



- SECTION I. DECLARATION OF COVENANTS,
CONDITIONS, EASEMENTS,
RESTRICTIONS, CHARGES, LIENS, AND
RESERVATIONS**
- SECTION II. BYLAWS OF THE STANTON LANDING
PROPERTY OWNERS' ASSOCIATION**
- SECTION III. ARCHITECTURAL REVIEW BOARD
POLICIES AND PROCEDURES**
- SECTION IV. ARCHITECTURAL REVIEW BOARD FORMS
& APPLICATIONS**

BOOK 969 PAGE 93

99

SECTION I.

DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES, LIENS, AND RESERVATIONS



BOOK 969 PAGE 93

Stanton Landing Declaration

Table of Contents

Article 1

DEFINITIONS	
Architectural Review Board	page2
1.1 Assessments	page2
1.2 Association	page2
1.3 Bylaws	page3
1.4 Board	page3
1.5 Common Elements	page3
1.6 Common Expenses	page3
1.7 Declarant	page3
1.8 Declarant Control Period	page3
1.9 Declaration	page3
1.10 Development Area	page4
1.11 Development Rights	page4
1.12 Dispose or Disposition	page4
1.13 Drainage	page4
1.14 Foreclosure	page4
1.15 Homesite(s)	page4
1.16 Identifying Number	page4
1.17 Improvements	page5
1.18 Lease	page5
1.19 Majority	page5
1.20 Master Plan or Development Plan	page5
1.21 Member	page5
1.22 Mortgage	page5
1.23 Mortgagee	page5
1.24 Occupant	page6
1.25 Offensive of Noxious Activity	page6
1.26 Owner or Unit Owner	page6
1.27 Person	page6
1.28 Planned Community	page6
1.29 Property	page7
1.30 Reasonable Attorneys Fees	page7
1.31 Recorded	page7
1.32 Residence Unit	page7
1.33 Security Expenses	page7
1.34 Shall	page7

BOOK 969 PAGE 93

1.35 Special Declarant Rights	page8
1.36 Street	page8
1.37 Structure	page8
1.38 Use of Land or Intended for Use	page8
1.39 Use or Used for Residential Purposes	page8

Article 2

PROPERTY SUBJECT TO DECLARATIONS	
2.1 Existing Properties	page9
2.2 Additions to Existing Property	page9

Article 3

USE OF PROPERTY	
3.1 Use Restrictions	page10
3.1.1 Single Family Residence	page10
3.1.2 Nuisances	page10
3.1.3 Lawful Use	page11
3.1.4 Certain Structure Types Prohibited	page11
3.1.5 Rules and Regulations	page11
3.1.6 Fences, Walls and Landscaping	page11
3.1.7 Parking Areas	page11
3.1.8 Waste Material Containers	page12
3.1.9 Signs	page12
3.1.10 Offensive Trade or Activity	page12
3.1.11 No Temporary Structures	page12
3.1.12 No Livestock	page12
3.1.13 Off-Street Parking	page13
3.1.14 Recreational Facilities	page13
3.1.15 Refuse	page13
3.1.16 Antennas	page14
3.1.17 Wash	page14
3.1.18 No Site Obstructions	page14
3.1.19 Unsightly Conditions	page14
3.1.20 Discharge of Firearms	page14
3.1.21 Motorized Vehicles	page14
3.1.22 Wetlands	page15
3.1.23 Storm Water Management Permit	page15
3.1.24 Street Lights	page15

BOOK 969 PAGE 93

Article 4

CONSTRUCTION ON HOMESITES / RESIDENCE UNITS	
ARCHITECTURAL AND LANDSCAPE CONTROLS	page15
4.1 Architectural Review Board	page15
4.2 Approval to Build	page16
4.2.1 Homesite Configuration	page16
4.2.2 Building Contractors for Residence Unit	page16
4.2.3 Applicable Laws and Architectural Review Board Policies	page17
4.2.4 Plans and Specifications	page17
4.2.5 Site Plans	page17
4.2.6 Square Footage of Residence Units	page18
4.2.7 Approvals	page18
4.3 Building Permits	page18
4.4 Time Period	page19
4.5 Grading and Filling	page19
4.6 Driveway Culverts	page19

Article 5

PROPERTY OWNERS' ASSOCIATION	page19
5.1 Membership	page19
5.2 Powers of Association	page19
5.3 Procedures and Fines/Suspensions of Planned Community Services	page21
5.4 Executive Board Members and Officers	page21
5.5 Declarant's Control of Association	page22
5.6 Voting	page23
5.7 Proxies	page23
5.8 Amenities and Common Elements	page23
5.9 Rules and Regulations	page23
5.10 Implied Rights	page24
5.11 Personal Property for Common Use	page24

BOOK 969 PAGE 93

Article 6

COMMON EXPENSES	
6.1 Creation of the Lien and Personal Obligation of Assessments	page24
6.2 The Common Expenses	page24
6.3 Special Assessments for Capital Improvements	page27
6.4 Emergency Special Assessments	page27
6.5 Certificates	page27
6.6 Procedure for setting Annual and Special Assessments	page27
6.7 Effect of Nonpayment of Assessments, Remedies of the Association	page28
6.8 Collection	page30
6.9 Limitation on Assessment	page30
6.10 Rate of Annual Assessment	page32
6.11 Date and Commencement of Annual Assessment	page32
6.12 Subordination of the Lien to Mortgages	page32
6.13 Exempt property	page32
6.14 Payment by Declarant	page33

Article 7

COMMON ELEMENTS	
7.1 Common Elements	page33
7.2 Easement Affecting Common Elements	page33
7.3 Usage Rights	page34
7.4 Area Boundaries and Conveyance of Common Elements	page36
7.5 Delegation of Use	page37

Article 8

FINANCING PROVISIONS	
8.1 Approval of Owners and Holders of First Deed of Trust	page37
	page37

Article 9

RESERVED EASEMENTS	
9.1 Utility and Drainage Easements	page38
9.2 No Interest in Utilities	page38
9.3 Easement for Use of Streets	page38
9.4 Master Electronic Reception Apparatus	page39
9.5 Inspection and Maintenance	page39

Q69 93

Article 10

TRAFFIC REGULATIONS
10.1 Traffic

page40
page40

Article 11

VARIANCES
11.1 Variances

page40
page40

Article 12

INSURANCE AND CASUALTY LOSSES
12.1 Insurance
12.2 Policies
12.3 Use of Proceeds

page40
page40
page41
page42

Article 13

MAINTENANCE / REPAIR
13.1 Residence Units

page42
page42

Article 14

CONDEMNATION
14.1 General
14.2 Common Elements

page42
page43
page43

Article 15

NOTICES
15.1 Forms of Notice
15.2 Agent to Receive Service of Process

page43
page43
page43

969 93

Article 16

TERM	page44
16.1 Term	page44
16.2 Covenants Running with Land	page44

Article 17

ASSIGNMENT / AMENDMENT	page44
17.1 Assignment	page44
17.2 Amendments by Declarant	page45
17.3 Amendments by Residence Unit or Homesite Owners	page45
17.3.1 Proposed Amendments	page45
17.3.2 Notice	page46
17.3.3 Resolution	page46
17.3.4 Absentee Vote	page46
17.3.5 Proviso	page46
17.3.6 Execution and Recording	page46
17.4 Amendments to Policies and Procedures of the ARB	page47

Article 18

ENFORCEMENT	page47
18.1 Violation of Covenants	page47
18.2 Invalidity	page47
18.3 Laws and Ordinances	page47

Article 19

REMEDIES FOR VIOLATIONS	page47
19.1 Remedies for Violations	page48

Article 20

DECLARANT EXEMPTIONS	page48
20.1 Declarant Exemptions	page48

BOOK 969 PAGE 93

Article 21

MISCELLANEOUS	
21.1 Multiple Owners	page49
21.2 Applicability to Third Parties	page49
21.3 Conveyances	page49
21.4 Perpetuities	page49
21.5 Severability	page49
21.6 Rights of Mortgages	page49
21.7 Inspection and Maintenance	page50
21.8 Waiver	page50
21.9 Construction	page50

BOOK 969 PAGE 93

**DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS,
RESTRICTIONS, CHARGES, LIENS, AND RESERVATIONS
for
"STANTON LANDING"**

THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES, LIENS AND RESERVATIONS is made this 16th day of December, 2002, by U.F.S.,LLC., a North Carolina limited liability company (hereinafter referred to as "Declarant"), its successors and assigns concerning the planned community to be known as **STANTON LANDING**.

WITNESSETH

WHEREAS, it is the intent of the Declarant to establish a general plan and uniform scheme of development and improvement of property it owns or will acquire as a planned residential community (the "Planned Community") together with streets, roads, footways, open spaces, entrances, drainage facilities, access easements, site lighting and signage, and any recreations area(s), common area(s) and any other common properties shown on any recorded plat of such real property of a portion thereof for the benefit of the Planned Community; and,

WHEREAS, Declarant desires to insure the attractiveness of the Planned Community and to prevent any future impairment thereof, to provide for the maintenance and upkeep of the Common Elements, as hereinafter defined, to prevent nuisances, to preserve, protect and enhance the Common Elements for the benefit of the Planned Community and each property owner within the Planned Community; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation, protection and enhancement of the property values, amenities and opportunities within the Planned Community in order to contribute to the personal and general health, safety and welfare of the property owners and residents

Page 1

800K 969 747 93

therein, to provide for the maintenance of all Common Elements, to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the Common Elements and administering and enforcing this Declaration, and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Declarant has caused to be incorporated under North Carolina law, Stanton Landing Property Owners' Association, Inc. (the "Association") as a nonprofit corporation for the purpose of exercising and performing the aforesaid functions, and as more specifically provided herein;

NOW, THEREFORE, Declarant hereby declares that it is the expressed purpose, desire and intention of Declarant and Declarant hereby does submit the Existing Property (as herein defined), including any improvements to be located thereon, so that the Existing Property shall be held, sold, conveyed and occupied subject to the provisions, covenants, conditions and restrictions contained herein, which shall run with the real property and be binding on all parties having any right, title or interest in the Existing Property or any part thereof, and their heirs, administrators, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE 1

DEFINITIONS

The following words and terms when used in this Declaration and Bylaws and any supplemental declaration and Bylaws (unless the context shall clearly indicate otherwise) shall have the following meanings:

1.1 Architectural Review Board (abbreviated "ARB.") The term "Architectural Review Board" means and refers to a committee of five (5) individuals initially designated and appointed (and removed) by the Declarant to carry out the duties herein assigned to said Architectural Review Board who shall serve at the pleasure of the Declarant until the end of the Declarant Control Period.

1.2 Assessments. "Assessments" means the same as Common Expenses levied by the Association, as more specifically provided in Article 6.

1.3 Association. "Association" means Stanton Landing Property Owners' Association, Inc., a North Carolina nonprofit corporation, its successors and assigns.

BOOK 969 Q3

1.4 Bylaws. "Bylaws" means such governing regulations as are adopted for the regulation and management of the Association, including such amendments thereof as may be adopted from time to time and recorded. The initial Bylaws are attached hereto as Schedule A.

1.5 Board. "Board" means a board of natural individuals of the number stated in the Bylaws, who need not be Owners, which constitute the Board of Directors of the Association and who shall manage the business, operations and affairs of the Association on behalf of the Members.

1.6 Common Elements. "Common Elements" means the common areas and facilities owned by the Association and dedicated to the common use and enjoyment of the Owners, or such other easements and areas for which the Association has maintenance responsibility, as more specifically provided in Article 7. "Common Elements" shall include, but not be limited to, any storm water control, pool, clubhouse, security gates, entrance ways, boat storage areas, boat ramp, piers, walkways, or streets which may be constructed now or in the future.

1.7 Common Expenses. "Common Expenses" means the expenses of the Association in providing for the acquisition, construction, management, maintenance and care of Association Property, the Common Elements and the Association's maintenance obligations as more particularly provided in Article 6.

1.8 Declarant. "Declarant" means U.F.S., LLC., and its successors and assigns in interest in Stanton Landing, if such successor or assign should acquire more than one undeveloped Homesite from the Declarant for the purpose of development.

1.9 Declarant Control Period. "Declarant Control Period" means that period of time that Declarant may appoint and remove a majority of the Board of Directors of the Association without consent of any Owner; the calendar date November 1, 2013; or, by voluntary relinquishment or assignment, whichever event shall first occur.

1.10 Declaration. "Declaration" means this instrument and any amendments thereto by which Stanton Landing is created and expanded.

969 93

1.11 Development Area. "Development Area" means that property owned by Declarant as recorded in _____, in the Office of the Register of Deeds of Carteret County, North Carolina; or, any other tract(s) or parcel(s) that are contiguous to the Development Area and which may be subsequently acquired by the Declarant.

1.12 Development Rights. "Development rights" means any right or combination of rights reserved by the Declarant in this Declaration (i) to add real estate to Stanton Landing; (ii) to create lots, Common Elements, within Stanton Landing; (iii) to subdivide Homesites or convert Homesites into Common Elements; or (iv) to withdraw real estate from Stanton Landing.

1.13 Dispose or Disposition. "Dispose" or "disposition" means a voluntary transfer to a purchaser of any legal or equitable interest in a Homesite, but does not include the transfer or release of a security interest.

1.14 Drainage. "Drainage" means the removal of surface water or ground water from land by drains, grading or other means, and includes control of runoff to minimize erosion and sedimentation during and after construction or development and likewise includes undertaking those measures necessary for water supply preservation for prevention or alleviation of flooding.

1.15 Foreclosure. "Foreclosure" means the exercise of the rights of the holder of any mortgage or other instrument creating a security interest in a Homesite or Residence Unit.

1.16 Homesite(s). "Homesites(s)" means any unimproved plot of land designated with an Identifying Number upon any recorded subdivision map of a portion of Stanton Landing. A Homesite shall be intended for use as the site for one (1) single family detached dwelling unit. A Homesite shall be deemed to be unimproved until the improvements being constructed thereon are sufficiently completed to reasonably permit habitation thereof and will thereafter be subject to assessments as improved property as a Residence Unit.

1.17 Identifying Number. "Identifying number" means a symbol on the recorded plat of any phase of the Property that identifies only one Homesite in Stanton Landing.

Page 4
Alle 9 93

1.18 Improvements. "Improvements" means all structures or construction of any kind that alters the initial physical appearance of a Homesite , including, without limitation, any building, outbuildings, roads, driveways, parking areas, retaining walls, loading areas, utilities, lawns, fence, wall, sign, paving, grading, parking and building additions, alteration, screen enclosure, pool ,sewer, drain, disposal system, decorative building, landscaping or landscape device (including existing and planted trees and shrubbery) or object together with any construction work or treatment done or applied to a Homesite in connection therewith.

1.19 Lease. "Lease" means all leases, subleases and rental contracts, whether oral or written.

1.20 Majority. "Majority" means any number of votes which is greater than fifty percent (50%) of the applicable votes.

1.21 Master Plan or Development Plan. "Master Plan" or "Development Plan" means the drawings which represent the conceptual research plan for the future development of Stanton Landing, held by the Declarant and made available for inspection by prospective land purchasers. Since the concept of the future development of the undeveloped portions of Stanton Landing retained by, and remaining in the Declarant's ownership, is subject to continuing revision and change at the discretion the Declarant, present and future references to the "Master Plan" by the Declarant, its employees or agents shall be reference to the latest revision thereof. In addition, no implied reciprocal covenants shall arise with respect to lands which have been retained by the Declarant for future development restricting their uses. The Declarant shall not be bound by any development plan, use or restriction of use shown on any Master Plan, and may at any time change or revise said Master Plan. None of the proposed facilities reflected on any Master Plan need be built. The construction of any proposed facilities is dependent on market conditions and the economic viability of the sale of Homesites in Stanton Landing.

1.22 Member. "Member" means every person or entity who holds membership in the Association. Declarant shall be a Member of the Association from and after the date of recordation of this Declaration.

1.23 Mortgage. "Mortgage" includes both a deed of trust or a mortgage or any instrument creating a security interest in a Homesite or Residence Unit.

1.24 Mortgagee. "Mortgagee" includes any grantee in or holder of a Mortgage, or the beneficiary of a Deed of Trust, or other similar security interest.

1.25 Occupant. "Occupant" means any person who occupies, or who has the right to occupy, all or a part of any Homesite or Residence Unit which is a part of the Property, whether such occupancy or right of occupancy is based on ownership, lease, license or easement.

1.26 Offensive or Noxious Activity. "Offensive or Noxious" activity or behavior includes, but is not limited to a public nuisance or nuisance per se and shall also include any behavior or activity which is inconsistent with both the pleasurable use of Stanton Landing by a majority of the residents and their reasonable expectations of enjoying their property and the available amenities and natural surroundings free of boorish, rude, excessively noisy, crude, tasteless behavior, flashing lights, racing vehicles, radio, hi-fi or electronic music distractions, etc., or other similar behavior curtailing the pleasure of use of the natural environment and Common Elements of Stanton Landing. Musical or other entertainment, concerts, festivals, competitions or shows conducted under permit from the Declarant shall not constitute offensive or noxious activity or behavior unless such permit is withdrawn by the Declarant.

1.27 Owner or Unit Owner. The term "Owner" or "Unit Owner" means a person who has acquired by disposition fee simple title to any Homesite or Residence Unit, but shall not include a person having such an interest merely as security for the performance of an obligation. The Declarant and any mortgagee is excluded from being an "Owner" unless and until such Declarant and mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

1.28 Person. "Person" means a natural person, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or other legal or commercial entity.

1.29 Planned Community. "Planned Community" means real estate with respect to which any person, by virtue of his ownership of a Homesite, is expressly obligated by this Declaration to pay real property taxes, insurance premiums, or other expenses to maintain, improve or benefit other Homesites or other real estate described in this Declaration. The term Planned Community is used interchangeably with the term Stanton Landing within this Declaration.

1.30 Property. "Property" means the Existing Property as defined in Article 2.1 and any additions or replacements that may be brought by the Declarant, at its option, within the scheme and jurisdiction of this Declaration, including the Homesites and the Common Elements, together with the buildings and all other improvements thereon, and all easements and rights appurtenant thereto, which are now or hereafter used in connection with the ownership and use of said land and improvements.

1.31 Reasonable Attorneys Fees. "Reasonable attorney's fees" means attorney's fees actually incurred without regard to any limitations on attorney's fees which may be included in any section of the North Carolina General Statutes, based on the following factors: (i) the novelty and difficulty of the questions and issues involved; (ii) the likelihood that the acceptance of employment by the attorney for the Association will preclude legal representation of other parties; (iii) fees customarily charged in this locality for similar legal services; (iv) the amount involved and the results obtained; (v) the time limitations imposed by the Association or the circumstances; (vi) the nature and length of any previous professional relationship with the Association; and (vii) the attorney's experience, qualifications, reputation, and the skill requisite to perform the necessary legal services. The rate and/or amount agreed to between the Association and any attorney retained by the Association shall be presumed to be reasonable.

1.32 Recorded. "Recorded" means made a matter of public record by filing same in the Office of the Register of Deeds or Clerk of Court for Carteret County, North Carolina, the filing place to be determined by the type of document to be recorded..

1.33 Residence Unit. "Residence Unit" means the improvements erected on a Homesite for use and occupancy as one single family dwelling and any exterior steps, garage, parking space, patio, deck, driveway, balcony, storage facilities, terraces, verandas and landscaping located on the Homesite, and the Homesite upon which said building and improvements are located.

1.34 Security Expenses. "Security Expenses" means all fees and expenses incurred by the Association for any security purpose associated with the Planned Community, including but not limited to erection, purchase and maintenance of gates, perimeter fencing, vehicles, equipment, personnel or contracts with providers of such services, equipment and facilities.

1.35 Shall. "Shall" indicates a mandatory requirement, condition, or obligation; in contrast, the term "may" indicates a permissive action.

ROCK 969 PAGE 93

1.36 Special Declarant Rights. "Special Declarant Rights" means rights reserved for the benefit of the Declarant which may not be altered by the Members, including, but not limited to rights (i) to complete improvements indicated on plats and plans filed with the Declaration; (ii) to exercise any Development Right; (iii) to maintain sales offices, management offices, signs advertising Stanton Landing, and models; (iv) to use easements through the common elements for the purpose of making improvements within Stanton Landing or within real estate which may be added to Stanton Landing; or, (v) to appoint or remove any officers or executive board members of the Association during the period of declarant control, all of which Special Declarant Rights are more fully set forth herein.

1.37 Street. "Street" means any street, highway or other thoroughfare which is constructed by Declarant within Stanton Landing and is shown on a recorded plat of any phase of the Planned Community, whether the same is designated as street, drive, place, court, road, terrace, way, circle, lane, walk, view or other similar designation. All such streets comprise a portion of the Common Elements.

1.38 Structure. "Structure" means any construction, object, projection or piece of work artificially built up or composed of parts joined together in some definite manner, which is erected or shaped on the Property, including but not limited to buildings, fences, walls, bridges, signs, blinds, tennis courts, swimming pools, tents, gazebos, greenhouses, garage facilities or other outbuildings, signs, abutments, ornamental projections, exterior fixtures, shaped earth as a masonry structure, lights, or any device which might obstruct or interfere with the quality of a view from the property.

1.39 Use of Land or Intended for Use. "Use of Land" or "Intended for Use" means the use designated in the deed of conveyance of a parcel or space or by separate declaration of covenants designating the use for which any particular parcel of land is restricted to in such declaration incorporated by reference to a particular recorded declaration of covenants in deeds by which the Declarant has conveyed such land. Reference to "uses" of land, or description of parcels on maps, master plans, and promotional material shall not constitute a designation of use for purposes of this Declaration nor shall such reference create any obligation for the Declarant.

1.40 Use or Used for Residential Purposes. "Use or Used for Residential Purposes" means to be used as one's residence or normal and customary place of abode and shall not include any use for business or commercial purposes. The use of a portion a Residence Unit as a home office shall be

BOOK 969 93

considered a residential use: (1) if such use does not create more than very occasional customer or client traffic to and from the Residence Unit and is otherwise permitted by any applicable Zoning Ordinance; (2) if the Residence Unit's address is not held out or advertised in any way as a business address; (3) no sign, symbol, logo, or name plate identifying such business is affixed to the exterior of the Residence Unit or visible from the exterior of the Residence Unit; and (4) except where the approval of the Association has been given to such use.

ARTICLE 2

PROPERTY SUBJECT TO DECLARATION

2.1 Existing Property. The Property which is and shall be held, transferred, sold, conveyed, given, donated, leased and occupied under this Declaration and within the jurisdiction of the Association, is located in Carteret County, North Carolina, and is more particularly described as Stanton Landing, as shown on plat thereof recorded in the Office of the Register of Deeds of Carteret County, North Carolina, in map book 30, page 206.

2.2 Additions to Existing Property. Additional land within the Development Area may be brought within the scheme and operation of this Declaration and the Jurisdiction of the Association by the Declarant without the consent of the Association or any Member in the following manner:

2.2.1 The area of the Property subject to this Declaration may be increased by filing with the Register of Deeds of the jurisdiction referred to above, plats of additional phases within the Development Area and the subsequent conveyance of any Homesite by the Declarant in such phase by reference to such plat and this Declaration, which shall then extend the scheme of the Declaration to all property shown on the plat of that phase, except for any areas marked "Reserved" or such areas of similar nomenclature. No other land within the Development Area or vicinity of the Development Area shall be subject to this Declaration unless the provisions of this section are complied with, it being intended that this Declaration may not be construed or considered as a scheme for the development of any land other than that shown on the then existing and recorded plats for each phase by which at least one of the Homesites shown thereon has been conveyed by reference to such plat and this Declaration.

2.2.2 In addition the Declarant reserves the right to file Supplemental Declarations with the development of each successive phase, which may contain such complementary additions and

969 93

modifications of this Declaration as may be necessary or convenient, in the judgment of the Declarant, to reflect and adapt to any difference in character of the added properties and as are not inconsistent with the scheme of this Declaration.

ARTICLE 3

USE OF PROPERTY

3.1 Use Restrictions. The use of the Property, the Homesites, the Residence Units and Common Elements shall be in accordance with the following provisions as long as this Declaration remains in effect.

3.1.1 Single Family Residence. The Homesites and any building or structure now or hereafter erected on a Homesite shall be occupied and used for single family residence purposes only, and no building shall be erected, altered, placed or permitted to remain on any Homesite other than one single detached dwelling, a basement (finished or unfinished), a garage for not more than three vehicles (which may include guest or employee quarters) and appropriate outbuildings incident to the single family residential use of the premises. Each of the Homesites and any permitted Residence Units constructed thereon shall be occupied only by the Owner (or Owners), his family, his servants and guests, or lessees, and shall be used only as a single family residence and for no other purpose. No Residence Unit may be divided or subdivided into a smaller unit nor any portion thereof separately sold, rented, leased, or otherwise transferred; provided that Homesites or portions thereof may be combined to form larger parcels than originally platted. Lease or rental to one or more tenants of an entire Residence Unit for residential purposes, subject to the other provisions of this Declaration, shall not be considered a violation of this covenant.

3.1.2 Nuisances. No nuisances shall be allowed upon any Homesite nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Property by its residents. All parts of the Common Elements, and the Homesites or Residence Units shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate. No damage to or waste of the Common Elements, or any part thereof, shall be committed by any Owner or his family, visitors, guests, servants, lessees, agents or invitees, and each Owner shall indemnify and hold the Association and the other Owners harmless against all losses resulting from any such damage or waste. No Homesite or Residence Unit Owner shall make or permit any use of his Homesite or Residence Unit, or make any use of the Common Elements, which will violate the provisions of the general documents or any insurance policy covering the Property.

969 93

3.1.3 Lawful Use. No immoral, improper, offensive or unlawful use shall be made of any part of the Property, and all applicable laws, zoning ordinances and regulations of all governmental bodies shall be observed. The expense of complying with any such laws, ordinances or regulations which compliance requires maintenance, modification or repair of the Common Elements shall be borne by the Association unless necessitated by the misuse, misconduct or neglect of a Homesite Owner or Residence Unit Owner, or his family, visitors, guests, servants, lessees, agents or invitees, in which case such expense shall be assessed against such Owner.

3.1.4 Certain Structure Types Prohibited. Mobile, Modular and Manufactured Homes are prohibited. In the event of any question as to whether a proposed structure may be considered a prohibited Mobile, Modular or Manufactured Home, the Board shall decide based on the existing standards for construction in the Architectural Review Board Policies and Procedures.

3.1.5 Rules and Regulations. Rules and regulations adopted by the Board shall be binding upon the Owners, their families, visitors, guests, servants, lessees, agents, invitees, successors and assigns.

3.1.6 Fences, Walls and Landscaping. No fences or walls shall at any time be erected or maintained upon the Property or any Homesite, unless they are specifically approved by the Architectural Review Board or their designated representative. No chain link fences are permitted. Initial landscaping for each Residence Unit must be approved by the Architectural Review Board. Any annual plants approved for landscaping by the Architectural Review Board must be cared for by the Owner of the Homesite or Residence Unit.

3.1.7 Parking Areas. No Owner of a Homesite or Residence Unit shall park, store or keep any motor vehicle, boat, trailer, recreational vehicle or other vehicle upon the Property except in accordance with rules and regulations adopted by the Association. No person shall repair or restore any motor vehicle, boat, trailer, recreational vehicle or other vehicle upon any portion of the Property or Common Elements except for emergency repairs thereto, and then only to the extent necessary to enable movement thereof to a proper facility.

3.1.8 Waste Material Containers. No rubbish, trash, garbage or other waste material shall be kept or permitted upon any Homesite or the Common Elements except in sanitary containers located in appropriate areas and otherwise in accordance with rules and regulations adopted by the Association from time to time. No "hazardous substance" or "solid waste" as defined in any state or federal law shall be released, kept or maintained on any Homesite or portion of the Common Elements.

3.1.9 Signs. Unless prior written approval is obtained from the Association, no sign shall be posted on the Common Elements, or on any Homesite or Residence Unit or in any Residence Unit which will be visible from the exterior of such Unit.

3.1.10 Offensive Trade or Activity. No noxious or offensive trade or activity shall be carried on upon any building site, nor shall anything be done thereon which may be or cause an embarrassment, discomfort, annoyance or nuisance to the neighborhood. No trade materials or inventories may be stored upon the premises and no campers, recreational vehicle, motor home, trucks or tricots, boats or boat trailers may be stored or regularly parked on the premises, unless garaged and out of view, without prior written approval of Architectural Review Board. Unless approved in writing by the Architectural Review Board, no business activity or trade of any kind whatsoever, which shall include but not be limited to the use of any residence as a doctor's office or professional office of any kind, shall be carried on upon any building site.

3.1.11 No Temporary Structures. No structure of temporary character, tent, shack, trailer, camper, garage, or any other outbuilding, except for temporary structures used by Declarant in the operation, maintenance or development of the Property shall be used on any Homesite at any time as permanent or temporary residence, or dwelling, except under a temporary written permit which may be granted, upon specific time limitations of such use, in the discretion of the Architectural Review Board. Nor shall any of the facilities referenced above be placed on or erected on any Homesite or Homesites; provided, however, that the Architectural Review Board may grant permission for such temporary buildings or structures for the storage for materials during construction by the persons doing such work.

3.1.12 No Livestock. No livestock of any description may be kept or permitted on the Property with the exception of dogs, cats, and other animals which are bona fide household pets, and which do not make objectionable noise or constitute a nuisance or inconvenience to Owners of other Homesites or Residence

Units nearby. All pets shall be leased when not on the Owner's Homesite, and shall otherwise be controlled by the Owner while on the Owner's Homesite such that the pet shall not have unrestrained access to property other than that of the Owner. Upon receipt of a written complaint regarding any dog, cat or pet, the Architectural Review Board may notify the Owner of such dog, cat or pet of the complaint and, after affording the Owner an opportunity to be heard, impose such restrictions upon the Owner regarding such dog, cat or pet as may be reasonably necessary to satisfy said complaint in the discretion of the Board. No raising, breeding, training or commercial dealing in dogs, cats or any other animals may be permitted on or from any Homesite or Residence Unit.

3.1.13 Off-Street Parking. Adequate off-street parking shall be provided by the Owner of each Homesite or Residence Unit being used as a building site and each Homesite or Residence Unit for the parking of automobiles owned by such Owner, or his guest. Owners of Homesites and Residence Units agree not to park their automobiles or other vehicles on the streets in the development. No commercial vehicles shall be parked on any street or Homesite longer than is reasonably necessary for the driver thereof to perform the business functions to which the commercial vehicle relates.

3.1.14 Recreational Facilities. No Homesite Owner or Residence Unit Owner in the development shall have any right to use any portion of the Common Elements comprised of recreational facilities unless the Homesite Owner or Residence Unit Owner has paid the applicable fees and assessments established by the Association.

3.1.15 Refuse. No Homesite shall be used or maintained as a dumping ground for rubbish, refuse or garbage. Garbage or other waste shall be kept in sanitary containers. All incinerators or other equipment for the disposal or storage of such matter shall be kept in a clean and sanitary condition, and all incinerators shall be approved by the Architectural Review Board before installation or use. Burning of trash or refuse is prohibited without prior approval of the Architectural Review Board and the fire department authorized to serve the premises. Fires on any Homesite or any portion of the Common Elements are prohibited unless approved by the Architectural Review Board. No hazardous substance, waste or other toxic material shall be dumped, buried, injected, treated or disposed of on any Homesite or any portion of the Common Elements.

3.1.16 Antennas. No television or radio antennae, satellite receiver or towers may be erected or maintained anywhere upon the development without prior written consent of the Architectural Review Board upon such conditions as the Architectural Review Board may feel appropriate to minimize any visual impact of the structure to others.

3.1.17 Wash. No outside drying of any wash shall be permitted. All drying of wash must be done indoors. No exterior clothes dryer shall be erected, installed, or maintained outside any Residence Unit.

3.1.18 No Site Obstructions. No trees or shrubs shall be located on any Homesite which block the view of operators of motor vehicles so as to create a traffic hazard.

3.1.19 Unsightly Conditions. It is the responsibility of each Owner to prevent any unclean, unsightly, or unkept conditions of his Resident Unit or grounds on a Homesite of any owner which shall tend to materially decrease the beauty of the Planned Community. The Association shall have the option, but not the obligation, to ameliorate any such condition and charge such expense to the Owner as an additional assessment immediately due and payable collectible under the provisions of Article 6.

3.1.20 Discharge of Firearms. Hunting and trapping of wild animals, fowl and game and discharge of firearms and/or bows and arrows within the property is prohibited unless required for public or private safety.

3.1.21 Motorized Vehicles. All motorized vehicles operating within the Property must be properly muffled so as to eliminate noise which might be offensive to others.

3.1.23 Wetlands. Any Homesites that include areas designated as "wetlands" on any recorded plat of the Property shall be subject to the following additional restrictive covenant: "A portion of this Homesite has been determined to meet requirements for the designation as a regulatory wetland. Any subsequent fill or alteration of this wetland shall conform to the requirements of state wetland rules adopted by the State of North Carolina in force at the time of the proposed alteration. The intent of this restriction is to prevent additional wetland fill, so the property owner should not assume that a future application for fill will be approved. The property owner shall report the name of the subdivision in any application pertaining to said wetland rules. This covenant is intended to insure continued compliance with wetland rules adopted by the State of North Carolina and therefore benefits may be enforced by the State of North Carolina. This covenant is to run with the land and shall be binding on all parties and all persons claiming under them."

3.1.24 Stormwater Management Permit. Each Homesite is subject to and each owner shall also comply with all terms and provisions of the State Stormwater Management Permit Number SW8020717 attached to this Declaration. (SEE PAGE 15A)

3.1.25 Street Lights. This Declaration subjects the real property owner in this subdivision to a contract with Carteret-Craven Electric Cooperative for the installation of the underground electrical utilities which may require an initial contribution and/or the installation of Street Lights, which will subject the property owner to a continuing monthly payment to CCEC.

ARTICLE 4

CONSTRUCTION ON HOMESITES / RESIDENCE UNITS

ARCHITECTURAL AND LANDSCAPE CONTROLS

4.1 Architectural Review Board. It is the intent of Declarant to create a general plan and uniform scheme of development of the Property and to create within the Property a residential community of high quality and harmonious improvements. The Declarant desires to provide for the preservation of the property values in the Planned Community with respect to any Residence Unit to be constructed on any Homesite and to that end, desires to establish an Architectural Review Board in order to provide and maintain certain standards as to harmony of external design and location in relation to surrounding structures and topography. Accordingly, the Architectural Review Board (the "Architectural Review Board") shall have the absolute and exclusive right to approve or disapprove all architectural, landscaping and

(RESTRICTIONS REGARDING STORMWATER)

- 1.1 The following covenants are intended to ensure ongoing compliance with State Stormwater Management Permit Number SW8020717, as issued by the Division of Water Quality under NCAC 2H.1000
- 1.2 The State of North Carolina is made beneficiary of these covenants to the extent necessary to maintain compliance with the stormwater management permit.
- 1.3 These covenants are to run with the land and be binding on all persons and parties claiming under them.
- 1.4 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.
- 1.5 Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the Division of Water Quality.
- 1.6 The maximum allowable built-upon area per lot is 6000 square feet. This allotted amount includes any built-upon area constructed within the lot property boundaries, and that portion of the right-of-way between front lot lines 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, or the water surface of swimming pools.
- 1.7 Filling in or piping any vegetative conveyances (ditches, swales, etc.) associated with the development except for average driveway crossings is strictly prohibited by any persons.
- 1.8 Each lot will maintain a 30' wide vegetated buffer between all impervious area and surface waters.
- 1.9 All roof drains shall terminate at least 30' from the mean high water mark of surface waters.
- 1.10 The "Reserved by Owners" areas are limited to a maximum total of 128,000 square feet of built upon area.

BOOK 969 PAGE 93 Page 15A

locating of any proposed improvements. The Architectural Review Board may, in its sole discretion, impose standards for construction and development which may be greater or more stringent than standards prescribed in applicable building, zoning or other governmental codes. The initial standards and procedures of the Architectural Review Board are set forth in Schedule C (the "Policies and Procedures").

4.2 Approval to Build. The Owner of a Homesite may build a Residence Unit thereon, subject to the following terms, conditions and restrictions:

4.2.1 Homesite Configuration. No residence shall be constructed, altered, placed or permitted to remain on any parcel in the Planned Community unless same is constructed upon a defined Homesite. The lay of the Homesites as shown on the recorded plat shall be adhered to; provided, however, Declarant and its successors and assigns, may revise and alter, with the prior written approval of the Architectural Review Board, the following: (a) the configuration of Homesites so that additional streets or access easements, either public or private, may be opened through any Homesite, and (b) the size and shape of any Homesite may be altered, provided no remaining or resulting Homesite may vary from the size of such Homesite as shown on the recorded plat by more than twenty percent (20 %) as to the width at street frontage or by more than fifteen percent (15 %) as to the Homesite. The Owner(s) of more than one (1) contiguous Homesite may apply to the Architectural Review Board for permission to use such properties as a site for a Single-Family Residence and upon the written consent of the Architectural Review Board, said contiguous parcels shall then be deemed to be a single "Homesite" for purposes of this Declaration, except that the Homesites shall continue to be treated as separate and distinct Homesites for purposes of voting and assessments. In the event of a split of a Homesite between two or more Owners of other Homesites, then they shall determine the allocation of the vote and assessment obligation between them and notify the Association. All setbacks and any reserved utility easements shall then apply to the new perimeter boundary of the combined Homesites.

4.2.2 Building Contractors for Residence Unit. Declarant reserves the right, at its sole option, for Declarant or the Architectural Review Board to designate the criteria for building contractors who may be employed by Owners to construct homes on a Homesite in the Planned Community which is the subject of these restrictions. The Architectural Review Board, at their election, may establish specific criteria for the building contractors to satisfy construction of homes within the Planned Community. Neither Declarant nor the Architectural Review Board have any obligation to establish the

criteria for the building contractors and do not in any manner have any obligation concerning their performance.

4.2.3 Applicable Laws and Architectural Review Board Policies. A Homesite is subject to having constructed on it by its Owner a Residence Unit that meets the requirements of any applicable laws, ordinances, restrictions and covenants approved by the Architectural Review Board pursuant to the policies and procedures established by the Architectural Review Board as described in the Policies and Procedures. The Architectural Review Board, shall have the power to enforce this Article and the Policies and Procedures by any action, including any type of action in a court of law or equity.

4.2.4 Plans and Specifications. No building of any type, outside lighting, driveway, clearing or site work, outside trash receptacle, fence, wall, hedge or screen planting shall be erected, placed or altered on any premises in the Planned Community until the building plans, specifications and plot plans showing the location of such building, outside lighting, outside trash receptacle, wall, hedge, fence or screen planting have been approved in writing as to conformity and harmony of external design, and external materials with existing structures in the area and as to location with respect to topography, wetlands, and finished ground elevation, by the Architectural Review Board. No exposed concrete blocks shall be used above finished ground elevations unless said blocks are covered with brick veneer, stone, or stucco. No asbestos shingles or asbestos siding of any type or asphaltic covering shall be used on vertical exterior walls, unless approved by the Architectural Review Board. In the event said board fails to approve or disapprove such design or location within forty-five (45) days after such plans and specifications have been submitted to it, such approval will not be required and this covenant will be deemed to have been fully complied with.

4.2.5 Site Plans. The Architectural Review Board shall approve the location of buildings and other improvements on all building sites in the Planned Community. Except with the prior written approval of the Architectural Review Board, no building shall be located on any building site outside the minimum building setback lines shown on any recorded map; forty (40) feet from any front street and twelve (10) feet from any side Homesite or side street line. The Architectural Review Board shall in all cases determine the front street for each Homesite. The measurements for setbacks, except in the cases of side street setbacks, shall be from the base of the building foundation and reasonable eaves or overhangs or decks (not to exceed ten (10) feet) shall not be considered. Side street

BOOK 969 PAGE 93

setbacks and other measurements for setbacks are to be from the outer edge of the eaves, overhangs and decks. No change in the natural drainage shall be made by any Homesite Owner or Residence Owner without prior written approval from the Architectural Review Board. No changes other than general maintenance can be made to any drainage easement unless approved by the Architectural Review Board.

4.2.6 Square Footage of Residence Units. No residential structure exceeding a total height of 35 feet from finished grade at the front entry of the Residence Unit to the highest point of the roof and which has an area of less than 2,000 square feet of heated living space, exclusive of porches and garages, shall be erected or placed on any building site. Two-story dwellings shall contain not less than 1,600 square feet of heated living space on the first or ground floor. A second story shall be defined as any floor level which lies at an elevation of more than five (5) feet above but less than twelve (12) feet above any other floor level within the same residence. The total Homesite coverage by structures and impermeable surfaces, including walkways and driveways, shall not exceed 6000 sq. feet.

4.2.7 Approvals. The Architectural Review Board shall have the right to disapprove any plans, specifications or details submitted to it as aforesaid in the event such plans, specifications and details are (i) not in accordance with all of the provisions established in this Declaration and the Policies and Procedures established by the Architectural Review Board, (ii) if the design or color schemes of the proposed building or other structure is not in harmony with the general surroundings of such Homesite or within the adjacent buildings or structures, (iii) if the plans and specifications submitted are incomplete, or (iv) in the event the Architectural Review Board deems the plans, specifications or details, or any part thereof, to be contrary to the interests, welfare or rights of all or any part of the Property or the Owners thereof, all in the sole discretion of the Architectural Review Board. The decisions of the Architectural Review Board shall be final, subject to the right of the Owner to appeal to the Board of the Association. Neither Declarant, the Architectural Review Board nor any agent thereof shall be responsible in any way for (i) any defects in any plans or specifications submitted, revised or approved in accordance with the foregoing, (ii) any structural or other defects in any work done according to such plans and specifications, or (iii) the enforcement of any municipal or governmental code, statute, law or ordinance.

4.3 Building Permit. No Owner shall obtain a building permit from the applicable County or municipal agencies without first obtaining all necessary approvals from the Architectural Review Board as set forth in the Policies and Procedures. The Association shall have the right to charge a reasonable

building permit/review fee, which shall be payable by the Owner at the time of submission of the plans for approval.

4.4 Time Period. The work of constructing, altering or remodeling any building on any Homesite or Homesites shall be pursued diligently from the commencement until the completion thereof, and shall be completed within twelve (12) months from time of approval by the Architectural Review Board.

4.5 Grading and Filling. All planned Homesite grading and filling shall be approved in advance by the Architectural Review Board.

4.6 Driveway Culverts. Each Owner, if required by the Architectural Review Board in the approval of the plans process, when making a driveway connection to the street or to a cul-de-sac, will provide a suitable drainage culvert so as to allow for unimpeded water movement along the existing roadway swale, and will maintain that culvert at all times in such a way that it does not become an eyesore or disturb the desired drainage patterns in the swale system.

ARTICLE 5

PROPERTY OWNERS ASSOCIATION

5.1 Membership. Every owner of a Homesite shall be a member of Stanton Landing Property Owners Association, Inc., a non-profit corporation, created by the Declarant. Membership shall be appurtenant to and may not be separated from ownership of any Homesite. Each membership in the Association shall relate to and have a unity of interest with an individual Homesite which may not be separated from ownership of said Homesite.

5.2 Powers of Association. Subject to any contrary provisions of this Declaration, the Association may:

- 5.2.1** adopt and amend Bylaws and rules and regulations;
- 5.2.2** adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for common expenses from owners;
- 5.2.3** hire and discharge managing agents and other employees, agents, and independent contractors;

Page 19

BOOK 969 PAGE 93

5.2.4 institute, defend, or intervene in litigation or administrative proceedings on matters affecting the Planned Community;

5.2.5 make contracts and incur liabilities;

5.2.6 regulate the use, maintenance, repair, replacement, and modification of Common Elements;

5.2.7 cause additional improvements to be made as a part of the common elements;

5.2.8 acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property, provided that Common Elements may be conveyed or subjected to a security interest only pursuant to any necessary Members' approval;

5.2.9 grant easements, leases, licenses, and concessions through or over the Common Elements;

5.2.10 impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Elements and for services provided to Owners;

5.2.11 impose reasonable charges for late payment of assessments and, after notice and an opportunity to be heard, suspend privileges or services provided by the Association during any period that assessments or other amounts due and owing to the Association remain unpaid for a period of thirty (30) days or longer;

5.2.12 after notice and an opportunity to be heard, impose reasonable fines or suspend privileges or services provided by the Association for reasonable periods for violations of the Declaration, Bylaws, and Rules and Regulations of the Association;

5.2.13 impose reasonable charges in connection with the preparation and recordation of amendments to the Declaration, or statements of unpaid assessments;

BOOK 969 PAGE 93

5.2.14 provide for the indemnification of and maintain liability insurance for its officers, executive board, directors, employees and agents;

5.2.15 assign its right to future income, including the right to receive Common Expense assessments;

5.2.16 exercise all other powers that may be exercised in this State by legal entities of the same type as the Association; and

5.2.17 exercise any other powers necessary and proper for the governance and operation of the Association.

5.3 Procedures for Fines and Suspension of Planned Community Privileges or Services. A hearing shall be held before an adjudicatory panel appointed by the Board to determine if any Owner should be fined or if Planned Community privileges or services should be suspended. If the Board fails to appoint an adjudicatory panel to hear such matters, hearings under this section shall be held before the Board. The Owner charged shall be given notice of the charge, opportunity to be heard and to present evidence, and notice of the decision. If it is decided that a fine should be imposed, a fine not to exceed fifty dollars (\$50.00) may be imposed for the violation and without further hearing, for each day after the decision that the violation occurs. Such fines shall be assessments secured by liens under Article 6. If it is decided that a suspension of Planned Community privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured.

5.4 Executive Board Members and Officers.

5.4.1 Except as provided elsewhere in this Declaration, in the Bylaws, or in subsection 5.4.2, the executive board may act in all instances on behalf of the association. In the performance of their duties, officers and members of the executive board shall be deemed to stand in a fiduciary relationship to the association and the lot owners and shall discharge their duties in good faith, and with that diligence and care which ordinarily prudent men would exercise under similar circumstances in like positions.

5.4.2 The executive board may not act on behalf of the Association to amend the Declaration, except for any amendments that do not require Member approval; to terminate the Planned

BOOKS 969 PAGES 93

Community; or to elect members of the executive board or determine the qualifications, powers and duties, or terms of office of executive board members, but the executive board may fill vacancies in its membership for the unexpired portion of any term.

5.5 Declarant's Control of Association. Declarant's vote shall be the vote of the membership and Declarant may appoint and remove the Board of Directors and all officers until such time as Declarant releases such right by notice in writing delivered to the Board of Directors of the Association or no later than the earlier of: (i) 120 days after conveyance of seventy-five percent (75%) of Homesites (including Homesites which may be created by additions authorized under Article 2.2 which for purposes of projected future development shall be deemed to be 100 Homesites, hereafter referred to as the "Total Projected Homesites") to Owners other than Declarant or developers of Development Parcels; (ii) two years after all Declarants have ceased to offer Homesites for sale in the ordinary course of business; or (iii) two years after any reserved Development Right to add new Homesites under Article 2.2 was last exercised. Before the earliest of the designated events, members shall be entitled to vote only on (i) any proposal to charge fees for the actual use of any recreational facility, (ii) any proposal to change the method of calculating the maximum amount of the annual assessment to be levied by the Association, (iii) any proposal that a special assessment be levied by the Association, (iv) any proposal to dedicate or transfer all or any part of any designated Common Area to any public agency or authority, (v) any proposal to amend this Declaration, except for those authorized Amendments that the Declarant may make without Member approval as a Declarant Development Right, (vi) any proposal to amend the By-Laws of the Association, and (vii) any proposal of merger, consolidation or dissolution of the Association.

Not later than 60 days after conveyance of twenty-five percent (25%) of the Projected Total Homesites (including Homesites which may be added pursuant to Article 2.2) to Owners other than Declarant or developers of Development Parcels, at least one member and not less than twenty-five percent (25%) of the members of the Board of Directors shall be elected by Owners, other than Declarant. Not later than 60 days after conveyance of fifty percent (50%) of the Total Projected Homesites (including Homesites which may be added pursuant to Article 2.2) to Owners other than Declarant, at least one member and not less than thirty-three percent (33%) of the members of the Board of Directors shall be elected by Owners, other than Declarant or developers of Development Parcels. Not later than the expiration of the Declarant Control Period, the Owners shall elect a Board of Directors of at least five members, at least a majority of which must be Owners, other than Declarant.

BOOK 969 93

5.6 Voting. The voting rights of the membership shall be appurtenant to the ownership of the Homesites. Each Owner shall be entitled to one (1) vote for each Homesite owned. If only one of multiple owners of a Homesite is present at a meeting of the Association, that Owner is entitled to cast the vote allocated to that Homesite. If more than one of the multiple owners are present, the vote allocated to that Homesite may be cast only in accordance with the agreement of the majority in interest of the multiple owners. Majority agreement is conclusively presumed if any one of the multiple owners casts the vote allocated to that Homesite without protest being made promptly to the person presiding over the meeting by any of the other multiple Owners of the Homesite.

5.7 Proxies. The vote allocated to a Homesite may be cast pursuant to a proxy duly executed by a Homesite Owner. If a Homesite is owned by more than one person, each Owner of the Homesite may vote or register protest to the casting of votes by the other owners of the Homesite through a duly executed proxy. A Homesite Owner may not revoke a proxy given pursuant to this section except by written notice of revocation delivered to the person presiding over a meeting of the Association. A proxy is void if it is not dated. A proxy terminates one year after its date, unless it specifies a shorter term.

5.8 Amenities and Common Elements. Every park, recreation area, recreation facility, dedicated access and other amenities appurtenant to the Planned Community, whether or not shown and delineated on any recorded plat of the Property, shall be considered private and for the sole and exclusive use of the Owners of Homesites within the Property. Neither Declarant's execution nor the recording of any plat nor any other act of Declarant with respect to such areas is, or is intended to be, or shall be construed as a dedication to the public of any such areas, facilities or amenities.

5.9 Rules and Regulations. The Association may make reasonable rules and regulations governing the use of the Property, including the Common Elements, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Copies of such rules and regulations shall be maintained by the Secretary of the Association and furnished to all Owners upon request. Such rules and regulations shall be binding upon the Owners, their families, visitors, guests, servants, lessees, agents, successors and assigns until and unless they are specifically amended, overruled or canceled in a regular or special meeting of the Association by the affirmative vote of fifty percent (50%) of the total vote of the membership of the Association; provided that during the Declarant Control Period, the Declarant reserves the right in its discretion to adopt, amend or modify any and all Rules and Regulations.

969 93

5.10 Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

5.11 Personal Property for Common Use. The Association may from time to time acquire and hold tangible and intangible personal property and may dispose of the same by sale or otherwise.

ARTICLE 6 **COMMON EXPENSES**

6.1 Creation of the Lien and Personal Obligation of Assessments. Each Owner for each Homesite owned within the properties, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on each Homesite and shall be a continuing lien upon each Homesite against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Homesite at the time when the assessment fell due.

6.2 The Common Expenses of the Planned Community include:

6.2.1 All amounts expended by the Association or the Architectural Review Board in enforcing the Declaration, the Bylaws, or the Architectural Policies and Procedures.

6.2.2 All amounts expended by the Association in carrying out any duty or discretion as may be required or allowed by the Declaration or the Bylaws.

6.2.3 All amounts declared to be Common Expenses in the Declaration or Bylaws.

BOOK 969 PAGE 93 24

6.2.4 All taxes and special assessments which may be levied from time to time by any governmental authority upon the Common Elements in the Planned Community;

6.2.5 Fees and expenses of managing and administering the Association and maintaining, repair or placement of the Common Elements;

6.2.6 Expenses of utility services for the Common Elements, including water, gas, electricity and sewer;

6.2.7 The costs of all insurance premiums on all policies of insurance obtained by the Board pursuant to the Declaration;

6.2.8 All rental and other payments required to be made for any property which is hereafter leased or rented for the use and benefit of the Association;

6.2.9 Amounts determined by the Board to be reasonably required as working capital of the Association, for a general operation reserve, for a reserve fund for replacements, for deficiencies arising from unpaid assessments, and such amounts as may be required for the purchase or lease by the Board or its designee, corporate or otherwise, on behalf of all Owners, which is to be sold at a foreclosure or other judicial sale;

6.2.10 Special assessments for capital improvements;

6.2.11 Any ad valorem real property taxes and governmental special assessments affecting the Common Elements which are not assessed upon the Owners separately;

6.2.12 Fees and expenses for the promotion of the health, safety and welfare of the residents of the Property;

6.2.13 Maintenance and operation expenses for the streets, gatehouses, walking or jogging trails, boat ramp, boat storage area, clubhouse and any recreational facilities (pools, tennis courts or other similar recreational amenities constructed by Declarant or approved by the Association after the Declarant Control Period), any future Clubhouse Building and Grounds, pool, playground, wetlands,

parks and other properties owned, leased or used by the Association or for which the Association has maintenance responsibility.

6.2.14 Costs and expenses that the Association incurs to arrange with third parties to furnish trash collection, snow removal, and other common services to each Homesite or Residence Unit;;

6.2.15 Costs and expenses for the acquisition, improvement, repair and maintenance of the properties, services and facilities owned, leased or acquired by the Association;

6.2.16 Costs and expenses for the employment of third party managers for the Common Elements, accountants, attorneys and other professionals to represent the Association when necessary;

6.2.17 Costs and expenses to purchase, install, maintain and replace, if damaged, at Association expense, all street directional and regulatory signs in the Development Area.

6.2.18 Costs and expenses of maintenance and landscaping on the rights of ways of any public street or road abutting the Development Area, including entranceways, identifying signs and any landscape berm within the boundary of the Development Area.

6.2.19 Cost and expenses of maintenance of any reserved utility easements, including drainage easements, whether located within the Development Area, regardless of ownership.

6.2.20 Costs and expenses for the procurement and maintenance of fidelity and performance bonds for its officers, agents and employees.

6.2.21 All Security Expenses.

6.2.22 All other amounts necessary to carry out the responsibilities of the Association under the terms of the Declaration or the Bylaws.

6.2.23 Any valid charge against the Association or against the Common Elements as a whole.

BOOK 969 10/12/93

6.2.24 Expense agreed upon as Common Expense by the Association and lawfully assessed against Owners of Homesite or Residence Units in accordance with the Declaration or Bylaws.

6.2.25 Any other expense declared a Common Expense by the provisions of the Declaration or the Bylaws.

6.3 Special Assessments for Capital Improvements. In addition to the assessments provided for above, the Association may levy special assessments for the purpose of paying, in whole or in part, the cost of construction of any new improvement or reconstruction or replacement of any existing improvement within the Common Elements, including the cost of any fixtures or personal property relating thereto; provided that such assessment shall have been approved by the vote of the holders of at least two-thirds () of the total vote of the Association at a regular or special meeting duly called, written notice of which shall have been given in the manner specified in the Bylaws of the Association. The due date of any special assessments shall be fixed in the resolution or resolutions authorizing such assessments.

6.4 Emergency Special Assessments. The Association may levy an emergency special assessment when, in the sole determination of the Board, there is potential danger of damage to persons or property. Such emergency special assessments may be utilized to pay for preventative, protective or remedial construction, reconstruction, improvements, repairs or replacements. Events justifying emergency special assessments include, but are not limited to, hurricanes, floods, and Emergency special assessments shall be collectible from Homesite and Residence Unit Owners in such manner as the Board shall determine..

6.5 Certificates. The Association shall, upon request by an Owner or prospective Owner or such person's agent, and for a reasonable charge not to exceed \$25.00, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Homesite have been paid. A properly executed certificate of the Association as to the status of assessments on a Homesite is binding upon the Association as of the date of its issuance in relation to any third party to which it is provided by the Association, other than Owners at the time that the certificate is issued.

6.6 Procedure for setting Annual and Special Assessments. The Board of Directors shall annually adopt a proposed budget and the annual assessment for each Homesite for the next year. Within 30 days after adoption of any proposed budget for the Association and assessments for the Homesite

Owners, the Board shall provide a summary of the budget and assessments to all Homesite Owners, and shall set a date for a meeting of the Owners to consider ratification of the budget and the assessments based thereon not less than 14 nor more than 30 days after mailing of the summary. There shall be no requirement that a quorum be present at the meeting. The budget and the assessments based thereon are ratified unless at that meeting a majority of all Owners in person or by proxy rejects the budget. In the event the proposed budget is rejected, the periodic budget last in effect and the assessments based thereon shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board of Directors. In the event that the Association proposes a special assessment, it shall be set forth as a separate item in connection with the annual proposed budget and the procedure for setting the special assessment shall be as set forth above, except that the special assessment shall be ratified separately from the other portions of the budget.

6.7 Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum or the maximum interest rate permitted to be legally charged under the laws of the State of North Carolina at the time of such delinquency, whichever is greater, and shall constitute a lien on the Homesite when a Notice or Claim of Lien upon recordation in the Office of the Clerk of Court of Carteret County, by the Association setting forth the name of the Owner, the Identifying Number of the Homesite, when the Assessment became due, the name of any subsequent Owner transferred the Homesite since the Assessment became due, and the amount owed, exclusive of any collection expense. In addition to such interest charge, the delinquent owner shall also pay such late charge as may have been theretofore established by the Board of Directors of the Association to defray the cost of the late payment. The Association may bring an action at law against any Owner personally obligated to pay the same, and/or foreclose the lien against the property, and interest, late payment fee, fines, cost and reasonable attorneys' fees of such action of foreclosure shall be added to the amount of such delinquent Assessment. Notwithstanding the foregoing, however, nothing herein contained shall be construed to obligate the Board to bring any legal action or to prosecute any such action to a final conclusion if it is determined by the Board that it would be in the best interest of the Association to forego, to delay or to discontinue any such legal proceeding. No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Common Area or abandonment of his Homesite.

6.7.1 The Association's lien may be foreclosed in like manner as a deed of trust on real estate under power of sale under Article 2A of Chapter 45 of the General Statutes of North Carolina, as the

same may be in effect at the time that foreclosure is commenced. Each Owner of a Homesite agrees that the Association may appoint a Trustee or Commissioner (or the Clerk of Court may appoint such a person) for such purpose, and upon request by the Association, it shall be lawful for and the duty of the Trustee or Commissioner so appointed, to sell the Homesite subject to the lien at public auction for cash, after having first given such notice of hearing as to commencement of foreclosure proceedings and obtained such findings or leave of court as may then be required by law and by giving such notice and advertising the time and place of such sale in such manner as may then be provided by law, and upon such and any resales and upon compliance with the law then relating to foreclosure proceedings under power of sale to convey title to the purchaser in as full and ample manner as the Trustee or Commissioner is hereby empowered. The Trustee or Commissioner shall be authorized to retain an attorney to represent the Trustee or Commissioner in such proceedings.

6.7.2 The proceeds of the Sale shall after the Trustee or Commissioner retains a commission, together with any reasonable attorneys fees incurred by the Trustee or Commissioner in such proceeding, be applied to the costs of sale, including, but not limited to, costs of collection, taxes, assessments, costs of recording, service fees and incidental expenditures, the amount due on the assessment which the lien secures and any advancements and other sums expended by the Association according to the provisions hereof and otherwise as required by the then existing law relating to foreclosures under power of sale. The Trustee's or Commissioner's commission shall be five per cent (5%) of the gross proceeds of sale or the minimum sum of \$350.00, whichever is greater, for a completed foreclosure. In the event foreclosure of the lien is commenced, but not completed, the Homesite Owner shall pay all expenses incurred by the Trustee or Commissioner, including reasonable attorneys fees, and a partial commission computed on five percent (5%) of the outstanding indebtedness or the above stated minimum sum, whichever is greater, in accordance with the following schedule, to wit: three-fourths ($\frac{3}{4}$ ths) after commencement but before the initial sale; and the greater of the full commission or minimum sum after the initial sale.

6.7.3 Each Homesite Owner and any Trustee or Commissioner appointed covenant and agree that in case the appointed Trustee or Commissioner, or any successor Trustee or Commissioner, shall die, become incapable of acting, renounce his trust, or for any reason the Association desires to replace said Trustee or Commissioner, then the Association may appoint, in writing, a trustee or commissioner to take the place of the Trustee or Commissioner; and upon the probate and registration of any initial or subsequent appointment of Trustee or Commissioner, the Trustee or Commissioner

thus appointed shall be vested with or succeed to all rights, powers and duties of the Trustee or Commissioner herein described. Until such time as the Association may substitute such Trustee or Commissioner, the Trustee or Commissioner shall be the then current President of the United States of America.

6.7.4 In the event the Trustee or Commissioner is named as a party to any civil action as Trustee or Commissioner to foreclose the Association's lien rights, the Trustee or Commissioner shall be entitled to employ an attorney at law, including the Trustee or Commissioner if a licensed attorney, to represent the Trustee or Commissioner in said action and the reasonable attorney's fee of the Trustee or Commissioner in such action shall be paid by the Association and added to the outstanding indebtedness which the Association's lien secures and bear interest at the rate provided by this Declaration for unpaid assessments.

6.7.5 Each Owner of any Homesite by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, or by request to join the Association, is deemed to bargain, sell, grant, give and convey to any such appointed Trustee or Commissioner for the benefit of the Association a real property interest in said Homesite to secure the Association's lien, TO HAVE AND TO HOLD said interest with all privileges and appurtenances thereto belonging, to said Trustee or Commissioner, his heirs, successors and assigns forever, upon the trust, terms and conditions and for the uses herein set forth.

6.8 Collection. The Board shall take prompt action to collect the full amount of all fees, charges, assessments and other amounts, including any installment thereof, due from any owner which remain unpaid for more than ten (10) days from the respective due date for payment thereof. In the event of failure by any owner to pay within said ten (10) days any such amount, then the entire balance of all such amounts, including, without limitation, all amounts which would otherwise be payable in installments, may, at the option of the Treasurer of the Association, be accelerated and be declared immediately due and payable in full, without notice.

6.9 Limitation on Assessments. The initial monthly annual assessment of the first year until the first annual budget is adopted shall not exceed \$25.00 per month, or \$300.00 per year, for unimproved Homesites or \$50.00 per month or \$600.00 per year for Homesites with Residence Units. Said base

figures for annual assessments shall be subject to the following limitations on adjustments to the assessments during the Declarant Control Period.

6.9.1 From and after January 1 of the first full year following the commencement of the assessments, the maximum annual assessment may not be increased for said twelve (12) month period by more than twelve percent (12%) above the maximum assessment for the previous year, except as provided below;

6.9.2 From and after January 1 of the second full year immediately following the commencement of the assessments, the maximum annual assessment may not be increased by more than the lesser of (i) five percent (5 %) over the prior year assessment, or (ii) the amount of the percentage increase in the Consumer Price Index (the "CPI") for the preceding December over the CPI for December of the preceding year, without the affirmative vote of at least two-thirds () of the Members other than Declarant who are voting in person or by proxy at a meeting duly called for said purposes. The term "Consumer Price Index" means the Consumer Price Index for All Urban Consumers, All Items (1967=100), from time to time published by the Bureau of Labor Statistics, United States Department of Labor for Charlotte, North Carolina, or if none is published for said city, then the metropolitan area closest to Charlotte, North Carolina and for which the Bureau of Labor Statistics does publish such information. In the event the Consumer Price Index shall be discontinued, the Bureau of Labor Statistics shall be requested to furnish a new index comparable to the Consumer Price Index, together with information which will make possible the conversion of the new index. If for any reason the Bureau of Labor Statistics does not furnish such index and information, the parties hereto shall thereafter accept and use such other index or comparable statistics regarding the cost of living for Charlotte, North Carolina, or the closest metropolitan area for which the Bureau of Labor Statistics does publish such information, as the case may be, which shall be computed and published by an agency of the United States or by a responsible financial periodical or recognized authority then to be selected by the parties.

6.9.3 The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

969 93

6.9.4 The limitations recited herein shall not in any manner restrict, limit, modify or amend the amount of any annual or special assessments that may be approved as part of the annual budget process upon expiration of the Declarant Control Period as provided in Article 6.

6.10 Rate of Annual Assessment. Both annual and special assessments must be fixed at a uniform rate for all Homesites and may be collected on a monthly, quarterly or yearly basis or such other periodic basis as the Board of Directors of the Association may set. Emergency special assessments shall be collectible from Homesite and Residence Unit Owners in such manner as the Board shall determine.

6.11 Date and Commencement of Annual Assessment. The annual assessments provided for herein shall commence as to each Homesite on the first day of the month following the conveyance of that Homesite by Declarant to an Owner. The first annual assessment shall be adjusted according to the number of whole months remaining in the calendar year and shall be paid at closing along with an additional two (2) months assessment to be used as an initial reserve.

6.12 Subordination of the Lien to Mortgages.

6.12.1 The liens provided for herein shall be subordinate to the lien of any first mortgage or deed of trust if, but only if, all such assessments with respect to such Homesite having a due date on or prior to the date such mortgage or deed of trust is filed of record have been paid. Sale or transfer of any Homesite shall not affect the assessment lien or liens provided for in the preceding sections.

No such sale or transfer shall relieve such Homesite from liability for any assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage or deed of trust filed prior to the time of transfer.

6.12.2 Such subordination is merely a subordination and shall not relieve the Owner of the mortgaged or pledged property of his personal obligation to pay all assessments coming due at a time when he is the Owner.

6.13 Exempt Property.

6.13.1 Until the expiration of the Declarant Control Period, each Homesite which is subject to this Declaration shall be exempt from the assessment, charges and liens created herein while owned by Declarant.

6.13.2 All Common Elements, including any Homesite which may be designated for use as such by Declarant, shall be exempt from the assessments, charges and liens created herein.

6.13.3 The grantee in conveyances made to utility companies for wells, tanks, pipelines, treatment plants and dispersion fields, liens, pumping stations and maintenance facilities or for the purpose of creating any utility easement;

6.13.4 All properties exempted from taxation by the laws of the State of North Carolina upon the terms and to the extent of such legal exemptions (Homestead exemptions shall not be considered an exemption);

6.14 Payment by Declarant. During the Declarant Control Period, in lieu of the payment of any assessments, Declarant shall be responsible only for the payment of that portion of the Common Expenses which exceeds the amount billed to the Members pursuant to the budget of the Association. The Declarant's obligations for assessments on unsold Homesites or Residence Units subject to this Declaration will be limited to the difference between the actual operating costs of the Association, excluding reserves on the Common Elements, and the assessments levied on Homesite and Residence Unit Owners who have closed title on their Homesites or Residence Units. In no event, however, will the Declarant be required to make a deficiency contribution in any amount greater than it would otherwise be liable for if it were paying assessments on unsold Homesite or Residence Units.

ARTICLE 7

COMMON ELEMENTS

7.1 **Common Elements.** "Common Elements" means all real and personal property, together with those areas within dedicated portions of the Development Area and the Property, which may be deeded to, acquired or leased by the Association for the common enjoyment of the members of the Association; or, any reserved easement or structure that by this Declaration is the responsibility of the Association for ongoing maintenance, repair and replacement. It is the intention of Declarant that essentially all of the Development Area other than the Homesites and such areas as may be reserved by Declarant pursuant to Article 40, will be conveyed to the Association in the future and be Common Elements, which will include, but is not limited to, the private streets and parking areas, entranceways, and other areas shown on any recorded plat, other than Homesites and any Declarant reserved area. The Common Elements may consist of the remaining portion of the Property and any real property conveyed to the Association, which

Page 33

BOOK 969 PAGE 93

may include but not be limited to, the front entrance, vehicles, equipment, streets and street rights-of-way; and the ownership and / or maintenance of the roadsides, shoulders, landscape berms, drainage areas, landscaping, boundary fencing, signs at the entrances and along said roadways, any recreational site(s) and facility(s), maintenance building(s) and equipment, storm sewers, drainage, walking and jogging trails. The Common Elements shall ultimately consist of the remaining portions of the Development Area after deleting the (i) Homesites, (ii) Utility Areas and (iii) such other areas , if any designated to be excluded by Declarant on the filed plat or in this Declaration.

7.2 Easements Affecting Common Elements.

7.2.1 Subject to Declarant's Development Rights, the Members have an easement (i) in the Common Elements for purposes of access to their Homesites and (ii) to use the Common Elements and all real estate which may become Common Elements for all other purposes, except as otherwise provided in the Declaration.

7.2.2 The Declarant has an easement through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations or exercising special Development Rights reserved in the Declaration.

7.2.3 Every Owner shall have a right and easement of enjoyment in and to the Common Elements owned by the Association, or for which the Association has maintenance responsibility, which shall be appurtenant to and shall pass with the title to every Homesite, subject to the following provisions:

7.2.3.1 The right of the Association to suspend the voting rights and right to use recreational facilities that are Common Elements by an Owner (and the occupants of such Owner's Residence Unit) for any period during which any assessment against said Owner's Homesite or Residence Unit remains unpaid; and for a period not to exceed sixty (60) days for an infraction by an Owner or by any occupant of such Owner's Residence Unit of the Association's rules and regulations;

7.2.3.2 The right of the Association to dedicate or transfer, or to grant an easement in or to all or any part of the Common Elements to Declarant, any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Association and the

8004 969 93

grantee expressed in an instrument agreeing to such dedication, transfer or grant, signed by the Association and placed upon the records of the Register of Deeds of Moore County;

7.2.3.3 The right of the Association to provide for the exclusive use by an Owner (or any occupant of an Owner's Residence Unit) of certain portions of the Common Elements at certain designated times and for such functions as may be from time to time permitted under said rules and regulations and the right of the Association to charge a fee for such exclusive use.

7.2.3.4 The reservation by Declarant of all necessary easements, including the right to grant easements required for (i), utility and drainage easements, and (ii) the development of the Property by Declarant and its successors and assigns.

7.2.3.5 The right of the Declarant, in its sole discretion, and at no cost to any Owner, to grade, pave or otherwise improve any street shown on any recorded plat of the property.

7.2.3.6 The right of the Association to charge reasonable admissions and other fees for the use of any recreational facility situated in the Common Elements.

7.2.3.7 The right of the Association, in accordance with the Declaration and Bylaws, to borrow money for the purpose of improving the Common Elements and in aid thereof to mortgage said property, and the rights of such mortgage in said properties shall be subordinate to the rights of the homeowners hereunder.

7.2.3.8 The right of the Declarant to develop Stanton Landing and to sell or lease Homesites or Residence Units to purchasers or lessees. As a material condition for ownership of a Homesite or Residence Unit, each Owner releases Declarant from any claim that the Owner might have for interference with his quiet enjoyment of the Common Elements due to the development of Stanton Landing, whether or not the construction operations are performed on the Common Elements or any Homesites owned by Declarant, and each Owner acknowledges and agrees that Declarant shall have the sole right to design, construction, development and improvement of the Property.

BOOK 969 93

7.2.3.9 The right of the Declarant for so long as Declarant owns or has any use rights to any property subject to this Declaration, to transact any business necessary to consummate sales of the property throughout Stanton Landing, including, but not limited to, the right to maintain sales office(s) within the Development Area, or on the Common Elements in locations(s) to be selected by Declarant, to have employees in such offices, to construct and maintain other structures or appurtenances which are necessary or desirable for the development and sale of the Property throughout Stanton Landing including without limitation, sales models and parking areas; to post and display a sign or signs on any Homesites or Residence Units owned by Declarant or the Property; and to use the Common Elements and to show Homesites and Residence Units. Sales office signs and all other structures and appurtenances pertaining to the sale or development of property within Stanton Landing shall not be considered Common Elements and shall remain the property of the Declarant. Further, Declarant may authorize other builder/developer(s) to exercise the rights reserved in this Section, singularly or in concert with Declarant.

7.2.3.10 The right of the Declarant to have a Permanent Sales Office Building and Operations after the expiration of the Declarant Control Period and after sales of all Homesites, including Homesites added pursuant to Article 2.2. No other commercial or real estate offices shall be located on the Common Elements or in Stanton Landing. After the Declarant Control Period, regardless of whether Declarant owns or has any use rights to any property in The Carolina, Declarant or its assignee shall have the right but not the obligation, to continue to exercise the rights granted to Declarant to sell and lease property at no cost or charge of any kind, except for the payment of ad valorem taxes on any property so occupied and that any such retained privilege shall be deemed to be one (1) Residence Unit Homesite for which the Declarant or its assigns, shall be subject to Common and Special Expense assessment in the manner as all other Owners.

7.3 **Usage Rights.** The Common Elements shall be used only for the purposes for which they are intended in providing services and facilities for the common use and enjoyment of the Homesite owners and occupants of the Residence Units. There shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of the Common Elements by an Owner without the prior written consent of the Association, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from the Common Elements by an Owner, except upon the prior written consent of the Association.

969 93

7.4 Area Boundaries and Conveyance of Common Elements. Each Homesite or Homesite shall have the boundaries set forth in the plats filed in the Carteret County Registry of Deeds by Declarant as each phase is developed and on subsequent plats of additional property made subject to this Declaration. The Common Elements, as defined herein, when owned by the Association, shall remain undivided, and no right shall exist to partition or divide said Common Elements except as provided herein. The Common Elements are intended for the use and enjoyment of the Homesite and Residence Unit owners and their guest and invitees. Title to the Common Elements shall remain vested in Declarant until the expiration of the Declarant Control Period. Notwithstanding the manner in which fee simple title is held, the Association shall be responsible for the management, maintenance and operation of the Common Elements and for the payment of all property taxes and other assessments which are liens against the Common Elements from the after the date of recordation of the Declaration. Reasonably soon after the expiration of the Declarant Control Period, Declarant shall convey all of its right, title and interest in the existing Common Elements to the Association. Such conveyance shall be free and clear of all encumbrances and liens other than this Declaration, and the terms and conditions recited herein and any reserved easements necessary for the beneficial use of any of Declarant's remaining property that is not then a part of the Property.

7.5 Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, and subject to the terms and conditions recited herein, his right of enjoyment to the Common Elements and facilities to the members of his family, his tenants, or contract purchasers who reside in his Residence Unit.

ARTICLE 8

FINANCING PROVISIONS

8.1 Approval of Owners and Holders of First Deeds of Trust. Unless at least seventy-five (75%) percent of the owners and holder of first deeds of trust on Homesites located within the Property have given their prior written approval, the Association shall not:

8.1.1 By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any real estate or improvements thereon which are owned, directly or indirectly, by the Association. The granting of easements for utilities or other purposes or the conveyance of such systems to governmental bodies shall not be deemed a transfer within the meaning of this clause.

Page 37

BOOK 969 PAGE 93

8.1.2 Change the method of determining the obligations, assessments, dues or other charges which may be levied against an owner.

8.1.3 By act or omission abandon any plan of regulation, or enforcement thereof pertaining to the architectural design or the exterior appearance of residences located on Homesites, the maintenance of party walls or common fences and driveways, or the upkeep of lawns and plantings in the Planned Community.

8.1.4 Fail to maintain liability insurance coverage on the Common Elements.

ARTICLE 9

RESERVED EASEMENTS

9.1 Utility and Drainage Easements. Declarant and its successors and assigns reserve the right to construct and maintain utilities on the streets and roads of the Property either above or below ground and to make all necessary slopes for cuts or fills upon the Homesites as needed as determined by the Declarant. Declarant reserves perpetual utility easements under, over and across a strip ten (10) feet (unless otherwise noted on any recorded map, in which case said map shall govern) in width adjacent to and along the front, side and rear yard lines of each Homesite for the purpose of placing, laying, erecting, constructing, maintaining and operating, or of authorizing the placement, laying, erection, construction, maintenance and operation of utilities (including, without limitation, sewage, water (including irrigation), storm drainage, culverts, sprinkler lines, natural gas lines, TV wires, irrigation lines, security wires, street lights, electricity, gas, cablevision, telephone and telegraph). Within these easement areas, no structure, planting or other material (other than sod) which may interfere with the installation and maintenance of underground utility facilities shall be placed or permitted to remain unless such structure, planting or other material was installed by the Declarant. The Association, its successors and assigns, are hereby granted access to all easements within where such underground facilities are located for the purpose of operation, maintenance and replacement thereof. Additionally, easements to erect perimeter fencing for security purposes across the outside boundaries of the Development Area are reserved for a width of three (3) feet along the boundary of any Homesite that is also the perimeter boundary of the Development Area.

9.2 No Interest in Utilities. The interest conveyed by Declarant to any of said Homesites by contract, deed or other conveyance, shall not in any event be held or construed to include the title to the

Page 38

BOOK 969 PAGE 93

water, gas, cablevision, sewer, storm sewer, electric light, power, telegraph and telephone lines, poles or conduits, or any other utility or appurtenances thereto constructed by Declarant, its agents, or by any utility company along or upon said Homesites, or any part thereof, to serve said property. The right to sell, convey or lease water, sewer and other utility lines and their appurtenances erected by or on behalf of Declarant is hereby expressly reserved to Declarant.

9.3 Easement for Use of Streets. Declarant hereby grants, conveys and assigns and sets over to every Owner, his family, tenants or bona fide guests the non-exclusive right of ingress, egress and regress over, upon and across the private streets within the Property and they shall have the use of said streets for access to and from public highways adjoining the properties. The Declarant and/or the Association reserves the right at any time hereafter to dedicate and convey such streets to any appropriate governmental body or to the public.

9.4 Master Electronic Reception Apparatus. With the prior written consent of the Association, which may be withheld at its sole discretion, master antennas, satellite dishes, or cable television facilities may be located upon certain portions of the Property by the Association. Any such antennas, satellite dishes and connections shall be maintained in good order and repair by the Association. To the extent required to effectuate the foregoing plan, there shall be an easement in favor of each Residence Unit for the purpose of providing connection of the Residence Unit with the cable television facility or the master antenna or satellite dish most convenient thereto. The Common Elements shall be subject to a further easement for the placement thereon by the Association of such master antennas, satellite dishes, cable television facilities and appurtenances, and for the installation and maintenance thereon of connections to serve any Residence Unit. All of the foregoing easements are granted and reserved subject to the condition that their use and enjoyment shall not materially interfere with the use, occupancy or enjoyment of all or any part of the Residence Unit and the Common Elements servient to such easements or to which such easements are appurtenant. No other mast, tower or pole or outside television antenna, satellite dish, aerial or pole shall be erected, constructed or maintained on any Homesite or Residence Unit located in such a manner as to be visible from the Homesite or outside of such Residence Unit.

9.5 Inspection and Maintenance. Any Member of the Board, or any other person authorized by the Board, shall have an access easement to all Common Elements for the purpose of inspection, maintenance, repair or replacement of any part of the Property.

9.6 Bio-C One and Bio-C Two Associations. See page 39A.

BOOK 969 93

9.6 Bio-C One and Bio-C Two Associations. Declaration that area shown on the recorded plat of the Subdivision as "RESERVED BY DECLARANT FOR SEPTIC EASEMENT, BIO-C ONE ASSOCIATION" and "RESERVED BY DECLARANT FOR SEPTIC EASEMENT, BIO-C TWO ASSOCIATION". These areas are dedicated for wastewater disposal of certain lots as more particularly set out and specified in those Dedications of Easements recorded in book 969, pages 91 and 92, Carteret County Registry.

Page 39A

Document2

BOOK 969 93

ARTICLE 10
TRAFFIC REGULATIONS

10.1 Traffic. Declarant during the Declarant Control Period and the Association shall have the right and power and option to establish and enforce rules and regulations governing the operation of vehicles and conveyances, motor powered or otherwise, on the streets within the Development Area. Such rule and regulation making power and option shall include, but is in no way limited to, the establishment and enforcement of speed limits, stop signs, yield signs, no parking zones, traffic control signals, safety zones and other traffic control and safety devices, rules and regulations together with reasonable remedies, including fines for violations of such rules or regulations and the removal of offending vehicles from the Planned Community. A copy of all Traffic Regulations established hereunder and any amendments hereto shall be made available to all Members at the office of the Association. The right and power and option herein provided may be assigned by Declarant during the Declarant Control Period to any appropriate governmental body or authority and shall automatically be assigned to the Association at the expiration of the Declarant Control Period.

ARTICLE 11
VARIANCES

11.1 Variances. The Architectural Review Board or the Declarant shall have power to and may allow reasonable variances and adjustments of these covenants, conditions and restrictions in order to overcome practical difficulties and prevent unnecessary hardships in the application of the regulations contained herein; provided, however, that such is done in conformity to the intent and purposes hereof; and, provided, also that in every instance such variance or adjustment will not be materially detrimental or injurious to other property or improvements located in the Property. Variances and adjustments may include, but not be limited to, height, size and setback requirements hereunder pursuant to the Policies and Procedures established by the Architectural Review Board. To be effective, a Variance must be recorded and indexed under the name of the Association and the Owner

ARTICLE 12
INSURANCE AND CASUALTY LOSSES

12.1 Insurance. The Board or its duly authorized agent shall have the authority to and shall obtain and maintain in effect insurance for all of the improvements which are a part of the Common Elements against loss or damage by fire or other hazards, including extended coverage, vandalism and malicious

969 Q3

mischief, in an amount sufficient to cover the full replacement cost (subject to such "deductibles" as the Board may determine) of any repair or reconstruction in the event of damage or destruction from any such hazard. The Board shall also obtain and maintain in effect casualty and public liability insurance covering all Common Elements, such workmen's compensation insurance as may be required by law, all insurance which it may be required or authorized to obtain according to any amendment to this Declaration (all of which insurance shall be in accordance with the provisions of this Declaration), and such other insurance as the Board may from time to time deem appropriate and fidelity bond coverage as specified in FNMA Lending Guides, Chapter 3, Part 5, Insurance Requirements. Premiums for all such insurance shall be an expense of the Association.

12.2 Policies. All policies shall be written with a company holding a rating of "AAA" or better by Best's Insurance Reports. All policies shall be for the benefit of the Association and its mortgagees as their interests may appear. The original of all policies and endorsements thereto shall be deposited with the Board. The exclusive authority to adjust losses under policies maintained by the Board shall be vested in the Board or its duly authorized agent; provided, however, that no mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto. In no event shall the insurance coverage obtained and maintained by the Board hereunder be brought into contribution with insurance purchased by individual Owners or their mortgagees. The Board shall conduct an annual insurance review which shall include a replacement cost appraisal, without respect to depreciation, of all improvements on the Common Elements by one or more qualified persons, at least one of whom should be a qualified building cost estimator. It shall be the individual responsibility of each Owner, at his own expense, to provide, as he sees fit, title insurance, homeowner's liability insurance, fire, casualty, theft and other insurance covering improvements, betterments and personal property damage and loss on his individual Homesite and Residence Unit. The Board or its duly authorized agent shall be required to make every effort to secure insurance policies that will provide for the following: (i) a waiver of subrogation by the insurer as to any claims against the Board of Directors, its duly authorized agent, the Owners, and their respective tenants, servants, agents and guests; (ii) a waiver by the insurer of its right to repair or reconstruct instead of paying cash; (iii) that the policies cannot be canceled, invalidated or suspended on account of any one or more individual Owners; (iv) that the policies cannot be canceled, invalidated or suspended on account of the conduct of any director, officer or employee of the Association, or its duly authorized agent, without a prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the

Association, its agent or any Owner; (v) that any "other insurance" clause in the master policy exclude individual Owner's policies from consideration.

12.3 Use of Proceeds. If the damage is confined to the Common Elements, such insurance proceeds shall be used by the Association to defray the cost of such repairs. If the cost of such repairs is less than the amount of such insurance proceeds, the excess shall be retained by the Association or its duly authorized agent and placed in the reserve maintenance fund or such other fund as may be established for the purpose of providing for the maintenance, repair and replacement of the Common Elements. If the cost of such repairs exceeds the amount of such insurance proceeds, such excess may be provided either by means of a special assessment levied by the Board against all Owners in proportion to each Owner's share in the Common Elements or by means of an appropriation from the reserve maintenance fund or such other fund as may be established for the purpose of providing for the maintenance, repair and replacement of the Common Elements as the Board, in the exercise of its sole discretion, may determine.

ARTICLE 13
MAINTENANCE / REPAIR

13.1 Residence Units. Each Owner, at his own expense, shall keep all of his Homesite and Residence Unit and all exterior walls, roofs, equipment and fixtures therein, landscaping, water, storm drainage, sanitary sewer and other utility lines serving only his Residence Unit in good order, condition and repair and in a clean and sanitary condition, and shall be responsible for all redecorating and painting necessary to preserve or maintain the good condition and appearance of the Residence Unit, the patios, terraces, balconies, verandas and storage facilities, if any, and all other improvements and landscaping located on the Homesite. Each Owner shall also be responsible for all damages to any Residence Unit or any of the Common Elements, which may result from the neglect, negligence, misuse or misconduct of such Owner, Members of his family, his or their guests, employees, agents, invitees or tenants, and the cost of repair of any such damage shall be charged to such Owner and shall be due and payable as provided in Article 6 hereof.

ARTICLE 14
CONDEMNATION

Page 42

BOOK 969 PAGE 93

14.1 General. Whenever all or any part of the Common Elements of the Property shall be taken by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Association.

14.2 Common Elements. If the taking includes any part of the Common Elements on which improvements shall have been constructed (other than those contained within any Residence Unit) and if at least ninety percent (90%) of the total vote of the Association shall decide within sixty (60) days after such taking to replace said improvements, or any part thereof, on the remaining land included in the Common Elements and according to plans therefor first approved by the Association, then the Board of Directors shall arrange for such replacement. Alternatively, the Association shall treat the funds as a surplus.

ARTICLE 15

NOTICES

15.1 Form of Notice. Any notice required by this Declaration or by any of its related documents shall be a written notice delivered to the recipient or mailed to him by United States mail, postage prepaid, at his last known address if the recipient is an individual, or addressed to the President of the Association, if the recipient is the Association or the Board. All notices delivered by mail shall be deemed to have been given as of the date and hour of the postmark thereon, or in the absence of such postmark, as of the date and time of mailing. The address of a Homesite or Residence Unit Owner reflected on either the Carteret County Tax Department records, or the records maintained by the Secretary of the Association shall be the address of each Owner for making of all notices required from the Board or the Association, and it shall be the responsibility of each Owner to furnish the Secretary written notice of any error in such records or change of address.

15.2 Agent to Receive Service of Process. All notices, stipulations, writings or processes to be served upon the Association, or upon the Board, shall be delivered to the Registered Agent of the Association or to the then acting President of the Association.

ARTICLE 16

TERM

16.1 Term. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them until January 1, 2017, at which time said covenants shall be Automatically extended for successive periods of ten (10) years unless by vote of a Majority of the then Owners of the Homesites covered by these or substantially identical covenants, it is agreed to change said covenants in whole or in part.

16.2 Covenants Running with Land. The provisions of this Declaration and related documents shall constitute covenants running with the land, binding on the undersigned, its successors and assigns, and on all subsequent Owners of any part of the Property, together with their grantees, successors, heirs, executors, administrators, devisees, lessees, subleases and assigns. By the acceptance of any deed or other document conveying or transferring any interest in a Homesite or Residence Unit, the recipient thereof accepts and ratifies all covenants and restrictions contained herein and in the other documents. Each Homesite or Residence Unit Owner, by the acceptance of said deed or other document, covenants and agrees each with the other that he will join in the execution of any and all documents which are deemed necessary by the Board to renew or extend said covenants and restrictions from time to time and that any provision of law removing any limitation of time which would apply to this Declaration, if this Declaration were made after such provision of law becomes of effect, shall be deemed automatically to apply to this Declaration retroactively.

ARTICLE 17

ASSIGNMENT / AMENDMENT

17.1 Assignment. Any or all of the rights, powers and obligations, easements and estates reserved by or granted to the Declarant or the Association may be assigned by the Declarant or the Association as the case may be. Any such assignment or transfer shall be made by the appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its consent to such assignment and its acceptance of the rights and powers, duties and obligations herein contained. Such assignee or transferee shall thereupon have the same rights and powers and be subject to the same obligations and duties as are herein given to the Declarant and/or the Association. After such assignment, Declarant and/or Association shall be relieved and released of all obligations with respect to such rights, powers, obligations, easements or estates.

17.2 Amendments by Declarant. After the first conveyance of a Homesite by Declarant, Declarant shall retain the right to make any of the following amendments, which may be effected by the Declarant without consent of the Owners: (A) The Declarant or Association may amend this Declaration to correct any obvious error or inconsistency in drafting, typing or reproduction. (B) The Declarant or Association shall have the right to amend this Declaration to conform to the requirements of any law or governmental agency having legal jurisdiction over the Property or to qualify the Property or any Homesites and improvements thereon for mortgage or improvement loans made, insured or guaranteed by a governmental agency or to comply with the requirements of law or regulations of any corporation or agency belonging to, sponsored by, or under the substantial control of, the United States Government, the State of North Carolina, Carteret County regarding purchase or sale in such Homesites and improvements, or mortgage interests therein, as well as any other law or regulation relating to the control of Property, including, without limitation, ecological controls, construction standards, aesthetics, and matters affecting the public health, safety and general welfare. (C) Any amendment allowed as a result of the exercise of any reserved Development Right or Special Declarant Right identified herein.

Any amendments made pursuant to this section shall not affect the residential character of the Planned Community or the common plan or scheme for residential development. Any and all such amendments shall be recorded in the office of the Register of Deeds, and upon recording the same shall become effective with respect to the matter to which such amendment pertains. Other amendments which do not affect materially any rights of any then Owners or his mortgagee or any amendment necessary to effect compliance with any other law may be made by Declarant by recording the same in the foregoing manner at any time prior to the earlier of (i) the date on which Declarant certifies to the Association that all of the Homesites have been conveyed to respective purchasers, or (ii) November 1, 2012. In the event that any such amendment does affect materially any rights of any then Owners or his mortgagee, such amendment shall be valid only upon the written consent thereto of all of the affected mortgages and fifty percent (50%) of the affected Owners of Homesites or Residence Units theretofore conveyed by Declarant. Any such amendment shall be certified by Declarant as having been duly approved and shall be effective when recorded in the office of the Register of Deeds.

17.3 Amendments by Residence Unit or Homesite Owners. At any time after the expiration of the Declarant Control Period, this Declaration shall be amended in the following manner:

17.3.1 Proposed Amendments. The Board or any Member of the Association may propose an amendment to this Declaration. Such proposed amendment must be submitted in writing to the Secretary of the Association at least twenty (20) days prior to the date of the special or regular Association meeting at which the proposal is to be considered.

17.3.2 Notice. A statement of the subject matter of the proposed amendment or amendments shall be included in the notice of any Association meeting at which the proposed amendments are to be considered.

17.3.3 Resolution. A resolution for the adoption of a proposed amendment may be proposed by any Member of the Association, including any officer of the Board. The resolution for adoption must be approved by the Members entitled to cast not less than sixty-seven percent (67%) of the total authorized vote of the Association; provided, however, that any proposed amendment which would increase or decrease the percentage vote required to effect any action by the Association must be approved by Members having, in the aggregate, the larger of such percentage vote as theretofore required or as would thereafter be required if such amendment were approved.

17.3.4 Absentee Vote. Members not present at any meeting may vote by proxy or by written vote as provided in the Bylaws.

17.3.5 Proviso. Notwithstanding any other provision hereof, no amendment shall change the boundaries of a Homesite or Residence Unit nor the share in the Common Elements appurtenant to it, unless the record Owners of all Homesites and/or Residence Units shall approve the amendment in writing, and so long as Declarant owns three or more Homesites or Residence Units, no amendment may be made without the written approval of Declarant.

17.3.6 Execution and Recording. A copy of each amendment adopted pursuant to this Article 17.3 shall be attached to an affidavit certifying that the amendment was duly adopted, which affidavit shall be executed by the President and attested by the Secretary in recordable form. The amendment shall be effective when such Amendment together with the Affidavit are filed for record in the Office of Register of Deeds.

Page 46

BOOK 969 PAGE 93

17.4 Amendments to Policies and Procedures of the Architectural Review Board .

The Board, either upon its own, or by any Committee which it has appointed, may make changes to both Schedule A and Schedule C, without being required to record a copy of such plan as an amendment to this Declaration. The Board shall maintain the most recent version of either Plan at the Association Office and shall make copies available to any Member upon payment of reasonable reproduction expense.

Any Member should obtain a copy for review as a part of any initial plans for construction or improvement on any Homesite or Residence Unit.

ARTICLE 18

ENFORCEMENT

18.1 Violation of Covenants. If the parties hereto or the Owners, or any subsequent third parties, or their heirs, successors or assigns, shall violate or attempt to violate any of the covenants herein, it shall be lawful for any other person or persons owning any real property herein described or situated in Stanton Landing and which is subject to these or substantially identical covenants to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant to prevent it, her, him or them from so doing and / or to recover damages or other expenses arising from said violation. In addition, the Association and to the limited extent provided in Article 4.2.3, shall have the authority, at their sole option and discretion, to enforce the terms, conditions and covenants recited herein; provided, however, neither the Board nor the Architectural Review Board have the specific obligation to enforce any covenants herein, and neither shall be liable for any failure to enforce said terms, covenants and conditions.

18.2 Invalidity. Invalidation of any one of these covenants or any part thereof by judgment or court order in no way affects any of the other provisions which shall remain in full force and effect.

18.3 Laws and Ordinances. These covenants shall be in addition to any laws, ordinances, governmental zoning or regulations which may be applicable to the Property herein described, and in the event such laws, regulations or ordinances may be more restrictive than these covenants, said laws, regulations or ordinances shall control.

ARTICLE 19

REMEDIES FOR VIOLATIONS

Page 47

BOOK 969 PAGE 93

19.1 All provisions, restrictions, conditions, easements, covenants, agreements, liens and charges herein shall be binding on all of the Homesites within the Property and the Owners thereof, regardless of the source of title of such Owners, and any breach thereof if continued for a period of thirty (30) days [five (5) days in the event of an emergency situation] from and after the date that Declarant, the Association, or any other Owners shall have notified in writing the Owner or resident in possession of the Homesite or Residence Unit upon which or as to which such breach has been committed to refrain from a continuance of such action and to correct such breach, shall warrant the Declarant, the Association or other Homesite Owner, to apply to any court of law or equity having jurisdiction thereof for any injunction or other property relief, and if such relief be granted, the court may, in its discretion, award to the plaintiff in such action reasonable expense in prosecuting such suit, including reasonable attorney's fees.

19.2 Violations of any of the foregoing provisions, restrictions, conditions, easements, covenants, agreements, liens and charges shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith for value as to any Homesite or portion thereof in the Property but such provisions, restrictions, conditions, easements, covenants, agreements, liens, and charges shall be enforceable against any portion thereof acquired by any person through foreclosure or by deed in lieu of foreclosure for any violation of the provisions, restrictions, conditions, easements, covenants, agreements, liens and charges herein contained occurring after the acquisition of said property through foreclosure, or deed in lieu of foreclosure.

ARTICLE 20

DECLARANT EXEMPTIONS

20.1 Notwithstanding any other language or provision to the contrary to this Declaration or in any of the other related documents, Declarant shall be exempt from the covenants, restrictions and provisions contained in herein, so long as Declarant owns one or more Homesites or Residence Units. This exemption is granted for the purpose of allowing Declarant to complete improvements and complete the sale (or lease with option to purchase) of all Homesites and Residence Units without restriction. Neither the Owner, the Association nor any use of the Property shall interfere with completion of construction of the buildings, the Residence Units or other improvements, or with the sale of the Homesites or Residence Units by Declarant. Declarant may make such use of the unsold Residence Units and Common Elements as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, model units, signs, storage areas, construction facilities and construction offices for the sale of the Homesite and sale and construction of the Residence Units covered by this Declaration.

969 93

ARTICLE 21
MISCELLANEOUS

21.1 Multiple Owners. If any Residence Unit or Homesite shall be owned as tenants in common by two or more persons, such persons shall be jointly and severally liable for the Common Expenses assessed against such Homesite or Residence Unit and for the prompt discharge of each and every obligation or duty imposed on such Owners by the Declaration and other governing documents.

21.2 Applicability to Third Parties. Each Owner of a Homesite and each Owner, lessee, tenant or occupant of a Residence Unit shall be bound to comply with the statutory provisions and shall comply with documents as the same may be in effect from time to time and with the decisions, resolutions, rules and regulations of the Association and Declarant as the same may be in effect from time to time, and failure to do so shall be grounds for an action to recover damages or to obtain injunctive and other equitable relief, or both.

21.3 Conveyance. Each Owner of a Homesite, by acceptance of a deed therefor, agrees that he has had full opportunity to inspect and examine same and waives any claim or demand which he might otherwise have had against the Declarant or any other person whomsoever as a result of any warranty, express or implied, or of any discrepancy between the Homesite as it then exists and as it is described in this Declaration, filed plats, the supplemental plats, the architectural plans and specifications or any other instrument.

21.4 Perpetuities. In any of the covenants, conditions, restrictions or other provisions of this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the date of the survivor of the now living descendants of Bill Clinton, President of the United States, and Ronald Regan, Jimmy Carter, Gerald T. Ford and Richard M. Nixon, former Presidents of the United States.

21.5 Severability. Invalidation of any of these covenants or restrictions by judgment or court shall in no way affect any other provisions, which shall remain in full force and effect.

21.6 Rights of Mortgagees. Any mortgagee holding a first mortgage on any Homesite or Residence Unit may require that the loan documents evidencing and securing such loan contain provisions relating

FBI/DOJ 969 93

to reserve accounts for repairs and replacements, additional insurance, voting rights and such other matters as may be acceptable to the mortgagee and the Owner. However, such provisions shall be binding only as between such mortgagee and Owner and no such provision shall violate, restrict or modify the provisions of this Declaration and the other governing documents.

§1.7 Inspection and Maintenance. If any Property, including any Homesite or Residence Unit is not maintained as provided herein, Declarant shall have the right, but not the obligation, to maintain same and recover from the Association and the respective Owners at costs incurred in providing such maintenance. Any Member of the Board, Declarant's maintenance personnel, or any other person authorized by the Board, shall have reasonable rights of access to all Common Elements and Homesites for the purposes of inspection, maintenance, repair or replacement of any part of the Property as provided in this section.

§1.8 Waiver. The failure of the Association, the Declarant or any Homesite or Residence Unit Owner to enforce any covenant, restriction or other provision of the documents shall not constitute a waiver of the right to do so thereafter.

§1.9 Construction. If any provision, sentence, clause, phrase or word of this Declaration or any other Association document is judicially held invalid or unenforceable for any reason, such holding shall not be deemed to affect, alter, modify or impair in any manner any other provision herein or in said documents. Whenever the context so permits, the use of the plural shall include the singular, the singular the plural, and the use of any gender shall be deemed to include all genders. The captions used herein and in the other Association documents are solely to aid in the location of the various provisions, and in no way shall such captions be construed to limit or define the subject matter of such provisions.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed and attested by its duly authorized corporate officers, and its corporate seal, or a reasonable facsimile thereof, to be affixed, all at the direction and approval of its Directors, to be effective the day and year first above written.

SIGNATURE PAGE AT END OF "SECTION IV"

Page 50

BOOK 969 A3

(Schedule A)

SECTION II.

BYLAWS OF STANTON LANDING PROPERTY OWNERS' ASSOCIATION



BOOK 969 PAGE 93

SCHEDULE A - "By Laws"

STANTON LANDING PROPERTY OWNERS ASSOCIATIONS, INC.

ARTICLE I ASSOCIATION MEMBERS

Section 1. Annual Meeting of Members. The annual meeting of the members of the Association shall be held at the principal office of the Association, at an hour to be fixed by the President, on the second Tuesday in January of each year for the purpose of electing Directors and the transaction of such other business as may be brought before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day.

Section 2. Substitute Annual Meeting. If the annual meeting shall not be held on the day designated in these Bylaws, a substitute annual meeting at the principal office of the Association may be called in accordance with the provisions of Section 3 of this Article 1. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 3. Special Meetings of Members. Special meetings of the members may be held in the principle office of the Association, or elsewhere by consent of the members, whenever called in writing by the President or any other member of the Board of Directors of the corporation or by members representing twenty percent (20%) of the membership entitled to vote.

Section 4. Notice of Meetings. Written or printed notices stating the time and place of meeting shall be mailed or delivered by the Secretary to each member of record at the member's last known address.

The notice of each meeting shall be mailed or delivered by the Secretary not less than ten days nor more than 50 days prior to the date set for such meeting and as to special meetings, the Notice shall indicate the purpose thereof.

Section 5. Quorum. At any meeting of the members, ten percent (10%) of the members entitled to vote, present in person or by proxy, shall constitute a quorum of the membership for all purposes.

If a quorum is not present, the meeting may be recessed.

Section 6. Action without Meeting. The Board shall have the right to take any action in the absence of a meeting which they could take at a duly held meeting by obtaining the written consent of all the Board members to the action. Any action so approved shall be filed in the corporate books and records and shall have the same effect as though taken at a meeting of the Board.

Section 7. Meetings. Meetings of the Board shall be held quarterly without notice, at such place and hour, as may be fixed from time to time by resolution of the Board. Special meetings of the Board may be called by any member of the Board after not less than five- (5) days notice to each Board member.

BOOK 969 PAGE 93

Section 8. Quorum. A Majority of the Board members shall constitute a quorum of the transaction of business. Every act or decision done or made by a majority of the Board members present at a duly held meeting shall be regarded as the act of the Board.

Section 9. Powers and Authority of the Board of Directors. Subject to the provisions contained herein and applicable law, the Board shall have the power and authority to exercise all of the rights and powers, including, but not limited to, the following powers:

- (a) To adopt rules and regulations governing the use of the Common Elements and any recreational facilities, the personal conduct of the members and their guests thereon, and establish penalties for the infraction thereof;
- (b) To suspend the voting rights and right of use of any common elements (except street access) of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association; and to suspend such rights, after notice and hearing, for the infraction of published rules and regulations for a period of at least 60 days;
- (c) To declare the office of a member of the Board to be vacant in the event such member shall be absent for three (3) consecutive regular meetings of the Board;
- (d) To employ a manager, an independent contractor, or other employees as is deemed necessary, and prescribe their duties; provided, that any contract for professional management must contain a clause requiring not less than ninety (90) days termination notice;
- (e) To procure, maintain, and pay premiums on, insurance policy(s) and equitably assess the members same for their prorata portion of such expense;
- (f) To impose and receive any payments, fees, or charges for the use, rental, or operation of the common elements;
- (g) To exercise all other powers that may be exercised in this State by legal entities of the same type of Association;
- (h) To exercise any other powers necessary and proper for the governance and operation of the Association, and;
- (i) To have and to exercise any and all powers, rights and privileges which the Association may require to enforce and comply with the Declaration.

Section 7. Duties of the Board of Directors. It shall be the duty of the Board to do the following:

- (a) To cause the common elements to be maintained, repaired, and replaced as necessary, and to assess the members to recover the cost of the upkeep of the common elements;
- (b) To appoint and supervise the following committees, including any necessary approval of actions taken or proposed by such committees:
 - (1) Architectural Review Board
 - (2) Disciplinary Hearing Committee

BOOK 969 PAGE 93 2

- (3) Other Special Committees that the board determines are needed to assist in the operation or management of the Association and it's duties
- (c) To keep a complete record of all it's acts and corporate affairs and present a statement thereof to the members at the annual meeting, or at any special meeting when such a statement is requested in writing by twenty percent (20%) of the members;
 - (d) To supervise all officers, agents, and employees of the Association, and see that their duties are properly performed;
 - (e) To fix the amount of any annual assessment pursuant to the provisions set forth in the Declaration;
 - (f) To send written notice of each proposed budget and assessment to every member as set forth in the Declaration;
 - (g) To foreclose any unpaid assessments and liens resulting therefrom against any property for which assessments are not paid within thirty (30) days after due date and/or to bring an action of law against the member personally obligated to pay the same;
 - (h) To issue, or have issued, for a reasonable charge, a certificate setting forth whether or not any assessment has been paid; provided, however, that if a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment as to all parties, except the member or owner as of the date of the assessment;
 - (i) To procure and maintain, at all times, adequate hazard insurance on the property owned by the Association and all property for which the Association has the duty to maintain, and sufficient liability insurance to adequately protect the Association and Board as provided in the Declaration; and
 - (j) To cause all officers or employees, including officers and employees of professional management, having fiscal responsibilities to be bonded, as it may deem appropriate;
 - (k) To elect officers immediately following the annual meeting of the members;
 - (l) Which, if any, of its powers the executive board or officers may delegate to committees, other persons or to managing agent.

Section 8. Removal. Notwithstanding any provision of the Declaration or Bylaws to the contrary, the lot owners, by a sixty-seven percent (67%) vote of all persons present and entitled to vote at any meeting of the lot owners at which a quorum is present, may remove any member of the Executive Board with or without cause, other than a member appointed by the Declarant, during the Declarant control period,

ARTICLE II OFFICERS

Section 1. Officers. The Executive officers of this Association shall be a President, Vice President, and Secretary/Treasurer.

BOOK 969 93 3

Section 2. Election of Officers. Each officer shall be appointed by the Board of Directors from its members as provided in the Declaration. Each officer appointed shall serve until the next annual election and his/her successor shall have been appointed by the Board of Directors.

Section 3. Powers and Duties of the Executive Officers.

- (a) The President shall preside at all meetings of the Board; he/she shall see that orders and resolutions of the Board are carried out; he/she shall sign all leases, mortgages, deeds and other written instruments; and he/she shall co-sign all checks and promissory notes.
- (b) The Vice President shall act in the place of the President in the event of his/her absence, or his/her inability or refusal to act; and shall exercise and discharge such other duties as may be required of him/her by the Board.
- (c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; he/she shall keep the Association seal and affix it on all papers requiring said seal; he/she shall serve notice of meetings of the Board and of the members; he/she shall keep appropriate current records showing the members of the Association together with their addresses; he/she shall prepare, execute, certify, and record amendments to the Declaration on behalf of the Association; and he/she shall perform such other duties as required by the Board.
- (d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse such funds as directed by the Board; he/she shall sign all checks and promissory notes (such checks and promissory notes to be co-signed by the President) of the Association; he/she shall keep proper books of account, he/she shall cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its annual meeting, and deliver a copy to each member.

Section 4. Action without Meeting. The Officer shall have the right to take any action in the absence of a meeting which they could take at a duly held meeting by obtaining the written consent of all of the Officer members to any action. Any action so approved shall be filed in the corporate books and records and shall have the same effect as though taken at a meeting of the Officers.

Section 5. Removal. Any Executive Officer may be removed with or without cause, by a vote of at least sixty-seven percent (67%) of the Board of Directors. In the event of death, resignation or removal of an Executive Officer, his/her successor shall be appointed by the Board to serve until the next annual meeting of the members.

ARTICLE III
BOOKS AND RECORDS

969

93

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member or any mortgagee of any member. Any Articles of Incorporation (or other formation documents) and the Declaration of Covenants, Conditions and Restrictions and Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE IV FORMS OF PROXY AND WAIVER

Section 1. Forms of Proxy. The following form of proxy shall be deemed sufficient, but any other form may be used when such is sufficient in law:

Forms to Follow

Proxy Form

The Stanton Landing Property Owners Association, Inc.

Know all men by these present that the undersigned member of Stanton Landing Property Owners Association, Inc. hereby constitutes and appoints _____

the attorney and proxy of the undersigned to annual and special meetings of the members of Stanton Landing Property Owners Association, at which I am not present, until the Secretary of the Associations receives a letter from me revoking this proxy and for and on the behalf of the undersigned to vote as the undersigned would be entitled to vote if personally present, hereby ratifying and confirming all that said attorney and proxy shall do in the premises, and giving and granting unto said attorney and proxy full power of substitution and revocation.

Dated _____, 20_____

Member _____

Witness _____

BOOK 969 PAGE 93

Section 2. Form of Waiver of Notice. The following form of waiver of notice shall be deemed sufficient, but any other form may be used which is sufficient in law;

Waiver Form

The Stanton Landing Property Owners Association, Inc.

We the undersigned (Board or Association Members) of The Stanton Landing Property Owners Association, Inc. do hereby severally waive notice of the time, place, and purpose of (the annual or special) meeting of the Board or the Association Members of the said Association, and consent the same be held at

On the _____ day of _____, 20_____
At _____ o'clock ____M. and we do further consent to any transaction of any and all business of any nature that may come before the meeting.

Dated this _____ day of _____, 20_____

ARTICLE VI
GENERAL PROVISIONS

Section 1. Amendments. Except as otherwise provided herein or in the Declaration these Bylaws may be amended or repealed and new Bylaws may be adopted by the affirmative vote of the majority of the Board then holding office at any regular or special meeting of the Board; or at any regular or special meeting of the members at which a quorum is present, by a vote of the majority of the members.

Section 2. Association Seal. A circular seal with the words "The Stanton Landing Property Owners Association, Inc." within the circle, or any reasonable facsimile thereof, including any hand drawn facsimile, shall be the common corporate seal of the Association.

End of Association Bylaws

BOOK 969 PAGE 93 6

(Schedule C)

SECTION III.

ARCHITECTUAL REVIEW BOARD OF STANTON LANDING POLICIES AND PROCEDURES



BOOK 969 PAGE 93

SCHEDULE C

THE ARCHITECTURAL REVIEW BOARD OF STANTON LANDING POLICIES AND PROCEDURES

Architectural Review Board (ARB)

The mandate of the ARB is to encourage design excellence, and to preserve and enhance the ambiance of our community. Planning and control is to be carried out in a fair, consistent and reasonable manner through design standards and uniform review procedures. The ARB has the absolute and exclusive power to approve or disapprove any site, building, landscaping or remodeling plan and/or specifications which in its opinion are not compatible with the regulations set forth herein, including purely aesthetic reasons.

Two of the most important considerations apply to exterior elevations and landscaping. Design consideration should be given to all elevations of a Residence Unit. Landscaping is a major area of concern which should enhance the individual residences and insure continuity with adjacent residences. The use of competent professionals in all phases of design is highly recommended including landscaping. The goal of the ARB is for homeowners to install an initial comprehensive landscape scene that matures gracefully.

Plans prepared by licensed design professionals are strongly recommended and will facilitate approvals. Incompetently prepared or incomplete plans will not be considered for review.

1
969 93

In order to receive design approval for new construction or alterations to existing Residence Units, appropriate plans and details must be submitted to the for approval in accordance with the provisions contained in this document. Property owners, architects, contractors and/or designers are encouraged to study the design review criteria and to discuss proposed plans with the ARB prior to undertaking the design of a new Residence Unit.

The ARB is a permanent committee of Stanton Landing Property Owners' Association, Inc. (SLPOA) and, as such, carries out its responsibility on behalf of all residents at Stanton Landing to establish an aesthetically pleasing environment for the protection of property values for generations to come.

The ARB assumes no liability for the owner's responsibilities which include but are not limited to the following:

1. Performance or quality of work of any contractor or subcontractor.
2. Compliance with all laws, codes and ordinances.
3. Determination of environmental restrictions, drainage and grading requirements and all soil conditions
4. Determination of structural, mechanical, electrical and all other technical aspects of a proposed design that can only be achieved by competent architects, engineers, and other professionals.
5. Accuracy of all stakeouts and surveys.

PURPOSE

The most effective method of assuring the protection of the master land plan concept, community lifestyle and individual property values is through the establishment of high standards of design. In order to accomplish this objective, the Architectural Review Board

(ARB) has been established to review applications and design documents for all new construction and alterations, modifications and/or changes to existing properties including landscaping. Each application is evaluated on its own merits with reasonable flexibility for design, function and creativity

AUTHORITY

The authority of the ARB is set forth in the Declaration of Covenants, Conditions, Easements, Restrictions, Charges, Liens and Reservations of Stanton Landing which encumber every building site. The ARB is responsible for carrying out its duties on behalf of all members of the SLPOA for the benefit of the total community. The ARB has the absolute right to establish, at the ARB's sole discretion, criteria for the construction or modification of Residence Units on the real property and criteria for protection of the existing vegetation and installation of complimentary and compatible landscaping which is the subject of these restrictions.

MEMBERS

The ARB shall include five voting members appointed (and removed) by the Declarant. The ARB Chairman may also appoint advisors to the Architectural Review Board. Members will be selected to create a balance of lay people and professionals with experience in architecture, construction, landscaping, development joined by residents of Stanton Landing.

MEETINGS

The normal schedule for ARB meetings is the first Tuesday in the month, exclusive of holidays. Plans to be reviewed the first Tuesday of the month must be submitted by the end of the business day of the preceding Friday.

RESPONSIBILITIES

On behalf of the SLPOA the ARB is empowered to perform the following services:

3
BOOK 969 PAGE 93

1. Establish architectural criteria and exterior designs for the community.
2. Establish design review criteria for the protection of enduring property values.
3. Review all design applications for compliance with ARB Policies & Procedures and for compliance with the Covenants, Conditions, Easements, restrictions, Charges, Liens and Reservations.
4. Establish building permit fees.
5. Assure that all properties are properly maintained.
6. Monitor and enforce compliance with ARB policies.
7. Evaluate current ARB policies and either amend as necessary or make recommendations for change to the Board of Directors of the SLPOA.

PLAN APPROVAL PROCESS

The following is an outline of the steps involved in the review and approval process.

ARCHITECTURAL REVIEW BOARD:

The owner or owner's agent must submit the Application form, Application fee and plans (four sets) consisting of the following:

- A. Site Plan (including house location by scale showing actual setbacks).
- B. Floor Plan
- C. Exterior Elevations showing all components, i.e. windows, doors, shutters, columns, etc.
- D. Samples of exterior materials and colors.
- E. Landscape Plans (3 Copies)

4
BOOK 969 PAGE 93

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- F. Wall Section and Trim Detail
 - G. Foundation Plan
 - H. Roof Framing Plan
 - I. Building Section showing fascia, soffitt and frieze board construction
 - J. Roof and Roof Vents: structure, materials, manufacturer, color chips
 - K. Sidewalks/Patios/Decks
 - L. Fences/Walls
 - M. Screen Enclosures
 - N. Finished floor elevations on each drawing and finished grade elevations at major corners of dwelling and finished grading plan.
 - O. Location of mechanical equipment on both site and landscape plans
 - P. Exterior Lighting Details: location and type
 - Q. Driveway routing, materials, borders.

Sample materials and color chips will be returned with two approved sets of plans to the owner or owner's agent as soon as possible following approval (normally within 5 working days).

DESIGN REVIEW DECISIONS:

Upon receipt of a properly completed Application, the ARB will review Applicant's plans and specifications and render one of three types of decisions in writing:

- A. Approved (with or without limiting conditions)
- B. Not Approved (Incomplete application/plans)
- C. Not Approved

BOOK 969 PAGE 93

If Applications are not approved due to incomplete plans or failure to provide sufficient details in the application, application must be resubmitted as instructed for final review and approval. In the event Applications are not approved by the ARB for design or aesthetic reasons, an explanation of the reasons are provided in writing to the applicant.

In the event the ARB fails to approve or disapprove an owner's construction, landscaping or renovation design or location within forty-five (45) days after such plans and specifications have been submitted to it, such approval will not be required and approval will be deemed issued.

APPEAL:

If an Application is not approved, or the approval is subject to limiting conditions which the Applicant feels are unfair, the Applicant may request a meeting with the ARB to justify his/her position. After the meeting, the ARB will review the matter and notify the Applicant of their final decision within ten (10) days of the meeting.

If the applicant is dissatisfied with the appeal decision of the ARB, a final appeal may be submitted in writing to the Board of Directors of the SLPOA.

VARIANCES:

All requests for variances from the requirements in this document shall be made in writing. Any variance granted shall be considered unique and will not set any precedent for future decisions. The ARB shall have power to and may allow reasonable variances and adjustments of the covenants, conditions and restrictions and ARB policies and procedures in order to overcome practical difficulties and prevent unnecessary hardships in the application of the regulations; provided, however, that such is done in conformity to the intent and purposes of the covenants and policies; and, provided, also that in every instance such variance or

adjustment will not be materially detrimental or injurious to other property or improvements located at Stanton Landing. Variances and adjustments may include, but not be limited to, height, size and setback requirements hereunder pursuant to the Policies and Procedures. To be effective a variance must be recorded at the Carteret County Register of Deeds in Beaufort, N.C., and indexed under the name of the Association and the Owner.

APPROVAL EXPIRATION:

Applicants must begin construction within one hundred and eighty (180) days of Final Architectural Review approval by the ARB. Failure to do so could revoke approval.

OTHER NECESSARY APPROVALS:

CARTERET COUNTY

Following approval by the ARB, the owner or owner's agent must submit plans to the Carteret County Building and Inspections Department.

DESIGN DOCUMENTS (ARCHITECTURAL/LANDSCAPING PLANS)

In order to provide a systematic and uniform review of the proposed construction, the design documents must adhere to the criteria and/or contain the information listed below.

BUILDING APPLICATION:

(Must be completed in full)

SITE PLAN: Scale 1" = 20' minimum
North Arrow

Property Lines

969 93

Building Setback Lines

Easements

Right-of-ways

Driveways/Walkways

Patios/Decks

Pools

Foundation Lines

Drainage Improvements/Storm Water Discharge Piping Dwelling Perimeters

(1st/2nd floor)

Roof Line/Overhang

Domestic Water Well Location

Topography Lines (existing grades)

Finished grades at all corners of dwelling

Walls & Fences

FOUNDATION PLANS: Scale 1/4" = 1'

FLOOR AND ROOF FRAMING PLAN: Scale 1/4" = 1'

FLOOR PLANS: Scale 1/4" = 1'

EXTERIOR ELEVATIONS: Scale 1/4" = 1'

Finished Grades accurately plotted to the foundation line

All exterior views of structure including materials on each elevation

Indicate All Finished Floor Elevations.

BOOK 969 PAGE 93

Chimney materials identified and cap design shown. Roof pitches noted on all roof slopes.

Decks and Railings/Benches

Raised patios and Decks

BUILDING SECTIONS: Scale 1" = 1'

Detailed Wall/Roof/Foundation Sections

Roof Pitch/Materials/Framing Details

Exterior Trim Profiles and Details

LANDSCAPE PLANS: Scale 1"= 20'

Property lines, setback lines

North Arrow

Topography

Drainage Patterns

Easements

Right-of-ways

Driveways/Sidewalks (Surface material, curbing/edging)

Pools, Patios, Decks, Terraces

Irrigation Systems

Exterior Lighting Details, if any

Accessory Structures

BOOK 969 PAGE 93

Propane Tank (Location and Acceptable Screening) and Fuel Tanks (Location and Acceptable Screening)

Bulkheads/Retaining Walls/Fences/Docks

Heat Pump and Air Handler (Location and Acceptable Screening)

Planters

Walls & Fences

ADDITIONS/REMODELING/IMPROVEMENTS

Applications requesting changes, modifications, alterations and improvements to existing

Residence Units or landscaping should consult with the ARB to determine the design

documents required for approval. No work shall commence without approval of the ARB.

This includes all exterior landscaping, Residence Unit and site changes, such as repainting of a Residence Unit if either original color or another color other than the originally approved color is used.

CONSTRUCTION TIME

The work of construction, altering or remodeling any building on any Homesite shall be

pursued diligently from the commencement until the completion thereof, and shall be

completed within 12 months from the time plans are approved by the ARB.

CONSTRUCTION CHANGES

All construction must be completed in accordance with the Application and Design Documents

as approved. Exterior changes to the subject property must receive prior approval of the ARB.

Revised plans must be submitted for approval by the ARB .

BOOK 969 PAGE 93

CONSTRUCTION INSPECTIONS

Periodic inspections may be made by the ARB while construction is in progress to determine compliance with the approved Design Documents. The ARB is empowered to enforce its policies and procedures, as set forth in the Covenants, Conditions, Easements, Restrictions, Charges, Liens and Reservations and this document, by any action, including an action in a court of law or equity to insure compliance.

DWELLING SIZE/MINIMUM STANDARDS

All residences shall conform to the following standards:

1. Heated Square Footage:
 - A. One story-2000 sq. ft. minimum exclusive of porches and garages.
 - B. Two story- 1600 sq. ft. on primary floor (Enclosed Garages on first floor may be included in 1,600 square floor minimum. All garages must be enclosed)
 - C. The total Homesite coverage by structures and impermeable surfaces, including walkways and driveways, shall not exceed 6000 square feet.
2. Set-backs:

Rear line	Corps of Engineers Easement Line
Side line	12'
Front (street facing)	40'
Side Street	15'

The ARB shall in all cases determine the front street for each Homesite.

The above measurements, except in the cases of side street setbacks, are from the base of the building foundation and reasonable eaves or overhangs or decks (not to

BOOK 969 PAGE 93

exceed ten feet) shall not be considered. Side street setbacks and other measurements for setbacks are to be from the outer edge of the eaves, overhangs and decks.

3. Building Height - Maximum 35' measured from finished grade at front entry to highest point on roof. Specific ARB approval required for elevation heights more than 35'.

DESIGN DUPLICATION

1. Applicants should design house plans in a way to avoid repetitious designs within the development. Similar designs are discouraged and subject to disapproval if without sufficient variations in exterior colors, materials, and exterior elevations.
2. Elevations that are similar in appearance are prohibited on visually adjacent building sites, any three building sites immediately across the street, or any three building sites on a cul-de-sac.
3. The approval of plans for a house on one site does not automatically imply approval for the house on another site.

EXTERIOR MATERIALS

The following are the materials that are permitted and not permitted.

Materials Permitted:

Brick

Wood

Stucco

Stone

Vinyl

BOOK 969 PG 93

Compressed Concrete Siding (Hardi-plank)

Materials Not Permitted

Aluminum Siding

Panelized siding (i.e. T- III Siding)

Hard-board (i.e. masonite)

Plywood/Particle Board

Concrete Block (Except sub-surface wall and foundation wall which is covered with other permitted material. No exposed concrete block above finished ground elevation unless covered with brick veneer, stone or stucco.)

Asphalt siding, asbestos shingles or asbestos siding

Exterior colors that are inharmonious, discordant and/or incongruous will not be approved. The ARB reserves the right and authority to reject a house plan on color selections or combinations, alone even though the architectural design of the house is acceptable and would be approved on its own merits.

ROOF PITCH/ROOFING MATERIALS/SOLAR ROOF PANELS/SKYLIGHTS

1. Pitch

Primary roofs should slope at a minimum of 7/12 pitch. Flat roofs and butterfly roofs are not acceptable and will not be approved.

2. Materials

Acceptable materials are cedar shakes/shingles, metal, natural slate, tile and copper seamed roofing, simulated shake asphalt and fiberglass shingle roofing. Other

synthetics which are developed are subject to review based upon the merits of the material at that time.

3. ***Solar roof panels***

Solar roof panels are permitted if designed to be mounted flush with the roof plane and blend with roof color.

4. ***Skylights***

Skylights are permitted with trim color to conform to roof color.

CHIMNEYS

1. All wood burning fireplaces and all vented gas fireplaces/heaters must be vented vertically through a chimney.
2. Chimney material must consist of the primary building material of the dwelling. Where two or more materials are used for the house, the chimney may be constructed of one of those materials.
3. No wood or wood substitutes are permitted with brick or stucco Residence Units.
4. Brick or stone chimneys are permitted on any Residence Unit, regardless of exterior material.

The following represents a sampling of acceptable standards for house/chimney materials combinations:

<u>House Material</u>	<u>Chimney Material</u>
Brick	Brick
Brick/Stucco	Brick/Stucco
Wood Siding	Wood Siding
Stucco	Stucco
Stucco/Stone	Stucco/Stone
Brick/Wood or Concrete Siding	Brick/Wood or Concrete Siding

BOOK 969 PAGE 93

3. All chimneys must be of proportionate size to the overall house size/design; must have architecturally acceptable design characteristics; and the color of material used must be the same as the color of that material being used on the house.
4. No fireplace flue may be exposed through the roof without a chimney.
5. Side wall venting is not permitted.

OUTDOOR LIVING AREAS/SWIMMING POOLS/POOL ENCLOSURES/SCREEN ENCLOSURES

DECKS/PATIOS/TERRACES/DOCKS/SPAS

1. The use of decks and terraces are encouraged. Consideration should be given to placement of the house to allow for outdoor living spaces and amenities which must be constructed within building setbacks.
2. Above-ground pools are not permitted.
3. In-ground pools are permitted in rear building envelope only. Mechanical equipment must be adjacent to the dwelling and fully screened from all sides with either fencing or plant materials.
4. All living areas, decks, patios etc. must be constructed within building envelope.
5. Spas are permitted within the building envelope and as part of an outdoor living area, however spas are not permitted as stand-alone fixtures on any Residence Unit and spas must be appropriately screened or built into deck.

BOOK 969 PAGE 93

UTILITIES / ACCESSORY STRUCTURES / SERVICE AREAS

1. Location of domestic wells must be approved by the Carteret County Health Department. Approved well location must be shown on the site plan submitted to the ARB.
2. Location, type, color, size, and material of all decorative yard objects, including fountains, pedestal-mounted birdbaths, flagpoles etc., must be submitted to the ARB for approval.
3. Outdoor antennas, satellite receivers or towers are not permitted without prior written consent of the ARB. Satellite dishes not to exceed 18" in diameter are not prohibited and requests for all satellite dishes will be reviewed on an individual basis based on its location to minimize any visual impact on the structure to others.
4. All utilities/meters, garbage containers shall be screened or walled from streets or adjoining properties.
5. No clotheslines are allowed; all drying of wash must be done indoors.
6. Tennis courts or other recreational amenities are not permitted on any Homesite within the Development unless approved by the ARB.

MAILBOXES/ADDRESS SIGNS/BANNERS/LETTER PLAQUES

1. All mailboxes must be the approved standard/version by the ARB.
2. No signs are permitted on property or Residence Units at any time without approval of the ARB.

FENCES

1. No fences or walls shall at any time be erected or maintained upon the property or any Homesite, unless they are specifically approved by the ARB.

2. Fence materials, height, location and construction must be approved by the ARB.
3. Fences for service courts to screen trash receptacles and to contain animals are encouraged and will be reviewed on an individual basis however in no case will a chainlink fence be approved.

GARAGES/DRIVEWAYS

1. No street side parking areas may be created by extending any portion of the street pavement.
2. Garage doors must be installed and used; no carports are permitted.
3. Where possible, garage opening on corner Homesites shall be from the least traveled street.
5. Dual driveway street connections are not permitted. Exceptions will to be considered for persons constructing a Residence Unit within two adjoining Homesites.
6. Driveway Culverts: each owner, if required by the ARB in the approval of the plans process, when making a driveway connection to the street or to a cul-de-sac, will provide a suitable drainage culvert so as to allow for unimpeded water movement along the existing roadway swale, and will maintain that culvert at all times in such a way that it does not become an eyesore or disturb the desired drainage patterns in the swale system.
7. Driveway materials to be approved by the ARB.

EXTERIOR LIGHTING

1. All proposed exterior lighting shall be detailed on landscape plans. Details of columns/post lights must be submitted with initial plans for review by the ARB. No exterior lighting shall be permitted which would create a possible nuisance to adjoining property owners. Type and strength of light must be indicated.
2. Light posts greater than 6" in diameter shall be no more than 5' in height including light fixture. Light posts less than 6" in diameter shall be no more than 7' in height, including fixture.
3. Post/Column lighting located at front drive entry is permitted with a restriction of one such fixture for each driveway entry.

AWNINGS/SHUTTERS

1. Awnings, canopies, and shutters must be included with all plans for review by the ARB.
2. Extruded aluminum, fiberglass or plastic materials are not permitted for awnings/canopies.
3. Vinyl shutters are permitted on houses and if used, must be located on all elevations (front, rear, sides) where feasible and appropriate.

LANDSCAPING AND IRRIGATION

The ARB strongly suggests the use of competent landscape design professionals in the development of the landscape plan. Such an individual will be familiar with Stanton Landing's requirements and can provide a landscape that will enhance the value of a Residence Unit as well as Stanton Landing community.

The landscape requirements are given as guidelines for designing a landscape plan. The designer has the latitude to use creative skills in designing a landscape plan. The ARB encourages creative landscape design that is unique to the particular residence site being

969
BOOK PAGE *93*

considered and reserves the right to enforce the requirements and other below listed parameters at all times.

1. A landscape plan must be submitted for review at the time house plans are submitted.
2. After approval of a landscape plan and before completion of the house, changes to the approved landscape plan may be submitted for review to account for unexpected site appearances, provided such a revised plan is not of a lesser overall quality than was originally approved.
3. Plants indigenous to the area should be utilized.
4. Although irrigation systems are not required, the ARB strongly recommends an automatic irrigation system for landscaping.
5. For each driveway entry from the street, one post/column is permitted to be used as a driveway entry marker provided there is appropriate landscaping in and around the fixture.

THE FOLLOWING REPRESENTS MANDATORY LANDSCAPING REQUIREMENTS IN THE PLAN DEVELOPMENT PROCESS AND AT THE TIME OF INSTALLATION:

Layered plantings around all elevations (front, rear & sides)

Plant sizes must be proportionate to wall/foundation exposure

Areas under decks must be fully screened with appropriate size plant materials

Mechanical equipment, propane and fuel tanks and garage openings must be

screened with appropriate size plant materials (aluminum 5 gal size)

CHANGES TO EXISTING SITE LANDSCAPING AFTER OCCUPANCY

1. Other than seasonal plantings, additions to existing landscaping are

BOOK 969 PAGE 93

encouraged and do require ARB approval.

2. Landscape removal and changes shall require approval of the ARB.
3. Landscape changes or additions outside the building setback limit requires approval of the ARB.

CLEARING, GRADING, AND DRAINAGE

No change in the natural drainage shall be made by any Homesite Owner or Residence Unit Owner without prior written approval from the ARB. No changes other than general maintenance can be made to any drainage easement unless approved by the ARB.

Easements shown on recorded plats cannot be changed without approval of the ARB.

All planned Homesite grading shall be approved in advance by the ARB.

1. No site improvements, construction or clearing of Homesites may begin until plans are approved, the building corners staked, and a building permit received and posted on site
2. Applicant shall be responsible for grading and surface drainage, so that surface run-off does not adversely affect adjoining properties or roadways.

CONSTRUCTION SITE REQUIREMENTS

1. All job sites shall be kept in a clean and orderly condition. No materials or equipment shall be stored or placed in the right-of-way areas or drainage swale.

BOOK 969 PAGE 93

2. The proposed driveway entrance shall be installed prior to construction.
3. Erosion control measures shall be installed as necessary to control erosion or run-off on adjoining properties. All erosion or sediment caused by construction activities shall be cleaned immediately and/or removed and preventive measures taken to avoid a recurrence.
4. No signage is permitted on any job site unless required by law or approved by the ARB. No sub-contractor signs are permitted on the construction site.
5. All Builders are required to keep on record with the Developer and ARB a 24-hour emergency phone number.
6. No alcoholic beverages or illegal drugs are permitted on job sites.
7. The playing of music that is loud enough to be heard beyond site is prohibited
8. Any agents, subcontractors, and employees of Builders who violate construction site requirements or ARB rules may be removed and prevented from entering Stanton Landing.
9. All supplies should be kept stacked.
10. All builders are required to use dumpsters for collecting scraps of building materials. Dumpsters must be emptied when the debris accumulates to a visible height of more than one foot above the sides
11. Contractors are responsible for maintaining sites litter free. Violations will be handled as a serious matter by the ARB.
12. No Construction vehicles may be parked overnight anywhere within Stanton Landing. Exceptions can be made for small tractors being used for final grading. No vehicles shall be parked outside the property lines of the work site.

BOOK 969 PAGE 93

13. On-Site building materials should be limited to those required for remaining construction at that site. As examples:

- A. Quantities of concrete block should not be maintained on-site after completion of the foundation.
- B. Surplus bricks, sand and mortar mix should not be retained on-site after completion of masonry work.
- C. At no time should a building site be used as a storage site for vehicles or equipment not being used at the time in current construction activities.

14. No open burning is permitted at any time without prior written approval of the ARB and fire department authorized to serve premises.

15. Contractors will be responsible for the repair of any damage to development property or equipment occurring during construction. This includes, but is not limited to such things as disturbed casements on adjacent/across the street areas caused by vehicle parking.

METHOD OF AMENDING AND MODIFYING THE ARB POLICIES AND PROCEDURES

The Board of Stanton Landing Property Owners' Association either upon its own, or after recommendation by consultants, or by any Committee which it has appointed, may make changes to the Policies and Procedures of the Architectural Review Board without being required to record a copy of such plan

as an amendment to the Declaration of Covenants, Conditions, Easements, Restrictions, Charges, Liens and Reservations for Stanton Landing. The Board of the Association shall maintain the most recent version of Policies and Procedures at the Association's Office and shall make copies available to any Member upon payment of reasonable reproduction expense. Any Member should obtain a copy for review as a part of any initial plans for construction or improvement on any Homesite or Residence Unit.

BOOK 969 PAGE 93

SECTION IV.

ARCHITECTUAL REVIEW BOARD APPLICATION & FORMS



969 10/21/93

Office Use only: Fee Paid _____ Date: _____ 1

Stanton Landing Property Owners' Association

ARCHITECTURAL REVIEW BOARD APPLICATION

Date _____ Lot # _____ Location _____

Owner's Name _____

Address _____

City/State _____

Zip _____ Phone _____ Fax# _____

Contractor's Name _____ NC License _____

Address _____ City/State _____ Zip _____

Phone _____ Fax # _____

Preliminary Submissions: Two (2) sets of plans, including site, floor, exterior elevations of ALL sides required with check for \$100.00 made payable to Stanton Landing Property Owners' Association ARB as application fee. Final Submissions: Four (4) sets of plans and two (2) copies of a landscape plan are required

Square Footage: Heated _____ Garage _____ Porches _____ Deck _____ Patio _____

Building Setbacks:(Actual) Front _____ Rear _____ Right Side _____ Left Side _____

EXTERIOR MATERIALS

Materials

Color (Including Manufacturer where appropriate)

Walls _____

1

969

93

Trim _____

Soffit _____

Facia _____

Frieze Board _____

Chimney _____

Foundation Facing _____

Windows _____

Shutters _____

Doors: _____

Front _____

Garage _____

Other _____

Deck _____

Patio _____

Roof _____

Roof Pitch _____ Roof Vent Type _____ Color _____

Fireplace(s) Check: Wood Burning _____ Vented Gas _____ Ventless _____

SITE PLAN INFORMATION

Driveway Material _____ Driveway Edge _____

Walkway(s) Material _____

Heat Pump/AC: # units _____ Locations (shown on site plan) _____

Propane Tank?: Size _____ Location (shown on site plan) _____

Retaining Walls? Yes No (If any, location must be shown on site plan and separate drawings, including cross-section must be submitted)

Site Lighting? Yes No (If stock light posts, pictures must be submitted. If constructed on property, separate drawings must be submitted with picture of light fixtures).

Gutters/Downspouts? No Yes Color (Show drainage routing on site plan)

Date

Owner

Lot #

CONSTRUCTION APPLICATION, DEPOSIT AND AGREEMENT

**STANTON LANDING PROPERTY OWNER'S ASSOCIATION
ARCHITECTUAL REVIEW BOARD
101 DOLPHIN WAY BEAUFORT, NC 28516**

CONTRACTOR'S INFORMATION:

NAME

ADDRESS

BOOK PAGE

PHONE# _____

NC CONTRACTOR'S LICENSE # _____

CONSTRUCTION LOCATION

ADDRESS _____

OWNER _____

TYPE OF CONSTRUCTION

NEW CONSTRUCTION _____

IMPROVEMENT
(DESCRIPTION) _____

RESTAINING OR REPAINTING (COLORS) _____

REROOFING (WEIGHT, COLOR, MANUFACTURER) _____

AGREEMENT:

I, _____, AS PROPERTY

OWNER, AND I, _____, AS

CONTRACTOR FOR THE ABOVE DESCRIBED CONSTRUCTION PROJECT, ACKNOWLEDGE

AND AGREE THAT:

1. We have read and understand the Covenants and Restrictions applicable to the property and all Architectural Review Board Policies and Procedures and will obey and follow said Covenants, Restrictions, Policies and Procedures.
2. We are responsible for completing the project as described by the drawings and specifications approved by the Board.
3. We will maintain a clean construction site at all times and install a commercial dumpster and job toilet in conformance with ARB Policies and Procedures.
4. We are responsible for the conduct of all workers performing services on the project at all times while they are engaged by us.

BOOK 969 PAGE 93

Signature _____ Date _____

Signature _____ Date _____

969 93

IN WITNESS WHEREOF, the undersigned Declarant has hereunto executed this document on the date first above written.

U.F.S., LLC

By: Gary A. Hill, Sr.
Gary A. Hill, Sr., Member/Manager

STATE OF NORTH CAROLINA
COUNTY OF CARTERET

I, Judith Bass, a Notary Public of the County and state aforesaid, certify that GARY A. HILL, SR., MEMBER/MANGER OF U.F.S., LLC, a limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

Witness my hand and official stamp or seal, this 18 day of December, 2002.

Judith Bass
Notary Public

My Commission Expires: 3-21-07

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.

By Melanie Arthur
Melanie Arthur, Register of Deeds
Asst. Deputy, Register of Deeds