

Sorrento Skies Consolidated Restrictions

The following document was prepared to assist residents and owners in their understanding of the restrictions placed on properties located in the Sorrento Skies subdivision in Watauga County, NC. This is a consolidation of the recorded Covenants and Restrictions and their subsequent amendments as follows:

- Original Restrictions – all superseded by the Amendment to Declarations of Restrictions
- Amendment to Declarations of Restrictions, Book 417, Page 417, Watauga County, North Carolina, Public Registry
- Second Amendment to Declarations of Restrictions, Book 620, Page 361, Watauga County, North Carolina, Public Registry
- Third Amendment to Declarations of Restrictions, Book 621, Page 139, Watauga County, North Carolina, Public Registry
- Fourth Amendment to Declarations of Restrictions, Book 1981, Page 165, Watauga County, North Carolina, Public Registry

This is for informational purposes only and is not a legal document.

1. The real property which is and shall be held, transferred, sold and conveyed subject to the protective covenants set forth in this instrument is located in Watauga County, North Carolina, and is more particularly described in Exhibit A attached hereto and incorporated herein by reference. The Property Owners hereby declare that the property described in Exhibit A (sometimes referred to herein as "lots") is subjected to the protective covenants and restrictions hereby declared to insure the best use and the most appropriate development and improvement of each lot thereof; to protect the owners of lots against such improper use of surrounding lots as will depreciate the value of their property; to preserve, so far as practicable, the natural beauty of said property; to guard against the erection thereon of poorly designed or proportioned structures; to encourage and insure the highest and best development of said property; to encourage and secure the erection of attractive homes thereon, with appropriate locations thereof on lots; to prevent haphazard and inharmonious improvement of lots; to secure and maintain a high type and quality of improvement on said property, and thereby to enhance the values of investments made by purchasers of lots therein.

2. All lots in the property described in Exhibit A shall be used only for private residential purposes, and no building shall be erected, placed or permitted to remain on any lot other than a single family dwelling not to exceed three stories in height. The dwelling to be erected shall be constructed of new and durable materials. With the exception of Lots 13 through 21 of Sorrento Skies, Section IV, as referenced in paragraph 5, below, each dwelling shall have a minimum of 1,200 square feet of heated living area on at least one floor and 2,000 square feet of heated living space in total, exclusive of garage and porches. For purposes of these restrictions, "short term rental use" shall not be deemed to be a residential use and shall constitute a commercial use which is strictly prohibited under the terms and provisions of these restrictions. For purposes of this paragraph, "short term rental use" shall be defined as any residential rental use with a duration of less than 30 consecutive days. The specific purpose and intent of this provision is to prohibit property owners from offering their dwellings for rent by the week or by the day. No duplexes or apartment houses shall be constructed on any lot. All lots contained within the property described in Exhibit A shall be used exclusively for residential purposes.

For purposes of this amendment, "private residential purposes" shall be further clarified and defined to require that all dwellings shall be occupied by a single family and no more than two (2) unrelated persons. A family shall be defined as one or more individuals related by blood, marriage, adoption, foster or other legal guardianship occupying a premises and living as a single, non-profit housekeeping unit,

including live-in help. "Occupied" is defined as residing in the dwelling more than fourteen (14) consecutive days in a thirty (30) day period.

All lawns in front of each residence lot shall extend to the pavement line. No gravel or blacktop or paved parking strips are to be allowed except as may be approved in the building plans submitted to the Association.

Where applicable, each lot owner shall have the right to connect to the wells shown on the various subdivision plats, subject to the condition that each lot owner connecting to a well shall be obligated to pay his/her prorata share of maintenance, repair and upkeep of the well and lines.

3. No structure of a temporary character, house trailer, apartment, mobile home, tent, shack, barn or other outbuilding or garage apartment shall be used on any lot at any time as a residence, either temporarily or permanently. No outside toilets may be placed on any lot except for a limited time during construction of a residence.

4. All dwellings are to be of a permanent type with an exterior surface of solid wood, natural stone, brick or such other material as may be specifically approved by the Architectural Review Committee (hereinafter referred to as the "ARC") in accordance with the terms and provisions of paragraph 5, below. All exposed masonry surfaces shall be plastered, stuccoed, or faced with stone or brick or such other material as may be specifically approved by the ARC in accordance with the terms and provisions of paragraph 5, below.

5. The Board of Directors of the Association shall establish the ARC, which shall be composed of no less than three members, all of whom shall be required to be members of the Association. The Board of Directors of the Association shall have the sole authority to appoint members to the ARC and remove members from the ARC. The ARC shall have the right and authority, with the approval of the Board of Directors, to hire professionals to assist it in connection with review and approval of plans and performance of its duties hereunder.

(a) No building, fence, satellite dish, structure, driveway, exterior light, or other improvement shall be erected, placed, or altered on any lot without prior written approval from the ARC. No construction, which term shall include within its definition, clearing, excavation, grading and other site work, shall take place except in strict compliance with this paragraph, until the requirements thereof have been fully met, and until approval of the ARC has been obtained.

(b) The ARC shall have exclusive jurisdiction over placement of all structures on lots described in subparagraph (a), above, and over all original construction on any lots and later changes or additions after initial approval thereof together with any modifications, additions or alterations subsequently to be constructed on any lot or made to any improvements initially approved. The ARC shall prepare and, on behalf of the Board of Directors of the Association, shall promulgate architectural standard guidelines ("guidelines") and application and review procedures ("procedures"). The guidelines and procedures shall be those of the Association and the ARC shall have the sole and full authority to prepare and to amend the guidelines and procedures: The ARC shall make the guidelines and procedures available to owners, builders, and developers who seek to engage in the development of or construction upon the lots and who shall conduct their operations strictly in accordance therewith. A lot owner shall be required to be in full compliance with the terms and provisions of the covenants and restrictions set forth herein prior to submission of plans and specifications to the ARC for approval.

(c) The ARC shall have the absolute and exclusive right to disapprove any plans, specifications or details submitted to it in the event the same are not in accordance with any of the provisions of the Declarations of Restrictions and the guidelines; if the design, color scheme or location upon

the lot or lots of the proposed improvements are not in harmony with the general surroundings or adjacent structures; if the plans or specifications submitted are incomplete; or in the event the ARC deems the plans, specifications or detail, or any part thereof, to be contrary to the best interests, welfare or rights of all or any part of the real property subject to the Declarations of Restrictions or the owners thereof.

(d) The ARC shall approve or disapprove plans, specifications and details submitted in accordance with its procedures within 21 days from the receipt thereof. Provided, however, that plans, specifications and details revised in accordance with ARC recommendations may be resubmitted for determination by the ARC, in which case the ARC shall have an additional 21 days from receipt of the resubmitted plans and specifications to approve or disapprove said resubmitted plans and specifications. In the event that the ARC fails to approve or disapprove plans, specifications and details within 21 days from receipt of the same by the ARC, approval, for the purposes of this paragraph, shall be deemed to have been given by the ARC.

In the event the ARC disapproves any plans, specifications or details submitted to it, the aggrieved lot owner shall be entitled to appeal the ARC's decision to the Board of Directors of the Association, provided that such appeal is submitted to the Board within 20 days of the ARC's written notice of disapproval of said plans and specifications. The Board of Directors shall review the ARC's decision and shall have the power and authority to either affirm the decision or reverse the decision of the ARC. The decision of the Board of Directors shall be final.

(e) The ARC, or its agent, shall have the right to inspect all construction to insure that it is performed in strict accordance with the approved plans, specifications and details. The ARC will use reasonable standards to determine whether or not a proposed building schedule submitted by the lot owner is acceptable. Upon completion of the construction in accordance with the approved plans, specifications and details, the ARC shall issue a certificate of completion to the owner.

(f) Nothing contained herein shall be construed to limit the right of an owner to remodel the interior of his or her residence or permitted pertinent structures, or to paint the interior of the same any color desired. The ARC and its agents shall not in any way be responsible for any defects in plans, specifications or details submitted, revised or approved in accordance with the provisions contained herein or in the guidelines, nor for any structural or other defect in any construction.

(g) With regard to lots 13 through 21 of Sorrento Skies, Section IV, building plans for residences proposed for these lots, at the time of submission shall include data on proposed view obstruction. Building plans may be approved for a maximum roof height of six feet above Bella Vista Drive. The point of measurement of the elevation of Bella Vista Drive to be used in determining the maximum roof height for each lot shall be at the intersection of the centerline of said street and a line which is perpendicular with said centerline and which transects the center of said lot.

6. No noxious or offensive activities shall be carried on upon any lot, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. No lots shall be used for business or commercial purposes, nor shall animals, livestock, or poultry of any kind be bred, raised or kept on any lot, except that dogs, cats and other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes, and provided further that dogs shall be kept on the owner's premises or physically restrained at all times by leash or by other means and not allowed to trespass on the private property of another.

"Livestock", for the purposes of these restrictions, shall be defined as horses, mules, donkeys, burros,

cows, pigs, goats, sheep, fowl (such as chickens, ducks, turkeys, etc.), rabbits and all other animals that typically are kept primarily for productive or useful purposes rather than as pets. This includes all domestic, wild, miniature, full-sized or mixed breeds of the aforementioned animals.

No person may have or keep any animal that:

(1) Habitually or repeatedly without provocation, chases, snaps at or attacks pedestrians, bicycles or vehicles even if the animal never leaves the owner's property (except that this provision shall not apply if such animal is restrained by a pen, fence, or other enclosure) or does so only to transgress upon the adjacent right-of-way and then returns to its owner's property;

(2) Seriously interferes with the reasonable use and enjoyment by neighboring residents of their property because of its habitual barking, howling, whining, crying or other noise making; or

(3) Without provocation, and off the premises of the animal's owner, inflicts on any person a serious injury requiring treatment by a physician, including but not limited to a bite or scratch that breaks the skin.

No person owning or having possession, charge, custody or control of any animal may cause, permit, or allow said animal to defecate upon any street or other common property without immediately cleaning up said property. "Immediately" within the meaning of this Paragraph shall be deemed to mean within five (5) minutes of the creation of said nuisance.

Property Owners shall be prohibited from storing junk vehicles or inoperative vehicles on their lots. Further, no exterior light or lighting, or device or thing of any sort shall be kept whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of other property in the neighborhood by the owners thereof. All garbage and trash containers and all oil or bottled gas tanks must be underground or placed in enclosed areas, shielded from view from adjoining properties.

With regard to exterior lights or lighting, exterior lighting shall be wired to permit the Property Owner a convenient means of switching all lights on and off. High intensity lighting, including all Mercury Vapor and High Pressure Sodium Lights, shall not be permitted, and no exterior lighting shall be permitted which is directed on or shines on another lot owned by a third party. Any exterior lights not mounted on a dwelling shall be mounted at a height not to exceed 6 feet above the ground.

For purposes of this paragraph, "commercial purposes" shall not include home office occupations or businesses, provided that the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the dwelling, that the business activity conforms to all zoning requirements for residential property in Watauga County, that the business activity does not involve regular visitation of the dwelling by clients, customers, suppliers, or other business invitees, and that the business activity is consistent with the residential character of the property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents in the development.

All residents shall park their vehicles in designated driveways or enclosed garages. Temporary guest parking will be allowed on any part of a resident's lot when driveway space is not available or on any Association-owned street when off-street parking is unavailable. The parking of recreational vehicles, motor homes, boats, commercial vehicles, trucks or trailers for more than 72 hours every 30 days is prohibited unless such vehicle is parked in an enclosed garage. For purposes of this paragraph, "trucks" do not include pickup trucks.

7. Placement of all structures on lots shall be in compliance with the applicable setback requirements and other applicable provisions of the Watauga County Zoning Ordinance.

No lots shall be combined, subdivided, or its boundary lines changed, without the express written consent of the Association. The Association reserves to itself, its successors and assigns, the right to consent to the replatting of any lot shown on the plat of any subdivision subject to this Amendment in order to create a modified building lot or lots. The restrictions herein shall apply to any of said modified lots resulting from said subdivision or recombination as if the resulting lots had been originally platted in such manner.

8. It shall be the responsibility of each lot owner to prevent the development of any unclean, unsightly or unkept conditions of buildings or grounds on each lot, and no refuse, weeds, or underbrush or other unsightly growth shall be permitted on any lot.

If a Property Owner, upon written request by the Association, fails to correct said condition within thirty (30) days, the Association or its agents may enter upon said land to remove any trash which has collected and correct the unkept condition on said lot without such entrance and removal being deemed a trespass, all at the expense of the owner of said lot. Further, such expense shall be charged as an assessment against the lot owner and shall be a lien upon the lot until paid. This provision shall not be construed as an obligation on the part of the Association to provide garbage or trash removal services. Neither the Association nor any of its agents or contractors shall be liable for any damage which may result from any maintenance work performed.

In the event a Property Owner or said Property Owner's contractor or agent damages any portion of the common areas, including but not limited to the roadways and rights-of-way, said Property Owner shall be personally liable to the Association for any required repairs or replacements, the cost of said repair or replacement shall constitute a lien on said Property Owner's lot.

9. Each lot shall have a five (5) foot easement for utilities, including, but not limited to, electric lines, cable TV lines, water and sewer lines, which utility easement shall run parallel with the boundary lines of each lot. All utility lines, including those for electrical power, heating, fuel, water, cable, and telephone, shall be installed underground.

10. No sign of any kind shall be displayed to the public on any lot with the exception that one sign, of not more than four square feet, may be displayed to advertise the property for sale or rent, or one sign used by a builder or architect may be displayed to advertise the property during construction or in a sale period thereafter for a reasonable time, which time shall be determined by the Association.

11. Sorrento Skies Property Owners Association, Inc., a nonprofit corporation organized and existing under the laws of the State of North Carolina, is the true and authorized successor in interest to C. E. Pitts and has succeeded to all the rights and responsibilities of C. E. Pitts. The Association has duly adopted a set of By-Laws which governs the rights and obligations of the property owners. In particular, the Association shall provide for common maintenance, repair and improvement of roadways and rights-of-way contained within the property described in Exhibit A, maintenance and repair of any and all common areas, winter snow removal, approval of building plans, enforcement of the restrictive covenants contained herein, enforcement of such other rights and obligations as may be set forth in the By-Laws which have been duly adopted by the Association, and such other activities which shall promote the welfare of the property Owners.

The Association shall have the power to levy and collect annual assessments and special assessments which shall be used for the following purposes:

- (a) To maintain and repair all roads constructed within the property described in Exhibit A to the

standard as such roads were in at the time of their completion, to maintain all landscaping adjacent to such roads in a manner consistent with the overall appearance of the development, and to maintain and repair any and all street lights installed along such roads;

(b) To acquire, construct, improve, develop, maintain and repair common areas for the development, including, but not limited to, park areas and recreation areas;

(c) To provide such security services as may be deemed by the Association to be reasonably necessary for the protection of the Property Owners;

(d) To pay all ad valorem taxes which may be levied against the common areas and any property owned by the Association;

(e) To pay the premiums on all hazard insurance carried by the owner of the common areas and all public liability insurance carried by the Association; and

(f) To pay all legal, accounting and other professional fees incurred by the Association in carrying out the duties as set forth herein or in the by-laws of the Association.

(g) To acquire Well sites, administer a fund or bank account for the installation and maintenance of Wells, and install, maintain, repair, and replace water wells, water lines, and all related improvements for the use and enjoyment of the Property Owners. Provided, that the inclusion of this subparagraph shall in no way constitute an obligation on the part of the Association to assume responsibility for the duties set forth herein, unless and until the Association specifically assumes this responsibility.

The owner of each platted lot hereby covenants, and each owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the annual assessments and such amounts necessary to pay for the services set forth in this paragraph and charges and special assessments for capital improvements, established and collected as hereinafter provided. Any such assessment or charge, together with interest, costs, and reasonable attorney's fees, shall be a charge and a continuing lien upon the lot against which such assessment charges are made. Each such assessment or charge, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the owner of such lot at the time when the assessment fell due. The personal obligation for delinquent assessments or charges shall not pass to an owner's successors in title unless expressly assumed by them.

In addition to the annual assessments authorized herein, the Association may levy, in any year, a special assessment applicable to that year for the purpose of defraying, in whole or in part, the cost of any acquisition of property, construction, reconstruction, repair or replacement of a capital improvement upon the common area, including fixtures and personal property related thereto, and the common roadways servicing the lots or for the purpose of meeting any unanticipated expenses relating to the common area. Such special assessments may be levied only after obtaining the written consent of the owners of at least 2/3 of the aggregate number of lots subject to this Declaration of Restrictions.

Both annual and special assessments must be fixed at a uniform rate for all lots.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the maximum rate of interest allowed under North Carolina law. The Association may bring an action at law against the delinquent lot owner or foreclose the lien against the lot. All interest, late payment charges, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by not using the common area or abandoning his/her lot.

The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or

deed of trust on any lot. Sale or transfer of any lot shall not affect the assessment lien.

12. Every lot owner shall be a member of the Association. Membership of a lot owner shall be appurtenant to and may not be separated from the ownership of his/her lot. All lot owners shall be entitled to one vote for each lot owned. When more than one person owns an interest (other than a leasehold or security interest) in any lot, all such persons shall be members, and the voting right appurtenant to said lot may be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any lot.

13. It is understood and agreed that the Association has in place a set of By-Laws which have been duly adopted by the Association and which govern the rights and obligations of the property owners. Provided, that in the event there is any conflict between the terms and provisions of this Amendment and the terms and provisions of said By-Laws, the terms and provisions of this Amendment shall control, and the Property Owners, by execution of this Amendment, shall be deemed to have amended the By-Laws in accordance with the terms and provisions set forth herein.

14. The Association or any non-breaching owner of any lot, or any of them jointly or severally, shall have the right to proceed at law or in equity to compel compliance with the terms hereof or to prevent the violation or breach of such terms by any Owner or his agent. In addition to the foregoing, the Association, whenever there shall have been built on any lot any structure which is in violation of these restrictions, shall have the right to enter upon such lot and correct or remove such violating structure at the expense of the owner. Any such entry and abatement or removal shall not be deemed a trespass. The failure to enforce any right, reservation, restriction or condition contained in this Declaration shall not be deemed a waiver of the right to do so hereafter, as to the same breach or as to a breach occurring prior or subsequent thereto, and shall not bar or affect such enforcement.

15. The covenants, restrictions and servitudes set forth herein shall run with the land. All owners affected by these restrictions, by accepting a deed to any portion of the property described in Exhibit A attached hereto, accepts the same subject to such covenants, restrictions and servitudes, and agrees for himself, his heirs, successors and assigns, to be bound by each of said covenants, restrictions, and servitudes jointly, separately, and severally. These covenants shall be in effect until June 30, 2030, and shall be automatically extended for successive periods of ten (10) years each unless the owners of not less than 80% of the lots agree to terminate the same, in writing signed and recorded in Watauga County, North Carolina, Public Registry at any time prior to the expiration of said term or any succeeding ten (10) year term.

16. This Amendment to Declaration may be amended in full or in part by an instrument signed by Property Owners owning not less than 51% of the Lots referenced in Exhibit A. To be effective, any amendment must be recorded in the office of the Register of Deeds of Watauga County, North Carolina.

17. By execution and recordation of a new Amendment to Declaration of Restrictions in accordance with paragraph 16, above, the Association and the Property owners, upon written request from a property owner owning property which meets the requirements set forth herein, shall have the right, but not the obligation, to annex said property and bring it within the coverage and operation of these Restrictions. Said new Amendment shall be executed by the requesting property Owner(s) as well as the required percentage of lot owners referenced in paragraph 16, above, and said new Amendment shall specifically describe the property to be brought within the coverage and operation of these Restrictions. Provided, that this right and option shall apply to properties which are contiguous to the lands described in Exhibit A and were formerly owned by the developer of Sorrento Skies, C. E Pitts.

18. By execution of this Amendment, the owners of 80% of the property frontage of the lots located in Sorrento Forest, as depicted on plat thereof recorded in Plat Book 10, page 233, Watauga County, North Carolina, Public Registry, and the owners of all lots located in Sorrento Forest, Section 2, as depicted on plat thereof recorded in Plat Book 12, Page 186, Watauga County North Carolina, Public Registry, and the

owners of 80% of the property frontage of the lots located in Sorrento Forest Section 2 as described in Exhibit A attached hereto, do hereby agree for themselves, their heirs, successors and assigns, to be bound by each of the covenants, restrictions, and servitudes set forth in this Amendment.

19. By execution of this Amendment, the Property Owners hereby elect to make the provisions of Chapter 47F of the North Carolina General Statutes, entitled The North Carolina Planned Community Act, applicable to the properties described in Exhibit A.

EXHIBIT A TO AMENDMENT TO DECLARATIONS OF RESTRICTIONS

The covenants and restrictions set forth in the Amendment to Declarations of Restrictions, in their entirety, shall apply to the following described properties, situated, lying and being in Watauga County, North Carolina, and more particularly described as follows:

1. Being all lots located in Sorrento Skies , Section I, as depicted on plat thereof recorded in Plat Book 8, Page 88, Watauga County, North Carolina, Public Registry.
2. Being all lots located in Sorrento Skies, Section II, as depicted on plat thereof recorded in Plat Book 9, Pages 53 and 54, Watauga County, North Carolina, Public Registry.
3. Being all lots located in Sorrento Skies, Section III, as depicted on plat thereof recorded in Plat Book 9, Page 153, Watauga County, North Carolina, Public Registry.
4. Being all lots located in Sorrento Skies, Section IV, as depicted on plat thereof recorded in Plat Book 10, Page 176, Watauga County, North Carolina, Public Registry.
5. Being all lots located in Sorrento Forest, as depicted on plat thereof recorded in Plat Book 10, Page 233, Watauga County, North Carolina, Public Registry.
6. Being all lots located in Sorrento Forest - Section Two, as depicted on plat thereof recorded in Plat Book 12, Page 186, Watauga County, North Carolina, Public Registry.

