

# Covenants and Restrictions

Chatuge Village Community Association, Inc.

P.O. Box #738

Hayesville, North Carolina 28904 Amended December 2001

**WHEREAS:** The original Covenants and Restrictions of Chatuge Village Subdivision, located in Clay County, North Carolina and of record in the public records of Clay County, North Carolina, provide a method of making amendments to said Covenants and Restrictions. The following Covenants and Restrictions herein will supersede the original Covenants and Restrictions, and all amendments pursuant to authority retained under the original deed.

The original By-Laws of Chatuge Village Community Association, Inc., remain in effect as revised in 2001.

**Section I:** Each and every lot or tract in Chatuge Village shall be subject to and have benefit of the conditions, reservations, easements, covenants and agreements, which will run with the land as follows:

- 1) All of said lots in said development shall be residential lots, and except for strictly temporary purposes, as herein- after defined, no structure shall be erected, altered, placed or permitted to remain on any lot other than one detached, single family dwelling, with appropriate appurtenant structure for dwelling use only.
- 2) No residence shall be located on any one of said residential building lots nearer the side property lines than twenty (20) feet except with expressed approval of the CVCA Board of Directors. If more than one lot is used, the exterior boundary lines of the combined lots alone are to be considered. No residence shall be located closer than twenty-five (25) feet of the road way (side of road). Lot owners requiring a wavier shall submit a request in writing to the CVCA Board of Directors. Upon review of all facts the Board will notify the party in writing of its decision. To reach a decision the Board may require the party to supply additional information, i.e. floor plans, site plans and waivers signed by neighboring lot owners.
- 3) No trade or business of any kind, or obnoxious offense, of unlawful activity, shall be permitted on any residential lot in the Subdivision. In those lots designated as commercial on Highway 64, including the common ground areas, no obnoxious offenses or unlawful activities, or anything which may become an annoyance or nuisance to the neighborhood shall be allowed.
- 4) Temporary dwellings such as tents, camping trailers, mobile homes, motor homes, occupied or unoccupied, shall not be parked or located in Chatuge Village unless specific approval is given by the CVCA Board. Approval may be given for a maximum-of three days. Any resident found to be in violation shall have camping trailers, mobile homes and motor homes towed away and stored at owners expense.
- 5) No dwelling shall be erected with less than 1,000 square feet of heated living space, exclusive of open porches, carports or garages.
- 6) No residential lot shall be subdivided, but shall remain as conveyed, except that two or more lots may be combined as one lot, in which event the restriction imposed in paragraph two (2) above pertaining to side lines, shall be construed as pertaining to the outer lines of said two or more lots combined. Once lots are combined, they may not be subdivided again. Property owners who combine two (2) or more lots into one (1) lot will be responsible for only one (1) maintenance fee. Any property owner wishing to combine two (2) or more lots into one (1) lot and be eligible for only one maintenance fee shall fill out a property wavier form and return it to the CVCA Board of Directors.
- 7) Title to streets, water system facilities, marina and common ground areas are retained by the CVCA.
- 8) Additions/Remodeling: Any residents wishing to make additions to or remodel (outside structural changes) to their residence shall request and receive permission from the CVCA Board of Directors.

**Section II:** Before any new and/or remodeling construction is commenced, the Clay County Building and Zoning Board and the CVCA Board of Directors must approve plans and specifications.

- 1) Plumbing: Water connections to the lot line will be approved by the CVCA, which will include labor and material. The purchaser will own that portion of the water lines on his property, but street cut-offs and that portion of the water lines on the road right of way is property of the CVCA.
- 2) Construction: Any structure commenced on any lot shall be carried to completion within 12 months. Full maintenance fee will be charged to the property owner at the end of the 12 months from the construction start date even if the structure is not complete.

A permit fee for the new construction will be levied by the Board, payable prior to beginning of construction; current amount is \$600.00. This fee shall be levied to compensate CVCA for costs in connection with the new construction.

Before any new and/or remodeling construction is commenced, residents must submit a completed permit to the CVCA Board of Directors. The Board will return a copy of the permit notifying party of its decision. A permit can be obtained from the President or Vice President.

**Section III: Provisions and Maintenance Fees**

1) The Chatuge Village Association, Inc. shall have the right to charge against each lot in Chatuge Village for the up-keep and maintenance of the roads, the installation, upkeep and maintenance of the water systems, furnishing water to the Village Residents, the maintenance of common and public areas, including the employment of agents needed to assist or provide these services, household garbage pick-up, bookkeeping, billing and collection of said charges, including, the employment of agents deemed necessary by the Association Board of Directors for the management and maintenance of Village properties and services to be performed. The amount and schedule for payment of said charges shall be proposed by the Association Board of Directors and approved by a majority of the Association Membership, and the owners of lots or property within Chatuge Village shall be responsible for the payment thereof. Currently there are two (2) types of maintenance fees ... 1). Unimproved lots (no development and not combined as part of a developed residential lot) and 2). Developed lots (single and combined lots with any structure). Special maintenance fees will not be offered by the Board to any member without a majority approval of the Association Membership.

Full maintenance fees will be charged upon completion, or according to Section II, paragraph (2) above. Any resident-owner who has a residence partially located on each of two lots shall have both lots combined to form a single lot which is subject to the terms and conditions of Section I, paragraph 2 and 6) and shall be responsible for only one maintenance fee charge.

Maintenance fees are billed quarterly and full payment is due and should be paid by the 15th of the first month of the quarter. The Association is hereby given the authority to discontinue water service if not paid by the 15th of the first month of the quarter to said lot and property. Notice shall be forwarded to said property owner in writing by postal mail, addressed to the address shown on Association records fifteen (15) days prior to the discontinuance of said water service.

In the event that the Association does follow said procedure and does discontinue water service to a lot or property, then to qualify for the restoration of said water service, the affected lot or property owner shall pay a sufficient amount of funds to bring his or her maintenance charges current and up-to-date, and pay the cost of cut-off and re-connection of the water service.

2) Each maintenance fee, together with such interest thereon as hereinafter provided, shall be a permanent and continuing lien upon the lot against which it is related, and shall also be the joint and several personal obligation of such property owner of such parcel at the time the maintenance fee fell due, and such property owner by acquiring or holding an interest in any parcel shall thereby covenant to pay such amount as when the same shall become due.

If a maintenance fee is not paid on the date when due as hereinabove provided, such fee shall bear interest from the date of delinquency at the rate of 18% per annum, and the CVCA may bring legal action against the property owner personally obligated to pay the same, or foreclose its lien against the lot to which it relates, or pursue either such course at the same time or successively. Each property owner, by acceptance of a deed or other conveyance to a lot, vests in the CVCA the right and power to bring all actions against him or her personally for the collection of such charges as a debt and to foreclose the aforesaid lien on any appropriate proceeding in law or in equity. In the event CVCA shall institute suit to foreclose such a lien, it shall be entitled to recover from the Owner of said Property the aforesaid delinquency charge and all costs, including reasonable attorney's fees, incurred in preparation for and in bringing such proceedings, and all such costs, interest and fees shall be secured by such lien. The CVCA shall have the power to bid on the lot at any foreclosure sale and to acquire, hold, lease, mortgage or convey the same. No property owner may be relieved from any liability or the maintenance fee provided for herein by non-use of the property or common areas or otherwise. Provided, however, that the lien for the maintenance fee authorized herein with respect to any parcel is hereby made subordinate to the lien of any mortgage holder placed on such parcel.

Maintenance fees as set by the Board are calculated based on the adopted budget and the Board's reasonable estimate as the income and expenses anticipated based on the aforesaid budget. The total amount of anticipated income and expenses plus an amount needed for the reserve fund is divided according to the number of lots and the number of dwellings, and the result shall be the amount of each assessment thereby.

3) In each dwelling located in Chatuge Village, the owner-renter shall be obligated to pay separate maintenance fees. A dwelling herein consists of a unit with a separate entrance and separate kitchen appliances in that unit. Dual kitchen appliances in one structure when used or rented by individuals other than owner or owners family, shall constitute a multi-family dwelling when considering maintenance fees.

4) All rentals of property located within Chatuge Village is made expressly subject to the following terms and conditions: The renter shall be made aware of all Covenants and Restrictions of Chatuge Village, and shall agree in the aforesaid rental agreement to abide by the same. If said renter violates said Covenants and Restrictions, the Board may at their discretion cause such rental of property to be terminated. Any complaints by the neighbors of said rental property shall be reported to the Board, and the Board will investigate to ascertain the reported violation. If substantiated the Board will take action to resolve the problem or terminate the rental. Owners of property rented to others should inform renters that they must consider the privacy of neighbors and must not trespass across any neighbor's property.

5) The CVCA shall have the right to maintain any lot or property that is considered to be uncared for and not maintained by the owner. Overgrown weeds and brush, dead limbs and trees, habitation of vermin, potential fire hazard are all concerns of all residents in the Village. If lot owners fail to clean up lots after reasonable notification by the Board, such lot owners will be billed by the Board for expenses in the maintenance of said lots. Failure to reimburse the Board for their expenses in maintaining said lots will result in a lien on such property as referred to in Sect. III, Paragraph 2.

6) Any well located on owner's property does not exempt that owner from the liability of maintenance fees.

7) An annual donation of fifty (50) dollars may be made to each of the following: the Clay County Fire and Rescue Squad, and the Sheriff's Department for the purpose of maintaining fire and Ambulance service to the residents of Chatuge Village.

8) Each property owner shall have the right to inspect the books of CVCA upon reasonable " Notice of Intent" to the CVCA Board.

**Section IV:** Other Considerations

1) No hunting or trapping of wild animals shall be permitted within the Chatuge Village Subdivision. No firearms, guns or pistols shall be discharged within the Chatuge Village Subdivision.

2) No farm or livestock-animals shall be permitted in Chatuge Village Subdivision. Only domestic pets not kept or bred for commercial purposes, are permitted.

3) Dogs and cats or other domestic pets shall not be allowed to roam unattended in Chatuge Village Subdivision, or create a nuisance to Chatuge Village property owners, and shall be confined within the owner's property or shall be confined to a leash and under control of the owner or some other person designated by the owner when said animal or pet is accompanying its owner or other person designated when outside the owner's property.

4) No clothesline shall be permitted in the Chatuge Village Subdivision that is visible from any of the roads in said Village, or from the waters of Lake Chatuge.

5) The maximum speed limit on any road owned or controlled or for the exclusive use of owners and their guests in the Subdivision shall be fifteen (15) miles per hour. Said speed limit is applicable to all motorized vehicles, whether licensed or unlicensed. No 'junked' or unlicensed vehicles shall be allowed or stored in the Subdivision. After, reasonable notice to the owner of such 'junked' or unlicensed vehicle, the Board shall have the authority to remove the offensive vehicle and store it at the owner's expense. An "unlicensed" vehicle shall be defined as one that does not exhibit current inspection and auto tag stickers. A 'junked' vehicle shall be defined as an unlicensed vehicle, which is inoperable and is not used on a regular basis.

6) No signs of any kind will be allowed on any property in the Chatuge Village Subdivision without the express approval of the Chatuge Village Board. The only approved signs will be lot numbers, names and traffic control signs such as speed limits, one way, dead-end, etc.

7) Household garbage must be placed in closed plastic garbage bags. Plastic garbage bags and/or garbage bags in garbage cans should be placed on the curb no earlier than the night before scheduled pickup. Security of garbage bags and cans rest with the property owner so pick up can be made. Garbage cans will be removed from the roadside by the end of the pick up day. Yard waste and/or other non-household garbage will not be included as part of the pick up.

8) Skate boarding, roller skating, unlicensed motor bikes including 3 and 4 wheel ATV's are not allowed on the roads in Chatuge Village.

9) Swimming is not allowed in the marina area, since it is considered an "attractive nuisance" by the courts, and is in fact a very dangerous situation, and if allowed, would require the services of a full time lifeguard.

Any and all conveyances, devices or transfers of ownership's of any property within CVCA Subdivision shall be subject to these Covenants, conditions, restrictions and reservations. The same shall, after the recording of this instrument in the public records of Clay County, North Carolina run with and be appurtenant to said lands, as fully as if expressly contained in each and every conveyance, devise or transfer ownership. **If any person within the Chatuge Village Community Subdivision shall violate or attempt to violate any of these Covenants and Restrictions, it shall be lawful for the CVCA or any other person or persons owning property within the Chatuge Village, Subdivision, to bring legal proceedings at law, or in equity against said person or persons to prevent said violations and to recover damages therefrom, in order to apply for and obtain inductive relief against such violations**

**Section V:** Procedural Provisions.

In the event that for any reason any one or more of the foregoing protective Covenants and Restrictions be construed by judgment or decree of any court of record to be invalid, such action in no wise affects any of the other provisions, which shall remain in full force and effect, the CVCA hereby declaring that said restrictions are not interdependent but severable, and any one would have been adopted even without the others.

The procedure to be followed on any vote as to change of these restrictive covenants shall be as follows:

A petition by at least ten owners of separate lots or parcels shall be filed with the CVCA. This petition shall specify the change desired, or the changes desired, and must give the names of the owners of all property subject to these restrictions as shown by the title records in the office of the Register of Deeds of Clay County, North Carolina, and the addresses of such of the owners as may be ascertained from the tax rolls or other easily accessible sources. Such petition shall be accompanied by payment to the CVCA of such sum of money as may be specified by said CVCA as being reasonably required to defray the expense of conducting the voting operation.

Or, in the alternative, the CVCA may initiate the voting operation on its own, at the expense of the maintenance fund without any petition being presented to it.

Notice of the proposed change and a ballot upon which to vote shall be made available by the CVCA to all of the property owners whose addresses can be ascertained as specified above, and a copy of the notice shall be published once a week for four consecutive weeks in a newspaper of general

circulation in Clay County, North Carolina.

No later than thirty (30) days after completion of notice by publication, the CVCA shall cause the ballots to be counted and results tallied. The ballots and tally thereafter be retained by the CVCA for a period of ninety (90) days, available for inspection by any property owner.

The word "majority" shall be construed to mean a majority of property owners in the Subdivision, current on maintenance fees and each property owner shall be entitled to one vote.

The CVCA Board shall certify the change, if it is voted in, acknowledge the certification before some officer authorized to take acknowledgements of deeds and shall file it with the Register of Deeds for Clay County, North Carolina within 20 business days. No action may be taken to invalidate any such change after the expiration of six months from the date of registration thereof in the office of the Register of Deeds.

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In witness whereof Chatuge Village Community Association, Inc. has caused this instrument to be executed by it's fully authorized officers and its corporate seal affixed, all by order of its Board of Directors, this 25 day of January, 2002

CHATUGE VILLAGE COMMUNITY ASSOCIATION

\_\_\_\_\_ (seal)

Shelby Herring, President

Attest \_\_\_\_\_ Corp Seal

\_\_\_\_\_ (seal)

Suzanne Game, Secretary

NORTH CAROLINA CLAY COUNTY: I, Register of Deeds of the County and State aforesaid, certify that \_\_\_\_\_ personally came before me this day and acknowledged that \_\_\_\_\_ of Chatuge Village Community Association, Inc. a North Carolina Corporation, and that by authority duly given as the act of the Corporation, the foregoing instrument was signed in its name by \_\_\_\_\_ its President, sealed with its corporate seal and attested by \_\_\_\_\_ as its secretary.

Witness my hand and official stamp or seal, this \_\_\_\_ day of \_\_\_\_\_.

My Commission expires \_\_\_\_\_

\_\_\_\_\_ (Register of Deeds)

(Register of Deeds Seal)

The above covenants and restriction are a exact copy of the original covenants and restrictions that were amended by a majority of membership vote in 2001 and filed with the Clay County Register of Deeds Office on January 25, 2002.

[BACK](#)