

DECLARATION OF CONDOMINIUM
THE PINNACLE INN & COUNTRY CLUB

KNOW ALL MEN BY THESE PRESENTS, THIS DECLARATION is made this 15th day of June, 19 83, by RESORT INVESTMENT CORPORATION (hereinafter called the "Declarant"), a Delaware corporation qualified to do business in North Carolina, with its principal office and place of business at Number One Main Street, Post Office Box 11496, Columbia, South Carolina 29211, for the purposes hereinafter set forth.

1420009

W I T N E S S E T H :

WHEREAS, Declarant is the owner in fee simple of certain real property, buildings and improvements thereon located in the County of Avery, State of North Carolina, which is more particularly described in the Exhibits attached hereto and incorporated herein by reference (hereinafter called the "Submitted Property" or "Property"); and

WHEREAS, Declarant desires to submit the Submitted Property to the provisions of the North Carolina Unit Ownership Act, Chapter 47A, North Carolina General Statutes (hereinafter called the "Act"), hereby creating a Condominium known as The Pinnacle Inn & Country Club; and

WHEREAS, Declarant desires to publish a plan for the individual ownership of the several Units of the Submitted Property together with an undivided ownership interest in the general common elements and limited common elements of the Submitted Property as defined herein and in the Act; and

WHEREAS, Declarant desires to convey the Submitted Property pursuant to and subject to certain protective covenants, conditions, restrictions, reservations, liens and charges hereinafter set forth;

NOW, THEREFORE, Declarant does hereby submit the Property to the provisions of the North Carolina Unit Ownership Act, Chapter 47A, North Carolina General Statutes, and hereby publishes its plan for the division of the Submitted Property and the imposition of conditions, restrictions, reservations, liens and charges thereon and the individual ownership thereof, and Declarant hereby specifies that this Declaration of Condominium and the declarations herein shall constitute covenants, conditions, reservations and restrictions which shall run with the Submitted Property and shall bind and inure to the benefit of the Declarant, its successors and assigns and all subsequent owners of any interest in the Submitted Property, their grantees, successors, heirs, executors, administrators, legatees and/or assigns.

THIS DECLARATION WAS PREPARED AND REVIEWED BY DONALD W. TYLER, ESQUIRE, OF DONALD W. TYLER & ASSOCIATES, SUITE 900, 1400 MAIN STREET, COLUMBIA, SOUTH CAROLINA 29201, AND CHARLES E. CLEMENT, ESQUIRE, OF CLEMENT, McCAULEY, MILLER & WHITTLE, 307 WEST KING STREET, BOONE, NORTH CAROLINA 28607.

Pinnacle Inn Resort Owner Association, Inc.

Individual Unit Owners Recommended Coverages

Always consult a North Carolina Licensed Insurance Agent that is familiar with the Covenants of your Community.

Request a Certificate of Insurance: Email – COI@WeLoveHOAs.com

FAX: (866)233-7589

Condominium coverage is available to condominium owners to bridge the gap between your condo association's master policy (which insures property owned by all Unit Owners) and your property and personal liability protection. The master policy includes coverage for the actual building in which you reside, as well as any common property.

Recommendations: FOR OWNER OCCUPIED

Property Coverage – HO-6 Dwelling "A" Coverage. Recommend Property Coverage for Custom improvements to the Interior of Unit. Please consult your personal agent for the correct amount.

Personal Property – For your furniture and personal possessions. Please make sure that if you have Jewelry, watches, furs, Firearms, art or rare Coins, to add coverages specifically for these items.

Contents Replacement Cost – pays full cost to repair or replace most personal property in your condo with no deductible for depreciation.

Personal Liability Protection – Liability coverage is important protection in the event that you are sued for accidentally hurting other people or damaging their property. Personal liability helps to cover the associated legal costs and related damages.

Medical Payments- (Med Pay) Most policies will pay an amount (\$1,000, \$2,500, or \$5,000) per person in medical bills –regardless of your legal responsibility.

Condo Additional Living Expense – If your Unit is damaged and you have to move out while it's being repaired. The policy normally pays for necessary living expenses (like hotel, meals, laundry etc.) Also called "Loss of Use Coverage"

Loss Assessment Coverage – This provided protection against financial loss if a Liability Lawsuit exceeds the amount of coverage in the Master Policy. This is if the condo association is forced to assess all unit owners for the additional loss. Please consult your Insurance Agent specifically about this coverage, definitions about what is covered will vary widely.

Water Sewer Backup Coverage – This is to protect your individual unit.

Recommendations: **FOR TENANT OCCUPIED** (must let your personal agent know that it is a rental property)

Coverage for other structures – you may own other structures, like a storage shed.

Personal Liability Protection – Liability coverage is important protection in the event that you are sued for accidentally hurting other people or damaging their property. Personal liability helps to cover the associated legal costs and related damages.

Medical Payments- (Med Pay) Most policies will pay an amount (\$1,000, \$2,500, or \$5,000) per person in medical bills –regardless of your legal responsibility.

Loss of Income Coverage – This will cover the Rental Income due to you when there is a claim and the tenant is displaced.

Property Coverage – Recommend Property Coverage for the Interior of Unit. Please consult your personal agent for the correct amount.

Water Sewer Backup Coverage – This is to protect your individual unit.

Loss Assessment Coverage – This provided protection against financial loss if damage to commonly owned property exceeds the amount of coverage in the Master Policy. This is if the condo association is forced to assess all unit owners for the additional loss. Please consult your Insurance Agent specifically about this coverage, definitions about what is covered will vary widely.

This is only an outline for Insurance Coverage. You may need more than what is listed. Always consult your licensed Insurance Agent. Each Unit is different. Always provide your Insurance Agent with a copy of your Covenants and By-Laws.

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AVERY COUNTY NC FEE \$26.00
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RENEE DELLINGER
REGISTER OF DEEDS
BY: CHERYL GARLAND
DEPUTY

BK: RE 585
PG: 1424 - 1427

Prepared by/mail to: Harmony W. Taylor, Law Firm Carolinas 1927 S. Tryon St. Suite 100 Charlotte NC 28203

AVERY COUNTY
NORTH CAROLINA

**FOURTH AMENDMENT TO THE
DECLARATION OF CONDOMINIUM**

**THE PINNACLE INN RESORT OWNER'S
ASSOCIATION, INC.**

25TH This FOURTH AMENDMENT TO THE DECLARATION OF CONDOMINIUM is made this
day of January, 2023, by The Pinnacle Resort Owner's Association, Inc.

WITNESSETH:

WHEREAS, the Declarant subjected Pinnacle Inn Resort development (the "Property") to the Declaration of Condominium recorded in Deed Book 142, Page 9 of the Avery County Registry and amendments to the same, including but not limited to the following (collectively, the "Declaration"):

- a) Book 153, Page 341;
- b) Book 159, Page 347;
- c) Book 211, Page 532;

WHEREAS, the Declaration applies to and runs with the land described in the Declaration;

WHEREAS, Article VI of the Declaration states that it may be amended upon the affirmative vote of 67 percent (67%) of all the voting members of the Association, and the approval of such owners has been obtained;

NOW THEREFORE, the Declaration for Pinnacle Inn Resort is amended as follows:

AMENDMENT APPEARS ON FOLLOWING PAGE.

Submitted electronically by "Black, Slaughter & Black, PA"
in compliance with North Carolina statutes governing recordable documents
and the terms of the submitter agreement with the Avery County Register of Deeds.

Article X, Insurance, shall be stricken in its entirety and replaced with the following:

Article X

Insurance Obligations of Association and Owners

1. Insurance to be Maintained by Association.

(a) The Association shall maintain, to the extent reasonably available:

(1) Property insurance on all common elements and limited common elements within the Condominium, as those terms are defined within the Declaration, Bylaws and applicable law, insuring against all risks of direct physical loss commonly insured against including fire and extended coverage perils. For purposes of clarity, the common elements and limited common elements shall include all portions of the Condominiums excluding the Units, and any improvements or personal property therein, whether such improvements were constructed by the Declarant, the Association or any Unit Owner. The Association shall have no obligation to insure any portion of any Unit. The total amount of insurance to be maintained by the Association after application of any deductibles shall be not less than one hundred percent (100%) of the replacement cost of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, the Units, and other items normally excluded from property policies; and

(2) Liability insurance in reasonable amounts (but not less than \$1,000,000.00 per occurrence) covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the common elements and limited common elements, but excluding the Units.

(b) If the insurance described in subsection (a) above is not reasonably available, the Association promptly shall cause notice of that fact to be hand-delivered or sent prepaid by United States mail to all Association Members. The Association is permitted, but shall not be required, to carry other insurance it deems appropriate to protect the Association or its Members.

(c) Insurance policies carried pursuant to subsection (a) above shall provide that:

(1) Each Unit Owner is an insured person under the policy to the extent of the Unit Owner's insurable interest;

(2) The insurer waives its right to subrogation under the policy against any Unit Owner or member of the Unit Owner's household;

(3) No act or omission by any Unit Owner, unless acting within the scope of the Owner's authority on behalf of the Association, will preclude recovery under the policy; and

(4) If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the Association's policy provides primary insurance.

(d) The Association shall have the right and obligation to adjust claims for any loss covered by a policy secured by the Association, and all insurance proceeds for that loss are payable to the Association.

2. Insurance to be Maintained by Unit Owners. Each Unit Owner shall purchase an insurance policy insuring all portions of the Unit, as that is defined in the Declaration, Bylaws and applicable law, against all risks of direct physical loss commonly insured against, including fire and extended coverage perils. The total amount of insurance after application of any deductibles shall be not less than one hundred percent (100%) of the replacement cost of the insured property at the time the insurance is purchased and at each renewal date. Each Owner's policy shall cover all direct physical

loss to any portion of the Unit that the Owner is obligated to maintain and repair, including: air conditioning and heating units, including condensers and all appurtenances thereto, wherever situated; hot water heater; refrigerators, ranges and ovens and all other appliances within the Unit; drains, plumbing fixtures and connections, sinks, all plumbing and water lines within the Unit; electrical panels, lines, outlets and fixtures within the Unit; interior doors, windows, screens and glass; and all exterior doors. All policies required hereunder shall contain a Replacement Costs Endorsement and Ordinance and Law coverage/rider. Proof of insurance coverage shall be submitted to the Association upon request, subject to such rules as the Association may adopt, and the Association shall be named as an additional interest on all such policies purchased by a Unit Owner. Owners may, at their option, obtain insurance coverage at their own expense upon their own personal property and for their personal liability and living expenses and such other additional coverage as they may desire.

3. Repair following a casualty event.

(a) Following a casualty event causing damage to any portion of the Condominium that the Association is obligated to insure, the Association shall promptly repair or replace said damage unless (i) the Condominium is terminated, (ii) repair or replacement would be illegal under any State or local health or safety statute or ordinance, or (iii) the Unit Owners decide not to rebuild by an eighty percent (80%) vote, including one hundred percent (100%) approval of Owners assigned to the limited common elements not to be rebuilt. The cost of repair or replacement in excess of insurance proceeds and reserves is a common expense. If any portion of the Condominium is not repaired or replaced, (i) the insurance proceeds attributable to the damaged common elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium, (ii) the insurance proceeds attributable to limited common elements which are not rebuilt shall be distributed to the Owners of the Units to which those limited common elements were allocated, or to lienholders, as their interests may appear, and (iii) the remainder of the proceeds shall be distributed to all the Unit Owners or lienholders, as their interests may appear, in proportion to the common expense liabilities of all the Lots.

(b) As soon as practicable following the completion of the repair, replacement and/or restoration of the common areas and limited common areas, each Owner of a Unit damaged by fire or other casualty shall cause the improvements in their Unit to be restored to substantially the same condition and configuration in which it existed prior to such fire or other casualty. Nothing herein shall prevent a Unit Owner from using the contractor(s) used by the Association for restoration of the common areas and limited common areas. However, such arrangements shall constitute a separate contract and the Association shall have no liability therefor. In the event that a Unit Owner fails to cause repair, replacement and/or restoration of the improvements within their Unit to be undertaken and completed within a reasonable time, as determined by the Board of Directors, the Association may, but is not required to, undertake and/or complete such repair, restoration and/or replacement of such improvements and shall assess the cost thereof, plus a reasonable fee charged by the Association for supervision thereof as a special assessment against such Unit.

4. Deadline to Obtain Coverage. From the date that this Article becomes effective when it is recorded in the Register of Deeds office for Avery County, Owners shall have thirty (30) days to obtain coverage as outlined in this Article and provide evidence of same to the Association. A Declaration page of this required insurance shall be provided to the Association no later than January 31 of each year.

5. Deductible Responsibility and Assessment Therefore. In the event of any loss or partial loss under the insurance policies maintained by the Association, the Association shall assess any deductible, or other cost of repair of the common elements or limited common elements not covered by the available insurance proceeds, against the Owner or Owners of the Unit or Units from which the casualty

event generated, regardless of fault. If, however, the loss generated from a common element or limited common element, any deductible or other uncovered cost of repair of the common elements and limited common elements shall be a common expense.

6 Annual Review of Policies. All insurance policies required under Section One above shall be reviewed at least annually by the Board of Directors of the Association.

7. Director's and Officer's Coverage. The Association shall maintain adequate liability coverage to protect against any negligent act upon the part of the Directors or Officers of the Association.

All other terms and conditions contained in the Declaration shall remain unchanged.

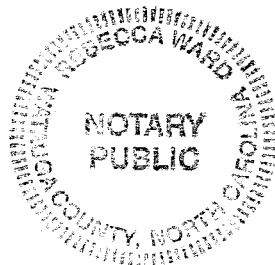
PINNACLE INN RESORT OWNER'S
ASSOCIATION, INC.

By: Christopher Shavce
Christopher Shavce, President

STATE OF NORTH CAROLINA
COUNTY OF Watauga

I, a Notary Public of the County and State aforesaid, certify that Christopher Shavce personally came before me this day and acknowledged that he is President of Pinnacle Inn Resort Owner's Association, Inc. and that he, President, being authorized to do so, executed the foregoing on behalf of the Association.

WITNESS my hand and official stamp or seal, this 25th day of January, 2023.



Rebecca Ward
Notary Public

Rebecca Ward
Printed Name

My commission expires: 4-7-2025