Prepared by and Return to: Peter U. Kanipe (Box 31)
McGuire, Wood & Bissette, P.A.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF RESTRICTIVE COVENANTS (the "Declaration"), made and entered into this the 27th day of July, 2026, by and between JPMorgan Chase Bank, N.A. (Dallas, Texas), Trustee for the Orchard Village Trust, hereinafter referred to as the "Declarant", and future owners of lots subdivided from the real property described in Exhibit A.

WITNESSETH:

THAT WHEREAS, Declarant is the owner of certain property in Buncombe County, North Carolina, which is described in the attached Exhibit A (the "Property" or "Subdivision" or "Planned Community"); and

WHEREAS, a portion of the Property is already encumbered by those Restrictive Covenants, Water Rights, Easements and Maintenance Agreement recorded in Deed Book 1340, Page 465 of the Buncombe County Registry; and

WHEREAS, another portion of the Property is encumbered by that Restrictive Agreement recorded in Deed Book 1508, Page 195 and amended in Deed Book 1605, Page 277 of the Buncombe County Registry; and

WHEREAS, despite the fact that two portions of the Property are encumbered by a declaration of covenants, conditions, and restrictions, Developer wishes to include those portions of the Property with the remainder of the Property into a common scheme of a developed community of subdivided lots ("Lots") pursuant to the terms of this Declaration; and

WHEREAS, Declarant desires, for the benefit of the Property and for the benefit of future purchasers and owners of Lots (hereinafter each referred to as an "Owner"), that the Property shall be developed and used exclusively as hereinafter set forth;

NOW THEREFORE, for and in consideration of the premises contained herein and of the benefits derived by the Declarant and each and every subsequent Owner within the Property, the Declarant does hereby establish, promulgate and declare the following easements, restrictions, covenants, and conditions (also referred to herein as the "Protective Covenants"), which are for the purpose of protecting the value and desirability of and which shall run with the title to the Property and shall be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

1. LAND USE: No Lot shall be used except for residential purposes. Each Lot must be a minimum of 10 acres in size. No Lot shall be re-subdivided as to create an additional lot unless such subdivision is done or approved by the Declarant. No portion of any Lot less than the whole thereof shall be sold or conveyed by any Owner to attempt to create an additional Lot. An Owner may combine two or more Lots into one Lot, but once two or more Lots have been combined, the newly combined Lot may not be further subdivided. No portion of any Lot shall be sold or used to create a right-of-way to provide access to adjoining land outside of the Property unless the adjacent land is owned or controlled by the Declarant at the time the access is established.

The Declarant reserves the right to use an existing Lot in the Subdivision for the purpose of providing access to an adjacent tract of land if such adjacent tract of land is owned and controlled by the Declarant or its assigns and such access shall be used to provide access for residential development of the adjacent tract in keeping with the provisions of the Declaration.

Declarant further reserves the right to recombine, subdivide, or otherwise create new Lots during the Declarant Control Period and dedicate new roads and other Common Areas that are to be maintained by the Association as defined in this Declaration through the recording of a new, revised or supplemental subdivision plat.

2. BUILDING TYPE: At no time shall any mobile home, modular home, manufactured home, panelized home or other prefabricated home of any type be placed upon or exist upon any Lot or portion of the Property unless such home is approved by the Declarant in its sole and absolute discretion.

3. BUILDING LOCATION: All residences on any Lot shall be set back at least thirty-five feet (35') from the front property line which constitutes the margin of a right-of-way, at least twenty five feet (25') from the rear property line, and at least thirty-five feet (35') from each side property line. The Declarant, or its successor in interest, may approve exceptions to these requirements on Lots which, as a result of topography, necessitate reasonable variations, but all such modifications shall be reflected in writing.

4. EASEMENTS: Easements ten feet (10') in width are reserved along the side lot lines for each Lot, and ten feet (10') in width along the rear lot lines of each Lot for the installation and maintenance of telephone lines, electric lines, water lines, and any other public utilities and drainage facilities. Any Owner may utilize the area subject to the easement created by this paragraph for yards, driveways, or other limited facilities or uses, but may not construct any

other improvements within the easement area. Owners may also install and maintain any telephone lines, electric lines, water lines, and any other public utilities and drainage facilities within any areas designated as a right of way easement under this Declaration. For purposes of installation of a new utility line, the Owner installing the line shall be obligated to restore the property or any improvements that were installed by any utility or Declarant to approximately the same condition that it was in prior to beginning construction. Under no circumstances shall any utility company, or the Declarant, or its assigns, be responsible for repair of permanent improvements within said easement.

All property is subject to an easement in favor of the Declarant, its successors, and assigns, and the rights of other Owners within the Subdivision for existing utility lines, including existing water lines and existing sewer lines, and the Declarant, its successors, and assigns, and the Owners who use such lines shall have the right to maintain, repair, replace and improve existing water and sewer facilities as may be reasonably necessary.

5. NUISANCES: No noxious, illegal or offensive activity, commercial or non-commercial shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. No thing or material (other than lawn maintenance equipment) shall be kept or used upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace and quiet of the occupants of surrounding property.

6. TEMPORARY STRUCTURES/MOBILE OR MODULAR HOMES: No trailer, tent, shack, or other outbuilding shall be erected or placed on any Lot for use as a temporary or permanent residence. No trailer, mobile home, or any other type of premanufactured home may be placed on any Lot for any reason, either temporarily or permanently. Partially completed dwellings shall not be used as a residence. This restriction shall not apply to construction buildings used by the Declarant during construction. Upon completion of Lot clearing and construction, all construction equipment, tools and similar items must be immediately removed.

7. BUSINESS USE: No business, trade or similar activity may be operated from any home or Lot, except that an Owner or occupant of a residence may conduct business activities within the residence so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the residence; (b) the business activity conforms to all zoning requirements for the property; (c) the business activity does not require the regular or routine visitation by clients, customers, suppliers, or other business invitees and does not unreasonably increase traffic within the development; and (d) the business activity is consistent with the residential character of the development and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the development.

The terms "business" and "trade" as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods and services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such

activity is engaged in full or part-time, (b) such activity is intended to or does generate a profit, or (c) a license is required.

The above notwithstanding, the leasing of a home shall not be considered a business or trade within the meaning of this section. This section shall not apply to any activity conducted by the Declarant or a Builder approved by the Declarant with respect to the development and sale of Lots and homes.

8. OIL/MINING OPERATIONS: No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot.

9 ANIMALS: No cows, pigs, goats, roosters, sheep, or other livestock (with the exception of chickens as described below) of any kind shall be raised, bred or kept on any Lot. Up to eight (8) chickens may be allowed on each Lot solely for non-commercial egg production to be kept in an indoor coop no larger than 32 square feet with secure outdoor run space no larger than 100 square feet that is kept at least 35 feet from any property line. No chickens may run free or cause any kind of nuisance within the Property. Up to three (3) horses may be allowed on each Lot strictly for recreational purposes. Breeding of animals within the Subdivision is prohibited. No kennel or other facility for raising or boarding dogs or other animals for commercial purposes shall be permitted. In no case shall a pet be allowed to roam free.

10. GARBAGE AND REFUSE DISPOSAL: No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage and disposal of such material shall be kept in clean and sanitary condition and concealed from the view of neighboring lots, roads and streets.

11. HUNTING, TRAPPING, DISCHARGE OF WEAPONS: Hunting and trapping of animals, fowl and game, and the discharge of firearms, bows and arrows, or other weapons, is prohibited. The term "firearms" includes, without limitation, "B-B" guns, pellet guns, bows and arrows, slingshots, and other firearms and weapons of all types, regardless of size. The use and discharge of firecrackers and other fireworks is prohibited.

12. WATER/SEWAGE SYSTEMS: Individual wells and septic tanks must be approved and permitted by all local governmental health offices that require approval prior to installation on a Lot. Tap, meter and permit fees will be the responsibility of the Owner.

13. ON-STREET PARKING: No on-street parking within the Property will be permitted except during construction or temporary parking on limited occasions while entertaining.

14. EROSION CONTROL/CONSTRUCTION DEBRIS/LOT MAINTENANCE: All Owners shall require all contractors, subcontractors, builders, carpenters, and other workers involved in construction on the property of the homeowner to keep the roads in the Property as

free of dirt, mud and other debris as is reasonably possible under the circumstances. Prior to undertaking any construction activity, each Owner shall (a) require that his/her contractor or subcontractor make all reasonable efforts to comply with any and all rules and regulations promulgated by any governmental authority regarding erosion control measures, (b) shall require that the contractor or any other agents of the Owner comply with reasonable methods of erosion control for the purpose of reducing as far as is reasonably possible the washing of loose dirt, mud, or other debris onto adjoining properties or subdivision roads, and (c) deposit with the Declarant (if the Declarant Control Period described in Section 19 is still in effect) or the Association as defined in Section 15 (if the Declarant Control Period has ended) a construction deposit ("Construction Deposit") to be held to cover any damage to Common Areas (as hereafter defined) or failure to comply with any of the covenants or regulations described in this Declaration. The initial amount of such construction deposit shall be $5,000.00 and is subject to change as determined solely by the Declarant or Association (once the Declarant Control Period ends) and shall be refunded to the Lot Owner after the Owner's work has been completed and inspected.

Once a driveway has been graded or pushed in the Owner shall promptly thereafter spread and continue to maintain sufficient gravel on the driveway as will be necessary to minimize the amount of dirt and debris which may wash or otherwise spread onto adjacent property or subdivision roads. Stone, gravel, dirt, or other debris that washes onto the subdivision road shall be promptly removed by the Owner or his contractors or his agents.

Grass and weeds are to be kept down (mowed) on all Lots (whether occupied or vacant) to prevent an unsightly and unsanitary condition at the Owner's expense.

15. ASSOCIATION: Each Owner shall become a member of the Secluded Hills Homeowners Association, Inc., a North Carolina non-profit corporation (the "Association"), at the time of the purchase of a Lot. The Declarant reserves the right to change the name of the Association during the Declarant Control Period and shall file an amendment to this Declaration should the name be changed. The owners of each Lot, collectively, shall be entitled to cast one vote at the meeting of the Association. It shall be the responsibility of the Owners of a Lot, if there is more than one Owner, to decide which of the owners shall be entitled to vote as the representative of the Lot Owner at the meeting of the Association members. The Association shall have the rights, duties, and responsibilities set out in its Charter, By-Laws, and other rules and regulations promulgated by it from time to time. The Lot Owners shall annually elect directors of the association in the manner provided in the By-Laws. The repair and maintenance of the areas that are reserved for use by all Lot Owners in the Subdivision, including the roads, serving the subdivision ("Common Areas"), shall be carried out by the Association. The Association shall have the right to impose periodic assessments or necessary maintenance of all Common Areas, particularly including the roads, within the subdivision and enforcement thereof shall be in accordance with the By-Laws or other rules, regulations or other resolutions in effect.

The Association shall have the right to enforce these Protective Covenants and to make assessments to provide for the maintenance and upkeep of the Common Areas, but failure of the Association to assume responsibility for the enforcement of the Protective Covenants shall not

constitute a bar to the rights of any lot owner to maintain and enforce the Protective Covenants, including collection of sufficient funds necessary to pay the on-going expenses of maintenance. Each and every Lot shall be assessed equally within the development. In the event two or more Lots are combined into one single Lot, the resulting Lot shall still pay for the cost of assessments equal to the number of original Lots. For instance, if an Owner combines two Lots into one single Lot, said Owner shall pay for the cost of two Lot assessments and have two votes for Association purposes. If an Owner combines three Lots into one single Lot, said Owner shall pay for the cost of three Lot assessments and have three votes for Association purposes. In the event two or more Owners subdivide a Lot and combine the subdivided lots into their already existing Lot, then said Owners shall split the cost of the subdivided Lot assessment and the votes for Association purposes. For instance, if two Owners each own a Lot in whole and then subdivide a separate Lot and combine it into their Lot, then each Owner shall pay the cost of 1.5 Lot assessments and have 1.5 votes for Association purposes.

Annual Assessments shall be assessed equally to each Lot platted by Declarant on a calendar year basis and shall be due and payable on or before January 1 of each calendar year. Such assessments, together with interest at the legal rate and the costs of collection, shall be charged upon the land and shall be a continuing lien from and after the due date until paid, upon the Lot against which each such assessment is made. The initial amount of annual assessments shall be $1,200.00 per year. The assessment will then be determined annually by the Declarant or the Homeowners Association (once two-thirds of the Lots have been conveyed by the Declarant) and may be changed by a vote of a majority of the members who are voting in person or by proxy at an Association meeting called for this purpose. The Declarant shall be exempt from paying any annual, special or any other kind of assessments to the Association for so long as the Declarant owns any Lot or portion of the Property. In the event the Declarant sells or otherwise conveys a Lot in the middle of the year, the grantee shall pay a prorated assessment for the portion of the calendar year that the grantee shall own the Lot.

The initial Bylaws of the Association are hereby attached as Exhibit B.

16. COMMON AREAS: The recorded plats for the Subdivision recorded in the Buncombe County Registry shall designate the entrance and access areas, including all roads within the subdivision providing access to the lots therein. All Common Areas, if any, shall be designated on a recorded plat. All roads and right of way areas designated on a plat that are not maintained by a government entity shall be considered Common Areas and shall be maintained by the Association. The Association shall maintain all roads, even those that only service some and not all of the Lots. All maintenance of the roads include any clean up or removal of fallen trees or debris in the right of way easement area.

Common Areas may or may not be owned by the Association. Any area designated on a Plat and not owned by the Association shall still be under the jurisdiction of the Association pursuant to this Declaration.

Developer anticipates constructing a gate at the entrance to the Subdivision. In the event such gate is constructed, it shall be a Common Area, together with all related structures, mechanisms access control systems, and appurtenances (collectively, the "Gate"). The

Association shall have the sole responsibility to maintain, repair replace and operate the Gate. All costs and expenses incurred for such maintenance, repair, replacement, and operation shall be borne by the Association. The Association shall adopt and enforce reasonable rules and procedures governing access through the Gate, including but not limited to issuance of access devices, codes or other security measures. The Association shall ensure that emergency services have appropriate access to the Subdivision at all times, including by providing override codes, keys or other necessary means. No Owner shall alter, modify, damage or interfere with the Gate or its operation without approval from the Association.

Developer also anticipates dedicating a portion of a grassy field on a particular lot as a Common Area (the "Grassy Field"). The Owner of the Grassy Field may utilize the area subject to the easement created by this paragraph for yards, driveways, or other limited facilities or uses, and may construct improvements on said Grassy Field in accordance with this Declaration. But the Association shall have the right to enter and maintain any area of the Grassy Field for the purposes of mowing, edging, weed eating, trash and debris removal and other customary landscape maintenance activities intended to preserve a neat, healthy and attractive appearance for persons entering the Subdivision.

The areas of the Gate and Grassy Field are described as the Common Area Easement in Plat Book 258, Page 27 of the Buncombe County Registry.

17. ROAD MAINTENANCE: The primary road system (roads, rights-of-way, drainage system) in the Subdivision will not be constructed to meet current North Carolina Department of Transportation specifications. The Declarant, and the Owners, for themselves and their heirs, successors and assigns, stipulate and agree that the primary road system will remain private. Declarant shall construct the initial primary road in an all-weather condition but shall not, thereafter, have any responsibility for maintenance. In the event any part of the primary road system is required to be widened for any reason, the Owners shall be responsible for the widening of said road. The Association therein shall be responsible for the maintenance of the road system in accordance with this Declaration. Any additional roads which may be added to the subdivision shall be constructed by the Declarant, but immediately following construction, the maintenance of such roads shall be the responsibility of the Association.

18. ADDITION OF PROPERTY: The Declarant, for itself and its assigns, specifically reserves the right to add additional land to the Property subject to this Declaration.

19. RIGHT OF ENFORCEMENT: The Declarant reserves for itself, its successors and its assigns, the right to enforce these Protective Covenants during the period of time between the recording of these Protective Covenants and the time that all of the lots in the Property have been sold (the "Declarant Control Period"). Any Owner shall also have the right to enforce the Protective Covenants referred to herein, but such rights shall be subordinate to the right of the Declarant until the end of the Declarant Control Period.

20. TERM: These covenants are to run with the land and shall be binding on all parties and all persons claiming ownership under them for a period of twenty-five (25) years from the date these covenants are recorded, after which time said covenants shall be automatically

extended for successive periods often (10) years unless an instrument signed by a majority of the then Owners of the lots has been recorded, agreeing to change said covenants in whole or in part. The Declarant reserves the right to unilaterally add, amend, or modify this Declaration from time to time during the Declarant Control Period provided that such amendment does not affect a substantive right of the existing Owners. After the Declarant has conveyed all of the Lots, this Declaration may be amended upon a vote of at least 67% of the Lot Owners.

21. ENFORCEMENT: Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover damages.

22. SEVERABILITY: Invalidation of any one of these covenants by judgment or court order shall in no way effect any of the other provisions which shall remain in full force and effect.

(Signature Page Follows)

Orchard Village Trust

By: JPMorgan Chase Bank, N.A., Trustee

By: _____
Terrye L. Wheatley, Executive Director

STATE OF ARIZONA
COUNTY OF MARICOPA

I, a Notary Public of said County and State, certify that **Terrye L. Wheatley, in her capacity as Executive Director of JPMorgan Chase Bank, N.A., as Trustee** by authority given them by the trust, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

Witness my hand and Notarial stamp or seal this the 27th day of July, 2026.

Elizabeth Solich, Notary Public

Elizabeth Solich, Printed Name

My Commission Expires: May 30, 2029

(NOTARIAL SEAL)

ELIZABETH SOLICH
Notary Public - Arizona
Maricopa County
Commission # 684948
My Comm. Expires May 30, 2029

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