

HIGHLAND HILLS  
PROPERTY OWNERS' ASSOCIATION, INC.

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P. O. BOX 1844, HIGHLANDS, NC 28741

HANDBOOK

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# Helpful Local Numbers

All numbers use the 828 exchange unless otherwise stated.

Cable Television Service		Police Department	
Highlands Cable Group	526-4248	Highlands (non-emergency)	526-9431
Vyve Broadband	526-5675	Post Office	Highlands 526-2667
Chamber of Commerce		POWER COMPANY	
Highlands	526-5841	Duke Energy (new service & outage)	524-2121
Cashiers	743-5191	Telephone Company	
Emergency		Frontier	855.214.0742
Ambulance	911	Note: some cable & satellite television providers	
Fire	911	also offer telephone options	
Police	911	Town of Highlands	
Poison Control Center	800-822-1222	Town Office	526-2118
Fire Department			
Highlands (non-emergency)	526-3645		
Macon County Recycling Facility	526-2073		
Highlands-Cashiers Hospital			
Main	526-1200		
Highlands Nature Center	526-2623		
Highlands Playhouse			
Box Office	526-2695		
Highlands Recreation Center			
Office	526-3556		
Pool	526-5982		
Internet Service Providers			
Highlands Cable Group (Highlandscablegroup.com)	526-4248		
Vyve Broadband (VyveBroadband.com)	526-5675		
Macon County			
County Offices	349-2000		
Sheriff	349-2104		

## Highlight of Community Rules

The **Amended and Restated Declaration of Restrictions for Highland Hills Subdivision** provides the standards under which our community is governed. Every Highland Hills owner should make themselves familiar with this document and reference it before making property-changing decisions. The following provides a summary of key issues. It is hoped these highlights will serve as reminders to our responsible citizens.

### MAINTENANCE

It is the responsibility of the individual owner to maintain his/ her property in good condition. This includes all structures (including, but not limited to, fences and walls) and grounds. Owners must keep trees and shrubbery trimmed back from the road right-of-way, keep ditches cleared of leaves and any debris, and keep grounds cleared of weeds or underbrush.

### TRASH

All trash receptacles are to be **secured** and kept in a screened area not visible from the road. If you use a trash pick-up service, it is your responsibility to make sure all receptacles are secured and returned to the appropriate storage area.

### ARCHITECTURAL APPROVALS

**All new and exterior renovation construction as well as fences, walls or other structures must be approved in writing by the Association prior to the start of work.**

Complete plans, including structure drawing(s), plat showing locations, written specifications and a schedule, are to be submitted to the Board of Directors or the ARC prior to a review for approval. Architectural Review Request Forms are available through the Board and/or the Arc. Verbal descriptions will not be accepted. This also applies to any tree removal on either an improved or unimproved lot.

**A fine may be imposed for any work done that should have, but did not receive prior approval, even if approved after-the-fact, from the Committee.**

The Association is aware there are some structures that may not meet current community standards; however, these structures date prior to the formation of the Association.

A non-refundable community impact fee of \$1,500.00 is required prior to the start of new home construction. The

impact fee for renovations or other construction work begins at \$500.00 and is determined by the Board based on the scope of the work. These fees are subject to change.

Failure to follow the guidelines could result in delays, stop-work orders and/or substantial costs.

### SPEEDING

The speed limit on Highland Hills roads is 16 mph. Many residents walk the roads and children are at play. For your safety, as well as the safety of others, please slow down.

### PARKING

Do not park on the roadsides (or pull-over areas). The Highland Hills roads are narrow and winding, a situation made even more dangerous by vehicles parked on the roadsides. If for special occasions you need additional space for guest parking, check with a neighbor for permission to use a driveway or extra parking area.

### RENTERS & GUESTS

Whether you rent your property long term or short term, you are responsible for the actions of your tenants. You are also responsible for the actions of your guests. Please make sure they understand the rules and guidelines of our community and abide by them.

### APPLE LAKE ACCESS

Highland Hills property owners have the right to use Apple Lake with access designated through Lot 19 (granted by easement). Lot 19, the dock, and the dock furnishings are privately owned by an Association member. **Please respect the property owner's rights by accessing the lake only on the designated path, remove any trash, and do not use the dock.**

Boats with motors are not allowed on Apple Lake.

**Highland Hills does not provide a storage area for boats. Use of Apple Lake is at your own risk.** The HHPOA or the owner of Lot 19 are not responsible for this lake or any use of this lake.

**THE SOLE PURPOSE OF THE DECLARATION** and its standards are to enhance and maintain the quality of Highland Hills for the benefit of you, the neighborhood as a whole, and property values. To meet this collective purpose requires the equal contribution of every property owner.

Amended and Restated Declaration of Restrictions  
For Highland Hills Subdivision

**STATE OF NORTH CAROLINA  
COUNTY OF MACON**

This Amended and restated Declaration for Highland Hills Subdivision is made this 25th day of June, 1999, by and between The Highland Hills Property Owner’s Association, Inc. (hereinafter referred to in the neuter singular as “Association”) and the individual lot owners joining in the execution of this instrument as set forth in the exhibits attached hereto (hereinafter referred to collectively as “Owners”).

**RECITALS**

WHEREAS, Association and the Owners within Highland Hills Subdivision as defined in Article One below do hereby wish to amend, supplement and restate all prior restrictions on the respective property of the Owners with regards to the property of the Owners located in Highland Hills Subdivision located in Highlands Township, Macon County, North Carolina hereby restating the restrictions as follows:

NOW, THEREFORE, the Highland Hills Property Owner’s Association, Inc. and the undersigned individual Highland Hills Property Owners declare that all of the properties described on the attached individual Highland Hills Property Owner’s signature pages shall be held, transferred, sold, conveyed, encumbered, leased, used, improved and occupied subject to the following covenants, conditions, restrictions and easements all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the property. These covenants, conditions, restrictions and easements shall run with the lands and be binding upon all persons having or acquiring any right, title or interest in the above-described property or any part thereof, and shall inure to the benefit of each Owner thereof.

**I. DEFINITIONS**

For the purpose of this Declaration the following definitions shall control:

I.1. “Articles of Incorporation” shall mean and refer to the Articles of Incorporation of HIGHLAND HILLS PROPERTY OWNER’S ASSOCIATION, INC., and all exhibits which are attached thereto and made a part thereof, and shall include such amendments, if any, as may be adopted from time to time pursuant to the terms thereof. Said Articles of Incorporation are attached as an Exhibit hereto and incorporated herein by reference.

I. 2. “Association” and “Corporation” shall mean and refer to HIGHLAND HILLS PROPERTY OWNER’S ASSOCIATION, INC., a North Carolina non-profit corporation.

I.3. “Subdivision” shall mean that certain real property known collectively as HIGHLAND HILLS subjected to the provisions of the Declaration of Protective Covenants for Highland Hills developed by Cullasaja Development Corp. together with such additional real property as may be subjected to this Declaration in accordance with the provisions of this Declaration.

I.4. “By-Laws” shall mean and refer to the By-Laws of HIGHLAND HILLS PROPERTY OWNERS’ ASSOCIATION, INC., and all exhibits which are attached thereto and made a part thereof, and shall include such amendments, if any, as may be adopted from time to time pursuant to the terms thereof. Said By-Laws are attached as an Exhibit hereto and incorporated herein by reference.

I.5 “Common Areas” are parcels of Declaration Property which have been conveyed to the Association for the benefit of its members.

I.6 “Declaration” shall mean this instrument, together with those exhibits which are attached hereto and made a part hereof, and shall include such amendments, if any, as may be adopted from time to time pursuant to the terms hereof.

I.7. “Development-Wide Standard” shall mean the standard of conduct, maintenance, other general activity, and the architectural standards generally prevailing in the Subdivision. Such standard may be more specifically determined by the Board of Directors.

I.8. “Member” shall mean and refer to each Owner of a lot in/ within Highland Hills Subdivision which is dedicated to this Declaration of Restrictions.

I.9. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any lot within Highland Hills Subdivision which is dedicated to this Declaration of Restrictions.

I.10. “Supplemental Declaration” means that document made and executed by Association which annexes any additional lands as Declaration Property and submits same to the terms and provisions of this Declaration or an amendment hereto.

**II. ROADS**

II.1. Owner’s Rights and Easements of Enjoyment. Every Owner and their guests and invitees shall have a right and easement of enjoyment in and to said roads in common with all other Owners, subject to:

II.1.a. All rules and regulations governing the use and enjoyment of the roads by the Association;

II.1.b. The right of the Association to establish easements over the roads for service to or in favor of any private or governmental bodies for the installation and maintenance of electrical and telephone conduit and lines, gas pipes, sewers, water pipes, cable television lines or hook-ups or any other utility services serving any lots within the Declaration Property.

II.1.c. All provisions of this Declaration not enumerated above.

#### II.2. Association's Right to Maintain.

The rights of Owners to use and enjoy the roads in common with all other Owners shall be subject to the reserved right of the Association to use, maintain, improve, and/or replace the roadways, ditches, slopes and culverts, and to install, maintain and replace public and private utilities within the right-of-way of all roads within Highland Hills Subdivision.

### **III. ADMINISTRATION, MAINTENANCE AND IMPROVING OF ROADS AND OTHER COMMON PROPERTY; FINANCIAL RESPONSIBILITY OF OWNERS THEREOF; AGREEMENT FOR ASSESSMENTS AND ENFORCEMENT THEREOF.**

III.1. Administration, Maintenance and Improvement. The Association shall be responsible for the administration, maintenance and improvement of all the Highland Hills roads and other common property within Highland Hills Subdivision.

III.2. Financial Responsibility of Owners; Assessments by Association.

#### Purposes of Assessments.

The Association shall have the right to levy assessments against the Owners to be used exclusively for the acquisition, improvement, maintenance and operation of the Common Properties and to pay for services which the Association is authorized to provide including, but not limited to, the payment of taxes and insurance thereon, construction of improvements, repair, replacement and additions to Common Properties, payment of the cost of labor, equipment, materials, management and supervision necessary to carry out its authorized functions, and for the payment of principal, interest and any other charges connected with loans made to or assumed by the Association for the purpose of enabling the Association to perform its authorized functions.

The Owners are responsible for providing funds necessary to the Association to carry out the above purpose. The Association shall assess each Owner as provided herein for its pro rata share of such expenses.

III.3. Assessments; Personal Obligation of Owners; Creation of Lien.

The Owners within the Subdivision, for each lot owned by said Owner within the Subdivision, hereby covenants, and each Owner of any lot by acceptance of a deed therefore whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant, which covenant shall run with the land and be binding on every Owner, and agree to pay to the Association:

III.3.a. Annual assessments for administration and maintenance of the roads and common property.

III.3.b. Special assessments for administration, maintenance and capital improvements.

#### III.4. Rate of Assessment.

##### Maintenance Assessment.

The maintenance assessment for each lot on any annual or special assessment for the common property within the Subdivision shall be assessed by the Association.

The Board of Directors shall fix the amount of the annual assessment at least 30 days in advance of each annual assessment period. Written notice of annual and special assessments shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid.

The annual assessment may be increased at any time and from time to time during each assessment year, but not by more than ten percent (10%) above the annual assessment for the previous assessment year without a vote of the membership. The vote necessary to increase the annual assessment by more than ten percent (10%) shall be two-thirds (2/3) vote of the members of the Association who are present in person or by proxy and voting at a meeting of the members duly held in accordance with the provisions of the By-Laws of the Association and this Declaration.

##### Special Assessments.

In addition to the annual assessments authorized by this Article, the Association may levy, in any assessment year and with such frequency as the Association shall deem necessary, special assessments for the purpose of paying, in whole or in part, any unanticipated operating expenses as well as the cost of construction, reconstruction, repair or replacement of a capital improvement on the Common Areas. Such special assessments may be levied by the Board in any assessment year without the approval of the members, which special assessments in the aggregate do not exceed an amount equal to the annual assessment then in effect. Special assessments exceeding said amount shall require the approval of two-thirds (2/3) of the members of the Association who are present in person or by proxy and voting at a meeting of the members duly held in accordance with the provisions of the By-Laws of the Association and this Declaration.

III.5. Effect of Non-Payment of Assessments; Remedies of The Association; The Personal Obligation of Owner; The Lien. Any assessment not paid within thirty (30) days after the due date shall be deemed delinquent and shall bear interest from the due date at such rate of interest as the Board of Directors may from time to time determine.

Each Owner agrees that there is hereby created a continuing charge and lien upon all Lots and Residences owned by him against which all such assessments are made to secure payment of such assessments and any interest thereon as provided in this Article, including costs of collection including reasonable attorneys' fees.

The Association's lien is effective from and after recording a claim of lien in the public records of Macon County, North Carolina, stating the description of the lot, the name of the record Owner, the amount due and the due dates. In such instance, the services rendered by the Association for the benefit of such lot and for which an assessment is levied shall be deemed to have been performed on the due date of such assessment and to "improve" the subject lands and/or create an "improvement" thereon as defined in Chapter 44A, Article 2, Part 1 of the General Statutes of North Carolina. The lien arising therefrom shall constitute a "lien of mechanics, laborers, and materialmen dealing with the Owner", and such lien may be perfected and enforced pursuant to the provisions of said Part 1. The lien shall be in effect until all sums secured by it have been fully paid. The claim of lien includes only assessments which are due when the claim is recorded. The claim must be signed and acknowledged by an officer or agent of the Association and, upon payment, the person making the payment is entitled to a satisfaction of the lien. The Association may bring an action at law against the Owner personally obligated to pay the same or enforce the lien against the lot in the manner provided by law. Any action to enforce said lien may, at the Association's option, include a claim for collection of assessments levied against the lot since the filing date of the Notice of Claim of Lien. The Association may purchase the property at any sale thereof contemplated under Section 44-A-14 of the General Statutes of North Carolina. If any assessment is not paid by the due date such assessment shall be delinquent and shall bear interest from the due date at the rate of eighteen (18%) percent per annum, or the maximum interest rate allowed by law, whichever is higher.

If any delinquent assessment is not paid within thirty (30) days from the date of the notice of assessment and is placed in the hands of an attorney for collection, there shall be added to the amount due all costs of collection including reasonable attorney's fees not to exceed fifteen (15%) percent of the outstanding balance. The lien shall include the amount of all interest which accrues and continues to accrue upon the assessment, and shall include the aforementioned costs of collection and attorney's fees. All assessments, interest, costs, and attorney's fees shall be and constitute the personal joint and several obligations of each Owner as of the date of the notice of assessment. The Association may, in addition or in the

alternative to enforcing its lien, bring an action against an Owner to seek a money judgment for the amount of the assessment, interest, and costs of collection and attorney's fees.

III.6. Owner May Not Avoid Liability by Non-use of Roads and/or Common Areas.

No Owner may waive or otherwise avoid liability for the assessments provided for herein by non-use of the roads and/or common areas or abandonment of his lot.

III.7. Suspension of Owner's Rights While Delinquent.

The Association shall not be required to allow the exercise of any rights or privileges of membership to any Owner or to any persons claiming under such Owner until all assessments and charges have been paid in full.

#### **IV. RESTRICTIONS ON USE**

IV.1. No building, fence or other structure shall be erected, placed or altered on any lot until the proposed building plan, specifications, exterior color or finish, plat plans (showing the proposed location of such building or structure, drives and parking areas), and construction schedule shall have been approved in writing by the Association, through and by its duly authorized agent, its successors and assigns. All such structures must conform to the Development-Wide Standard of the Subdivision. The Association must review and act upon such application within thirty (30) days of receipt of the required submission materials. Refusal of approval of plans, location or specifications may be based by the Association's agent upon any reasonable ground, including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Association's agent shall seem sufficient. The applicant may, within ten (10) days after receipt of notice of any decision by the Association's agent which he deems to be unsatisfactory, file a written request to have the matter in question reviewed by the Board of Directors. Upon the filing of any such request, the Board of Directors shall promptly review the matter and respond to the applicant within thirty (30) days of the request for said review. The decision of a majority of the Board of Directors shall be final and binding.

No alterations maybe made in such plans after approval by the Association's agent is given except by and with the written consent of the Association's agent. No alterations in the exterior appearance of any building or structure shall be made without like approval by the Association's agent.

One copy of all plans and related data shall be furnished the Association for its records. Should the Association fail to name or designate its agent wherever mentioned in the Declaration of Protective Covenants, then in each event, the president and each successor president shall constitute the duly constituted and authorized agent of the Association.

IV.2. No building shall be located closer than twenty (20) feet to the street and not closer than fifteen (15) feet to the adjoining

property line. To assure that houses will be properly located with respect to the topography of each individual lot, finished ground elevation, and surrounding residences, the Association reserves unto itself, its successors and assigns, the right to approve the location of any residence or other structure upon any lot or building plot consisting of more than one lot. The Association shall, if requested, make reasonable efforts to assist and advise the Owner so that an acceptable location may be determined.

IV.3. The exterior of all houses and other structures must be completed within one year after the construction of same shall have commenced, except where such completion is impossible or would result in great hardship to the Owner or builder due to strikes, fires, national emergencies or natural calamities.

IV.4. All lots shall be used for residential purposes exclusively. No structure, except as hereinafter provided, shall be erected, altered, placed or permitted to remain on any lot other than one (1) detached single family dwelling not to exceed two (2) stories in height and one (1) accessory building not to exceed one (1) story in height and not to exceed 1000 square feet in size, which may include a detached private garage and/or domestic help or guest quarters, provided the use of such dwelling or accessory building does not include any activity normally conducted as a business. Such accessory building may not be constructed prior to the construction of the main building, and ownership of the accessory building cannot be severed from ownership of the principle residence.

No trade or Business of any kind is permitted on a lot within the Subdivision. A Business activity shall be considered "related" to a residential use and thus permitted under this Section only if conducted by a person or persons residing in a Dwelling on the lot and only if the business activity (i) complies with applicable zoning requirements; (ii) is not apparent or detectable from outside the Dwelling; (iii) does not involve regular visitation to the Dwelling or the lot by clients, customers, suppliers, agents, other business invitees or by employees who do not reside in the Dwelling; and (iv) is consistent with the residential character of the Subdivision and does not constitute a nuisance or a hazardous, noxious or offensive use or threaten the security and safety of others.

A Dwelling may be leased for a Vacation Rental and the leasing of the Dwelling will not be considered a Business if (i) the lease is for the entire Dwelling; (ii) the term of any lease is for at least four (4) consecutive days between January 1 through April 30, and at least seven (7) consecutive days between May 1 through December 31 of a calendar year. All leases of a Dwelling must be in writing and shall disclose that the tenant and all occupants of the Dwelling are bound by and obligated to comply with the Restated Declaration, and any duly adopted Amendments, and the Bylaws.

IV.5. No residence shall have less than 1200 square feet of heated living space; however, all existing residences as of the date of this Declaration shall be excluded from this requirement.

IV.6. It shall be the responsibility of each lot Owner to prevent the development of any unclean, unsightly or unkempt conditions of buildings or grounds on his lot which shall tend to decrease the beauty of the neighborhood as a whole or the specific area.

IV.7. No noxious or offensive activity shall be carried out upon any lot, nor shall anything be done thereon tending to cause embarrassment, discomfort, or nuisance to the neighborhood. There shall not be maintained any livestock or animals (other than household pets) on the premises, nor any device or thing the existence of which shall in any way be noxious, unsightly, unpleasant or of a nature so as to diminish or destroy the enjoyment of other Owners.

IV.8. No Owner shall burn any trash, garbage or refuse on the Declaration Property.

IV.9. If the Owner of any improved residential lot permits any underbrush, weeds, etc., to grow upon such lot at a height of two (2) feet, except as part of a landscaping plan approved by the Association and, on request, fail to have the premises cut within thirty (30) days, agents of the Association may enter upon said lot to remove the same at the expense of Owner; provided however that such expense shall not exceed costs plus 10% . The Association may likewise through its agents enter upon said lot to remove any trash which has collected without such entrance and removal being deemed a trespass, all at the expense of the Owner of said lot; provided however that such expense shall not exceed costs plus 10%. This provision shall not be construed as an obligation on the part of the Association, and the Association shall have a lien on said lot to the extent of any charges incurred herein.

IV.10. Each lot Owner shall provide space for parking two automobiles off the street prior to the occupancy of any dwelling constructed on said lot in accordance with reasonable standards established by the Association. No off-road motorcycles or vehicles of any horsepower rating less than five (5) horsepower shall be allowed to be operated on the premises or on the private roads of Highland Hills; these being defined as any such vehicle that may not be licensed to operate on state roads. Golf carts may be operated on the private roads of Highland Hills.

IV.11. Each lot Owner shall provide receptacles for garbage, in a screened area not generally visible from the road, or provide underground garbage receptacles or similar facility in accordance with reasonable standards established by the Association.

IV.12. The Association reserves unto itself, its successors and assigns, perpetual, alienable and releasable easements over,

upon, across and under that portion of each lot within ten (10) feet of each side and rear boundary line for the erection, maintenance, installation and use of electrical and telephone poles, wires, cable, conduits, sewers, water mains, or other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, sewer, water, or other public conveniences or utilities. The Association may further cut drain ways for surface water wherever and whenever such action may appear to the Association or its agent to be necessary to maintain reasonable standards of health, safety and appearance. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or take any other similar reasonable action necessary to provide economical and safe utility installation, and to maintain reasonable standards of health, safety and appearance. Such rights may be exercised by any licensee of the Association, but this reservation shall not be considered an obligation of the Association to provide or maintain any such utility or service.

IV.13. No structure of a temporary character shall be placed upon any lot at anytime, provided however that this prohibition shall not apply to shelters used by the contractor during the construction of the main dwelling house, it being clearly understood that these latter temporary shelters may not, at any time be used as residences or permitted to remain on the lot after completion of the construction.

IV.14. No trailer, mobile home, tent, barn, or other similar outbuilding or structure shall be placed on any lot at any time, either temporarily or permanently.

IV.15. No fuel tanks or similar storage receptacles may be exposed to view, but may be installed within the main dwelling house, within an accessory building or buried underground.

IV.16. No large trees measuring six inches or more in diameter at ground level may be removed without the written approval of the Association or its agent, unless said tree is located within ten (10) feet of the main dwelling or accessory building or within ten (10) feet of the approved site for such building. No trees shall be removed from any lot until the Owner shall be ready to begin construction, without the consent of the Association.

IV.17. No lot shall be subdivided, or its boundary lines changed, except with the written consent of the Association, which consent may be withheld in the sole discretion of the Association for any reason whatsoever.

IV.18. Roads presently constructed in Highland Hills are private roads. Until such time as road maintenance services are performed by any governmental unit, the maintenance of the private roads shall be under the supervision and administration of the Association. Each lot shall be subject to an annual assessment, pro-rating the prior year's maintenance charges equally among the lots subject to this provision. The amount of

such assessment shall be a lien on the property subject to foreclosure for non-payment.

IV.19. By virtue of ownership of a lot in Highland Hills, said Owner has the right to fish, swim, boat or otherwise recreate in the lake, and the right of ingress and egress over designated areas for access to the lake; provided however that no boathouses, piers or docks may be built extending onto the lake, and no boats with motors are allowed on the lake.

IV.20. Water has been represented by the original developer to be available to the lots in Highland Hills from a series of wells on land dedicated by the original developer for such use. The original developer agreed that Owners shall have the right to use water from said source and to connect and maintain a water line at Owner's costs to the water main above described; provided however, that the Owner shall pay an equitable share of the expenses of operating and maintaining said water system. The Association has no obligations to insure that water mains have been installed by the original developer nor any obligations to install said water mains in the event that they may not have been installed. The Association has no obligation to insure that adequate water is available to any lot or Owner nor does the Association have any obligation or duty to establish other wells within the Subdivision.

## **V. EASEMENTS**

### **V.1. Reservation of Easements.**

The following easements over each lot and the right of ingress and egress to the extent reasonably necessary to exercise such easements are reserved to the Association, its successors and assigns.

#### **V.1.a. Utilities.**

A ten (10) foot wide strip running along the inside of all lot lines (except those lot lines coincident with street rights-of-way lines); for the installation, maintenance and operation of utilities, including radio and television transmission cables and the accessory right to locate guy wires, braces and anchors; or to cut, trim or remove trees and plantings wherever necessary upon such lots in connection with such installation, maintenance and operation.

#### **V.1.b. Roadways.**

Rights-of-way for the thirty (30) foot in-width private right-of-way of all roads located within the Subdivision as the same may run over, through and across any lot.

### **V. 2. Use of and Maintenance by Owners.**

The areas of any lots affected by the easements reserved herein shall be maintained continuously by the Owner of such lot with the exception of the actual roadways, which shall be maintained by the Association. No structures, plantings or other materials shall be placed or permitted to remain or other activities

undertaken thereon which may damage or interfere with the use of said easements for the purposes herein set forth. Improvements within such areas shall be maintained by the Owner except those for which a public authority or utility company is responsible.

V.3. Limitation on Liability for Use of Easement.

No Owner shall have any claim or cause of action against Association or its licensees arising out of the exercise or non exercise of any easement reserved hereunder or shown on the plat.

**VI. THE ASSOCIATION**

VI.1. General.

The Association is a North Carolina non-profit corporation organized to further and promote the common interests of property owners in the Development. The Association shall have such powers in the furtherance of its purpose as are set forth in its Articles and By-Laws.

VI.2. Membership.

Every Owner as set forth in Article One of this Declaration shall be a Member of the Association.

VI.3. Classes of Membership.

There shall be one class of Members.

VI.4. Members.

Every person or entity who is a record Owner of fee or undivided fee interest in any parcel as set forth in the Declaration shall be a member of the Association. Membership shall not include persons or entities who hold an interest merely as a security for the performance of any obligation. Membership shall be appurtenant to and may not be separated from ownership of any parcel. Ownership of such parcel shall be the sole qualification for membership.

VI.5. Privileges of Members.

Members shall have a license to use Association property subject to such rules and conditions as may be established by the Board.

VI.6. Suspension of Privileges of Membership.

The Board may suspend the voting privileges of any member for:

VI.6.a. Any period during which any Association charge on such member's parcel remains unpaid;

VI.6.b. A period to be determined by the Board, for repeated violations of the Declaration or the rules and regulations of the Association.

VI.7. Board of Directors.

The affairs of the Association shall be governed by the Board of Directors. The Board will be comprised of such persons elected

by the majority vote of the members at each year's annual meeting of members, as prescribed in the By-Laws.

**VII. GENERAL PROVISIONS**

VII.1. Covenants, Conditions, Restrictions and Easements Run with Land.

All covenants, conditions, restrictions and easements contained in this Declaration shall constitute covenants running with land.

VII.2. Grantee's Acceptance.

Each Owner of any lot, by acceptance of title thereto, or by the execution of a contract for the purchase thereof, shall accept such title or contract subject to each and all of the provisions of this Declaration and to the jurisdiction, rights, powers, privileges, and immunities of the Association. Such Owner or contracting party, for himself, his heirs, assigns, and successors, covenants, consents and agrees to and with the Association and the Owner of each other lot to keep, observe, comply, and perform the covenants, conditions and restrictions contained in this Declaration.

**VIII. REMEDIES**

VIII.1. Enforcement.

The Association, and each person to whose benefit this Declaration inures, may proceed at law or in equity to prevent the occurrence, continuance, or violation of any provisions of this Declaration, and the Court in such action may award the successful party reasonable expenses in prosecuting such action, including reasonable attorney's fees.

VIII.2. Cumulative Rights.

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

VIII.3. Effect of Waiver of Violation.

No waiver of a breach or violation of any of the covenants, conditions, restrictions and easements in this Declaration shall be construed as a waiver of any succeeding breach of the same covenant, condition, restriction and waiver.

IX. SEVERABILITY

Each provision of this Declaration is hereby declared to be independent of and severable from every other provision hereof. If any provision hereof shall be held by a court of competent jurisdiction to be invalid, or unenforceable, all remaining provisions shall continue unimpaired and in full force and effect.

**X. TERM AND AMENDMENT**

The provisions of this Declaration shall affect and run with the lands and shall exist and be binding upon all parties claiming an interest in Subdivision until January 1, 2020 A.D., after which time they shall be automatically extended for successive periods of twenty-five (25) years unless affirmative vote of seventy-five (75%) percent of the voting members of the Association decide to the contrary.

The Declaration may be amended in all other respects by a vote of two-thirds (2/3) of the votes eligible to be cast by Association members entitled to vote, and by the subsequent recordation of an amendment to this Declaration duly executed by the Association, and such amendment shall have attached to it a copy of the resolution of the Board attesting to the affirmative action of the requisite number of such Owners to effect such amendment, certified by the Secretary of the Corporation.

**XI. GENDER**

Wherever the context so requires, the use of any gender shall be deemed to include all genders and the use of the singular shall include the plural and the plural shall include the singular.

**XII. ADOPTION OF THE PLANNED COMMUNITY ACT**

All provisions of the North Carolina Planned Community Act contained in Chapter 47F, Articles 1, 2 and 3 of the North Carolina General Statute shall apply to the subdivision known as Highland Hills, as described in the Restated Declaration, with respect to events and circumstances occurring after the adoption

of this First Amendment and do not invalidate existing provisions of the Restated Declaration, Bylaws, Articles of Incorporation or the Plat of Highland Hills.

IN TESTIMONY WHEREOF, the Highland Hills Property Owner’s Association, Inc. has caused these presents to be executed, the day and year first above-written.

(Corporate Seal)

**HIGHLAND HILLS PROPERTY OWNERS' ASSOCIATION, INC.**

**STATE OF NORTH CAROLINA  
COUNTY OF MACON**

This instrument was presented for registration this 7th day of July, 1999, and duly recorded at 3:18 o’clock PM, in Deed Book J-23, Pages 2344-2392.

Janet Roberson  
Register of Deeds,  
Macon County, North Carolina

The FIRST AMENDMENT TO AMENDED AND RESTATED DECLARATION OF RESTRICTIONS FOR HIGHLAND HILLS SUBDIVISION (First Amendment) was entered in Deed Book X-41, Pages 197-201 and recorded the 10<sup>th</sup> day of June 2022.

Todd Raby  
Register of Deeds,  
Macon County, North Carolina

BY-LAWS  
HIGHLAND HILLS  
PROPERTY OWNERS' ASSOCIATION, INC.

**ARTICLE I. NAME AND LOCATION**

The name of the Corporation is the HIGHLAND HILLS PROPERTY OWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the Association (unless otherwise designated by the Board) shall be located at (street) 94 Holly Berry Lane, Highlands, NC 28741 or (mailing) P. O. Box 1844, Highlands, NC 28741, but meetings of the Members and Directors may be held at such other places within the State of North Carolina as may be designated by the Board.

**ARTICLE II. DEFINITIONS**

Unless otherwise set forth herein, the terms used in these By-Laws shall have the same meanings ascribed to such terms as set forth in the Amended and Restated Declaration of Restrictions for Highland Hills Subdivision dated June 25th, 1999, (the "Declaration") as such Declaration may be amended from time to time and which Declaration is incorporated herein by reference.

**ARTICLE III. MEETINGS**

**III.1. Annual Meeting of Members.**

The annual meeting of the members of the Association shall be held at such place as may be stated in the notice of such meeting. The Members shall, at such annual meeting, elect a Board of Directors for the ensuing year, in the manner provided in the By-Laws, and shall have authority to transact any and all business which may be brought before such meeting.

**III.2. Special Meeting of Members.**

Special meetings of the Members may be called by the Board at any time and must be called by the Board when so requested in writing by any two Directors or by twenty-five (25%) of the Members.

**III.3. Notice of Meetings.**

Written notice of the place, date, and time of every annual and special meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than forty (40) days before the date of the meeting, either personally, by mail, or by electronic mail to each

Member. If mailed, such notice shall be deemed to have been delivered when deposited in the United States mail, addressed to the Member at his address as it appears on the records of the Corporation, with postage prepaid; or electronically mailed to the Member at his address as it appears on the records of the Corporation, or such notice may be published in any newspaper or publication printed under the auspices of the Corporation and distributed generally among the Members of the Corporation. At a special meeting, no business shall be conducted except that stated in the notice of said meeting.

**III.4. Quorum.**

Unless otherwise provided in the Declaration, a quorum at any meeting of the Members shall consist of the presence at such meeting, in person or proxy, Members entitled to cast one tenth (1/10) of the votes of the Membership. Unless otherwise provided in the Declaration, the Articles of Incorporation, or these By-Laws, a majority of the votes entitled to be cast by those Members present at a meeting shall be necessary and sufficient to decide and act upon any question which shall come before the meeting. No business shall be transacted at any meeting unless a quorum is present.

**III.5. Voting.**

The Association shall have one (1) class of Membership, possessing the voting rights hereinafter set forth. Each Member shall be entitled to cast one (1) vote for each lot owned by him. Where any Member is a group or entity other than one individual person, the vote on behalf of such Member shall be exercised only by such individual person as shall be designated in a proxy instrument duly executed by or on behalf of such Member and delivered to the Secretary of the Association.

**ARTICLE IV. DIRECTORS**

**IV.1. Number.**

The affairs of the Association shall be managed by an initial Board of five (5) Directors, who shall be Members of the Association. The Board may be increased, from time to time, if deemed necessary and appropriate by the Board, but in no instance shall the Board be composed of more than nine (9) Directors. The number of Directors shall, at all times, be an odd number.

#### IV.2. Term of Office.

At the first annual meeting after the incorporation of the Association, the Members shall elect a Board of five (5) Directors in accordance with the following procedure. The Members shall elect three (3) Directors each to serve a two (2) year term and elect two (2) Directors each to serve a one (1) year term. At the next annual meeting, the Members shall elect two (2) Directors to serve a two (2) year term. At the next annual meeting, the Members shall elect three (3) Directors to serve a two (2) year term. And so forth.

#### IV.3. Removal.

Any Directors may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

#### IV.4. Compensation.

No Director shall receive compensation for any service he may render to the Association. However, any Director maybe reimbursed his actual expenses incurred in the performance of his duties, excluding travel to and from meetings.

#### IV.5. Action Taken Without a Member.

The Directors shall have the right to take any action in the absence of a meeting, which they could take at a meeting, by obtaining the written consent of all the Directors. Any action so consented to shall have the same effect as though taken at a meeting of the Directors, including special meetings.

#### IV.6. Nomination.

Nomination for elected Members to the Board of Directors shall be made by a nominating committee. Nomination may also be made from the floor at the annual meeting. The nominating committee shall consist of a chairman, who shall be a Member of the Board of Directors, and two or more Members of the Association. The nominating committee shall be appointed by the Board, prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The nominating committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

#### IV.7. Election.

Election to the Board shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the By-Laws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

#### IV.8. Regular Meetings of Directors.

Regular meetings of the Board shall be held quarterly without notice, at such place and time as may be fixed from time to time by the Board. Attendance at such meetings may be by teleconferencing.

#### IV.9. Special Meeting of Directors.

Special meetings of the Board shall be held at such place and time as shall be designated in the notice of such meetings. Special meetings of the Board may be called by the President at any time, in his discretion, and must be called by the President when so requested in writing by two (2) Directors. Attendance at such meetings may be by teleconferencing.

#### IV.10. Notices of Meetings.

Notices of special meetings of the Board shall be given by the President or the Secretary to each Member of the Board not less than three (3) days before the time at which such meetings are to be convened. Said notices may be given by telephone or by any other form of written or verbal communication. It shall not be necessary for notices of special meetings of the Board to state the purposes of the meetings. The Directors may waive notice of any meeting.

#### IV.11. Quorum.

A quorum at any meeting of the Board shall consist of a majority of the Members of the Board. Unless otherwise provided in the Declaration, the Articles of Incorporation, or these By-Laws, a majority of those present at any meeting at which a quorum is present may decide any question which shall come before the meeting. No business shall be transacted at any meeting unless a quorum is present.

#### IV.12. Powers.

The Board of Directors shall have power to:  
(a) adopt and publish rules and regulations governing the use of the Common Property and recreational facilities, if any, and the personal conduct of the Members and guests thereon, and to establish penalties for the infraction thereof;

- (b) suspend the voting rights and right to use the recreational facilities, if any, of a Member during any period in which such Member shall be in default in the payment of an assessment levied by the Association. Such rights may also be suspended, after notice and hearing, for infractions of published rules and regulations, for a period not to exceed sixty (60) days after the cure or termination of such infraction;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration; and
- (d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;
- (e) appoint an architectural control committee, or in its absence, serve as same for the review and approval of all plans, alterations, and additions to any lot or residence pursuant to the Declaration.

IV.13. Duties.

It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members;
- (b) supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to: (1) fix the amount of the annual assessment to every owner subject thereto at least thirty (30) days in advance of each annual meeting;
- (2) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
- (3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same.
- (d) issue, or to cause an appropriate officer to issue, upon demand by any Member, a certificate setting forth whether or not any assessment has been paid. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate insurance on property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- (g) cause the Common Property to be maintained.

**ARTICLE V. OFFICERS AND THEIR DUTIES**

V.1. Enumeration of Officers.

The officers of the Association shall be a president and vice-president, who shall at all times be Members of the Board, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

V.2. Election of Officers.

The election of officers shall take place at the first meeting of the Board following the annual meeting of the Members. The officers shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, be removed, or otherwise be disqualified to serve.

V.3. Special Appointments.

The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board, from time to time, may determine.

V.4. Resignation and Removal.

Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified within, the acceptance of such resignation shall not be necessary to make it effective.

V.5. Vacancies.

A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

V.6. Multiple Offices.

The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Article V.3.

V.7. Duties.

The duties of the officers are as follows:

(a) President.

The president shall:

- (1) preside at all meetings of the Board;

- (2) see that orders and resolutions of the Board are carried out;
- (3) sign all leases, mortgages, deeds and other written instruments;
- (4) sign all checks and promissory notes (provided however, checks may also be signed by the vice-president or treasurer).

(b) Vice-President.

The vice-president shall:

- (1) act in the place and stead of the president in the event of his absence, inability or refusal to act;
- (2) exercise and discharge such other duties as required by the Board.

(c) Secretary.

The secretary shall:

- (1) record the votes and keep the minutes of all meetings and proceedings of the Board and Members;
- (2) keep the corporate seal of the Association and affix it on all papers requiring said seal;
- (3) serve notice of meetings of the Board and of the Members;
- (4) keep appropriate current records showing the Members of the Association, together with their address;
- (5) perform other duties as required by the Board.

(d) Treasurer.

The treasurer shall:

- (1) receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board;
- (2) sign checks of the Association;
- (3) keep proper books of accounts;
- (4) if directed by the Board, cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year;
- (5) prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members.

#### **ARTICLE VI. SEAL**

The corporate seal of the Association shall be in the following form, to wit: (not shown) and the seal in such form is hereby adopted as the corporate seal of the corporation.

#### **ARTICLE VII. MISCELLANEOUS**

VII.1. The Declaration.

All provisions contained in the Declaration with regard to rights, powers, and duties of the Association, the Members thereof, and the Board of Directors thereof, are

hereby incorporated into these By-Laws by this reference, with the same effect as if such provisions were fully set forth within.

VII.2. Committees.

The Board of Directors shall appoint any committees as deemed appropriate in carrying out its purposes.

VII.3. Books and Records.

The books and records of the Association shall be open for inspection by any Member of the Association at the Association's place of business during reasonable business hours.

VII.4. Indemnification.

(a) Except to the extent from time to time prohibited by law, the Association shall indemnify and hold harmless any Director or officer of the Association against any and all liabilities and reasonable litigation expenses, including attorneys' fees, incurred by such person in connection with any action, suit or proceeding, whether civil, criminal, administrative, or investigative, in which he is made or threatened to be made a party by reason of being or having been such Director or officer. The term "liabilities" shall include any payments in satisfaction of any judgment, money decree, fine, excise tax or penalty, and amounts paid in settlement of any claim, action or proceeding, subject to the provisions of (c) below. The term "reasonable litigation expenses" shall include reasonable costs and expenses and attorneys' fees and expenses actually incurred in connection with the enforcement of the rights to indemnification granted hereby or by applicable law, if such enforcement is successful in whole or in part.

(b) To the fullest extent from time to time permitted by law, the Association shall pay to any such Director or officer expenses, including attorneys' fees and expenses, incurred in defending any such action or proceeding in advance of the final disposition of such action, suit or proceeding.

(d) Any person who serves or has served as a Director or officer for or on behalf of the Association shall be deemed to be doing so in reliance on, and as consideration for, the rights of indemnification provided herein. The rights of indemnification provided herein shall inure to the benefit of any such person whether or not he or she is an officer or Director at the time such liabilities or expenses are imposed or incurred and in the event of death shall be extended to the legal representative of such Director or officer. The rights of indemnification provided herein shall be in addition to and not exclusive of any other rights to

which such person may be entitled under any statute, agreement, insurance policy or otherwise.

#### VII.5. Fiscal Year.

The fiscal year of the Association shall be the calendar year.

#### VII.6. Parliamentary Rules.

Robert's Rules of Order (current edition) shall govern the conduct of all Association proceedings, when not in conflict with North Carolina law, these By-Laws, the Articles of Incorporation, the Declaration, or a ruling made by the person presiding over the proceedings.

#### VII.7. Conflicts.

If there are conflicts or inconsistencies between the provisions of North Carolina law, these By-Laws, the Articles of Incorporation, or the Declaration, then the provisions of North Carolina law, the Declaration, the Articles of Incorporation, and these By-Laws (in that order) shall prevail.

#### VII.8. Notices.

Unless otherwise specified in the Declaration or By-Laws, all notices, demands, bills, statements, or other communications required or permitted to be sent shall be in writing and shall be deemed to have been duly given if addressed personally or if sent by first-class mail, postage prepaid, or if sent to one or more electronic mail address(es) associated to property listed in the current Directory:

(a) if to a Member: at the address which the Member has designed in writing and filed with the Secretary or, if no such address has been designated, at the last known address of the Member; or

(b) if the Association, the Board, or the managing agent: at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members.

If there are multiple owners of a single piece of property, notice to one shall be deemed notice to all.

(c) The Association shall not be liable to indemnify any person for amounts paid in settlement of any claim, action or proceeding effected with the consent of the

Association. The Association will not unreasonably withhold its consent to any proposed settlement.

#### VII.9. Amendments.

The provisions of the Declaration applicable to amendment of that instrument shall apply to any amendment to these By-Laws.

#### VII.10. Fining Procedure.

The Board shall not impose a fine (late charges shall not constitute a fine) unless and until the following procedure is followed:

(a) Demand. Written demand to cease and desist from an alleged violation shall be given to the alleged violator specifying:

(1) the alleged violation;

(2) the action required to abate the violation; and

(3) a time period, not less than ten (10) days, during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of a fine, if the violation is not continuing. The Board or its designee may demand immediate abatement in such circumstances which, in the Board's determination, pose a danger to safety or property.

(b) Notices. Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand of abatement without sanctions, or if the same rule is subsequently violated, the Board may, upon notice, impose a fine. The notice shall state:

(1) the nature of the alleged violation;

(2) that the alleged violator may, within ten (10) days from the date of the notice, request a hearing regarding the fine;

(3) that any statement, evidence, and witnesses may be produced by the alleged violator at the hearing; and

(4) that all rights to have the fine reconsidered are waived if a hearing is not requested within ten (10) days of the date of the notice.

(c) Hearing. If a hearing is requested, it shall be held before the Board in executive session, and the alleged violator shall be given a reasonable opportunity to be heard. The minutes of the hearing shall contain a written statement of the results of the hearing.

**ARTICLES OF INCORPORATION  
HIGHLAND HILLS  
PROPERTY OWNER'S ASSOCIATION, INC.**

The undersigned, being of the age of eighteen years or more, does hereby make and acknowledge these Articles of Incorporation for the purpose of forming a nonprofit corporation under and by virtue of the laws of the State of North Carolina (NCGS 55A).

**ARTICLE I. NAME**

The name of the corporation is the HIGHLAND HILLS PROPERTY OWNER'S ASSOCIATION, INC.

**ARTICLE II. DURATION**

The period of duration of the corporation is perpetual.

**ARTICLE III. PURPOSES**

The purpose for which the corporation is organized are: to take title to property, to maintain common area and roadways for the benefit of the members, and to engage in any other lawful act or activity as provided in the bylaws.

**ARTICLE IV. MEMBERS**

The corporation shall have members which may be divided into such classes as shall be provided in the Bylaws. All members shall be accepted, appointed, elected or designated in the manner provided in the Bylaws.

**ARTICLE V. DISSOLUTION AND DISPOSITION OF ASSETS**

The corporation may be dissolved only if such dissolution is approved by the written consent of two-thirds (2/3) of the members.

No part of the net earnings of the corporation shall inure to the benefit of any officer, director, or member of the corporation; and, upon dissolution of the corporation, the assets thereof shall, after all of its liabilities and obligations have been discharged or adequate provisions made therefore, be distributed to any association or associations organized for purposes similar to those set forth in Article 3 hereinabove, all as more particularly provided in the bylaws of the corporation.

**ARTICLE VI. REGISTERED AGENT**

The address of the initial registered office and principal office of the corporation in the State of North Carolina is (Street) 94 Holly Berry Lane, Highlands, NC 28741 or (mailing) P. O. Box 2022, Highlands, NC 28741 and the name of the initial registered agent at such address is Mark Berg.

**ARTICLE VII. DIRECTORS**

The number of directors constituting the initial board of directors shall be five and the names and addresses of the persons who are to serve as the initial directors are:

Tim Alexander 225 Hemlock Circle (Street) P. O. Box 172 (mailing) Highlands, NC 28741	Frank Cummings 1399 N. Dearborn Pkwy. Suite #6C Chicago, IL 60610
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Dan Almers 295 Woodland Hill Drive (street) P. O. Box 2708 (mailing) Highlands, NC 28741	Peggy Miller 4383 Deer Run Evans, GA 30809
---	--

Mark Berg  
94 Holly Berry Lane (street)  
P. O. Box 2022 (mailing)  
Highlands, NC 28741

**ARTICLE VIII. INCORPORATOR**

The name and address of the incorporator is: Mark Berg, 94 Holly Berry Lane (street), P.O. Box 2022 (mailing), Highlands, NC 28741.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 6th day of April, 1999.

Mark Berg (signatory)  
Incorporator

**CORP ID #0491524  
FILED 1:30 PM  
April 14, 1999**

Elaine F. Marshall  
Secretary of State North Carolina  
991029026

BK: CRP X-41  
PG: 197 - 201  
RECORDED:  
06/10/2022  
11:48:22 AM  
DEPUTY  
BY: GLORIA CABE

2022004510  
MACON COUNTY, NC  
TODD RABY  
REGISTER OF DEEDS

NC FEE \$26.00

PREPARED BY AND. MAIL TO: Van Winkle Law Firm, 11 North Market Street, Asheville, NC 28801 (BDG/ca) (BOX 55)

**FIRST AMENDMENT TO  
AMENDED AND RESTATED DECLARATION OF RESTRICTIONS  
FOR HIGHLAND HILLS SUBDIVISION**

THIS FIRST AMENDMENT TO AMENDED AND RESTATED DECLARATION OF RESTRICTIONS FOR HIGHLAND HILLS SUBDIVISION ("First Amendment"), made and entered into this the 12<sup>th</sup> day of May, 2022, by HIGHLAND HILLS PROPERTY OWNER'S ASSOCIATION, INC., a North Carolina non-profit corporation, (hereinafter referred to as the "Association") and the individual lot owners owning lots in Highland Hills Subdivision (hereinafter collectively referred to as "Lot Owners");

**PROPERTY**

The property made subject to the Amendments is that area collectively known as "Highland Hills Subdivision" located in Macon County, North Carolina ("Highland Hills") which was originally developed by Cullasaja Development Corp., together with such additional real property as is and may be subjected to the *Amended and Restated Declaration of Restrictions for Highland Hills Subdivision* (hereinafter referred to as the "Restated Declaration").

**RECITALS**

WHEREAS, the restrictions applicable to Highland Hills are contained in the Restated Declaration, recorded at Book J-23, Pages 2344-2393 of the Macon County Registry.

WHEREAS, in accordance with the Restated Declaration and the Articles of Incorporation filed with the North Carolina Secretary of State on April 14, 1999, the Association is the duly organized and the authorized homeowners' association for the owners of lots in Highland Hills;

WHEREAS, Highland Hills is a planned community created in this State before January 1, 1999 containing 56 lots with only 53 lots eligible to cast votes;

WHEREAS, only certain provisions of the North Carolina Planned Community Act (“Act”) are applicable to Highland Hills, as stated in N.C.G.S. §47F-1-102(c);

WHEREAS, the Lot Owners of Highland Hills desire that all provisions of the Act become applicable to the subdivision;

WHEREAS, to provide for the future preservation and enhancement of property values, amenities and opportunities within Highland Hills, the Lot Owners of Highland Hills desire to further clarify and define certain allowable uses within the subdivision; and

WHEREAS, the Lot Owners of Highland Hills, by a vote of at two-thirds (2/3) of all votes entitled to be cast by Association members eligible to vote, voted to amend the Restated Declaration by written ballot. By execution of this First Amendment to the Restated Declaration, the Association certifies that the First Amendment has been formally approved by a vote of at least two-thirds (2/3) of all votes entitled to be cast by Lot Owners in accordance with N.C.G.S. §47F-2-117(a) and Section X. of the Restated Declaration.

NOW, THEREFORE, the Association, with the vote of at least two-thirds (2/3) of all votes entitled to be cast by Lot Owners, hereby amends the Restated Declaration as follows:

**AMENDMENT TO THE RESTRICTIONS**

**IV. RESTRICTIONS ON USE**

**Section IV.4.** is hereby amended by adding the following as a separate paragraph to the existing text:

No trade or Business of any kind is permitted on a lot within the Subdivision. A Business activity shall be considered “related” to a residential use and thus permitted under this Section only if conducted by a person or persons residing in a Dwelling on the lot and only if the business activity (i) complies with applicable zoning requirements; (ii) is not apparent or detectable from outside the Dwelling; (iii) does not involve regular visitation to the Dwelling or the lot by clients, customers, suppliers, agents, other business invitees or by employees who do not reside in the Dwelling; and (iv) is consistent with the residential character of the Subdivision and does not constitute a nuisance or a hazardous, noxious or offensive use or threaten the security and safety of others.

A Dwelling may be leased for a Vacation Rental and the leasing of the Dwelling will not be considered a Business if (i) the lease is for the entire Dwelling; (ii) the term of any lease is for at least four (4) consecutive days between January 1 through April 30, and at least seven (7) consecutive days between May 1 through December 31 of a calendar year. All leases of a Dwelling must be in writing and shall disclose that the tenant and all occupants of the Dwelling are bound by and obligated to comply with the Restated Declaration, and any duly adopted Amendments, and the Bylaws.

**ADOPTION OF THE NORTH CAROLINA PLANNED COMMUNITY ACT**

**Section XII.** is hereby added to the Restated Declarations as follows:

**Section XII. ADOPTION OF THE PLANNED COMMUNITY ACT.** All provisions of the North Carolina Planned Community Act contained in Chapter 47F, Articles 1, 2 and 3 of the North Carolina General Statute shall apply to the subdivision known as Highland Hills, as described in the Restated Declaration, with respect to events and circumstances occurring after the adoption of this First Amendment and do not invalidate existing provisions of the Restated Declaration, Bylaws, Articles of Incorporation or the Plat of Highland Hills.

**EFFECT OF AMENDMENT**

Except as the same shall have been expressly modified by this First Amendment, the covenants, conditions, and restrictions contained in the Restated Declaration shall remain in full force and effect. The Association members hereby subject Highland Hills to the First Amendment all of which are for the purpose of enhancing and protecting the value, desirability, tranquility, attractiveness and safety of the Subdivision. Such covenants, conditions, and restrictions shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in Highland Hills and shall inure to the benefit of each owner of a lot located within the Subdivision or any part thereof.

IN WITNESS WHEREOF, the Association has caused this First Amendment to be executed by its duly authorized officer the day and year first above written.

HIGHLAND HILLS PROPERTY  
OWNER'S ASSOCIATION, INC.

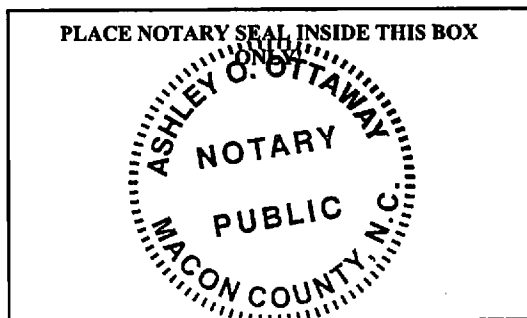
By: [Signature]  
John T. Fields, Its President

STATE OF NORTH CAROLINA  
COUNTY OF MACON

Sworn to and subscribed before me, this 10<sup>th</sup> day of June, 2021, by John T. Fields, President of HIGHLAND HILLS PROPERTY OWNER'S ASSOCIATION, INC.

[Signature]  
Notary Public Signature  
Ashley O Ottawa  
(Printed Name of Notary)

My Commission Expires: 8/12/2022



SECRETARY'S CERTIFICATE

The undersigned Secretary of HIGHLAND HILLS PROPERTY OWNER'S ASSOCIATION, INC., hereby certifies that pursuant to notice dated April 12, 2021, and with a return deadline of April 30, 2021, the Members of the Association approved the First Amendment to the Restated Declaration for Highland Hills adopting all provisions of The North Carolina Planned Community Act contained in Chapter 47F, Articles 1, 2 and 3 of the North Carolina General Statute, to which this certificate is attached by written ballot by a vote of Thirty-Eight (38) Owners of lots in favor of said amendment, Two (2) against, out of a total of Fifty-Three (53) Owners of lots who voted. Thirteen (13) owners did not vote and Zero (0) ballots were received after the deadline.

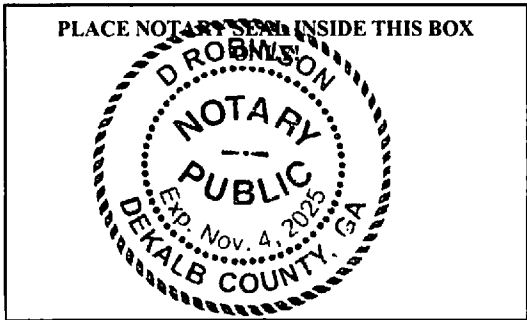
HIGHLAND HILLS PROPERTY OWNER'S ASSOCIATION, INC.

By: Edith Walker Woodling

Edith Walker Woodling, Its Secretary

~~STATE OF NORTH CAROLINA~~ Georgia  
COUNTY OF DeKalb

Sworn to and subscribed before me, this 12 day of May, 2022, by Edith Walker Woodling Secretary of HIGHLAND HILLS PROPERTY OWNER'S ASSOCIATION, INC.



Danae M. Robinson  
Notary Public Signature  
Danae M. Robinson  
(Printed Name of Notary)

My Commission Expires: 11/4/25

### SECRETARY'S CERTIFICATE

The undersigned Secretary of HIGHLAND HILLS PROPERTY OWNER'S ASSOCIATION, INC., hereby certifies that pursuant to notice dated July 19, 2021, and with a return deadline of August 20, 2021, the Members of the Association approved the First Amendment to the Restated Declaration for Highland Hills adopting Section IV.4, to which this certificate is attached by written ballot by a vote of Forty-One (41) Owners of lots in favor of said amendment, Seven (7) against, out of a total of Fifty-Three (53) Owners of lots who voted. Five (5) owners did not vote and Zero (0) ballots were received after the deadline.

HIGHLAND HILLS PROPERTY OWNER'S ASSOCIATION, INC. *Walker*

By: *Edith Walker Woodling*

Edith Walker Woodling, Its Secretary

*Georgia*

STATE OF ~~NORTH CAROLINA~~

COUNTY OF *DeKalb*

Sworn to and subscribed before me, this 12 day of May, 2022 by *Edith Walker Woodling*, Secretary of HIGHLAND HILLS PROPERTY OWNER'S ASSOCIATION, INC.

*D. Robinson*

Notary Public Signature

*Danae M. Robinson*

(Printed Name of Notary)

My Commission Expires: *11/4/25*

