brown, Ir.

(Affix Corporate Seal Head)

STATE OF NORTH CAROLINA COUNTY OF Buncarabe

This 10 day of February, 2012, personally came before me, least 5. Copps, a Notary Public for Fuerondo 5. County, North Carolina, Elbert S. Brown, Jr. who, being by me duly sworn, says that he is the President of Browncor, Inc., a North Carolina Corporation, and that the seal affixed to the foregoing in writing is the corporate seal of said corporation, and that said writing was signed and sealed by him in behalf of said company by its authority duly given. And the said Elbert S. Brown, Jr. acknowledged the said writing to be the act and deed of said corporation.

Witness my hand and official seal this the 10 day of February, 20

Witness my hand and official seal this the 10 day of February, 20

Notary Public 20/6

April 6 day of February, 20

Notary Public 20/6