

The DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS OF PLANTATION HARBOR dated October 13, 1988, and its amendments are recorded in Craven County starting on page 36 of book 1202. Contact the Register of Deeds for an official copy.

The Plantation Harbor Home Owners' Association, PHPOA, has unofficially reproduced the "Covenants" and their Amendments in the following pages.

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DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS
OF
PLANTATION HARBOR
(A Planned Unit Development)

This DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS OF PLANTATION HARBOR made and entered into as of the 13th day of October, 1988, by and between JERRY A. JACKSON and wife, A. DENISE JACKSON; and ALL PROSPECTIVE PURCHASERS OR OWNERS of Lots 1 through 39, 80 through 84, 89 through 98 and 106 through 110, inclusive shown and depicted on the plat entitled "PLANTATION HARBOR" recorded in Plat Cabinet E, Slide 209 through 216, Craven County Register of Deeds Office and any other Lots which are hereafter annexed into the subdivision;

WITNESSETH:

WHEREAS, Jerry A. Jackson and wife, A. Denise Jackson (hereinafter collectively called Declarant) are the Owners of the Lots and Community Use Areas lying and being situate in Craven County, North Carolina, and being more particularly described as follows:

Lots:

Lots 1 through 39, 80 through 84, 89 through 98 and 106 through 110, as shown on the plat of Plantation Harbor recorded in Plat Cabinet E, Slides 209 through 216, in the Craven County Register of Deeds Office; excepting Lot 18, which is a Community Use Area.

Community Use Areas:

Those tracts described in Attachment A which is attached hereto and incorporated herein by reference; and,

WHEREAS, Declarant desires to develop a planned unit single family residential community and intends by the recordation of this Declaration to impose certain rules, regulations, restrictions, covenants, conditions, reservations, exceptions, and easements contained herein (hereinafter sometimes called Restrictions) on the land depicted on the aforesaid map and any other land which is hereafter annexed into the planned unit development to the end that the Lots and Community Use Areas defined herein shall be held subject to said restrictions.

NOW, THEREFORE, the Declarant does hereby declare that the Restrictions contained herein shall run with the property defined herein as Lots; shall be a burden on and a benefit to such property; shall be binding on all parties having or acquiring any right, title, or interest in the property or any part thereof; and shall inure to the benefit of each Owner of any part thereof.

A.

Definitions

As used herein,

(1) "Articles" means the Articles of Incorporation of Plantation Harbor Property Owners Association, Inc.

(2) "Bylaws" means the Bylaws of Plantation Harbor Property Owners Association, Inc.

(3) "Community Use Areas" means all real property (including the improvements thereto) and interests in real property now owned or hereafter acquired by the Corporation for the common use and enjoyment of the Owners. The Community Uses Areas to be conveyed to and owned by the Corporation are the areas described in Attachment A, which is attached hereto and incorporated herein by reference. The Community Use Areas are subject to those easements set forth in this instrument, including but not limited to, Article I hereof.

(4) "Corporation" means Plantation Harbor Property Owners Association, Inc., its successors and assigns.

(5) "Declarant" means Jerry A. Jackson, A. Denise Jackson and any other person or entity who acquires title to ten or more lots on which no Dwelling has been constructed at the time of such acquisition.

(6) "Dwelling" means a structure located on a Lot built in accordance with the requirements of Articles J and L hereof.

(7) "Lot" means a separately numbered tract of land shown on the aforesaid plat and, any other separately numbered tract of land which is annexed into the Subdivision upon which a Dwelling is to be

built. At the present time, the Lots are numbered 1 through 39, 80 through 84, 89 through 98 and 106 through 110, inclusive, excluding Lot 18, which is a Community Use Area. "Lot" shall not include any portion of the Community Use Areas as defined herein. Until such time as the other lots shown on the aforesaid plat have been annexed into the Subdivision as specified herein, these Restrictions shall not apply to them.

(8) "Owner" means the record Owner, whether one or more persons, of fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

(9) "Person" or "persons" means any individual, group of individuals, corporation, partnership or any other entity, including any combination thereof.

(10) "Subdivision" means all of the property defined herein as Lots and Community Use Areas and such additions or annexations of property which may hereafter be brought within the jurisdiction of the Corporation. The Subdivision is a planned unit development.

(11) "Board of Directors" means the Board of Directors of Plantation Harbor Property Owners Association, Inc.

(12) "Declaration" means this Declaration of Covenants, Conditions, Restrictions and Easements of Plantation Harbor and any amendments thereto.

(13) "Eligible Mortgage Holder" means any holder, insurer, or guarantor of a first mortgage on a Lot who has requested that the Corporation notify them of any proposed amendment to the Declaration, the Articles, or the Bylaws.

(14) "Recreational Areas" or "Recreation Areas" means those portions of the Community Use Areas which are to provide areas for Lot Owners to engage in recreational activities and which are not necessary for ingress, egress or regress or utilities for any Lot or Lot Owner.

B.

Membership

(1) A Corporation named Plantation Harbor Property Owners Association, Inc. Has been or will be formed pursuant to the rules and requirements of the Nonprofit Corporation Act (Chapter 55A) of the General Statutes of North Carolina as an association of the Owners of Lots. Its purposes are to own, manage, maintain, and operate the Community Use Areas and facilities located upon the Community Use Areas, specifically including, but not limited to, the entire central wastewater collection, treatment and disposal system and all streets in the Subdivision; to maintain the entrance area, including any fences, guardhouses, or walls constructed at the entrance; to enforce the Restrictions contained herein; and to make and enforce rules and regulations governing the Owners' use and occupation of Lots and Community Use Areas.

(2) Each Owner of each Lot within the Subdivision shall be a member of the Corporation. The Declarant, by this Declaration, and the Owners of individual Lots by their acceptance of individual deeds thereto, covenant and agree with respect to the Corporation: (A) That for so long as each is an Owner of a Lot within the Subdivision, each will perform all acts necessary to remain in good and current standing as a member of the Corporation; (B) That each shall be subject to the rules and regulations of the Corporation with regard to ownership of a Lot; and (C) That any unpaid assessment, whether general or special, levied by the Corporation in accordance with these Restrictions, the Articles or the Bylaws shall be a lien upon the Lot upon which such assessment was levied and shall be the personal obligation of the person who was the Owner of the Lot at the time the assessment fell due.

(3) Each membership in the Corporation shall relate to and have a unity of interest with an individual Lot which may not be separated from ownership of said Lot. The books and all supporting documentation of the Corporation, the Declaration, the Articles, the Bylaws, and all amendments thereto shall be available for examination by all Lot owners, and their lenders or their lenders' agents during normal business hours at the principal office of the Corporation.

(4) The Corporation shall have two classes of members:

CLASS A – Class A members shall be all owners, with the exception of any Owners who qualify as Class B members, and they shall be entitled to one vote for each Lot owned; provided, however, when more than one Person holds an interest in any Lot, all such Persons shall be members; however, the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote or any fraction of a vote be cast with respect to any Lot. For so long as the Declarant is a Class B member, it shall not be a Class A member.

CLASS B – Class B member(s) shall be the Declarant and they shall be entitled to three votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(A) On January 1, 1994; or,

(B) When the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership; provided, however, that in the event additional land is annexed into the Subdivision pursuant to the development of such additional property by the Declarant as provided in the Declaration and before the date in subparagraph (A) above, Class B Membership shall be reinstated for all lots owned by Declarant until January 1, 1994 or until the total votes in the Class A Membership equal or exceed the total votes in the reinstated Class B Membership. In calculating the number of votes in Class B Membership all Lots owned by Declarant (specifically including Lots already in the Subdivision and those Lots newly annexed into the Subdivision) shall be included and entitled to reinstated Class B Membership. There is no limit on the number of times Class B Membership may be reinstated.

C.

Management and Administration

The management and administration of the affairs of the Community Use Areas of the Subdivision shall be the sole right and responsibility of the Corporation. The Corporation shall be fully responsible for the maintenance, management and operation of the entire wastewater collection, treatment and disposal system and all roads and streets in the Subdivision. The management shall be carried out in accordance with the terms and conditions of these Restrictions, the Articles and the Bylaws of the Corporation, but may be delegated or contracted to managers or management services. Provided, however, any contract, including a contract with a professional management service, entered into by the Corporation prior to the termination of the Class B membership must contain a provision allowing the Corporation to terminate, without penalty or extra charge, the contract without cause at any time after the termination of the Class B membership upon thirty (30) days advance notice. Except the contract and agreement between Corporation and Jerry A. Jackson and A. Denise Jackson provided in the deed from Jerry A. Jackson and wife A. Denise Jackson to the Corporation for Community Use Areas shall not be terminable except upon written consent of Jerry A. Jackson and Corporation. The roads and streets in the Subdivision shall not be maintained by the State or County. The Corporation affirmatively assumes the responsibility and agrees to maintain the roads and streets in the Subdivision.

D.

Community Expenses

The Community expenses of the Subdivision include:

(1) All amounts expended by the Corporation in operating, administering, managing, repairing, replacing and improving the Community Use Areas of the Subdivision specifically including, but not limited to, the entire wastewater treatment, collection and disposal system, and all of the streets and roads in the Subdivision; all amounts expended by the Corporation in maintaining the entrance area, including any fences, guardhouses, or walls; all amounts expended by the Corporation in insuring the Community Use Areas in the Subdivision; all amounts expended by the Corporation in legal, engineering, or architectural fees; all similar fees which may be incurred by the Corporation from time to time in performing the functions delegated to the Corporation by these Restrictions; and all amounts expended in any form by the Corporation in enforcing these Restrictions, the Articles or the Bylaws.

(2) All amounts expended by the Corporation in carrying out any duty or discretion as may be required or allowed by these Restrictions, the Articles or the Bylaws.

(3) All amounts declared to be Community Expenses in the Bylaws or in these Restrictions.

(4) All taxes and special assessments which may be levied from time to time by any governmental authority upon the Community Use Areas in the Subdivision.

E.

Monthly General Assessments

(1) The Declarant for each Lot owned hereby covenants and each Owner of any Lot by acceptance of a deed for same (whether or not it shall be so-expressed in such deed) is deemed to covenant and

agrees to pay to the Corporation monthly general assessments or charges as hereinafter provided. The monthly general assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge and lien on the land and, subject to the provisions of Paragraph 8 of this Article, shall be a continuing lien upon the property against which each such assessment is made. Furthermore, each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the owner of the Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to a successor in title to a Lot unless expressly assumed by them but, subject to the provisions of this Declaration, delinquent assessments shall continue to be a lien upon such Lot.

(2) Until January 1, 1989, the monthly general assessment shall be Thirty-Five Dollars (\$35.00) per lot.

(A) From and after January 1, 1989, the monthly general assessment may be increased each year not more than ten percent (10%) above the assessment for the previous year without any vote of the membership.

(B) From and after January 1, 1989, the monthly general assessment may be increased by an amount greater than ten percent (10%) of the assessment for the previous year provided the proposed increase is approved by a vote of two-thirds (2/3) of each class of members who are voting in person or by a proxy, at a meeting duly called for this purpose.

(C) The Board of Directors may fix the monthly general assessments which come due after January 1, 1989, at an amount not in excess of the ceiling established herein.

(D) Once the monthly general assessment has been set, notice of the monthly general assessment shall be given to all Lot Owners by hand delivery or by placing written notice in the United States Postal Service with postage prepaid to the last address shown on the Corporation's records. After the initial notice of the assessment, no bills for such assessment will be forwarded to any Owner but such assessment thereafter shall become due and payable as provided by the Board of Directors.

(E) As provided in the Bylaws and subject to the restrictions and limitations provided herein, the Board of Directors shall establish an Annual Budget in advance for each fiscal year. Such Budget shall project all expenses for the forthcoming fiscal year which may be required for the proper operation, management and maintenance of the Corporation and the Community Use Areas, including a reasonable allowance for contingencies and reserves. The budget shall take into account any projected or anticipated income. The Board of Directors shall keep separate, in accordance with Paragraph "F" hereof, items relating to the daily operation, management and maintenance of the Corporation and Community Use Areas from items relating to capital improvements. Upon adoption of such Annual Budget by the Board of Directors, copies of said budget shall be delivered to each Owner and the assessment for said year shall be established, subject to the restrictions and limitations provided herein, based upon such budget; however, the delivery of a copy of said Budget to each Owner shall not affect the liability of any owner of such assessment. The Annual Budget shall be divided by the number of Lots subject to the monthly general assessments at the time of the annual meeting of the members and the quotient shall be the annual general assessment per lot for the succeeding fiscal year. The annual general assessment per lot shall then be divided by twelve (12) to determine the monthly general assessment per lot, subject to such limitations and restrictions, set forth herein. In determining the

number of lots subject to the monthly general assessments, any lot which is owned by a Class B member shall only be considered one-fourth (1/4) of a Lot.

(F) The Board of Directors, in establishing the Annual budget for operation, management and maintenance of the Corporation and Community Use Areas, shall designate therein a sum to be collected and maintained as a reserve fund for the periodic maintenance, repair and replacement of capital improvements to the Community Use Areas, which Capital Improvement and Replacement Fund (Capital Improvement Fund) shall be for the purpose of enabling the Corporation to maintain, repair or replace structural elements and mechanical equipment constituting a part of the Community Use Areas, as well as the replacement of personal property which may constitute a portion of The Community Use Areas held for the joint use and benefit of the Owners. The amount to be allocated to the Capital Improvement Fund may be established by said Board of Directors so as to collect and maintain a sum reasonably necessary to anticipate the need for repair, maintenance and replacement of Capital Improvements to the Community Use Areas. The amount collected for the Capital Improvement Fund shall be maintained in a separate account by the corporation and such monies shall be used only for periodic maintenance, repair and replacement of Capital Improvements to the Community Use Areas. The Capital Improvement Fund shall be maintained out of the monthly general assessments. Any interest earned on monies in the Capital Improvement Fund may, in the discretion of the Board of Directors, be expended for daily operation, management and maintenance of the Corporation and Community Use Areas. In establishing the Capital Improvement Fund, specific consideration shall be given to the entire wastewater collection treatment, and disposal system and the streets in the Subdivision.

(G) Additionally, a working capital fund shall be established for the initial months of the Corporation's operation equal to two (2) months' monthly general assessment for each Lot. Each Lot's share of the working capital fund shall be collected and transferred to the Corporation at the time of closing of the sale of each Lot and maintained in the Corporation's account for the use and benefit of the Corporation. The contribution to the working capital fund for each unsold Lot shall be paid to the Corporation within sixty (60) days after the date of the conveyance of the first Lot in the Subdivision. The purpose of the working capital fund is to insure that the Corporation will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the Corporation. Amounts paid into the working capital funds are not to be considered as advance payments of regular monthly general assessments.

(H) All monies collected by the Corporation shall be treated as the separate property of the Corporation and such monies may be applied by the Corporation to the payment of any expense of operating and managing the Corporation, or the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles and the Bylaws, except that monies placed in the Capital Improvement Fund shall be used only for the specified purposes of said fund. As monies for any assessment are paid into the Corporation by any Owner, the same may be commingled with monies paid to the Corporation by the other Owners. Although all funds, including other assets of the Corporation, and any increments thereto or profits derived therefrom or from the leasing or use of Community Use Areas, shall be held for the benefit of the members of the Corporation, no member of the Corporation shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Lot. When the Owner of a Lot shall cease to be a member of the Corporation by reason of his divestment of ownership of such Lot, by whatever means, the Corporation shall not be required to account to such Owner for any share of the fund or assets of the Corporation, including any monies which Owner may have paid to the Corporation, as all monies which any Owner has paid to the Corporation shall be and constitute an asset of the Corporation which may be used in the operation and management of the Corporation. The entire wastewater treatment, collection and disposal system shall receive the highest priority for expenditures by the Corporation except for Federal, State and local taxes and insurance.

(3) Written notice of any meeting called for the purpose of taking any action Authorized under Paragraph 2(B) shall be sent to all members not less than thirty (30) days, nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

(4) Annual and special assessments shall, except as otherwise provided herein, be fixed at a uniform rate for all Lots. However, for so long as there is a Class B member of the Corporation, the Lots owned by the Class B member shall be liable for and the Class B member shall pay on each such Lot as a monthly general assessment only twenty-five percent (25%) of the amount of the monthly general assessment then being levied by the Corporation on each Lot. This reduction in the amount of monthly general assessments due on Lots owned by the Class B member shall terminate as to a particular Lot upon the Lot being conveyed by the Class B member by deed, lease or rental agreement (excluding mortgage or deed in trust); further, this reduction in the amount of monthly general assessments due by the Class B member shall cease upon the termination of Class B membership as herein provided. However, the reduction shall be reinstated for Lots owned by a Class B member if the Class B membership is reinstated and such reinstatement shall be in force until the Class B membership is subsequently terminated. There is no limit on the number of times the reduction for Class B members may be reinstated.

(5) The monthly general assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Community Use Areas to the Corporation. The monthly general assessments shall be payable monthly, with the due date for such payments being as established by the Board of Directors. The payment of any assessment or installment thereof shall be in default if such assessment or installment is not paid to the Corporation within thirty (30) days of the due date for such payment. When in default, the delinquent assessment shall bear interest at the rate of ten (10%) per annum until such delinquent assessment and all interest due thereon has been paid in full.

(6) The monthly general assessments levied by the Corporation shall be used exclusively to improve, maintain and repair the Community Use Areas, including the entire wastewater collection, treatment and disposal system and all of the streets and roads in the Subdivision, to pay the expenses of the Corporation, to pay the cost of lighting the Community Use Areas, to pay the cost of maintaining the entrance, to pay the cost of mowing the Community Use Areas, to pay the cost of any insurance the Corporation determines to purchase and to promote the recreation, health, safety and welfare of the members. Taxes, hazard insurance, and maintenance on Dwellings and Lots shall not be a purpose of said assessments; but rather, shall be an individual cost to be borne by each Lot Owner.

(7) The Corporation shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Corporation setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Corporation as to the status of assessments on a Lot is binding upon the Corporation as of the date of its issuance.

(8) The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a first mortgage or any proceeding in lieu therefor, shall extinguish

the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof.

F.

Special Assessments

Special assessments may be levied against Lots for such reasons as are provided in these Restrictions, the Articles or the Bylaws, and on such terms as provided by the directors and members. Upon a two-thirds (2/3) vote of the Directors and a two-thirds (2/3) vote of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, the Corporation may levy and impose special assessments. The purpose for which special assessments may be levied include, but are not limited to, providing funds to pay Community Expenses which exceed the general assessment fund then on hand to pay same (specifically including the cost of any construction, reconstruction or repair or replacement of a capital improvement upon the Community Use Areas, including fixtures and personal property related thereto) and providing a contingency fund for capital improvements and extraordinary expenses. Furthermore, special assessments may be assessed against specific Lots. In the event the Owner of a lot fails to maintain the Lot and prevent the unattractive growth or accumulation of rubbish on a Lot, or fails to maintain the individual lift stations (including the tanks, pumps and electrical controls to such) on the Lots, the Corporation, upon a two-thirds (2/3) vote of the Directors, may perform such task or remedy such matter and levy the cost of such performance against the Owner of such Lot and such Lot as a special assessment. Corporation specifically reserves an easement over, upon and through any and all Lots for such purpose. Notwithstanding anything contained herein, leaving the Lots in their natural wooded state shall be permitted. Special Assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge and lien on the land and subject to the provisions of Paragraph 8 of Article E, shall be a continuing lien upon the property against which each such assessment is made. Furthermore, each such assessment, together with interest, court costs, and reasonable attorneys' fees, shall be the personal obligation of the person who was the owner of the Lot at the time when the assessment fell due. The personal obligation for delinquent special assessments shall not pass to a successor in title to a Lot unless expressly assumed by them but, subject to the provisions of this Declaration, delinquent special assessments shall continue to be a lien upon such Lot.

Written notice of any meeting of the members called for the purpose of levying and imposing special assessments shall be sent to all members not less than thirty (30) days, nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

G.

Lien for Assessments

Any general or special assessment, if not paid within thirty (30) days after the date such assessment is due, together with interest at the rate of ten percent (10%) per annum, costs of collection, court costs, and reasonable attorneys fees shall constitute a lien against the Lot upon which such assessment is levied. The Corporation may record notice of the same in the Office of the Clerk of Superior Court of Craven County or file a suit to collect such delinquent assessments and charges. The Corporation may

file Notice of Lis Pendens, bring an action at law against the Owner personally obligated to pay the same and/or bring an action to foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessment provided for herein.

H.

Compliance With This Declaration

The Articles and The Bylaws of the Corporation

In the case of failure of a Lot Owner to comply with the terms and provisions contained in these Restrictions, The Articles or the Bylaws of the Corporation, the following relief shall be available:

(1) The Corporation, an aggrieved Lot Owner or Owners within the Subdivision on behalf of the Corporation, or any Lot Owner on behalf of all the Lot Owners within the Subdivision shall have the right to bring an action and recover sums due, damages, injunctive relief, and/or such other and further relief as may be just and appropriate.

(2) The Corporation, upon compliance with the notice and hearing provisions specified herein, shall have the right to remedy the violation and assess the costs of remedying same against the offending Lot Owner as a special assessment. Provided, however, the Corporation shall not alter or demolish any items of construction without prior court approval.

(3) If the violation is the nonpayment of any general or special assessment upon compliance with the notice and hearing provisions specified herein, the Corporation shall have the right to suspend the offending Owner's voting rights and the use by such Owner, his agents, employees and invitees of the Recreation Areas in the Subdivision for any period during which an assessment against the Lot remains unpaid.

(4) The remedies provided by this Article are cumulative, and are in addition to any other remedies provided by law.

(5) The failure of the Corporation or any Person to enforce any restriction contained in these Restrictions, the Articles or the Bylaws shall not be deemed to waive the right to enforce such restrictions thereafter as to the same violation or subsequent violation of similar character.

(6) (a) Notice. In the event the Declaration, a rule or restriction contained in the Declaration or Bylaws of the Corporation, or a rule or regulation adopted pursuant thereto is violated (including nonpayment of assessments), the Board of Directors shall serve the violator and Owner with written notice sent by certified mail return receipt requested to the violator and Owner (at the Lot address or at any other address or addresses that the Owner may have designated to the Corporation in writing), which shall contain: (i) The nature of the alleged violation; (ii) the proposed sanction to be imposed; (iii) a statement that the violator may challenge the fact of the occurrence of a violation, the proposed sanction, or both; (iv) the name, address, and telephone number of a person to contact to challenge the proposed action; and (v) a statement that the proposed sanction shall be imposed as contained in the notice unless

a challenge is begun within ten (10) days of the date of the notice. If a challenge is not made, the sanction shall be imposed not less than ten (10) days from the date of the notice.

(b) Hearing. If the alleged violator challenges the proposed action within the time period allowed, a hearing before the Board of Directors shall be held in executive session affording the alleged violator a reasonable opportunity to be heard. The hearing shall be set and notice of the time, date (which shall not be less than ten (10) days from the giving of notice), and place of the hearing and an invitation to attend the hearing and produce any statements, evidence, and witnesses shall be sent to the alleged violator. Prior to the effectiveness of any sanction hereunder, proof of notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer or director who delivered such notice. The notice requirement shall be deemed satisfied if a violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and sanction, if any, imposed.

(c) Additional Enforcement Rights. Notwithstanding any other provisions in the Declaration or the Bylaws to the contrary, the Corporation, acting through its Board of Directors, may elect to enforce any provision of the Declaration, the Bylaws, or the rules and regulations by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity for compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the owner or occupant responsible for the violation for which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

I.

Property Rights of Lot Owners

Cross-Easements, and Exceptions
and Reservations by Declarant

(1) Every Owner of a Lot within the Subdivision as an appurtenance to such Lot shall have a non-exclusive perpetual easement over and upon the Community Use Areas within the Subdivision for each and every purpose or use to which such Community Use Areas were intended as determined by their type, or for which such Community Use Areas generally are used. Every Lot in the Subdivision shall have and is hereby granted a non-exclusive right to use the central sewage system for the sewage from a dwelling constructed on the Lot. Such easements and rights shall be appurtenant to and shall pass with the title to every Lot located within the Subdivision, whether or not specifically included in a deed thereto, subject to the following provisions:

(A) The Corporation shall have the right to make reasonable rules and regulations respecting the use of same. Specifically including the right to construct a gate, guardhouse, and take other security measures in the Community Use Areas upon a majority vote of the members.

(B) The Corporation shall have the right, upon compliance with the notice and hearing provisions specified herein, to suspend the voting rights of a Lot Owner and his right to use the Recreation Areas within the Subdivision for any period during which any due assessment against such Owner's Lot remains unpaid as is provided in Article H hereof, and for a period not to exceed sixty (60) days for any infraction of its published Rules and Regulations.

(C) Parking in the Community Use Areas may be restricted and assigned by the Corporation to such parking areas as may be determined and designated by the Corporation. The Corporation may make reasonable rules respecting parking.

(D) The Corporation shall have the right to charge reasonable admission and other fees for the use of any recreation facility situated upon the Community Use Areas.

(E) The right of the Corporation to dedicate or transfer fee simple title to all or any part of the Community Use Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of members has been recorded.

(2) The Corporation hereinafter may grant easements for utility purposes for the benefit of the Subdivision and the Lots now or hereafter located therein, over, under, along and through any Community Use Area located within the Subdivision.

(3) Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Community Use Areas and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

(4) Easements for the installation and maintenance of utilities and drainage facilities as shown on the recorded plat are hereby reserved by the Declarant. Except as otherwise provided herein, no structure, fence, planting, or other material shall be placed or permitted to remain within these easements, which may interfere with the installation and maintenance of utilities, which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. Declarant specifically reserves the right to grant any public utility or municipality, including Carteret-Craven Electric Membership Corporation, similar nonexclusive easement rights in said utility and drainage easements shown on the aforesaid plat and reserved herein.

(5) The Declarant reserves the right to subject the Lots in the Subdivision to a Contract with Carteret-Craven Electric Membership Corporation, Carolina Power & Light Company or any other public utility or municipality for electricity and lighting to the Lot, including the installation of underground electric cables, which contract may require an initial payment and/or continuing monthly payments to Carteret-Craven Electric Membership Corporation, Carolina Power & Light Company or any other municipality or public utility by the Owner of each Lot. Such expense, including both initial and continuing monthly payments, shall be an individual cost to be borne by each individual Lot Owner and is not covered by the general assessments.

(6) The Declarant reserves the right to subject the Lots in the Subdivision to a Contract with Carteret-Craven Electric Membership Corporation, Carolina Power & Light Company or any other public utility or municipality for street lights for the Community Use Areas which contract may require an initial payment and/or continuing monthly payments to Carteret-Craven Electric Membership Corporation,

Carolina Power & Light Company or any other public utility or municipality. Such expense is included in the general assessments.

(7) Additional residential property and Community Use Areas may be annexed into the Subdivision and the Corporation with the written consent of two-thirds (2/3) of each class of members. Provided, however, additional land within the area described in the deed recorded in Book 1190, Page 115, in the Office of the Register of Deeds of Craven County may be annexed by the Declarant without the consent of the members within five (5) years of the date of this instrument. Annexation of additional property shall be accomplished by recording a Declaration of Annexation describing the property annexed and incorporating the provisions of this declaration by reference. The additional land shall be deemed annexed into the Subdivision and under the jurisdiction of the Corporation on the date of the recordation of the Declaration of Annexation. The Declaration of Annexation shall be duly executed by the Declarant if the property is being annexed through the Declarant's rights provided herein.

(8) As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Community Use Areas, and amendment of this Declaration.

(9) Each Owner of any Lot within the Subdivision, as an appurtenance to such Lot, shall have and is hereby conveyed a perpetual, nonexclusive right of way and easement for the purposes of ingress, egress and regress to and from said Lot over, through and across the streets and roads shown on the Subdivision plat and/or described herein, specifically including, but not being limited to Vicksburg Court, Vicksburg Lane, Antebellum Drive, Augusta Court, Augusta Lane, Shreveport Court, Sumter Drive, and Sumter Court. Provided, however, the Corporation, upon a majority vote of the members, shall have the right to construct, maintain, and operate a gate, guardhouse, or other security device in the streets and roads to restrict access to the Subdivision to Lot Owners, their guests and invitees pursuant to reasonable rules and regulations adopted by the Corporation.

(10) The Owner of each Lot, by acceptance of a deed thereto, and the Corporation by acceptance of a deed for the Community Use Areas, grants to the Declarant, its successors and assigns, perpetual nonexclusive general access and utility easements located along the streets and roads, specifically including, but not being limited to, Vicksburg Court, Vicksburg Lane, Antebellum Drive, Augusta Court, Augusta Lane, Shreveport Court, Sumter Drive, and Sumter Court, the utility lines, water lines, and sewage lines presently existing or shown on the aforesaid plat. Such easements are non-exclusive and are for the purpose of providing utilities, water and sewage service and access to any and all additional areas which may be later developed by Declarant. Without limiting the generality of the foregoing, the Declarant reserves an easement over Antebellum Drive for ingress, egress and regress to and from NCSR 1700 to and from all of the property described by deed recorded in Book 1190, Page 115. Declarant specifically reserves the right to access property lying north, south and east of the Subdivision through Antebellum Drive and the cul-de-sac and the cul-de-sac depicted on the aforesaid plat. The depiction of the cul-de-sac shall in no way limit or restrict the opening of Antebellum Drive for access to property lying north and east of said cul-de-sac. Reference to access easements throughout this Declaration shall be interpreted to include perpetual non-exclusive general access and utility easements for ingress, egress, regress, access and the maintenance and installation of utilities.

(11) An easement is reserved by the Corporation, its employees and designees to make any reasonable entry onto a Lot upon not less than 24 hours notice to the Owner thereof for the purpose of performing any maintenance, repair, alteration or inspection. An easement is reserved by the

Corporation, its employees and designees, to make any reasonable entry onto any Lot with no notice to the Owner thereof in the event of any emergency.

(12) Each Lot Owner is responsible for payment of the ad valorem taxes levied upon his Lot and any personal property located thereon.

(13) Lots which abut on a creek, river or branch shall run to the mean highwater mark of such creek, river or branch as the case may be.

(14) Carteret-Craven Electric Membership Corporation is hereby granted a 10 feet in width non-exclusive perpetual easement for the installation of utility lines, cables, boxes, and other necessary apparatus along all lot lines which abut road right of ways.

J.

Architectural Control and Architectural Restrictions

(1) The Architectural Control Committee shall be comprised of three (3) persons. Any natural person may serve as a member of the Architectural Control Committee. Until January 1, 1992, Declarant shall have the right to appoint and remove the three (3) Architectural Control Committee members with or without cause. After January 1, 1992, the Board of Directors shall have the right to appoint and remove members of the Architectural Control Committee with or without cause.

(2) Before any structure, fence, building, wall, pier, bulkhead, dock, walkway or outer piling or replacement or addition to any of same shall be commenced, erected, or maintained upon any Lot or appurtenant to any Lot in the creek, river or branch adjacent to any Lot, and before any alteration (including painting) of the exterior portion of any structure located upon any Lot or appurtenant to any Lot in the Subdivision shall be commenced (except as shall be undertaken by the Corporation itself), the party desiring to make such changes or erections shall submit and have approved by the Architectural Control Committee (hereinafter called "Committee"), plans and specifications detailing the changes and erections. The plans and specifications must show the structure, kind, shape, height, materials, color and locations of the change or erection. Two (2) complete sets of Committee Application Forms, final plans, and specifications for any and all purposed improvements, shall be (1) hand delivered to the current present of the Corporation, or (2) mailed certified or registered with return receipt requested to the Registered Office of the Corporation and marked to the attention of the Committee. The Committee shall approve or disapprove such plans within forty (40) days of receipt thereof. One set of plans and specifications and details with approval or disapproval of the Committee shall be returned to the party submitting them and the other copy shall be retained by the Committee for its permanent files. Furthermore, all driveway or culvert pipes must be approved by the Architectural Control Committee prior to their installation and once approved, shall be installed pursuant to the method approved by the Committee. All septic tanks and pump tanks shall be constructed and installed pursuant to plans approved by the Division of Environmental Management and the Architectural Control Committee. The location of all septic tanks, pump tanks, sewage lines and wells must be approved by the Architectural Control Committee.

(3) The Committee shall make its decision approving or disapproving the plans by taking into consideration the nature of the Subdivision, the aesthetics of the proposed changes or alterations, the

interference with the use of the water or waterway by other Lot Owners, the harmony of the proposed change or erection with the architectural style of neighboring buildings, color schemes, durability of construction, relative costs, and protection of the investment of the Owners of other Lots in the Subdivision. Submission of incomplete or inaccurate plans and specifications shall result in disapproval. The decisions of the Committee shall be final and not subject to appeal or review.

(4) If the Committee fails either to approve or disapprove any plans so submitted within forty (40) days of their submission, the plans will be deemed approved.

(5) Neither the Committee nor any agent of the Declarant shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the foregoing provisions nor any structural or other defect in any work done according to such plans and specifications.

(6) No trees on any Lot measuring four inches or more in diameter when measured one foot from the ground shall be cut down or destroyed unless approved by the Architectural Control Committee as being necessary for the construction of a dwelling or beneficial to the Lot and Subdivision.

(7) The requirements of this Article shall not constitute a lien or encumbrance on any Lot on which construction is completed, and any subsequent purchaser thereof for value without notice thereof is in no way affected by the failure of his predecessors in title to comply with the forms hereof.

K.

Insurance

(1) The Corporation shall purchase and maintain at all times hazard insurance against loss or damage by fire and similar perils for all improvement and fixtures located on Community Use Areas, including personal property. The insurance, if available, shall cover 100% of the current replacement costs of the improvements and fixtures as determined by the Corporation with the assistance of the insurance company providing coverage. Coverage may exclude land, foundations, excavations, or other items that are usually excluded from insurance coverage. The insurance policy shall require that the insurer notify the Corporation in writing at least (10) days prior to any substantial change in coverage or cancellation. The insurance policy shall also contain clauses providing for waiver or subrogation.

(2) If the property of the Corporation is located within a special flood hazard area, the Corporation shall purchase and maintain at all times flood insurance equal to the lesser of 100% of the insurable value of the improvements and fixtures or the maximum coverage available under the appropriate National Flood Insurance Administration program. The policy shall require the insurer to notify the Corporation in writing at least ten (10) days prior to cancellation or any substantial change in coverage.

(3) The Corporation shall purchase and maintain at all times a comprehensive general liability insurance policy covering all Community Use Areas, public ways and any other areas that are under its supervision. The liability insurance shall cover against liability to the public or to other lot owners, their tenants, guests or invitees, relating in any way to the ownership, operation, maintenance and/or use of the Community Use Areas and any part thereof, the public and private ways of the Subdivision and any other areas under the Corporation's supervision. Such insurance policy shall contain a "severability of

interest endorsement” or equivalent coverage which precludes the insurer from denying the claim of a Lot Owner because of the negligent acts of the Corporation or other Lot Owners. Limits of liability shall be at least One Million Dollars (\$1,000,000) covering all claims for personal injury and/or property damage arising out of a single occurrence. Coverage under this policy shall include legal liability arising out of loses related to employment contracts of the Corporation. The policy shall require the insurer to notify in writing the Corporation at least 10 days before the insurer cancels or substantially changes the coverage.

(4) Fidelity bonds or insurance coverage against dishonest acts on the part of such persons (including by way of illustration and not limitation, corporation members, officers, directors, managers, agents, employees and volunteers) handling or responsible for funds belonging to or administered by the Corporation shall be maintained by the Corporation. In the event the Corporation has delegated some or all of the responsibility for handling of funds to a management agent, such bonds or insurance coverage may include officers, employees and agents of such management agent. Such fidelity bond or insurance shall name the Corporation as the named insured and shall be written in an amount sufficient to cover the maximum funds that will be in the custody of the Association or its managing agent at any time while the bond is in force which is in no event less than three times the sum of the monthly general assessments plus the Corporation’s reserve funds. In connection with such coverage, an appropriate endorsement to such policy or bond in order to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers. If a management agent is covered by its own fidelity bond, the management agent’s bond shall also name the Corporation as an additional obligee. The policy should also contain a provision providing that it may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least 10 days prior written notice to the Corporation and all Eligible Mortgage Holders.

(5) Each Owner shall be responsible for obtaining and shall pay the cost of any hazard insurance against fire and similar perils on such Owner's Dwelling and on personal property or fixtures and appliances of that Owner. Each Owner shall be responsible for purchasing and maintaining liability insurance covering his Lot and Dwelling.

(6) If any Dwelling located on a Lot is destroyed by fire or other casualty, all rubbish and debris shall removed, with promptness, after such fire or other casualty. In no event shall debris or rubbish remain on a Lot longer than two (2) months after such fire or other casualty.

L.

Restrictions on Use and Occupancy

(1) The division of Lots is permissible provided that: (A) The number of Lots in the Subdivision is not increased (i.e., portions of lots are combined with other lots or other portions of lots to form a new Lot); and (B) The resultant Lots each have an area which is equal to or exceed 22,329 square feet. Any such Lot which has been constructed with portions of one or more Lots shall be considered a Lot as defined herein notwithstanding the fact that said Lot actually consists of portions of more than one original Lot. Unless a drainage or utility easement is already in use, any drainage or utility easement which runs along the side lot lines of a Lot shall automatically be relocated to the new side lot lines of any new or resultant Lot. No Lot shall be used except for single family residential purposes provided however, Lot 18 which is a Community Use Area, may be used for recreational purposes appurtenant to residential lots including the construction of a boat ramp, clubhouse, tennis courts, and swimming pool. No building except a Dwelling as defined herein and such other outbuildings as may normally and customary accessories for a single family residential dwelling (including a private garage) and located within the building lines for said Lot as shown on the recorded plat shall be located on any Lot. Provided, however,

a Clubhouse, swimming pool, guardhouse, and boat ramp may be constructed on the Community Use Areas.

(2) Every residential dwelling constructed on Lots 3 through 29, inclusive shall contain at least 2,000 square feet of enclosed heated (exclusive of garages and open porches) area and on all other Lots every residential dwelling shall contain at least 1,400 square feet of enclosed heated area (exclusive of garages and open porches). In addition, if such dwelling consists of a one and one-half (1 ½) story dwelling, such dwelling shall have not less than 900 heated square feet on the first floor. Any two story dwelling shall contain not less than 800 heated square feet on the first floor.

(3) Any appurtenant building shall be of like materials, construction methods, and technique, as the principal residential dwelling. Appurtenant buildings are allowable only if in the opinion of the Committee, they are necessary for the enjoyment of the property as defined under single family residential uses. These appurtenant buildings shall not be allowed if they are made of metal, tin, aluminum, or any pre-manufactured materials. Any appurtenant building must not detract from the general development scheme nor in any way be injurious to the value or well-being of the total development plan.

(4) Any and all appurtenant structures shall be subject to reasonable rules and regulations pertaining to the height and size requirements for appurtenant structures, including but not limited to, piers, docks, bulkheads, walkways, fences, walls, and arbors. Such regulations shall be adopted by the Architectural Control Committee to maintain the general development plan and scheme of the Subdivision.

(5) In order to preserve the natural beauty and appearance of the development in its existing state, all property lines shall be kept free and open. No fences shall be permitted on any Lot or Lot lines unless, in the sole opinion of the Committee, a fence or other enclosure will contribute to and be in keeping with the character of the development. No chain link fence, or any other fence comprised in whole or in part of metal, shall be allowed within the development.

(6) A Lot owner may lease or sublease his Lot (but not less than his entire Lot) at any time and from time to time provided that: (A) no lot may be leased or subleased without a written lease or sublease; (B) the term of lease is for not less than 30 days; and (C) the rights of any lessee or sublessee of the Lot shall be subject to, and each such lessee or sublessee shall be bound by the provisions set forth in this Declaration, the Bylaws and the Rules and Regulations of the Subdivision and a default thereunder shall constitute a default under the lease or sublease; provided, however, that the foregoing shall not impose any direct liability on any lessee or sublessee of a Lot to pay any general or special assessments on behalf of the Lot Owner.

(7) Without the prior written consent of the Committee, nothing shall be done or kept in any Dwelling or on any Lot which will increase the rate of insurance applicable to similar buildings. No Owner shall permit anything to be done or kept in his Dwelling or on his Lot which will result in the cancellation of insurance on his Dwelling or that of any of his neighbors. No waste may occur in the Community Use Areas.

(8) Owners and occupants of Dwellings, without the prior written consent of the Committee, shall not place or store any items on the exterior of a Dwelling.

(9) All motor vehicles of any type kept within the Subdivision shall have current North Carolina registration and inspection certificates. The only motor vehicles which shall be allowed to remain overnight on the Lots are automobiles, pick-up trucks, vans, and motorcycles.

(10) No signs of any kind shall be displayed to the public view on any Lot except signs used by the Declarant or its agents to advertise the property during the construction and sales period or one sign nor more than eight (8) square feet in size advertising the property for sale or rent.

(11) No outdoor poles, clotheslines, or other similar equipment shall be erected or permitted on any Lot, unless it is placed or screened so as to not be visible from any street, Community Use Area or adjoining Lot.

(12) No trash, ashes, garbage, or other refuse shall be dumped or stored or accumulated on the exterior of any Dwelling.

(13) No trucks or other vehicles in excess of a three-quarter-ton load capacity shall be parked or kept overnight or longer within the Subdivision. Provided, however, that trucks of a larger size may be left on the property for up to seventy-two (72) hours during the construction period.

(14) All outdoor receptacles for ashes, trash, rubbish or garbage shall be installed underground, screened or so placed and kept as not to be visible to the occupants of other Lots.

(15) No noxious or offensive activity shall be conducted upon any Lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

(16) No animals, livestock, or poultry of any kind shall be kept or maintained on any Lot or in any Dwelling except that dogs, cats, or other household pets may be kept or maintained provided they are not kept or maintained for commercial purposes. Such pets shall be reasonable in size and number. Animals or pets which run at large may be deemed a nuisance.

(17) The provisions of this Article are subject to the conditions that for so long as the Declarant retains any Lot or any portion of the property in the Subdivision, whether shown and delineated on the aforesaid plat or later annexed into the Subdivision, which has not been sold, leased, rented, or otherwise conveyed, the Declarant is hereby expressly permitted to maintain signs on the Community Use Areas.

(18) Subject to the provisions of this Declaration, the Articles and the Bylaws, the Board of Directors shall have the power to formulate, publish and enforce reasonable rules and regulations concerning the use and enjoyment of the Community Use Area. Such rules and regulations, along with all policy resolutions and policy actions taken by the Board of Directors shall be recorded in a Book of Resolutions, which shall be maintained at a place convenient to the members and available to them for inspection during normal business hours.

(19) No building shall be erected or permitted to remain nearer to any street in said Subdivision than the street setback lines as shown on the recorded plat of said Subdivision. No building or structure, except approved fences, walls, piers, bulkheads, docks or walkways, shall be located nearer than ten feet to any sideline of any Lot. It is provided, however, that eaves, steps, stoops, and fireplace chimneys shall not be considered as a part of the building for the purposes of interpreting this Paragraph of this Declaration. The provisions of this Paragraph shall supersede any notes on the aforesaid map. An error in the placement of structures in an amount less than ten percent (10%) of the setback requirement in question is not a violation of this Declaration or of the provisions of the recorded plat.

(20) No outside radio or television antennas, satellite dishes, or towers of any kind, shall be erected on any Lot or Dwelling unless and until permission for same has been granted by the Architectural Control Committee. At such time as central television antenna systems become available, no television antenna, satellite dishes or towers shall be allowed to be maintained on any Lot within the Subdivision. No radio station or shortwave operator of any kind shall operate from any Lot or Dwelling within the prior written consent of the Architectural Control Committee.

(21) No stripped, partially wrecked, or junked motor vehicle or any part thereof shall be permitted to be parked or kept on any Lot or on the Community Use Areas.

(22) All plumbing fixtures, dishwashers, toilets, and sewage disposal systems shall be connected to the central sewage system constructed by the Declarant. No outside toilet shall be constructed or permitted on any Lot after completion of the principal residential dwelling. Portable toilets shall be allowed during the construction period.

(23) No temporary house, mobile home, trailer, camper, tent, garage or other outbuilding shall be placed on or erected on a Lot provided, however, the Committee may grant permission for a temporary structure for storage of materials during the construction period. No such temporary structure or appurtenant structure as may be approved shall be used at any time as a dwelling.

(24) Once construction of improvements is started on any Lot, improvements must be substantially completed in accordance with the plans and specifications as approved by the Committee within six (6) months from commencement.

(25) No residence shall be occupied until the same has been substantially completed and a Certificate of Occupancy has been issued by the appropriate governmental authority.

(26) All structures constructed or placed on any Lot shall be built of substantially new materials and no used structure or materials shall be moved, relocated, or placed on any such Lot.

(27) Fuel storage tanks shall be buried below the surface of the ground or screened by fencing, shrubbery, or other satisfactory means so that they will always be hidden from streets and Community Areas.

(28) No structure erected upon any Lot may be used as a model exhibit or model home, unless prior written consent to do so has been obtained from the Committee. Provided, however, Declarant shall be entitled to maintain a model home on any Lot Declarant owns without prior written consent from the Committee.

(29) All Lots, whether occupied or unoccupied, shall be well-maintained and no unattractive growth or accumulation of rubbish or trash shall be permitted.

(30) No oil, gas or other drilling, refining, quarrying, or mining operations shall be permitted upon any Lot and no derrick or other structure designed for use in boring for any minerals shall be erected, maintained, or permitted on any Lot. Drilling for water is permitted. The Subdivision is subject to the mineral reservation reserved by Weyerhaeuser Company in Book 1190, Page 115, in the Craven County Registry.

(31) No vehicles shall be parked on any street in the Subdivision for a period of longer than four (4) consecutive hours.

(32) No tree over four inches (4") in diameter as measured one foot (1') above the ground, shall be removed from any Lot without the prior written consent of the Committee.

(33) No outside burning of garbage or refuse shall be permitted. Provided, however, the burning of leaves is permitted subject to reasonable rules and regulations adopted by the Corporation.

(34) No Lot shall be accessed by motor vehicle except from the front lot line of the Lot as determined by the front of the house located upon said Lot.

(35) No firearms of any type may be discharged in the Subdivision except to kill snakes.

(36) (a) Applicable Lots. All lots within the Subdivision shall utilize the central wastewater treatment, collection and disposal system installed by the Declarant. The Corporation shall take all steps necessary to ensure there is adequate capacity in the system to handle all the Lots in the Subdivision specifically including Lots 1 through 39, 80 through 84, 89 through 98 and 106 through 110 as presently shown on the Plantation Harbor plat and any additional lots annexed by Declarant as authorized herein.

(b) Individual Lift Stations. The Lot Owners shall be responsible for installing the individual lift stations and for continuing station maintenance; however, the Corporation is hereby granted easements permitting access to and maintenance of each lift station and electrical controls should the Owner fail to maintain the lift station in accordance with the Corporation's rules and the rules of the North Carolina Environmental Management Commission and the Corporation shall maintain such if the Owner fails to do so. The Lot Owner shall reimburse the Corporation for any maintenance costs of the lift stations paid for by the Corporation. Hook up to the central system shall be in accordance with the plans and specifications drawn by Thomas Engineering Consultants, P.A., New Bern, North Carolina and permitted by the Department of Environmental Management, North Carolina Department of Natural Resources and

Community Development. No individual system shall be allowed which is not in conformity with the above plans or approved by the Corporation.

(c) Maintenance for Systems. The Corporation shall be responsible for maintenance of the entire sewage effluent collection and disposal system (except the individual lift stations as specified above) and such are hereby specifically identified as Community Use Areas which receive the highest priority for expenditures by the Corporation except for Federal, State, and Local taxes and insurance. Individual Lot Owners shall be responsible for the installation and maintenance of the individual lift stations and shall reimburse the Corporation for any expense if the Corporation must maintain such. The central system shall be maintained and operated by the Corporation who shall have the right to assess all lots within the Subdivision for their pro rata share of the maintenance of the central system and for a sinking fund to replace pumps and other parts as the need arises. This shall be included in the general monthly assessments and/or the special assessments. The Corporation shall retain a licensed agent to operate and maintain the central system, including individual S.T.E.P. Systems.

(d) The Location of Sewage System Components.

(1) The following minimum setbacks must be maintained from all private drinking water wells:

(A) Minimum of 50 feet from all collection lines and force mains unless all are constructed of ferrous pipe with mechanical joints in which case 25 feet is adequate.

(B) Minimum of 100 feet from all pump tanks, septic tanks, and dosing tank.

(C) Minimum of 400 feet from spray irrigation fields.

(D) Minimum of 10 feet from all property lines.

(2) Any habitable residence or place of public assembly shall be set back a minimum of 400 feet from the spray irrigation fields.

(3) The following minimum setbacks must be maintained by all on site individual lift stations:

(A) Minimum 10 feet from all property lines.

(B) Minimum of 100 feet from normal high water on streams classified as SA or SB.

(C) Minimum of 50 feet from any other stream, canal, marsh, or coastal waters.

(D) Minimum of 10 feet from any building foundation.

(E) Minimum of 15 feet from any building basement.

(4) If a wastewater collection system and wastewater treatment and/or disposal facility provided by any city, town, village, county, water and sewer authorities or other unit of government shall hereinafter become available to serve the Subdivision, Declarant, the Corporation, and all Lot Owners shall take such action as is necessary to cause the existing and future wastewater of the Subdivision to be accepted and discharged into said governmental system and shall convey or transfer as much of the wastewater collection, treatment and disposal system as the governmental unit may require as a condition of accepting the Subdivision's wastewater.

(37) All electric, cable TV, and telephone lines shall be installed underground.

M.

Complaints

(1) For all matters except those concerning the nonpayment of assessments, before any Lot Owner in his capacity as a Lot Owner (hereinafter called "Complainant") may bring any action in any court of law against the Corporation or any other Lot Owner for failure to comply with the terms of these Restrictions, the Articles or the Bylaws, the Complainant shall notify the Corporation or the Lot Owner, as the case may be, by registered or certified mail, of the substance of the matter causing the complaint.

(2) Following the giving of notice as provided in Paragraph (1) above, the Corporation or the offending Lot Owner, as the case may be, shall have thirty (30) days in which to remedy the complained of matter. If the matter causing the complaint is not remedied within the foregoing thirty (30) day period, the Complainant shall have the right to appear before the Board of Directors of the Corporation to register such complaint.

(3) If the Board of Directors, after considering the complaint pursuant to the terms of Paragraph (2) above and with notice and hearing as specified in Article H, by majority vote decides against the Corporation or the offending Lot Owner, the Corporation or the offending Lot Owner shall have a period of thirty (30) days from the date of such decision to remedy the complained of matter.

(4) If, after the thirty (30) day period provided in Paragraph (3) above, the offending party has not remedied the complained of matter, the Complainant shall have the right to institute suit in a court of law. If the Board of Directors shall decide against the Complainant pursuant to Paragraph (3) above, the Complainant may immediately institute suit in a court of law.

(5) This Article shall not apply to actions brought by the Corporation.

N.

Waiver

No provisions contained in these Restrictions, the Articles or the Bylaws, shall be deemed to have been waived, abandoned, or abrogated by reason of failure to enforce them on the part of any Person as to the same or similar future violations, no matter how often the failure to enforce is repeated.

O.

Variances

The Architectural Control Committee in its discretion may allow reasonable variances and adjustments of these Restrictions in order to alleviate practical difficulties and hardship in their enforcement and operation. Any such variances shall not violate the spirit or the intent of this document to create a Subdivision of Lots owned in fee by various Persons with each such Owner having an easement upon areas owned by the Corporation. No variance or adjustment will be permitted if such would be materially detrimental or injurious to the welfare of the other property and improvements in the Subdivision as determined by the Architectural Control Committee.

To be effective, a variance hereunder shall be recorded in the Craven County Register of Deeds Office; shall be executed on behalf of the Corporation; and shall refer specifically to this Declaration.

P.

Duration, Amendment and Termination

(1) The Covenants and Restrictions contained in this Declaration shall run with and bind the land until January 2, 2005, after which time, they shall automatically be extended for successive periods of ten (10) years. This Declaration may be amended in full or part until January 1, 2005, by an instrument signed by not less than two-thirds (2/3) of each class of members, and thereafter, by an instrument signed by not less than three-fourths (3/4) of each class of members provided, that no amendment shall alter any obligation to pay ad valorem taxes on the Community Use Areas or assessments for street lighting and sewage treatment, as herein provided, or affect any lien for the payment of same. Provided, however, no addition or amendment of a material nature to the Declaration, the Articles or the Bylaws shall be permitted without the prior written approval of 51% of the Eligible Mortgage Holders. A change of the provisions relating to any of the following shall for this purpose be considered material:

(A) Voting rights;

(B) Assessments, assessment liens or subordination of assessment liens;

(C) Reserves for maintenance, repair and replacement of the Community Use Areas;

(D) Responsibility for maintenance and repairs of the Community Use Areas;

(E) Reallocation of the right to use the Community Use Areas;

(F) Convertibility of Community Use Areas into Lots;

(G) Expansion or contraction of the project or the addition, annexation or withdrawal of property to and from the Subdivision;

(H) Insurance or fidelity bonds;

(I) Leasing of Lots;

(J) Imposition of any restrictions on a Lot Owner's right to transfer, sell or otherwise convey his Lot;

(K) A decision by the Corporation to establish self management when professional management had previously been required by an Eligible Mortgage Holder;

(L) Actions to terminate the legal status of the Corporation;

(M) Provisions that expressly benefit holders, insurers or guarantors of mortgages on Lots;

(N) Rights to use the Community Use Areas.

To be effective any amendment must be recorded in the office of the Register of Deeds of Craven County, North Carolina and a marginal entry of same must be signified on the face of this document.

(2) Invalidation of any one of these covenants or Restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

(3) Notwithstanding any other provisions of this Declaration, Declarant may amend this Declaration without the consent of any members or Eligible Mortgage Holders if such amendment is required by any governmental agency for governmental approval. Declarant shall notify all members and Eligible Mortgage Holders of such amendment after it has been recorded.

Q.

Community Use Areas: Private

(1) Every Community Use Area and any Facility thereon is private. Neither the Declarant's execution nor recording of the plat nor any other act of the Declarant with respect to the property is or is intended to be or shall be construed as a dedication to the public of any of said streets, parks, recreational facilities or amenities other than as reflected herein. An easement for the use and enjoyment of each of the areas designated as Community Use Areas is reserved by the Declarant, his successors and assigns.

(2) All Community Use Areas shall be owned by the Corporation and shall be acquired by the Corporation free and clear of all liens and encumbrances except pro rata ad valorem real property taxes for the year of conveyance, reasonable drainage and utility easements, Agreements with the North Carolina Environmental Management Commission regarding the wastewater treatment, collection and disposal system, mineral rights of Weyerhaeuser Company reserved in Book 1190, Page 115, a general permit to Carolina Telephone and Telegraph recorded in Book ____, Page ____, the terms and provisions specified in the deed to the Corporation from Declarant agreeing to provide and maintain the central wastewater system, and this Declaration. A copy of the Agreements with the North Carolina Environmental Management Commission are attached hereto as Attachment B.

(3) The streets in the Subdivision are not constructed to state specifications and before the state would agree to accept the streets, the streets would have to be brought up to state specifications. The streets are constructed with 18 feet in width pavement; however, the state regulations presently require the streets to have 20 feet in width pavement. Furthermore, before the state would accept maintenance of the streets, any traffic islands, guardhouses or other structures in the street rights-of-way would have to be removed.

The maintenance of the streets is the obligation of the Corporation. The streets may not be conveyed or granted to the state unless 66% of each class of members sign a written statement authorizing such.

R.

Remedies

Enforcement of these restrictions and conditions shall be by proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or condition, either to restrain violation thereof or to recover damages therefor. Injunction shall not issue to compel the removal of or moving of any completed residence for violation of side setback or front setback restrictions, the sole remedy of any offended person being a suit for damages.

S.

Acceptance

(1) The grantee of any Lot is subject to the coverage of these Restrictions, by acceptance of a deed conveying title thereto, or by the execution of a contract for the purchase thereof, whether from the Declarant or a subsequent owner of such Lot, shall accept such deed or contract upon and subject to each and all of these Restrictions herein contained and also the jurisdiction, rights and powers of Declarant and by such acceptance shall for himself, his heirs, personal representatives, successors and assigns, covenant, consent and agree to and with Declarant and Corporation and to and with the

grantees and subsequent owners of each of the Lots within the Subdivision to keep, observe, and comply with and perform said Restrictions.

(2) Each such grantee also agrees, by such acceptance, to assume, as against Declarant, its successors and assigns, all of the risks and hazards of ownership or occupancy attendant to such Lot, including but not limited to its proximity to any Community Use Area, river, creek, or other recreation facility.

T.

Applicability

These Restrictions shall only apply to the Lots specified herein or hereinafter annexed into the Subdivision. These Restrictions are specifically not applicable to any unnumbered lots or lands designated on the plat or any numbered lots not defined herein or annexed into the subdivision. The absence of restrictions thereupon is intended to further the scheme of development by providing additional conveniences to the Owners and by creating a true theme and nucleus for the community and its activities.

U.

Captions

The captions preceding the various Articles of these Restrictions are for the convenience of reference only, and shall not be used as an aid in interpretation or construction of these Restrictions. As used herein, the singular includes the plural and where there is more than one Owner of a Lot, said Owners are jointly and severally liable for the obligations herein imposed. Throughout this Declaration, references to the masculine shall be deemed to include the feminine, the feminine to include the masculine and the neuter to include the masculine and feminine.

V.

Notice

All notices provided for or permitted pursuant to these Restrictions shall be in writing and, except as is herein expressly otherwise provided, notice shall be deemed sufficient and service thereof completed upon hand-delivery or receipt, refusal or nondelivery of same when mailed postage prepaid to the party to or upon whom notice is being given or served at the address of such party last reflected on the records of the Corporation.

W.

Liberal Construction

The provisions of this Declaration shall be construed liberally to effectuate its purpose of creating a Subdivision of fee simple ownership of Lots and buildings governed and controlled by rules, regulations, restrictions, covenants, conditions, reservations and easements administered by an Owners' association

with each Owner entitled to and burdened with the rights and easements equivalent to those of other Owners.

X.

Electric Service

Carteret-Craven Electric Membership Corporation (Carteret-Craven) shall supply underground electric service to all lots in the Subdivision and Carteret-Electric is hereby granted a non-exclusive perpetual easement 10 feet in width along all lot lines which abut road right-of-ways in the Subdivision for the installation of utility lines, cables, boxes and other necessary apparatus. All Lot Owners shall reimburse Jerry A. Jackson for the \$150.00 deposit which has been paid for the installation of underground power to each lot. If a dwelling is constructed and electrical service connected to such dwelling within time to allow Jerry A. Jackson to obtain a refund of such deposit, then Jerry shall refund the \$150.00 deposit to the then owner of the Lot. Carteret-Craven may require additional charges if the power is to be extended more than 150 feet onto the Lot. If Declarant has paid any assessment or charge to Carteret Craven on behalf of the Lot, Lot Owner shall reimburse Declarant at closing for such expense. The deposit refund shall occur only if a dwelling is constructed on or prior to October 10, 1991.

Y.

Lender Consent

Branch Banking and Trust Company and Alan Miller execute the Restrictions to consent to the encumbrance of the property by such Restrictions.

IN TESTIMONY WHEREOF, Jerry A. Jackson and wife, A. Denise Jackson and Alan Miller, Trustee have hereunto set their hands and adopted as their seals the typewritten word "SEAL" appearing beside their names and Branch Banking and Trust Company has caused this instrument to be executed under seal and in such form as to be binding, all by authority of its Board of Directors first duly given, this the day and year first above written.

Signature on File with Craven County Clerk__(SEAL)

Jerry A. Jackson

Signature on File with Craven County Clerk__(SEAL)

A. Denise Jackson

Signature on File with Craven County Clerk__(SEAL)

Alan Miller, Trustee

BRANCH BANKING AND TRUST COMPANY

By: Signature on File with Craven County Clerk

ATTEST:

Signature on File with Craven County Clerk
Secretary/Cashier

Attachment A

TRACT 1: Those certain streets and roads shown and depicted upon the subdivision plat for Plantation Harbor - a Planned Unit Development - Phase One recorded in Plat Cabinet E, Slides 209 through 216, specifically including, but not being limited to Vicksburg Court, Vicksburg Lane, Antebellum Drive, Augusta Court, Augusta Lane, Shreveport Court, Sumter Drive, and Sumter Court, reference to said plat being hereby made for a more perfect description.

TRACT 2: Lot No. 18 as shown on the plat of Plantation Harbor – a Planned Unit Development – Phase One recorded in Plat Cabinet E, Slides 209 through 216, in the office of the Register of Deeds of Craven County, reference which is hereby made for a more perfect description of the aforesaid Lot No. 18. This lot shall be used as a boat ramp area for the lot owners of Plantation Harbor.

TRACT 4: A perpetual non-exclusive easement for all purposes necessary to operate a wastewater collection, treatment and disposal system sufficient to meet the needs of the Plantation Harbor Subdivision as set forth in the Declaration of Covenants, Conditions, Restrictions and Easements of Plantation Harbor recorded in Book 1202, Page 36, and as thereafter amended, specifically including, but not being limited to, the right to construct, repair, maintain and operate, lagoons, spray irrigation fields, spray pumps, sewer main lines, pump stations, sprinkler systems, buildings, fences and any and all other apparatus (whether constructed above ground or below ground) necessary to operate a central wastewater collection, treatment and disposal system in accordance with the permit issued by the Environmental Management Commission of the North Carolina Department of Natural Resources and Community Development as presently issued or hereinafter amended, over, upon, and under the property described on the attached sheet labeled "Plantation Harbor Sewerage Disposal Field Description" prepared by Richard C. Marshall, Jr.; provided, however, Plantation Harbor Property Owners Association, Inc. agrees to use its best efforts (as long as such is permitted by the North Carolina Department of Natural Resources and Community Development and does not violate any permit issued to operate the central wastewater collection, treatment and disposal system) to allow Jerry A. Jackson, his heirs, successors and assigns, to use the hereinafter described property or any portion thereof, for agricultural purposes.

The above-described easement is conveyed together with a 50' wide utility easement as described on the attached sheet labeled "Utility Easement" prepared by Richard C. Marshall, Jr. and a 40' wide drainage easement as described on the attached sheet labeled "Drainage Easement for Disposal Field Area" prepared by Richard C. Marshall, Jr.

Attachment B

STATE OF NORTH CAROLINA
COUNTY OF WAKE

Permit No. _____

OPERATIONAL AGREEMENT

THIS AGREEMENT made pursuant to G. S. 143-215.1(d1) and entered into this _____ day of _____, 19____, by and between the North Carolina Environmental Management Commission, an agency of the State of North Carolina, hereinafter known as the COMMISSION; and Jerry A. Jackson, a corporation/general partnership registered/licensed to do business in the State of North Carolina, hereinafter known as the DEVELOPER.

WITNESSETH:

1. The DEVELOPER is the owner of certain lands lying in Craven County, upon which it is erecting and will erect dwelling units and other improvements, said development to be known as Plantation Harbor Subdivision (hereinafter the Development).

2. The DEVELOPER desires, to construct a wastewater collection system with pumps, wastewater treatment works and/or disposal facilities (hereinafter Disposal System) to provide sanitary sewage disposal to serve the Development on said lands.

3. The DEVELOPER has applied to the COMMISSION for the issuance of a permit pursuant to G.S. 143-215.1 to construct, maintain, and operate the Disposal System.

4. The DEVELOPER has created or shall create a townhouse development containing dwellings, units, other improvements and lands through filing of a Declaration, Articles of Incorporation and Bylaws of a property owners' association (Association) which compels membership in the Association by the owners of all lots in the Development, imposes mandatory assessments, and creates common areas (Common Elements).

5. The DEVELOPER has caused to be formed or will cause to be formed at the time of filing of the Declaration, the (Unit Owners Association) , (hereinafter Association) a non-profit corporation organized and existing under and by virtue of the corporation organized and existing under and by virtue of the laws of the State of North Carolina, for the purpose, among others, of handling the property, affairs and business of the Development; of operating, maintaining, re-constructing and repairing the common elements of the lands and improvements subject to unit ownership, including the Disposal System and of collecting dues and assessments to provide funds for such operation, maintenance, re-construction and repair.

6. The COMMISSION desires to assure that the Disposal System of the Development is properly constructed, maintained and operated in accordance with law and permit provisions in order to protect the quality of the waters of the State and the public interest therein.

NOW, THEREFORE, in consideration of the promises and the benefits to be derived by each of the parties hereto, the COMMISSION and DEVELOPER do hereby mutually agree as follows:

1. The DEVELOPER shall construct the Disposal System in accordance with the permit and plans and specifications hereafter issued and approved by the COMMISSION; and shall thereafter properly operate and maintain such systems and facilities in accordance with applicable permit provisions and law.

2. The DEVELOPER shall not transfer ownership and/or control of the Disposal System to the Association until construction has been completed in accordance with the permit and approved plans, and the staff of the Division of Environmental Management has inspected and approved of the facilities. In order to change the name of the permit holder, the DEVELOPER must request that the permit be reissued to the Association. The request must include a copy of the Association Bylaws and Declaration.

3. The DEVELOPER shall provide in the Declaration and Association Bylaws that the Disposal System and appurtenances thereto are part of the common elements and shall thereafter be properly maintained and operated in conformity with law and the provisions of the permit for construction, operation, repair, and maintenance of the system and facilities. The Declaration and Bylaws shall identify the entire wastewater treatment, collection and disposal system as a common element which will receive the highest priority for expenditures by the Association except for Federal, State and local taxes, and insurance.

4. The DEVELOPER shall provide in the Declaration and Association Bylaws that the Disposal System will be maintained out of the common expenses. In order to assure that there shall be funds readily available to repair, maintain or construct the Disposal System, beyond the routine operation and maintenance expenses, the Declaration and Association Bylaws shall provide that a fund be created out of the common expenses. Such fund shall be separate from the routine maintenance allocated for the facility and shall be part of the yearly budget.

5. In the event the common expense allocation and separate fund are not adequate for the construction, repair, and maintenance of the Disposal System, the Declaration and Association Bylaws shall provide for special assessments to cover such necessary costs. There shall be no limit on the amount of such assessments, and the Declaration and Bylaws shall provide that such special assessments can be made as necessary at any time.

6. If a wastewater collection system and wastewater treatment and/or disposal facility provided by any city, town, village, county, water and sewer authorities, or other unit of government shall hereinafter become available to serve the Development, the DEVELOPER shall take such action as is necessary to cause the existing and future wastewater of the Development to be accepted and discharged into said governmental system; and shall convey or transfer as much of the Disposal System, and such necessary easements as the governmental unit may require as a condition of accepting the Development's wastewater.

7. Recognizing that it would be contrary to the public interest and to the public health, safety and welfare for the Association to enter into voluntary dissolution without having made adequate provision for the continued proper maintenance, repair and operation of its Disposal System, the DEVELOPER shall provide in the Association Bylaws that the Association shall not enter into voluntary dissolution without first having transferred its said system and facilities to some person, corporation or other entity acceptable to and approved by the COMMISSION by the issuance of a permit.

8. The DEVELOPER shall not transfer, convey, assign or otherwise relinquish or release its responsibility for the operation and maintenance of its Disposal System until a permit has been reissued to the DEVELOPER'S successor.

9. The agreements set forth in numbered paragraphs 1, 2, 3, 4, 5, 6, 7, and 8 above shall be conditions of any permit issued by the COMMISSION to the DEVELOPER for the construction, maintenance, repair and operation of the Disposal System.

10. A copy of this agreement shall be filed at the Register of Deeds in the County(ies) where the Declaration is filed and in the offices of the Secretary of State of North Carolina with the Articles of Incorporation of the Association.

IN WITNESS WHEREOF, this agreement was executed in duplicate originals by the duly authorized representative of the parties hereto on the day and year written as indicated by each of the parties named below:

FOR THE ENVIRONMENTAL
Jackson

Jerry A.

MANAGEMENT COMMISSION

Name of Developer

Signature of R. Paul Wilms

By: Signature of Jerry A. Jackson

R. Paul Wilms, Director
Division of Environmental
Management

Signature

13 May 1988
(Date)

Jerry A. Jackson
Print Name and Title

May 9, 1988

(Date)

ATTACHMENT A

TRACT 1: Those certain streets and roads shown and depicted upon the subdivision plat for Plantation Harbor – a Planned Unit Development: - Phase One recorded in Plat Cabinet E, Slides 209 through 216, specifically including, but not being limited to Vicksburg Court, Vicksburg Lane, Antebellum Drive, Augusta Court, Augusta Lane, Shreveport Court, Sumter Drive, and Sumter Court, reference to said plat being hereby made for a more perfect description.

TRACT 2: Lot No. 18 as shown on the plat of Plantation Harbor – a Planned Unit Development – Phase One recorded in Plat Cabinet E, Slides 209 through 216, in the office of the Register of Deeds of Craven County, reference which is hereby made for a more perfect description of the aforesaid Lot No. 18. This lot shall be used as a boat ramp area for the lot owners of Plantation Harbor.

87RE1191
7NLR
10-05-88

Tract 4: A perpetual non-exclusive easement for all purposes necessary to operate a wastewater collection, treatment, and disposal system sufficient to meet the needs of the Plantation Harbor Subdivision as set forth in the Declaration of Covenants, Conditions, Restrictions and Easements of Plantation Harbor recorded in Book 1202, page 36, and as thereafter amended, specifically including, not but not being limited to, the right to construct, repair, maintain and operate, lagoons, spray irrigation fields, spray pumps, sewer main lines, pump stations, sprinkler systems, buildings, fences and any and all other apparatus (whether constructed above ground or below ground) necessary to operate a central wastewater collection, treatment and disposal system in accordance with the permit issued by the Environmental Management Commission of the North Carolina Department of Natural Resources and Community Development as presently issued or hereinafter amended, over, upon, and under the property described on the attached sheet labeled "Plantation Harbor Sewerage Disposal Field Description" prepared by Richard C. Marshall, Jr.; provided, however, Plantation Harbor Property Owners Association, Inc. agrees to use its best efforts (as long as such is permitted by the North Carolina Department of

Natural Resources and Community Development and does not violate any permit issued to operate the central wastewater collection, treatment and disposal system) to allow Jerry A. Jackson, his heirs, successors and assigns, to use the hereinafter described property or any portion thereof, for agricultural purposes.

The above-described easement is conveyed together with a 50' wide utility easement as described on the attached sheet labeled "Utility Easement" prepared by Richard C. Marshall, Jr. and a 40' wide drainage easement as described on the attached sheet labeled "Drainage Easement For Disposal Field Area" prepared by Richard C. Marshall, Jr.

79-1290
3NLR
10-13-88

TRACT 3:

PLANTATION HARBOR RECREATION AREA DESCRIPTION

The following is a description of a tract of land intended to be the recreation area of Plantation Harbor, A Planned Unit Development, Phase One located east of Clubfoot Creek, Township Number Five, Craven County, North Carolina recorded in Plat Cabinet "E" Slides 209-216.

The point of beginning can be located by proceeding from a nail set at the center of the intersection of Sumpter Drive and Antebellum Drive as depicted on a Map entitled "Plantation Harbor A Planned Unit Development, Phase One, Sheet 6 of 8", dated July 11, 1988, and recorded in Map Cabinet "E", Slide 214 of the Craven County Map Book. North 40 degrees 17 minutes 16 seconds East a distance of 40.000 feet to a point set in the north right of way line of Antebellum Drive which is the point of beginning.

From the point of beginning the line goes with the right of way line South 49 degrees 42 minutes 44 seconds East a distance of 72.000 feet to the point of curvature of a curve to the left having a delta angle of 31 degrees 1 minute 48.47 seconds, a radius of 320.320 feet a tangent length of 88.896 feet and a length of 173.424 feet to the point of tangency of said curve, thence leaving the right of way line North 44 degrees 43 minutes 55 seconds East a distance of 395.364 feet, thence North 49 degrees 42 minutes 44 seconds West a distance of 592.706 feet, thence South 40 degrees 17 minutes 16 seconds West a distance of 440.00 feet to a point on the northern right of way line of Antebellum Drive, thence along the northern right of way line South 49 degrees 42 minutes 44 seconds East a distance of 325.000 feet to the beginning containing 5.7600 acres.

Prepared By:

/S/

Richard C. Marshall, Jr.
Registered Land Surveyor, L-2866

Thomas Engineering Consultants, P.A. Marshall's

1916 South Glenburnie Road #5 seal

College Park Center
New Bern, N. C. 28560
(919)637-2727

PLANTATION HARBOR SEWERAGE DISPOSAL FIELD DESCRIPTION

The following is a description of a tract of land intended to be the sewerage disposal area of Plantation Harbor, A Planned Unit Development, Phase One located east of Clubfoot Creek, Township Number Five, Craven County, North Carolina recorded in Plat Cabinet "E" Slides 209-216.

The point of beginning can be located by proceeding from a nail set at the center of the intersection of N.C.S.R. 1700 and Antebellum Drive as depicted on a Map entitled "Plantation Harbor A Planned Unit Development, Phase One, Sheet 3 of 8", dated July 11, 1988, and recorded in Map Cabinet "E", Slide 211 of the Craven County Map Book. North 9 degrees 49 minutes 15 seconds West a distance of 665.102 feet to a point in the center of the road, thence South 80 degrees 10 minutes 45 seconds West a distance of 30.000 feet, to a point on the western right of way line of N.C S. R. 1700, which is the point of beginning.

From the point of beginning the line follows the western right of way line the following courses and distances; North 9 degrees 49 minutes 15 seconds West a distance of 141.486 feet, thence North 8 degrees 39 minutes 16 seconds West a distance of 180.605 feet, thence North 6 degrees 12 minutes 14 seconds West a distance of 201.500 feet, thence North 2 degrees 9 minutes 15 seconds West a distance of 57.252 feet to a point in the western right of way of line of N.C.S.R. 1700, thence from the right of way line North 83 degrees 7 minutes 14 seconds West a distance of 215.898 feet, thence North 6 degrees 52 minutes 46 seconds East a distance of 100.000 feet, to a point in the northern Jackson line, thence with the northern Jackson line North 83 degrees 7 minutes 14 seconds West a distance of 2679.083 feet, thence North 84 degrees 16 minutes 50 seconds West a distance of 1269.512 feet to a point where the Plantation Harbor east line intersects the north Jackson line, thence with the Plantation Harbor east line South 41 degrees 46 minutes 50 seconds East a distance of 885.000 feet, thence South 34 degrees 43 minutes 10 seconds West a distance of 602.557 feet, thence South 55 degrees 23 minutes 46 seconds East a distance of 2093.028 feet, thence North 66 degrees 59 minutes 34 seconds East a distance of 867.127 feet, thence North 74 degrees 46 minutes 35 seconds East a distance of 332.180 feet, thence North 80 degrees 24 minutes 23 seconds East a distance of 353.498 feet, thence North 47 degrees 4 minutes 23 seconds East a distance of 1043.575 feet to the point of beginning containing 138.7251 Acres.

Prepared By:

/S/

Richard C. Marshall, Jr.
Registered Land Surveyor, L-2866

Thomas Engineering Consultants, P.A. Marshall's

1916 South Glenburnie Road #5 seal
College Park Center
New Bern, N. C. 28560
(919)637-2727

UTILITY EASEMENT

The following is a description of the centerline of a fifty foot wide utility easement established for the purpose of the installing utilities for Plantation Harbor, A Planned Unit Development, Phase One located

east of Clubfoot Creek, Township Number Five, Craven County, North Carolina recorded in Plat Cabinet "E" Slides 209-216, to the Sewerage Lagoon and Spray Irrigation Field of the above mentioned subdivision.

The point of beginning can be located by proceeding from a nail set at the center of the intersection of Sumpter Drive and Antebellum Drive as depicted on a Map entitled "Plantation Harbor A Planned Unit Development, Phase One, Sheet 6 of 8", dated July 11, 1988, and recorded in Map Cabinet "E", Slide 214 of the Craven County Map Book, along the center of Antebellum Drive and along the chords of the curves of said Antebellum Drive the following courses and distances: South 49 degrees 42 minutes 44 seconds East a distance of 72.000 feet, thence South 66 degrees 01 minutes 57 seconds East a distance of 203.010 feet, thence South 80 degrees 44 minutes 32 seconds East a distance of 86.919 feet, thence South 68 degrees 04 minutes 10 seconds East a distance of 156.102 feet, thence South 55 degrees 23 minutes 47 seconds East a distance of 860.000 feet, thence North 84 degrees 38 minutes 04 seconds East a distance of 462.510 feet, thence North 44 degrees 39 minutes 55 seconds East a distance of 582.068 feet, thence North 55 degrees 50 minutes 54 seconds East a distance of 450.473 feet to a point in the center of Antebellum Drive which is the point of beginning of the easement.

From the point of beginning the easement centerline goes North 46 degrees 53 minutes 07 seconds West a distance of 169.885 feet, thence North 38 degrees 46 minutes 03 seconds West a distance of 0.788 feet, thence North 37 degrees 31 minutes 26 seconds West a distance of 131.210 feet, thence North 18 degrees 53 minutes 26 seconds West a distance of 121.508 feet to a point where it intersects the southern boundary of the Sewerage Treatment Lagoon and Spray Irrigation Field property.

Prepared By:

/S/

Richard C. Marshall, Jr.
Registered Land Surveyor, L-2866

Thomas Engineering Consultants, P.A. Marshall's

1916 South Glenburnie Road #5 seal
College Park Center
New Bern, N. C. 28560
(919)637-2727

DRAINAGE EASEMENT FOR DISPOSAL FIELD AREA

The following is a description of the centerline of a forty foot wide drainage easement established for the purpose of the general drainage of the tract of land described in the above section A. of this document, which is the Sewerage Lagoon and Spray Irrigation Field of Plantation Harbor, A Planned Unit Development, Phase One located east of Clubfoot Creek, Township Number Five, Craven County, North Carolina recorded in Plat Cabinet "E" Slides 209-216.

The point of beginning can be located by proceeding from a nail set at the center of the intersection of Sumpter Drive and Antebellum Drive as depicted on a Map entitled Plantation Harbor A Planned Unit Development, Phase One, Sheet 6 of 8", dated July 11, 1988, and recorded in Map Cabinet "E", Slide 214 of the Craven County Map Book. North 40 degrees 17 minutes 16 seconds East a distance of 40.000 feet to a point set in the north right of way line of Antebellum Drive which is the point of beginning.

From the point of beginning the line goes with the right of way line South 49 degrees 42 minutes 44 seconds East a distance of 72.000 feet to the point of curvature of a curve to the left having a delta angle of 31 degrees 1 minute 48.47 seconds, a radius of 320.220 feet a tangent length of 88.896 feet and a

length of 173.424 feet to the point of tangency of said curve, thence leaving the right of way line North 44 degrees 43 minutes 55 seconds East a distance of 395.364 feet, to the northeast corner of the Recreation Area of Plantation Harbor, thence continuing North 44 degrees 43 minutes 55 seconds East a distance of 803.185 feet to a point where it intersects the southern boundary of the Sewerage Treatment Lagoon and Spray Irrigation Field property.

Prepared By:

/S/

Richard C. Marshall, Jr.
Registered Land Surveyor, L-2866

Thomas Engineering Consultants, P.A. Marshall's

1916 South Glenburnie Road #5 seal
College Park Center
New Bern, N. C. 28560
(919)637-2727

Attachment B

BOOK 1202 Page 70

Permit No.

STATE OF NORTH CAROLINA
COUNTY OF WAKE

OPERATIONAL AGREEMENT

THIS AGREEMENT made pursuant to G.S. 143-215.1(d1) and entered into this _____ day of _____, 19____, by and between the North Carolina Environmental Management Commission, an agency of the State of North Carolina, hereinafter known as the COMMISSION; and Jerry A. Jackson _____, a corporation/general partnership registered/licensed to do business in the State of North Carolina, hereinafter known as the DEVELOPER.

WITNESSETH:

1. The DEVELOPER is the owner of certain lands lying in Craven County, upon which it is erecting and will erect dwelling units and other improvements, said development to be known as Plantation Harbor Subdivision (hereinafter the Development).

2. The DEVELOPER desires, to construct a wastewater collection system with pumps, wastewater treatment works and/or disposal facilities (hereinafter Disposal System) to provide sanitary sewage disposal to serve the Development on said lands.

3. The DEVELOPER has applied to the COMMISSION for the issuance of a permit pursuant to G.S. 143-215.1 to construct, maintain, and operate the Disposal System.

4. The DEVELOPER has created or shall create a townhouse development containing dwellings, units, other improvements and lands through filing of a Declaration, Articles of Incorporation and Bylaws of a property owners' association (Association) which compels membership in the Association by the owners of all lots in the Development, imposes mandatory assessments, and creates common areas (Common Elements).

5. The DEVELOPER has caused to be formed or will cause to be formed at the time of filing of the Declaration, the (Unit Owners Association), (hereinafter Association) a non-profit corporation organized and existing under and by virtue of the laws of the State of North Carolina, for the purpose, among others, of handling the property, affairs and business of the Development; of operating, maintaining, re-constructing and repairing the common elements of the lands and improvements subject to unit ownership, including the Disposal System and of collecting dues and assessments to provide funds for such operation, maintenance, re-construction and repair.

6. The COMMISSION desires to assure that the Disposal System of the Development is properly constructed, maintained and operated in accordance with the law and permit provisions in order to protect the quality of the waters of the State and the public interest herein.

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NOW, THEREFORE, in consideration of the promises and the benefits to be derived by each of the parties hereto, the COMMISSION and DEVELOPER do hereby mutually agree as follows:

1. The DEVELOPER shall construct the Disposal System in accordance with the permit and plans and specifications hereafter issued and approved by the COMMISSION; and shall thereafter properly operate and maintain such systems and facilities in accordance with applicable permit provisions and law.

2. The DEVELOPER shall not transfer ownership and/or control of the Disposal System to the Association until construction has been completed in accordance with the permit and approved plans, and the staff of the Division of Environmental Management has inspected and approved of the facilities. In order to change the name of the permit holder, the DEVELOPER must request that the permit be reissued to the Association. The request must include a copy of the Association Bylaws and Declaration.

3. The DEVELOPER shall provide in the Declaration and Association Bylaws that the Disposal System and appurtenances thereto are part of the common elements and shall thereafter be properly maintained and operated in conformity with law and the provisions of the permit for construction, operation, repair, and maintenance of the system and facilities. The Declaration and Bylaws shall identify the entire wastewater treatment, collection and disposal system as a common element which will receive the highest priority for expenditures by the Association except for Federal, State and local taxes, and insurance.

4. The DEVELOPER shall provide in the Declaration and Association Bylaws that the Disposal System will be maintained out of the common expenses. In order to assure that there shall be funds readily available to repair, maintain or construct the Disposal System, beyond the routine operation and maintenance expenses, the Declaration and Association Bylaws shall provide that a fund be created out of the common expenses. Such fund shall be separate from the routine maintenance allocated for the facility and shall be part of the yearly budget.

5. In the event the common expense allocation and separate fund are not adequate for the construction, repair, and maintenance of the Disposal System, the Declaration and Association Bylaws shall provide for special assessments to cover such necessary costs. There shall be no limit on the amount of such assessments, and the Declaration and Bylaws shall provide that such special Assessments can be made as necessary at any time.

6. If a wastewater collection system and wastewater treatment and/or disposal facility provided by any city, town, village, county, water and sewer authorities, or other unit of government shall hereinafter become available to serve the

BOOK 1202 PAGE 72

-3-

Development, the DEVELOPER shall take such action as is necessary to cause the existing and future wastewater of the Development to be accepted and discharged into said governmental system; and shall convey or transfer as much of the Disposal System, and such necessary easements as the governmental unit may require as a condition of accepting the Development's wastewater.

7. Recognizing that it would be contrary to the public interest and to the public health, safety and welfare for the Association to enter into voluntary dissolution without having made adequate provision for the continued proper maintenance, repair and operation of its Disposal System, the DEVELOPER shall provide in the Association Bylaws that the Association shall not enter into voluntary dissolution without first having transferred its said system and facilities to some person, corporation or other entity acceptable to and approved by the COMMISSION by the issuance of a permit.

8. The DEVELOPER shall not transfer, convey, assign or otherwise relinquish or release its responsibility for the operation and maintenance of its Disposal System until a permit has been reissued to the DEVELOPER's successor.

9. The agreements set forth in numbered paragraphs 1, 2, 3, 4, 5, 6, 7, and 8 above shall be conditions of any permit issued by the COMMISSION to the DEVELOPER for the construction, maintenance, repair and operation of the Disposal System.

10. A copy of this agreement shall be filed at the Register of Deeds in the County(ies) where the Declaration is filed and in the offices of the Secretary of State of North Carolina with the Articles of Incorporation of the Association.

IN WITNES WHEREOF, this agreement was executed in duplicate originals by the duly authorized representative of the parties hereto on the day and year written as indicated by each of the parties named below:

FOR THE ENVIRONMENTAL Jerry A. Jackson
MANAGEMENT COMMISSION Name of Developer/xxxxxxx

/s/ R. Paul Wilms By: /s/ Jerry A. Jackson
R. Paul Wilms, Director Signature
Division of Environmental
Management

13 May 1988 Jerry A. Jackson
(Date) Print Name and Title

May 9, 1988
(Date)

November, 1994

Amendment to the
DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS
(HEREINAFTER CALLED THE "RESTRICTIONS") OF PLANTATION HARBOR

This Amendment is proposed by the Officers and Directors of the Plantation Harbor Property Owners Association, Incorporated. In accordance with Paragraph P.(1) of the Restrictions, it requires approval by two-thirds of the current Property Owners Association members. The Association Secretary shall determine the number of approving votes required, record the votes as they are received, notify the Association membership upon approval of the Amendment, and assure that it is recorded in the Office of the Register of Deeds of Craven County, North Carolina.

DISCUSSION

This Amendment Addresses two unrelated provisions contained in the Restrictions.

The first provision requires approval by the Architectural Control Committee for the removal of any tree which is four inches in diameter measured one foot above the ground. This appears twice in the Restrictions, in Paragraphs J.(6) and L.(32). Clearly the intent of the Restrictions, prepared six years ago, was to preclude the wholesale removal of large trees from the development. During this six-year period, however, virtually all of the trees planted in the development have grown to the extent that their diameter

exceeds four inches. Inasmuch as the Architectural Control Committee's "Architectural Guidelines and review procedures" requires a landscape plan for each building lot, the prohibition against unauthorized removal of large trees is unnecessary Section A. Section A of the proposed Amendment addresses this issue.

The second provision is contained in Paragraph L.(20) of the Restrictions. This necessitates approval by the Architectural Control Committee for any exterior radio or television antennas, satellite dishes, or towers of any kind. Furthermore, the provision states, "As such time as central television antenna systems become available, no television antennas, satellite dishes or towers shall be allowed to be maintained on any lot within the subdivision." Television antennas, radio antenna towers, and particularly the 7-10 foot diameter satellite receiving dishes in current use are often unsightly, tend to detract from the appearance of appearance of any homesite, and should be Prohibited in Plantation Harbor. Advanced technology associated with television broadcast, however requires a readdressal of the satellite antenna issue. Available now is the DSS Satellite broadcast television signal receiving system which incorporates an 18 inch diameter unobtrusive dish antenna designed to be mounted almost anywhere on the exterior of the residence. It can be positioned in a manner which will not detract from the overall appearance of either the individual home or the neighborhood in which it is located. Other low-profile radio and television antennas will very likely become available as time passes. Section B of the Amendment would modify the Restrictions to permit, with the approval of the Architectural Control Committee, the installation and continuing use of antennas which are not considered unsightly.

Upon approval of the Amendment by two-thirds of the Property Owners Association members, the Architectural Control Committee shall modify its "Architectural Guidelines and Review Procedures" to reflect these changes.

THE AMENDMENT

A. Paragraph J.(6) and L.(32) of the Restrictions: Delete in their entirety. Renumber subsequent paragraphs accordingly.

B. Paragraph L (20) of the Restrictions: Delete the current paragraph in its entirety. Insert this replacement paragraph:

(20) Outside radio or television antennas or towers of any kind are generally prohibited, but small, unobtrusive antennas of various designs are acceptable with prior approval of the Architectural Control Committee. No radio station or short-wave operator of any kind shall operate from any Lot or Dwelling without the prior written consent of the Architectural Control.

THE ABOVE AMENDMENTS WERE PASSED BY MORE THAN TWO THIRDS OF THE MEMBERSHIP.

AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS,

RESTRICTIONS AND EASEMENTS

OF

PLANTATION HARBOR
(A Planned Unit Development)

This Amendment to Declaration of Covenants, Conditions, Restrictions and Easements, made and entered into this the 18th day of September, 1996, by and between Frank A. Marmarose and wife, R. Jeanne Marmarose, and all current and all prospective purchasers or owners of Lots located in Plantation Harbor as shown and depicted on the Plat entitled "Plantation Harbor" recorded in Plat Cabinet E, Slide 209 through 216, in the Office of the Register of Deeds of Craven County and any other Lots which become hereafter annexed into the subdivision;

WITNESSETH:

WHEREAS, Jerry A. Jackson and wife, Denise A. Jackson (hereafter the Original Declarant) cause to be filed of record a Declaration of Covenants, Conditions, Restrictions and Easements of Plantation Harbor (hereafter the Declaration) in Book 1202, Page 36, in the Office of the Register of Deeds of Craven County; and

WHEREAS, Frank A. Marmarose and wife, R. Jeanne Marmarose (hereafter collectively called Declarant) are the successors in interest to the Original Declarant and are the Owners of the remaining portions of real property described in the Deed recorded in Book 1190 at Page 115; and

WHEREAS, the Declaration provided for a Corporation to be established for the purpose of, inter alia, the ownership and control of the Community Use Areas; and

WHEREAS, the undersigned constitute two-thirds, or greater, of the current members of the Corporation; and

WHEREAS, Declarant desires to construct, maintain, and operate an 18 hole golf course within the Subdivision; and

WHEREAS, the existence of a golf course in the subdivision will benefit the Declarant and members alike by enhancing the overall quality of life in the subdivision; and

WHEREAS, as part of the consideration in exchange for Declarant constructing, maintaining and operating an 18 hole golf course within the subdivision the Corporation has agreed to transfer the following property to Declarant:

SEE THE ATTACHED EXHIBIT A WHICH IS
HEREBY INCORPORATED BY REFERENCE

WHEREAS, the undersigned members desire to amend the Covenants and Conditions contained in the Declaration; and

WHEREAS, the Amendments set forth herebelow are made for the mutual and reciprocal benefit of each and every lot in the subdivision and the Declarant and are intended to create mutual, equitable

servitudes upon each of said lots in favor of each and all of the other lots herein; to create reciprocal rights between the respective owners of all of said lots; to create a privity of contract and estate between the Declarant and the grantees of said lots, their heirs, successors and assigns, and shall, as to the owner of each such lot, his heirs, successors or assigns, operate as covenants running with the land for the benefit of each and all other lots in the subdivision and their respective owners.

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants contained herein, the undersigned members hereby amend said Declaration as set forth hence below. The following provisions shall, if in conflict, take precedence over the provisions of the Declaration. Except as modified herein, the provisions of the Declaration shall remain in full force and effect.

A.

Definitions

As used herein,

(1) "Declarant" means Frank A. Marmarose and wife, R. Jeanne Marmarose, their successors, assigns or heirs.

(2) "Amendment" means this Amendment to Declaration of Covenants, Conditions, Restrictions and Easements of Plantation Harbor.

(3) "Golf Fairway Property" is defined as all those properties intended for subdivision or development located adjacent to any golf course property.

B.

Membership

The Corporation shall have one class of members. There shall be no revival of Class B membership as a result of this Amendment or as a result of any future annexation of real property into the Subdivision by the Declarant.

C.

Annexation of Additional

Land by Declarant

Additional residential property and Community Use Areas may be annexed into the Subdivision and the Corporation by the Declarant without the consent of the members. Annexation of additional property shall be accomplished by recording a Declaration of Annexation describing the property annexed and incorporating the provisions of the Declaration and this Amendment by reference. The additional land shall be deemed annexed into the Subdivision and under the jurisdiction of the Corporation on the date of

the recordation of the Declaration of Annexation. Excepting those homes constructed pursuant to paragraph F.(2) herebelow, single family residential lots shall not be less than 20,000 square feet in size.

D.

Monthly General Assessments

(1) Beginning on the date of Annexation of any additional residential property into the subdivision, and continuing for a three (3) year period thereafter, the Declarant shall pay on each such lot that is shown and described on the recorded plat of said annexed residential property a monthly general assessment equal to one-fourth (25%) of the amount of the monthly general assessment then being levied by the Corporation on each lot. This reduction in the amount of monthly general assessments shall terminate upon the conveyance of the lot by deed, lease, or rental agreement.

(2) As long as they are utilized solely for the purposes relative to the operation of the golf course, Lots 108 and 109 shall be exempt from any assessments, annual, special, monthly, general, or otherwise.

E.

Golf Course

(1) Declarant is hereby authorized to construct, operate and maintain an 18 hole golf course on the following described real property:

SEE EXHIBITS A AND B ATTACHED HERETO

WHICH ARE HEREBY INCORPORATED BY REFERENCE

Declarant shall be entitled to establish such rules and regulations they, their successors and assigns, deem appropriate for the maintenance and construction of the golf course. Ownership of a Lot or property in the Subdivision shall not give or act as a grant of any right to or privilege of membership in the golf course facility or any easement, right of way, leasehold interest in or license to enter upon its property for any purpose.

Each owner acknowledges that owning property adjacent or in close proximity to a golf course involves certain risks which may have an affect on the utilization or enjoyment of such Lot. Owner acknowledges that such risks may include (as examples and not as a limitation on the generality of such risks) golf balls being hit into a Lot, with a potential of causing bodily injury or physical damage to property, and further including golfers coming onto a Lot to look for errant golf balls. Owner hereby expressly assumes such risk and agrees that neither Declarant nor any other entity owning or managing the golf course shall be liable to any owner of any Lot or anyone claiming any loss or damage, including, without limitation, indirect, special or consequential loss or damage arising from personal injury, destruction of property, trespass or any other alleged wrong or entitlement to remedy based upon, due to, arising from or otherwise relating to the proximity of any Lot to the golf course. Nothing in this paragraph shall restrict or limit any power of Declarant or any other entity owning or managing the Plantation Harbor Golf Course to change the design of the golf course, and such changes, if any, shall not nullify, restrict or impair the covenants and duties of the owners of any Lot contained herein.

Every Lot and development site is burdened with an easement permitting golf balls unintentionally to come upon the Lot or site and for golfers at reasonable times and in a reasonable manner to come upon the exterior portions of the Lot or site to retrieve errant golf balls; provided, however, if any Lot is fenced or walled as approved in accordance with the Declaration by the Corporation, or if the Owner has erected a sign(s) as approved by the Declaration prohibiting entry onto the Owner's property, the golfer shall seek the owner's or occupant's permission before entry. Declarant shall use its best efforts to have the entity owning, managing or operating the Golf Course conspicuously to denote all property on any Lot or building site as out of bounds. Every owner of every Lot, by acceptance of delivery of a deed, assumes all risks associated with errant golf balls, and each such owner agrees and covenants not to make any claim or institute any actions whatsoever against Declarant, the golf course designer or operator or any other party relating to any errant golf ball, any damages caused thereby or for negligent design of the golf course or siting of the Lot

(2) That portion of any Golf Fairway Property located within thirty (30) feet of any property line of the golf course shall be maintained in general conformity with the overall landscaping pattern for the golf course fairway area established by the golf course architect. Excepting herefrom all existing Lots.

(3) There is reserved to the Declarant a "Golf Course Maintenance Easement Area" on each property adjacent to any golf fairway property. This reserved easement shall permit the Declarant at its election, to go onto any Golf Course Maintenance Easement Area and perform maintenance and landscaping activities. Such maintenance and landscaping may include regular removal of underbrush, trees less than six (6) inches in diameter, stumps, trash or debris, planting of grass, watering, application of fertilizer, and mowing the easement area. This Golf Course Maintenance Easement Area shall be limited to the portion of such property within thirty (30) feet of the boundary line(s) bordering the golf course, or such lesser area as may be shown as a "Golf Course Maintenance Area" on the recorded plat of such property; provided, however, that the above described maintenance and landscaping right shall apply to the entire property until there has been filed with the Declarant a landscaping plan for such property by the owner thereof, or alternatively, a building or other structure is constructed thereon. Excepting herefrom all existing Lots.

(4) Until such time as a building or other structure is constructed on a property, the Declarant reserves an easement to permit and authorize registered golf course players and their caddies to enter upon a property to recover a ball or play a ball, subject to the official rules of the course, without such entering and playing being deemed a trespass. After a building or other structure is constructed, such easement shall be limited to that portion of the property included in the Golf Course Maintenance Easement Area, and recovery of balls only, not play, shall be permitted in such easement area. Golfers and their caddies shall not be entitled to enter on any such property with a golf cart or other vehicle and shall not spend unreasonable time on such property. After construction of a building or other structure on a Golf Fairway Property, "Out of Bounds" markers shall be placed on said property at the expense of the Declarant.

(5) Owners of Golf Fairway Property shall be obligated to refrain from any actions which would detract from the playing qualities of the golf course or the development of an attractive overall landscaping plan for the entire golf course area. Such prohibited actions shall include, but are not limited to, such activities as burning trash and the maintenance of unfenced dogs or other pets on the property under conditions interfering with play due to their loud barking, running on the fairways, picking up balls or other like interference with play.

(6) Notwithstanding the provisions of paragraph 3 of this Section, the Declarant hereby reserves the right to allow an owner to construct a building or other structure over a portion of the "Golf Course Maintenance Easement Area" in those cases where it, in its uncontrolled discretion, determines that such construction will not materially lessen the beauty or playing qualities of the adjacent golf course. Excepting herefrom all existing Lots. Out buildings on golf course lots are generally discouraged by Declarant. Any such construction must also be approved by the Corporation's architectural control committee.

(7) Declarant shall have the right to erect such signs upon the golf course facility as they, their successors and assigns, deem appropriate for the maintenance and operation of the golf course.

(8) Notwithstanding the former, the golf course which is being constructed by the Declarant is not a "Recreational Area" as defined herein, the rights of any Lot Owners to utilize the golf course shall be in accordance with the rules and regulations established by Declarant and their assigns.

(9) The golf course is specifically exempted from provisions of Article L, subparagraph (36) (d) (2) of the Declaration.

F.

Additional Provisions

(1) Lots 108 and 109 may be used as part of the golf course facility. Lot 60 may be used as a Community Use Area. Upon the completion of the construction of roads in any area which becomes annexed under the provisions of this Amendment, the Declarant shall transfer ownership of such roads to the Corporation and they shall become Community Use Areas.

(2) Within the area described in the attached Exhibit B, Declarant shall be allowed to construct Townhouse or Cluster Homes having "Zero lot lines" (i.e. the dwelling may be constructed with exterior walls directly upon or immediately adjacent to any side lot line, or a combination of dwellings joined by a series of common walls).

(3) Septic tank sewage systems shall be allowed on any residential property annexed into the Subdivision by Declarant.

(4) Every residential dwelling constructed on any lot annexed into the subdivision by the Declarant shall contain at least 1600 square feet of enclosed heated area (exclusive of garages and open porches).

Attachments to the Amendment:

1. Multiple copies of Exhibit A and B and tracts one and two which are rather large meets and bounds descriptions of the properties involved in the original description of Plantation Harbor, its "sewage system" area, and properties involved in this amendment.

2. numerous signature pages of the signers and attorneys/notaries attesting to their signatures.

legal fees) of any central wastewater collection, treatment, and disposal systems or other facilities, specifically including any expansions or upgrades of the existing systems, required to service such property. Upon completion of the design, construction and installation of said wastewater systems by the Developer, his successors-in-interest, heirs or assigns, the Developer, his successors-in-interest, heirs or assigns shall convey said systems and the land upon which said systems are located to the Corporation with full warranty that the land is free of all liens and other encumbrances and the Board of Directors agrees to accept such conveyance.

4. Except as hereinabove amended, each and every other term of the Declaration hereby is ratified and affirmed. Nothing herein ratifies or affirms any portion of the document recorded in Book 1534, Page 128, in the Office of the Register of Deeds of Craven County.

IN TESTIMONY WHEREOF, the Members, acting by and through their duly elected President, and the Plantation Harbor Property Owners Association, Inc. have caused this instrument to be signed and sealed in a manner so as to be binding.

PLANTATION HARBOR PROPERTY OWNERS
ASSOCIATION, INC.

By: /s/ Robert W. Whitton (SEAL)

Robert W. Whitton, President

ATTEST:

/s/ Randy M. Arquitt (Seal)
Randy M. Arquitt, Secretary

PHPOA

SEAL

(See also AMENDMENT TO DECLARATION listed separately)