

Melanie Arthur 24P  
CARTERET COUNTY  
MA Date 02/01/2005 Time 16:49:00  
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NORTH CAROLINA, CARTERET COUNTY  
The foregoing certificate(s) of Notary Public(s) is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

Melanie Arthur, Register of Deeds  
By Paula Lewis  
Asst./Deputy, Register of Deeds

PREPARED BY: JAMES W. THOMPSON, Attorney At Law, 1207-A Arendell Street, Morehead City, North Carolina 28557

STATE OF NORTH CAROLINA  
COUNTY OF CARTERET

SECOND AMENDMENT  
TO DECLARATION OF COVENANTS,  
CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES, LIENS, AND  
RESERVATIONS  
FOR  
"STANTON LANDING"  
A RESIDENTIAL COMMUNITY

(Preliminary Note: This Second Amendment results in the annexing of Phase III-A and Phase III-B, Stanton Landing; the annexing of Lots 1 through 10, Block C, Section III, Sea Gate Subdivision as lots for docks only; and imposing restrictions upon such annexed Sea Gate lots through a Supplemental Declaration.)

THIS SECOND AMENDMENT TO DECLARATION OF COVENANTS,  
CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES, LIENS, AND RESERVATIONS  
FOR STANTON LANDING is made on this 28th day of January, 2005 by U.S.F.,  
LLC, a North Carolina Limited Liability Company, hereinafter referred to as the "Declarant".

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(24)

## WITNESSETH:

THAT WHEREAS, the Declarant is the developer of that subdivision known as "Stanton Landing", a residential single-family subdivision located along the east bank of the Intracoastal Waterway in Carteret County, a plat of Phase I thereof being recorded in map book 30, page 206, Carteret County Registry and a plat of the Phase II being recorded in map book 30, page 344, Carteret County Registry. In connection with such development, Declarant did execute and record a document entitled "Declaration of Covenants, Conditions, Easements, Restrictions, Charges, Liens, and Reservations - Stanton Landing", recorded in book 969, page 93, Carteret County Registry (hereafter "Declaration of Covenants"), which affects the lots in said development made subject thereto; and,

WHEREAS, pursuant to Article 2.2.1 of the Declaration of Covenants, Declarant has the right to annex other properties which it owns to the common scheme of development at Stanton Landing Subdivision, and has done so by instrument dated November 9, 2004, entitled "First Amendment to Declaration of Covenants, Conditions, Easements, Restrictions, Charges, Liens, and Reservations - Stanton Landing", and recorded in book 1083, page 278, Carteret County Registry (hereafter "First Amendment"); and,

WHEREAS, pursuant to Article 2.2.2 of the Declaration of Covenants, Declarant has the right to subject annexed properties to amended covenants and conditions through a Supplemental Declaration, and has done so in paragraph 3 of the First Amendment; and,

WHEREAS, Declarant is the owner of Lots 50 through 64, Phase III-A, Stanton Landing Subdivision in accordance with the recorded plat thereof of record in map book 30, page 661, Carteret County Registry (hereafter "Phase III-A Lots") and desires to annex said Lots

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to the common scheme of development at Stanton Landing and to subject them to the Declaration of Covenants; and,

WHEREAS, Declarant is the owner of Lots 41 through 49, Phase III-B, Stanton Landing Subdivision in accordance with the recorded plat thereof of record in map book 30, page 660, Carteret County Registry (hereafter "Phase III-B Lots") and desires to annex said Lots to the common scheme of development at Stanton Landing and to subject them to the Declaration of Covenants; and,

WHEREAS, Declarant is the owner of Lots 1 through 10, Block C, Section III, Sea Gate Subdivision in accordance with the recorded plat thereof of record in map book 11, page 22, Carteret County Registry, upon which Lots have been constructed (or will be constructed) docks for the moorage of two vessels, which Lots together with their appurtenant docks are hereafter referred to as "Dock Lots", and Declarant desires to annex said Dock Lots to the common scheme of development at Stanton Landing but to subject them only to the covenants and conditions contained in the Supplemental Declaration set forth below.

NOW, THEREFORE, the Declarant hereby amends the Declaration as follows:

1. **Phase III-A and Phase III-B Lots.** Declarant hereby annexes the Phase III-A Lots and the Phase III-B Lots to the common scheme of development at Stanton Landing Subdivision, as amended by the First Amendment. Hereafter, all conveyances of such Phase III-A and Phase III-B Lots shall be subject to the Declaration of Covenants as amended by the applicable provisions of the First Amendment.

2. **Dock Lots.** Declarant hereby annexes the Dock Lots to the common scheme of development at Stanton Landing Subdivision, but does not subject such Dock Lots to the Declaration of Covenants, but rather to the Supplemental Declaration applicable only to the

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Dock Lots, as set forth below. Hereafter, all conveyances of said Dock Lots shall be subject only to the restrictions and conditions set forth in the following:

SUPPLEMENTAL DECLARATION  
(Applies to Dock Lots only.)

WHEREAS, Declarant is the owner of the Dock Lots described above and has annexed the same to Stanton Landing by the above provisions of this Second Amendment; and,

WHEREAS, the Dock Lots do not consist of sufficient area to support the construction of single family residences, but do consist of sufficient area to support the construction of boat docks (hereafter "Dock(s)") and related utility service lines, which Docks and utility service lines Declarant has constructed or intends to construct; and,

WHEREAS, the Docks to be constructed upon the Dock Lots are of two basic designs, those configured as a "T" and those configured as an inverted "L"; and,

WHEREAS, each Dock shall have two berthing slips for the mooring of two boats (hereafter "Boat Slip(s)"), which Boat Slips are positioned as shown on the sketch appearing in paragraph 4 below and identified thereon as "Slip A" and "Slip B", which Slips shall be so identified in subsequent instruments of conveyance; and,

WHEREAS, the Declarant has annexed the Phase III-A and Phase III-B Lots of Stanton Landing by the above provisions of this Second Amendment, which Lots do not abut the Intracoastal Waterway as do the lots in Phase I and II; and

WHEREAS, Declarant is desirous of making available to the subsequent purchasers of the Phase III-A and Phase III-B Lots, and such other lots in Stanton Landing as Declarant deems appropriate, an opportunity to acquire ownership of a one-half undivided fee interest in a Dock Lot (such half interest being hereafter referred to as "Dock Lot Interest"), all as hereafter provided; and,

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WHEREAS, Declarant reasonably believes that all owners of a Dock Lot Interest share a common objective in assuring that all Docks are kept and maintained in a uniform and structurally sound state of repair, and that use of the Docks are subject to reasonable and enforceable rules and regulations; and in furtherance of this objective, the Declarant has created the Stanton Landing Dock Lot Owners Association to which shall be assigned by Declarant, on behalf of all subsequent owners of Dock Lots, the sole and exclusive responsibility to maintain, repair, and replace (as necessary) the Docks or portions thereof (but excluding any boat lifts installed by owners); and,

WHEREAS, it is the intent of this Supplemental Declaration to dedicate the Dock Lots for such purposes and to impose upon them certain restrictions and limitations, all as hereafter set forth; and,

WHEREAS, the U.S. Army Corps of Engineers has an easement upon a portion of all waterfront lots in Stanton Landing and elsewhere along the Intracoastal Waterway, including all portions of the Dock Lots, to accommodate the maintenance of the Waterway by the Corps, and no permanent structures can be constructed within such easement area without the specific written consent of the Corps, except for docks and piers approved under the jurisdiction of the North Carolina Coastal Area Management Act ("CAMA"), which docks and piers approved by CAMA are not considered permanent structures by the Corps; and,

WHEREAS, the Army Corps of Engineers has provisionally consented to the construction of certain designated structures within its easement area by instrument entitled "Department of the Army Consent No. DACW21-9-03-2133, U.F.S., LLC, Atlantic Intracoastal Waterway, Core Creek, Carteret County, North Carolina", dated July 23, 2004 and recorded in book 1068, page 244, Carteret County Registry (hereafter "Army Corps of Engineers Consent").

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NOW, THEREFORE, Declarant, having annexed the Dock Lots to the general Stanton Landing development regime as set forth above, does now hereby subject the Dock Lots to the restrictions, conditions, and limitations set forth in this Supplemental Declaration, as follows:

1. Use Restrictions. The Dock Lots are hereby dedicated and restricted for ownership only by lot owners in Stanton Landing and only for use incident to vessel moorage. No other physical improvements shall be permitted upon a Dock Lot other than a Dock and two Boat Slips, vegetative landscaping, underground electric power and water supply, utility meters, lighting, improved vehicular parking surface not exceeding 400 square feet, and a single wooden walkway not exceeding 4 feet in width from the parking surface to the Dock. No Dock or any other permitted improvement shall be constructed or used except in compliance with any and all applicable permit requirements, including the U. S. Corps of Engineers and CAMA regulations. All construction upon and use of Dock Lots and Docks are also subject to the terms and conditions of the Army Corps of Engineers Consent.

2. Specific Characteristics of a Dock Lot Interest. As set forth above, a "Dock Lot Interest" consists of a one-half undivided interest in fee in a Dock Lot as tenant in common with the owner of the reciprocal Dock Lot Interest. All of the incidents, rights, privileges, and obligations of tenancies in common shall apply to Dock Lot Interests, except as may be otherwise provided in this Supplemental Declaration. Three examples of such provisions which are otherwise provided herein is that a Dock Lot Interest can only be owned by an owner of a Stanton Landing lot; the right of partition as between two owners of a Dock Lot Interest in the same Dock Lot is expressly waived; and the Stanton Landing Dock Lot Owners Association has the exclusive duty and obligation to regulate use of Dock Lots, and the duty to maintain and repair the same, rather than the owners themselves.

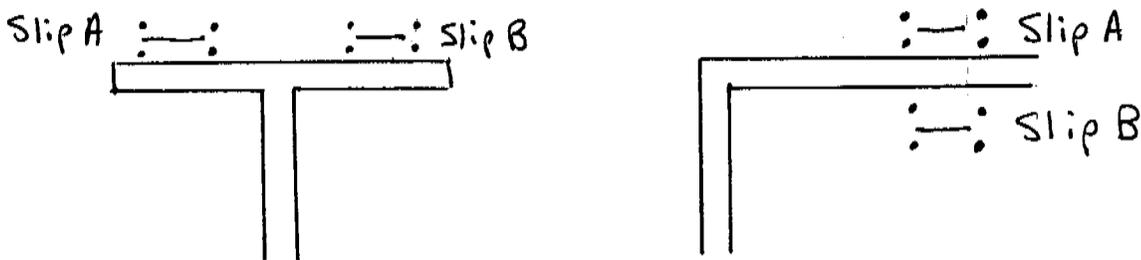
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3. Specific Characteristics of a Dock Lot. Each Dock Lot will have a single rocked parking area and an attached Dock in one of the configurations shown below. The initial purchaser of a Dock Lot Interest shall thereafter be solely responsible for the installation of any other permitted features desired to be installed upon the Dock Lot Interest, such as a boat lift, all of which installation shall be in conformity with this Supplemental Declaration and other required and applicable permits. With respect to a Dock Lot (which includes the Dock), the two owners of the related Dock Lot Interests shall have equal, undivided possessory and use rights in the Dock Lot which they will share, which is to say that only they and their permittees shall be able to use the Dock Lot, subject to the rules and regulations enacted by the Stanton Landing Dock Lot Owners Association. However, as to the Boat Slips, said two owners shall each have sole and exclusive possessory and use rights in the Boat Slip assigned to such owners, which is to say that only each owner and their permittees shall be able to use the Boat Slip assigned to such owner, subject to the rules and regulations enacted by the Stanton Landing Dock Lot Owners Association. The Stanton Landing Dock Lot Owners Association, among other duties, is charged with the responsibility, and has the authority, to promulgate reasonable rules and regulations affecting the actual manner of use of the Dock Lot Interests by the respective owners thereof and to resolve any issues of controversy between any owners of a Dock Lot Interest.

4. Specific Characteristics of a Dock. All Docks shall be owned by the two owners of the applicable Dock Lot Interests as tenants in common, subject to the exclusive possessory rights of each owner in the respective Boat Slip assigned to such owner, the right of each owner to affix a Boat Lift to such owner's assigned Boat Slip, and the provisions of this Supplemental Declaration. Docks constructed upon Dock Lots shall be of two basic designs, to wit: those

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configured as a "T" and those configured as an inverted "L". Each Dock will accommodate two slips only, identified as Slip A and Slip B consistent with the following sketch:



An owner of a Dock Lot Interest assigned "Slip A" shall have the exclusive right of possession with respect to Slip A as shown and shall not be entitled to any use of Slip B. Conversely, an owner of a Dock Lot Interest assigned "Slip B" shall have the exclusive right of possession with respect to Slip B as shown and shall not be entitled to any use of Slip A. All other portions of Docks (and the Dock Lots) are unrestricted as to the respective rights of possession by the owners thereof, SUBJECT, HOWEVER, to the specific duty and authority of the Stanton Landing Dock Lot Owners Association to establish reasonable rules and regulations concerning the orderly, safe, and equitable use and enjoyment of Docks and Dock Lots by the owners thereof, and further subject to the restriction that no owner of a Dock Lot Interest shall be entitled to park more than two vehicles upon a Dock Lot at the same time. Owners of Dock Lot Interests are "owners" whenever that term is used in this Supplemental Declaration.

5. Conveyances of Dock Lot Interests. Declarant shall execute and deliver instruments of conveyance for Dock Lot Interests only to purchasers of Phase III-A or Phase III-B Lots, or to such other purchasers or owners of other lots in Stanton Landing as Declarant determines to be appropriate. In addition to identifying the Dock Lot number, such conveyance shall also designate the particular Boat Slip assigned to such purchaser. Thereafter, and whether

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or not specifically identified in subsequent conveyances of the Dock Lot Interest or the Stanton Landing lot to which the Dock Lot Interest is appurtenant, the following applies:

a. The owner's exclusive possessory interest in the Boat Slip thus initially assigned to such Dock Lot Interest shall constitute a property right appurtenant to the Dock Lot Interest itself; and,

b. The owner's interest in the Dock Lot Interest thus initially conveyed shall constitute a property right appurtenant to the Stanton Landing lot such owner owns.

Except as provided for mortgagees in Section 10 below, no owner of a Dock Lot Interest shall convey or otherwise transfer such Dock Lot Interest to anyone other than to another fee owner of a lot in Stanton Landing, nor shall the owner of any single lot in Stanton Landing who is also an owner of an appurtenant Dock Lot Interest, convey or otherwise transfer just the Stanton Landing lot without also conveying the appurtenant Dock Lot Interest. It is the intent of this Section to restrict ownership of Dock Lot Interests to Stanton Landing lot owners only, and to provide that no owner may own a Dock Lot Interest without also simultaneously owning a Stanton Landing lot to which it is appurtenant.

6. Vessel Moorage Restricted to Docks. No owner of a Dock Lot Interest, or any other person, shall temporarily or permanently moor or store, or cause to be moored or stored, any vessel, however large or small, at any place on a Dock Lot other than floating in the water and attached directly to the Boat Slip assigned to such owner or to such owner's boat lift. No owner of a Dock Lot Interest, or any other person, shall moor more than one vessel to a Dock at any time. No boat on a trailer, or otherwise, shall be placed, stored, or allowed to remain upon the land portion of any Dock Lot.

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7. Regulation of Personal Use of Dock Lots and Docks. Maintenance, Repair, and Replacement of Docks. The Declarant deems it to be highly desirable for the orderly and safe use of the Dock Lots to regulate the manner in which owners, their guests, and invitees may use the Dock Lots and the Docks located thereon. Therefore, the Declarant hereby creates the Stanton Landing Dock Lot Owners Association in accordance with Section 14 below and delegates to such Association the specific powers and authority set forth herein, and such other powers and authority as are reasonably and necessarily related thereto. Declarant hereby specifically delegates to, authorizes, and empowers the Stanton Landing Dock Lot Owners Association to enact reasonable rules and regulations pertaining to the personal use and enjoyment of the Dock Lots, the Docks located thereon, the road right of ways, lighting, Dock Utilities Infrastructure, and other amenities appurtenant to the Dock Lots. An example of some of these rules and regulations would be rules pertaining to the proper operation and mooring of vessels; discharges from vessels; manner of vehicle parking; Dock and Dock Lot clutter; fish cleaning operations; noise control; stowage, storage, and placement of personal property, fixtures, and other such items on or about Dock Lots and Docks; regulations regarding persons living aboard vessels; maintenance of landscaping, grass, and weed control on Dock Lots; and so forth. However, no such rule or regulation shall become effective unless and until ratified by a two-thirds majority of votes entitled to be cast by members of the Association.

The Declarant also deems it to be highly desirable and mutually beneficial to all owners of Dock Lot Interests that the sole and exclusive obligation to maintain, repair, and replace (if necessary) the Docks, or portions thereof (excluding boat lifts, however), should be with the Stanton Landing Dock Lot Owners Association, and not with the individual owners of Dock Lot Interests. The reason for this is to assure the continued safety and structural integrity of the

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Docks, to preserve and enhance property values, and to assure that Docks are repaired or replaced (if necessary) as and when necessary. For such purpose and objective, the Declarant, on behalf of and binding upon all subsequent owners of Dock Lot Interests, hereby irrevocably assigns the full maintenance, repair, and replacement obligation of the Docks upon the Dock Lots to the Stanton Landing Dock Lot Owners Association exclusively, to the same extent as if the Association was the owner of such Docks. Thus, no owner of a Dock Lot Interest shall have the authority to maintain, repair, or replace any Dock or portion thereof, except as may be mandated by the Association's rules and regulations concerning personal use or as may be specifically approved by the Association. However, the Association shall have no responsibility for the maintenance, repair, or replacement of any aspect of a boat lift or apparatus related thereto, or any other item allowed to be installed or placed upon a Dock by an owner, this being the sole responsibility of the owner of the Dock Lot Interest upon which such lift or other items is installed or placed. It is the intent of the Declarant that the Stanton Landing Dock Lot Owners Association determine if a reasonable plan of scheduled maintenance for the Docks is appropriate; to implement any such plan; to make repairs to a Dock or Docks (including replacements, if necessary) which are reasonably necessary for the continued safety of the Dock(s); to assure that the Docks continue to be reasonably capable of safely and securely performing the functions for which they were initially designed to perform; and to assess dues to enable the Association to meet such responsibilities. The consent of the owner of a Dock Lot Interest shall not be required as a prerequisite to the Association's performance of its obligations herein. For the accomplishment of its duties, the Declarant hereby declares and grants an easement over and upon any and all Dock Lots and the Docks appurtenant thereto for the purpose of performing such maintenance and making such repairs and/or replacements as are

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determined to be reasonably necessary by the Association. Further, to the extent required by applicable regulations and rules of any governmental regulatory agency, such as CAMA or the Army Corps of Engineers, the Declarant hereby irrevocably assigns to the Association the right to apply for required permits to repair or reconstruct Docks in the individual name of the owner of the applicable Dock Lot Interest.

8. Insurance. To the extent possible and financially feasible, the Stanton Landing Dock Lot Owners Association shall obtain property damage casualty insurance covering all Docks against risks of loss or damage due to natural disasters, collisions, and other casualty events. Deductible amounts shall be a common expense of the Association, subject to the provisions below relative to damage caused by owners or others for whom owners are made responsible.

9. Landscaping and Dock Lot Improvements. The Declarant also deems it to be highly desirable to enhance the general aesthetic appearance of the overall Stanton Landing community, of which the Dock Lots are a part, and to preserve and enhance property values. Therefore, no landscaping shall be installed or improvements (other than Docks) constructed upon a Dock Lot without the owners of the two Dock Lot Interests being in mutual agreement and first submitting the plans thereof to the Stanton Landing Dock Lot Owners Association for review and approval. The review and approval process shall be the same as that for the construction of dwellings as set forth in Article 4 of the original Stanton Landing Declaration, except that such process shall be with the Stanton Landing Dock Lot Owners Association. No improvements or landscaping to a Dock Lot shall be undertaken except in a manner consistent with the Army Corps of Engineers Consent above referenced and any other applicable permitting regulations.

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10. Mortgagees. Owners of lots in Stanton Landing who also own an appurtenant Dock Lot Interest may mortgage their Stanton Landing lot and their Dock Lot Interest but may not mortgage either without mortgaging both. The reason for this provision is to assure that in the event of a foreclosure, a Dock Lot Interest could not become severed from its appurtenant Stanton Landing lot and potentially owned by a person who did not own a Stanton Landing lot. Deeds of trust creating such liens shall describe both the Stanton Landing lot and the appurtenant Dock Lot Interest, including the Boat Slip assigned to such Interest by reference to lot numbers and recorded plat numbers. In the event of default giving rise to a foreclosure of the deed of trust, both the Stanton Landing lot and the Dock Lot Interest shall be foreclosed together and sold together to the high bidder, and subject to the provisions of this Supplemental Declaration. No foreclosure of a deed of trust encumbering a Dock Lot Interest shall in any way impair the adjacent Dock Lot Interest.

Where a mortgagee, or other person claiming through such mortgage pursuant to the remedies provided in a mortgage or deed of trust, or by foreclosure, or by deed in lieu of foreclosure, obtains title to a Dock Lot Interest, the liability of such mortgagee or such other person for assessments, and the lien against the Dock Lot Interest owned by such mortgagee or other person, shall be limited to such assessments that would become delinquent if not paid after acquisition of title. For purposes hereof, title to a Dock Lot Interest shall be deemed acquired by foreclosure upon expiration of the applicable period of redemption.

11. No Commercial Use Allowed. No Time-Shared Vessels Allowed. No owner of a Dock Lot Interest shall make any commercial use of a Dock Lot Interest (such as a charter boat or commercial fishing operation) or assign such rights to others, nor shall any vessel owned in time-share intervals by owners not also owning Stanton Landing lots be moored at a Dock Lot.

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12. Water and Electric Power to Boat Slips. Declarant has installed upon the Dock Lots a water well, water main, and underground electric power (hereafter "Dock Utilities Infrastructure") which is hereby dedicated for the use and benefit of the owners of the Dock Lot Interests and such other lots in Stanton Landing to which Declarant may choose to assign such rights. The Infrastructure for the water well and pump is installed upon Lot 11. The Infrastructure for the water transmission line runs underground and within an easement 10 foot wide across the western portions of Lots 1 through 11. The Infrastructure for the underground electric power also runs underground across the eastern portions of Lots 1 through 11 and within an easement already granted the electric service provider in a prior instrument. Accordingly, easements so described to accommodate the use, maintenance, and repair of the Dock Utilities Infrastructure is hereby reserved by Declarant and its assigns. These easements will be transferred by Declarant to the Stanton Landing Dock Lot Owners Association, as well as an easement over Lot 11, to accommodate the Association's responsibility to maintain the Utilities Infrastructure. All owners of Dock Lot Interests shall be responsible for the installation and maintenance of electric and water utilities connecting the Docks to the Dock Utilities Infrastructure, and to pay all recurring charges associated with such use. Every owner of a Dock Lot Interest shall also be responsible for obtaining and installing an electric meter from the utility provider at owner's sole expense so that electric consumption can be determined and properly billed to the owner. Declarant reserves the right to transfer ownership of such Dock Utilities Infrastructure to the Stanton Landing Dock Lot Owners Association for purposes of ownership, maintenance, and further regulation consistent with the provisions hereof.

13. Stanton Landing Homeowners Association. All owners of Dock Lot Interests, by virtue of their ownership of other lots in Stanton Landing to which such Interests are

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appurtenant, are members of the Stanton Landing Homeowners Association and bound to all of the provisions, rights, and obligations which are attendant to such membership, as modified by this Supplemental Declaration. However, such Association shall have no obligations with respect to the Dock Lots, the Docks, Boat Slips, boat lifts, roads, lighting, drainage, Utilities Infrastructure, or other facilities appurtenant thereto, nor shall dues or assessments be levied against such Dock Lots by the Stanton Landing Homeowners Association. It is the intent of the Declarant that ownership and maintenance of the Docks, the road and its right of way, lighting, drainage, and Dock Utilities Infrastructure shall be the sole responsibility of the Stanton Landing Dock Lot Owners Association to which dues and assessments shall be paid for such purposes by the owners of Dock Lot Interests. However, the Stanton Landing Homeowners Association is hereby made an intended third party beneficiary of this provision and may maintain an action at law or equity to assume the powers, authority, and function of the Stanton Landing Dock Lot Owners Association in the event of a substantial failure of the latter Association to fulfill its responsibilities and obligations set forth herein.

14. Stanton Landing Dock Lot Owners Association. Every owner of a Dock Lot Interest shall be a member of the Stanton Landing Dock Lot Owners Association which has been formed by the Declarant to serve the common interests of such owners.

a. Membership. The Association shall have two classes of voting membership:

i. Class A Members: Class A members shall be all of the owners of a Dock Lot Interest, other than Declarant.

ii. Class B Member: The Class B Member shall be the Declarant for so long as it holds ownership of a Dock Lot Interest, or any other lot identified as a "dock lot" in other properties subsequently annexed to this Dock Lot regime.

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b. Voting Rights. For Class A Members, there shall be only one vote entitled to be cast for each Dock Lot Interest. Members shall be entitled to vote at all annual and special meetings of the general membership on matters required by the by-laws of the Dock Lot Owners Association, this Supplemental Declaration, or any applicable statute to be voted upon. In cases where two people are Owners of a Dock Lot Interest (such as husband and wife, parent and child, or brother and sister), a unanimous vote of the two will be required; and in the case of three or more people (such as heirs, partners), a simple majority shall be required. In the event that only one of multiple Owners of a Dock Lot Interest attends a meeting of the Dock Lot Owners Association at which a vote is taken, or votes in some other fashion by approved proxy or otherwise, such vote for the Dock Lot Interest so represented will be presumed to be, and recorded as, the approved vote for that Dock Lot Interest

The Class B Member, the Declarant, shall have ten (10) votes per Dock Lot Interest (20 votes per Dock Lot if both halves are owned) owned by it, or its specific assigns.

c. Suspension of Voting Right. The right of any Member to cast a vote for a Dock Lot Interest may be suspended by the Association for a substantial violation of the Association's rules and regulations or of this Supplemental Declaration.

d. Assessments. Subject to the rights of Declarant as set forth in subparagraph (iv) below, the owners of each Dock Lot Interest are obligated to pay to the Association, the following:

(i.) Annual dues for routine operations and responsibilities which, for the first fiscal year beginning on January 1, 2005, are in the amount of \$600.00 per Dock Lot Interest, payable annually in advance. This amount includes the initial year's insurance premium attributable to a Dock Lot Interest in the amount of \$400.00. For the initial purchasers of Dock

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Lot Interests from the Declarant, this obligation commences on the date of closing, and the purchaser of such Dock Lot Interest shall pay the prorata portion of the current fiscal year at that time. The Board of Directors of the Association shall have the right to increase the annual dues by an amount not exceeding ten percent (10%) of the amount for the previous fiscal year without approval of the membership. Any increase above that amount shall require approval of at least two-thirds of the votes entitled to be cast voting in person or by proxy at an annual meeting or at a special meeting called for that purpose.

(ii.) Special assessments for extra-ordinary and necessary repair/restoration/replacement of all street right of ways adjoining the Dock Lots, lighting, drainage, Docks, pilings, shoreline stabilization, and of the Dock Utilities Infrastructure, subject to the approval of at least two-thirds of the votes entitled to be cast voting in person or by proxy at an annual meeting or at a special meeting called for that purpose.

(iii.) Each owner of a Dock Lot Interest shall pay the same dues and assessment amount, whether annual or special. However, in the event of any required repair or replacement to the road right of way, street lighting, drainage, Dock, or the Dock Lot Infrastructure necessitated by the negligent, accidental, or intentional acts of an owner of a specific Dock Lot Interest, their guests, or invitees, the Association is specifically authorized to assess the Dock Lot Interest whose owner, guests, or invitees were the proximate cause of the condition or accident or act of negligence necessitating the repair, for the entire cost of the repair. (Note: An example of this would be an owner inadvertently damaging some aspect of the Dock Utilities Infrastructure or a Dock.) Presumably, though, such owner would have indemnity for himself through his own personal liability coverage applicable to the operation and ownership of his boat, which coverage is mandated by Section 25 below.

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(iv). Notwithstanding subparagraph (iii) above, the Declarant shall have no obligation for annual dues and assessments (subsection (i) above) until such time as it has sold and conveyed to third parties at least 18 Dock Lot Interests, or until January 1, 2008, which ever first occurs.

e. Use of Dues and Assessments. Dues and assessments required to be assessed uniformly against all Dock Lot Interests shall be used to meet the Association's general obligation for road right of way maintenance; street lighting; Dock maintenance; insurance; all drainage easements; maintenance of the Dock Utilities Infrastructure; and for all reasonable and necessary costs and expenses of administering its purposes.

f. Obligation for Dues and Assessments; Lien Rights. All dues and assessments against a Dock Lot Interest, including interest thereon after default at the rate of 18% per annum, shall be the joint and several obligation of the owners of each Dock Lot Interest. Non-payment of such dues or assessments within thirty (30) days of its due date shall give rise to the right of the Association to file a lien against the Dock Lot Interest against which such dues and assessment applies, and to enforce said lien pursuant to section 47F-3-116 of the Planned Community Act or other applicable law. The liens provided for herein shall have priority and be otherwise governed in accordance with such section.

g. Organization of Dock Lot Owners Association. The organization and operation of the Dock Lot Owners Association shall be as provided in this Supplemental Declaration, the corporate charter, by-laws, and applicable law.

h. Boat Lifts. The owner of a Dock Lot Interest shall be solely responsible for the installation, maintenance, repair, and any required replacement of any boat lift installed in the

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Boat Slip assigned to such Interest. The Association shall have no responsibility for any maintenance or replacement of a boat lift, nor any obligation to insure it.

15. Stormwater Management Restriction. The following covenants are intended to assure compliance with State Stormwater Management Permit Number SW8 031053 as issued by the Division of Water Quality:

a. The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the stormwater management permit.

b. These covenants are to run with the land and be binding on all persons and parties claiming under them.

c. The covenants pertaining to stormwater may not be altered or rescinded without the express written consent of the State of North Carolina, Division of Water Quality.

d. Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the Division of Water Quality.

e. The maximum allowable built-upon area per Dock Lot is 2,665 square feet, excluding that portion of the 20' right of way which crosses the Lot. The right of way square footage per Dock Lot is shown upon the recorded plat of the Dock Lots and again on the following page 20-A, and is different for each Lot. The maximum built upon area per Lot, including that portion of the 20' right of way which crosses the Lot, is also shown on page 17-A. This allotted amount includes any built-upon area constructed within the Lot property boundaries, and that portion of the right of way between the front Lot line and the edge of the pavement. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate, and coquina, but does not include raised, open wood decking.

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LOW DENSITY DEVELOPMENT DATA

TRACT AREA = 208,558.30 SF (4.787 AC)

ALLOWABLE % IMPERVIOUS = 25% (DRAINS TO INTRACOASTAL WATERWAY, CLASS SA)  
ALLOWABLE BUA = 52,136.60 SF

IMPERVIOUS ALLOCATION

STREET = 22,821.60 SF

REMAINING BUA FOR LOTS = 29,315.00 SF

LOT #	LOT AREA (SF)	DRIVE AREA (SF)	LOT BUA (SF)	TOTAL BUA (SF)
1	12240.61	0.00	2665.00	2665.00
2	14099.78	608.79	2665.00	3273.79
3	16240.46	2572.55	2665.00	5237.55
4	16966.83	1948.22	2665.00	4613.22
5	11975.40	1993.04	2665.00	4658.04
6	11288.79	1822.07	2665.00	4487.07
7	14881.20	1792.50	2665.00	4457.50
8	10733.67	1620.38	2665.00	4285.38
9	10748.23	1607.49	2665.00	4272.49
10	11696.11	785.28	2665.00	3450.28
11	11103.62	0.00	2665.00	2665.00
RESERVED BY OWNER	75243.60	8071.28	0.00	8091.28
	208,558.30	22,821.60	29,315.00	52,136.60

TOTAL BUA FOR SITE = 52,136.60 SF  
ACTUAL % IMPERVIOUS = 24.99 %

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f. Filling in or piping of any vegetative conveyances (ditches, swales, etc.) associated with the development, except for average driveway crossings, is strictly prohibited by any person.

16. Binding Effect. The provisions of this Supplemental Declaration shall be binding upon all owners of Dock Lots Interests, their title successors, and assigns, and shall be effective for so long as the original Declaration of Covenants for Stanton Landing shall be effective. Any renewal of such Declaration of Covenants shall automatically constitute a renewal of this Supplemental Declaration.

17. Amendment by Declarant. For so long as Declarant is an owner of a Dock Lot Interest, or other "dock lot" subsequently annexed to this Dock Lot regime, Declarant shall have the unilateral right to amend this Supplemental Declaration so long as such amendment does not materially alter or affect the substantive rights, benefits, or obligations of any other owner of a Dock Lot Interest, or result in any use of a Dock Lot Interest which has been previously approved by the Stanton Landing Dock Lot Owners Association being non-conforming as to the amendment.

18. Annexation of Subsequent Lots to the Dock Lot Regime. Declarant reserves the unilateral right to annex additional properties it owns, or comes to own, to this Dock Lot regime, and to subject such annexed properties to amended covenants and conditions through a Supplemental Declaration.

19. Declarant Rights Assignable. All rights of Declarant hereunder may be assigned to a third party, in whole or in part.

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20. Waiver of Right of Partition. All owners of Dock Lot Interests, by acceptance and recordation of a deed conveying the same to them, hereby waive all rights of partition with respect to such Dock Lot Interests.

21. North Carolina Planned Community Act. Since all Dock Lots are restricted to non-residential uses only, the North Carolina Planned Community Act (Chapter 47F) does not automatically apply. However, pursuant to N.C.G.S. 47F-1-102(b)(2), the Declarant hereby voluntarily imposes the provisions of such Act upon the Dock Lots and the administration of the Stanton Landing Dock Lot Owners Association, but only to the extent such provisions do not directly conflict with any provision of this Supplemental Declaration.

22. Easements Reserved by Declarant. Declarant hereby reserves for itself, its successors, and assigns as easement for the installation and maintenance of septic and wastewater disposal systems to serve other lots in Stanton Landing, or subsequently annexed to Stanton Landing, which are incapable of sustaining on-site wastewater disposal systems. This easement exists over, upon, and under that portion of the Dock Lots which is situated between the east line of the existing road traversing the Lots and the easternmost boundary line of the Dock Lots. This easement affects only Dock Lots 3 through 10, as those are the only Dock Lots which have any area so defined. Also reserved are any other easements which are specifically reserved within this Supplemental Declaration.

23. Amendment by Dock Lot Owners. By a vote of two-thirds majority of all owners of Dock Lot Interests, this Supplemental Declaration may be amended. However, no amendment shall be made which adversely affects the substantive right of an owner to the use of a Dock Lot as a dock as more particularly set forth herein, without the unanimous vote of all such owners.

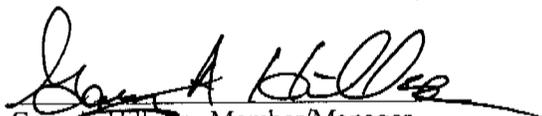
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24. Payment of Property Taxes. The Carteret County Tax Office will assess ad valorem taxes against a Dock Lot Interest based upon a tax valuation assigned to such Interest. The tax due for such Interest will be included in the property tax bill covering the Stanton Landing lot to which such Dock Lot Interest is appurtenant. The owner of such lot and Dock Lot Interest shall pay such taxes as and when due and payable.

25. Liability Insurance of Boats Moored on Dock Lots. The owner of a boat which is moored on a Dock Lot shall keep in force at all times a policy of liability insurance covering property damage to a Dock caused by said boat through its operation, or otherwise, in an amount of at least \$50,000.00, or as otherwise determined by the Stanton Landing Dock Lot Owners Association. Such owner shall annually furnish the Association with an insurance certificate issued by the insurance carrier which evidences such coverage. Such policy shall name the Association as an additional loss payee on any claim for damages to a Dock. The reason for this provision is to provide a source of indemnity for any Dock damage which results from the operation, or otherwise, of an owner's boat for which such owner is personally liable pursuant to Section 14 d. (iii) above.

WHEREFORE, the undersigned Declarant has affixed its official signature on the date first above written, all for the purposes herein expressed.

U.F.S., LLC

  
Gary A. Hill, Sr., Member/Manager

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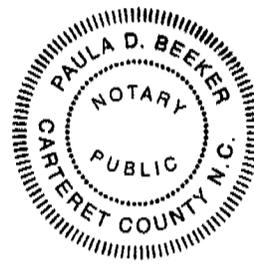
STATE OF NORTH CAROLINA  
COUNTY OF CARTERET

I, Paula Beeker, a Notary Public of the County and State aforesaid, certify that Gary A. Hill, Sr. personally appeared before me this day and acknowledged that he is the Member/Manager of U.F.S., LLC, a North Carolina limited liability company, that by authority duly given and as an act of said companies, the foregoing instrument was signed by him as its Member/Manager.

Witness my hand and official seal this 28th day of January, 2005.

Paula D. Beeker  
Notary Public

My Commission expires: 2/16/08



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