

UNOFFICIAL
Brunswick County Register of Deeds
Robert J. [unclear]
Inst #201 [unclear] Book 465
03/25/2004 03:04:33 PM 83480

RET Gary S. Lawrence
23 TOTAL 80.00 REV. _____ TOP 38
REC# _____ CK AMT 80.00 CKE 1066
CASH _____ REF _____ BY PS

Prepared by and returned to Stevens, McGhee, Morgan, Lennon & Toll

STATE OF NORTH CAROLINA

COUNTY OF BRUNSWICK

DECLARATION OF COVENANTS AND RESTRICTIONS
SOUTH HARBOUR GOLF VILLAS
AT GLEN COVE
A TOWNHOME DEVELOPMENT

THIS DECLARATION, made and entered into as of the 9th day of March, 2004, by and between POINT ASSOCIATES, LLC, a North Carolina Limited Liability Company, hereinafter called "Developer" and/or "Declarant," and Viable Corp., a North Carolina Corporation, hereinafter called "Viable," and all prospective purchasers and owners of real property within the Planned Living Unit Townhome Development generally known as "South Harbour Golf Villas at Glen Cove" and/or "South Harbour Golf Villas" (the "Property").

WITNESSETH:

WHEREAS, Developer and Viable are the owners of the real property described in Article II of this Declaration and desire to create therein a residential planned community with open spaces and other common facilities for the benefit of the said community; and

WHEREAS, the Property will be subject to a Master Declaration of Covenants, Conditions and Restrictions for South Harbour Master POA, Inc., to be recorded in the Brunswick County Registry, as amended from time to time (the "Master Declaration"); and

WHEREAS, Developer and Viable desire to provide for the preservation of the values in said community and for the maintenance of said open spaces and other common facilities; and, to this end, desire to subject the real property described in Article II, together with such additions as may hereafter be made thereto, to additional covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Developer had deemed it desirable for the efficient preservation of the values in said community, to create or have created an agency to which should be delegated and assigned the powers of maintaining and administering the community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created pursuant to Chapter 47-F of the North Carolina General Statutes, entitled "N.C. Planned Community Act"; and

WHEREAS, Developer has incorporated or caused to be incorporated under the laws of the State of North Carolina, as a nonprofit corporation incorporated under Chapter 55A of the General Statutes of North Carolina, South Harbour Golf Villas POA, Inc. (the "Association"), for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, Developer and ~~Viable Owners~~, that the real property described in Article II hereof, is and shall be held, transferred, ~~and~~, conveyed and occupied as a townhome development subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "Declaration of Covenants and Restrictions for South Harbour Golf Villas at Glen Cove" and/or "Declaration") hereinafter set forth, and the Master Declaration herein above noted.

ARTICLE I

DEFINITIONS

Section 1. The following words when used in this Declaration or any Supplemental Declaration (unless the contract shall prohibit) shall have the following meanings:

- (a) "Association" shall mean and refer to "South Harbour Golf Villas POA, Inc."
- (b) "Amenities" shall mean the clubhouse, pool and tennis court to be constructed as common area and common facilities of South Harbour Master POA, Inc. for the non-exclusive use and enjoyment of members of the Association and others as is hereinafter stated.
- (c) "Class B Control Period" shall mean that period of time during which the Class B Member is entitled to appoint a majority of the Members of the Board of Directors of the Association as provided in Section 2, Article 3
- (d) "Common Properties" and/or "Common Elements" shall mean and refer to all real and personal property, including easements, which the Association owns, leases or holds possessor or use rights for the common use and enjoyment of the Owners.
- (e) "Shared Common Properties," "Shared Common Amenities," and/or "Shared Common Areas" shall mean and refer to all real and personal property, including easements, which may be owned by a third party by which are, in consideration of prorated charges, made available to the members of the Association.
- (f) "Developer" and/or "Declarant" shall mean and refer to Point Associates, LLC, a North Carolina Limited Liability Company.
- (g) "Living Unit" shall mean and refer to any portion of a building situated upon the Properties designed and intended for use and occupancy as a residence by a single family, whether as owners or tenants.
- (h) "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of Common Properties as heretofore defined.
- (i) "Master Association" shall mean and refer to South Harbour Master Property Owners Association, Inc., of which South Harbour Golf Villas POA, Inc., shall be a member and subject to the Declaration of Covenants and Restrictions of the said Master Association.
- (j) "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article III, Section 1, hereof.
- (k) "Multifamily Structure" shall mean and refer to any building containing two or more Living Units under one roof except when each such Living Unit is situated upon its own individual Lot.

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

Owner" shall mean and refer to the Properties buyer, notwithstanding any applicable theory of deed of trust, shall not mean or refer to the Trustee or cestui que trust unless and until there has been a transfer of title pursuant to foreclosure of any proceeding in lieu of foreclosure.

- (m) "Mortgage" shall include the note holder or cestui que trust secured by a "deed of trust."
- (n) "The Act" shall mean the North Carolina Planned Community Act (State Statute 47-F).
- (o) "Unit" shall mean a portion of the Properties, whether improved or unimproved, which may be independently owned or conveyed and which is intended for development, use and occupancy as a residential dwelling by the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Living Unit situated upon.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION;
ADDITIONS THERETO

Section 1. Properties. The real property which is, and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration and the Declaration of Covenants and Restrictions of South Harbour Master POA, Inc., which property is more particularly described in Exhibit "A" attached hereto. Viable Corp. executes this Declaration for the purposes above stated and as the record owner of certain of the real property described in Exhibit "A" attached.

Section 2. Additions to Existing Property.

- (a) Expansion. Additional lands may become subject to this Declaration to the extent such lands are described on Exhibit "B" attached hereto. The additions authorized hereunder may be made in one or more phases. Said additions shall be made by filing of record a Supplemental Declaration of Covenants and Restrictions with respect to the additional properties desired to be annexed, which Supplemental Declaration shall fit into the scheme of these Covenants and Restrictions to such property by adopting these Covenants and Restrictions by reference. Such Supplemental Declaration may contain such complementary additions and modifications of the Covenants and Restrictions contained in this Declaration as may be necessary to reflect the difference in character, if any, of the added properties and as such are not inconsistent with the scheme of this Declaration. In no event, however, shall such Supplemental Declaration revoke, modify or add to the Covenants established by this Declaration. Any annexation made hereunder must be completed on or before January 15, 2015. Any such supplemental declarations shall specify the date upon which dues and assessments are payable for Lots annexed thereby.
- (b) Mergers. Upon a merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Property together with the Covenants and Restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall affect any revocation, change or addition to the Covenants established by this Declaration within the Property except as hereinafter provided.

UNOFFICIAL

- (a) the right of the Association, in accordance with its Articles of Incorporation and By-Laws, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties. In the event of a default upon any such mortgage the lender's rights there under shall be limited to a right, after taking possession of such properties, to charge admission and other fees as a condition to continue enjoyment by the members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored;
- (b) the right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure;
- (c) the right of the Association, as provided in its Articles of Incorporation and By-Laws, to suspend the voting rights of any member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations;
- (d) the right of the Association to charge reasonable admission and other fees for the use of the Common Properties for non-members of the Association;
- (e) the legal right of an Owner of property shown on the same plat to include portions of the Common Properties as may be necessary for said Owner to qualify under governmental requirements such as setback lines, open space, parking or other aspects which may be needed for issuance of a building permit to be secured to rebuild a damaged Living Unit; and
- (f) the right of the Association to dedicate or transfer all or any part of the Common Properties, subject to the Association retaining an easement over the common property to any public agency, authority, or entity for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by Members entitled to cast not less than two-thirds (2/3) of the votes of each class of membership has been recorded, agreeing to such dedication, transfer, purposes or conditions, unless written notice of the proposed agreement and action thereunder is sent to every Member at least thirty (30) days in advance of any action taken.
- (g) The right (and obligation if required by the developer) of the Association to join and become a member of the Master Association and to pay dues as required of such members.

Section 4. Development Easements.

- (a) **Easement to Facilitate Development.** The Developer hereby reserves to itself and its designees a nonexclusive blanket easement over and through the Property and Common Elements for all purposes reasonably related to the development and completion and sale of improvements on the Property and Common Elements, including without limitation: (i) temporary slope and construction easements; (ii) drainage, erosion control, and storm and sanitary sewer easements (including the right to cut or remove trees, bushes or shrubbery, to regrade the soil and to take any similar actions reasonably necessary; provided, however, that thereafter the Developer shall restore the affected area as near as practicable to its original condition); (iii) easements for the storage (in a sightly manner) of reasonable supplies of building materials and equipment necessary to complete the improvements; and (iv) easements for the construction, installation and upkeep of improvements (e.g., landscaping, street lights, signage, etc.) on the Property and Common Elements or reasonably necessary to serve the Property and Common Elements.
- (b) **Easement to Facilitate Sales.** The Developer hereby reserves to itself and its designees the right to: (i) use of the South Harbour Master POA Inc. Clubhouse and

all related facilities and any improvements owned by Developer, any other Lot with the written consent of the Owner thereof for, sales offices, a visitors' center, construction offices, customer service offices or sales office parking areas; (ii) place and maintain in any location on the Common Properties and on any Lot street and directional signs, temporary promotional signs, plantings, street lights, entrance features, "theme area" signs, lighting, stone, wood or masonry walls or fences and other related signs and landscaping features; provided, however, that all signs shall comply with applicable governmental regulations and the Developer shall obtain the consent of the Owner of any Lot upon which the improvements are to be located; and (iii) relocate, within the areas permitted by this paragraph, or remove all or any of the above from time to time at the Developer's sole discretion. These rights and easements shall continue so long as Developer has Units for sale within the Properties

(c) Basement for Utilities and Related Services. The Developer hereby reserves to itself and its assignees, during the Development Period, the right to grant and reserve easements, rights of way and licenses, over, through, upon and under the Property and the Common Elements for ingress, egress, installation and upkeep of equipment providing to any portion of the Property or Common Elements any utilities including, without limitation, water, sewer, drainage, gas, electricity, telephone and television service, whether public or private, or for any other purpose necessary or desirable for the orderly development of the Property. Any pipes, conduits, lines, wires, transformers and any other apparatus necessary for the provision or metering of any utility may be installed, maintained or relocated where initially installed with the permission of the Developer, where contemplated on any site plan approved by the Developer or where approved by resolution of the Executive Board.

ARTICLE V

COVENANT FOR ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation for Assessments. The Developer, for each Unit owned within the Properties hereby covenants, and each Owner of any Unit within the Properties, by acceptance of a deed for a Lot or Living Unit, whether or not it shall be so expressed in such deed, is deemed to covenant to pay to the South Harbour Golf Villas POA, Inc. (the "Association") and, if and where applicable, to the Master Association.

- a. Regular annual assessments or charges;
- b. Special assessments for capital improvements and other purposes stated in this Declaration;
- c. Default assessments (as hereinafter defined) which may be assessed against a lot pursuant to the Declaration and the Articles of Incorporation and Bylaws of the Association (hereinafter referred to as the "Documents") for Owner's failure to perform an obligation under the Documents or because the Association has incurred an expense on behalf of the Owner under the Documents; and
- d. To the appropriate governing taxing authority or the Association a pro rata share of ad valorem taxes levied against the Common Areas; and
- e. Insurance Assessment as provided in this Declaration; and
- f. Working capitol assessment as defined in Section 14 of this Article and/or as may be defined by the Master Association..

All assessments, together with fines, interest, costs, reasonable attorneys' (and legal assistants') fees, and other charges allowed under this Declaration, shall be a charge on the land and shall be a continuing lien upon the lot against which each such assessment is made until paid.

Section 7. Change in Basis of Assessments. The Association may change the basis of the assessments fixed by Section 5 hereof prospectively for any such period, provided that any such change shall have the assent of not less than two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 8. Quorum for any Action Authorized Under Sections 4, 5, and 6. The quorum required for any action authorized by Sections 3, 4, and 5 of this Article V shall be as follows:

At the first meeting called, as provided in Sections 3, 4, and 5 of this Article V, the presence at the meeting 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 forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth in Sections 3, 4, and 5, and the required quorum at any such subsequent meeting shall be two-thirds of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. When a quorum is present the majority of those present by person or proxy may approve.

Section 9. Date of Commencement of Regular Assessments; Due Dates. The Regular assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the first Unit from the Developer to an Owner. The first regular assessment, as defined in Article V, Section 1C of this Declaration, shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the regular assessment against each lot at least thirty (30) days in advance of each regular assessment period. Written notice of the Regular Assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Unit have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 10. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot or Living Unit for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto; failure to provide a written notice shall indicate that the assessment is unchanged from the previous assessment.

The Association shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 11. Effect of Nonpayment of Assessments and Remedies of the Association. Any assessment, or installment thereof, which is not paid within thirty (30) days after its due date, will be delinquent. In the event that an assessment, or installment thereof, becomes delinquent, or in the event a Default assessment is established in under Article V, Section 1C of this Declaration, the Association, in its sole discretion, may take any or all of the following actions:

- a. assess a late charge for each delinquency at uniform rates set by the Board of Directors from time to time;

UNOFFICIAL

capital funds remaining at the end of the first full operating year shall be transferred to and become part of the general funds of the Association, in the discretion of the Board of Directors.

ARTICLE VI

RIGHTS OF HOLDERS OF FIRST MORTGAGES AND/OR DEEDS OF TRUST

Section 1. Inspection of Books and Records. First Mortgages shall have the right, upon request and during normal business hours, to examine the books and records of the Association.

Section 2. Notice of Default. Upon its written request, the holder of a first mortgage upon a Lot or Living Unit shall be entitled to written notification of any default by the Owner of said Lot or Living Unit in the performance of his obligations pursuant to these covenants or the By-Laws of the Association, if such default is not cured within thirty (30) days.

Section 3. Payments by First Mortgagee. One or more first Mortgagees of Lots or Living Units may, jointly or singly, in respect to the Common Properties, pay taxes or other charges which are in default and have or may become a charge against same, pay overdue hazard insurance premiums or secure new hazard insurance coverage after policy lapse. The parties making such expenditures shall be entitled to immediate reimbursement from the Association.

Section 4. Prohibitions. Without having first received written approval from at least seventy-five percent (75%) of the first Mortgagee (based upon one vote for each Mortgagee) of the Lots or Living Units, the Association may not:

- (a) fail to maintain hazard insurance on insurable improvements upon the Lots or Living Units and Common Property in an amount equal to one hundred percent (100%) of the current insurable replacement cost;
- (b) use hazard insurance proceeds from losses to any Lots or Living Units and Common Properties for other than the repair, replacement or reconstruction of such improvements.

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the Living Units upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damage due to negligent or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other causality loss, any Owner who has use of the wall must restore it as a party wall unless the other Owner agrees to the contrary in advance, and the other Owners thereafter making use of the wall shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision of a majority of all the arbitrators shall be final and conclusive of the question involved.

ARTICLE VIII

ARCHITECTURAL REVIEW COMMITTEE

Section 1. Review by Committee. No building, fence, wall or other structure nor any planting or landscaping change (including removal of any tree) shall be commenced, erected or maintained upon the Properties by any owner other than the Developer nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Developer so long as it owns any Lots and thereafter, by the Board of Directors of the Association, or by an Architectural Review Committee composed of three (3) or more representatives appointed by the Board. In the event the Developer, or said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been complied with fully. The Association shall have the right to bring an action to enjoin any activity taken in violation of this Article.

ARTICLE IX

EXTERIOR MAINTENANCE

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

Section 1. Exterior Maintenance. In addition to maintenance upon the Common Properties, the Association shall provide exterior maintenance upon each Lot and Living Unit which is subject to assessment under Article V hereof as follows: paint, repair, replace and care for roofs, gutters, down-spouts, exterior building surfaces, trees, shrubs, walks, grass, driveways and other exterior improvements. Such exterior maintenance shall not include doors, windows, window screens, door and window frames, rear decks, roof skylights, glass surfaces or landscaping inside enclosed rear courtyard areas, if any.

Section 2. Special Assessment for Capital Improvements. In addition to the annual assessments authorized by this document, the Association may levy, in an assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement, or exterior maintenance of any Lot or Living Unit, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 3. Access at Reasonable Hours. For the purpose solely of performing the exterior maintenance required by this Article, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, to enter upon any Lot or exterior of any Living Unit at reasonable hours on any day. The Association or its representatives may enter into the interior of any living Unit for emergency purposes only. In the event the interior of any living Unit is entered into for emergency purposes the owner of record will be contacted and informed of entry into his/her living Unit and the purpose which access was required.

USE RESTRICTIONS

Section 1. Land Use and Building Type. All lots shall be used for single-family residential purposes only except that so long as the Developer and/or Viable Corp. shall retain ownership of any lots, they or either of them may utilize any such lot or lots within said project for sales or rentals, offices, models or other usage for the purpose of selling or leasing lots. The Developer may assign this limited commercial usage right to any other person or entities as it may choose; provided, however, that when all Lots have been sold, this right of commercial usage by the Developer, its successors and assigns shall immediately cease. Co-ownership of lots shall not be prohibited. Any building erected, altered, placed or permitted to remain on any lot shall be subject to the provisions of Article VIII of this Declaration of Covenants, Conditions and Restrictions relating to architectural control.

Section 2. Nuisances. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 3. Junk Vehicles. No inoperable vehicles or vehicle without current registration and insurance will be permitted on the premises. The Association shall have the right to have all such vehicles towed away at the owner's expense.

Section 4. Outside Furniture. No furniture shall be permitted in the common areas. No furniture shall be permitted on the front porch of each living Unit except porch furniture and plants. Porch furniture shall be permitted in the courtyard of each living Unit.

Section 5. For Sale Signs Prohibited. No "For Sale" signs or any other signs shall be permitted on any lot or in the common areas and facilities or displayed from any living Unit, except the Developer or its designee may place "For Sale" or "Directional Signs" for as long as Developer shall retain ownership of any unsold lot (s).

Section 6. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot any time as a residence whether temporarily or permanently.

Section 7. Recreational Vehicles. No boat, motor boat, camper, trailer, motor or mobile homes, or similar type vehicle, shall be permitted to remain on any lot or in parking spaces, at any time, unless by consent of the Association.

Section 8. Animals. 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 by owners of Lots or Living Units only, provided that they are not kept or maintained for commercial purposes and provided further that they are not allowed to run free and are at all times properly leashed and personally escorted. If any pet shall be determined by the Board of Directors to be a nuisance, the Board shall have full authority to have such pet permanently expelled from the properties.

Section 9. Outside Antennas. No outside radio or television antennas except satellite dishes measuring one meter or less shall be erected on any lot or dwelling living Unit within the Properties unless permission for the same has been granted by the Board of Directors of the Association or its architectural control committee.

Section 10. Window Coverings. All drapes, curtains or other similar materials hung at window, or in any manner so as to be visible from the outside of any building erected upon any lot, shall be of a white or neutral background or material, unless the Board of Directors approves another color.

Section 11. Exterior Lights. All light bulbs or other lights installed in any fixture located on the exterior of any building or any lot shall be clear, white or non-frost lights or bulbs.

Section 12. Leasing Restrictions. Nothing contained herein shall prohibit leasing or renting of a Lot; provided, however, that no Lot or Living Unit shall be leased or rented for a period of less than thirty (30) consecutive calendar days. The Board of Directors may require Owners who lease their Lots to insert provisions in the lease, which would require the tenant to abide by the Association Documents and allow enforcement of the Association Documents directly against the tenant as well as the Owner.

Section 13. Trash Receptacles. All trash and trash receptacles shall be stored in garages or other areas provided. Trash or trash receptacles shall not be in view of any road, common property or any other living Unit. Trash receptacles are to be put out for collection on the trash collection day and taken in the same day.

ARTICLE XI

COMMON AMENITIES

Point Associates, L.L.C. may construct a clubhouse, pool and/or tennis courts, which, if constructed, shall be common amenities to members of the South Harbour Master POA, Inc. and their respective members in good standing. It is understood and agreed that the Amenities above described are not for the exclusive use of the owners within South Harbour Golf Villas but that all dues paying owners (in good standing within their respective Association) within the other development areas established throughout the master development known as "South Harbour Village", including, by way of illustration and not limitation, Westport at South Harbour Village, Glen Cove at South Harbour Village, Village Green Townhomes at South Harbour Village at Westport, and Barnes Bluff, have the right to use such Amenities.

The Association may impose uniform standards for mail collection facilities (which may be a central facility or individual receptacles), waste disposal containers, newspaper boxes, mailboxes and such other common features typically installed on the exterior of a Living Unit, or on Common Properties. The owner of each Lot shall comply fully with all such standards adopted by the Association. Further, said owners shall comply with all standards reasonably established by the Master Association.

ARTICLE XII

RULES, SEVERABILITY, AMENDMENTS

Section 1. Rules. The Board of Directors shall have the authority to adopt rules for the use of the Common Properties, exterior portion of the Lots and Living Units, and the conduct of members, their guest, invitees, tenants, and family members and shall furnish a written copy of said rules to the Owners. Any violation of such rules shall be punishable by fine and/or suspension of the voting rights of the violating Owners.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in nowise affect any other provisions, which shall remain in full force and effect.

Section 3. Lots Subject to Declaration: Extension. All present and future Owners, tenants, and occupants of Lots and their guests or invitees, shall be subject to, and shall comply with the provisions of this Declaration, as amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of any Lot shall constitute an agreement that the provisions of this Declaration are accepted and ratified by such Owner, tenant or occupant. The covenants and restrictions of this Declaration shall run with and bind the land and shall bind any person having at any time any interest or estate in any Lot, as though such provisions were made a part of each and every deed of conveyance or lease, for a term of ten (10) years from the date hereof, after which time they shall be automatically extended for successive periods of ten (10) years, unless by vote of Owners of not less than two thirds (2/3) of the Lots this Declaration has been amended to provide otherwise.

UNOFFICIAL

Section 5. Amendment of Declaration. Except as provided elsewhere herein, the covenants and restrictions of the Declaration may be amended only by an instrument duly recorded in the Office of the Register of Deeds of Brunswick County executed by the duly authorized officers of the Association upon the vote of the Owners of not less than two thirds (2/3) of the Lots. In no event may this Declaration be amended so as to deprive the Developer of any rights herein granted or reserved unto Developer, unless the Developer consents to such amendment in writing.

Section 6. Amendment by the Developer. The Developer may amend any part or all of this Declaration without the consent of any other entity, from time to time, by executing, acknowledging, and recording an amendment in the office of the Register of Deeds of Brunswick County, which amendment shall be applicable only to Lots conveyed by the Developer subsequent to the recording of such amendment.

Section 7. Transfer of Developer's Rights. The Developer may assign any or all of its rights, privileges, and powers under this Declaration to one or more entities, including, but not limited to, the Association. All of the Developer's rights, privileges and powers under this Declaration, unless otherwise assigned, shall inure to the benefit of its successors by merger, or a transferee of all or substantially all of the assets of the Developer."

ARTICLE XIII

GENERAL PROVISIONS

Section 1. General Enforcement. The Developer, the Association, or any Owner, and, where applicable, the State of North Carolina, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Developer, the Association, an Owner, or the State of North Carolina to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Enforcement Of Stormwater Runoff Regulations. The covenants set forth herein are intended to ensure the ongoing compliance with all existing State Stormwater Management Permits as issued by the Division of Water Quality under NCAC 2H1006. The State of North Carolina is hereby made a beneficiary of this Declaration to the extent necessary to enforce its stormwater runoff regulations as the same may be amended from time to time and to maintain compliance with the above noted stormwater management permit(s). These covenants shall run with the land and be binding upon all persons and parties claiming under them. The Built Upon Area for each Lot shall be a maximum of 2400 square feet as has been established by the said State, unless and until the State of North Carolina shall revise its stormwater runoff regulations to permit a greater Built Upon Area for such Lot or Lots. For purposes of this section, the allowable "Built Upon Area" shall include that portion of the right-of-way between the front lot line and the edge of the pavement. Further, built upon areas shall include, but not be limited to, structures, pavement, walkways of asphalt, concrete, gravel, brick, stone, slate, or coquina, but shall not include raised, open wood or synthetic material decking, or the water surface of a swimming pool. Any Owner may, in accordance with applicable government regulations, borrow from another Owner any Built Upon Area which is not being utilized by the other Owner, without the approval of any Owner(s) not involved in such transaction, the Developer, or the Association.

Any covenants pertaining to stormwater regulations may not be changed or deleted without the concurrence of the Division of Water Quality of the North Carolina Department of Environment and Natural Resources. Lots within the Area of Environmental Concern (AEC) of Coastal Area Management (CAMA) may have the built-upon area reduced to CAMA jurisdiction within the AEC. Alteration of the drainage as shown on the approved plan shall not take place without the concurrence of the State of North Carolina. Furthermore, all drainage easements, and/or any portion thereof which is located on any portion of any lot within the subdivision shall be preserved, protected, and maintained by the owner of said lot. Further, the filling in or piping of any vegetative

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

conveyances (ditches, swales, etc.) within or used by the subdivision, except for driveway crossings, is strictly prohibited. Each lot will maintain a thirty (30) foot wide vegetated buffer between all impervious areas and surface waters. All roof drains shall terminate at least thirty(30) feet from the mean high water mark.

With respect to any curb and gutter located within the subdivision, the following additional restrictions shall apply:

(A) Filling in, piping or altering any designated 5:1 curb outlet swale associated with the subdivision is prohibited by any person or persons.

(B) With respect to any curb outlet system, each designated curb outlet swale shown on the approved plan must be maintained at a minimum of 100 feet long with a 5:1 (H:V) side slope or flatter, have a longitudinal slope no steeper than 5%, carry the flow from a 10 year storm in a non-erosive manner, and maintain a dense vegetated cover.

Section 3. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, or otherwise delivered, to the last known address of the person who appears as a Member or Owner on the records of the Association at the time of such mailing.

Section 4. Roads and Streets. All roads and streets made subject to this Declaration are common property and shall be designated as private and shall be maintained by the Association until such time as the South Harbour Master POA, Inc. is created and takes responsibility of the roads and streets as required by their Declaration of Covenants and Restrictions. Furthermore, Developer for itself, its designees or assigns shall have a right of ingress and egress over and across all of such roads and streets for purposes of accessing any property described on Annex A, Annex B or adjoining properties owned by Developer or its successors and assigns. The Association shall maintain private roads and streets in good condition, readily available for normal use at all times until the maintenance of the roads and streets are maintained by the South Harbour Master Association, Inc.

UNOFFICIAL
UNOFFICIAL

Section 5. Parking. All parking spaces immediately adjacent to a designated Lot or Living Unit should be available for the sole use of the owner of such Lot, and the Living Unit thereon, all other parking should be jointly available for the owner of all Lots and their guest, subject to reasonable rules and regulations adopted from time to time by the Board of Directors.

Section 6. Insurance.

6.1 Authority to Purchase.

1.1 The Executive Board shall (a) purchase, and thereafter maintain insurance policies relating to the Common Elements, Lots and improvements thereon, (excluding additions and betterments installed by the Owners), and other matters more particularly set forth in this Article, (b) adjust all claims arising under such policies and (c) execute and deliver releases upon payment of claims. The cost of all insurance policies purchased by the Board shall be Common Expense. The Executive Board and the managing agent shall not be liable for failure to obtain any coverage required by this Article or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverages from reputable insurance companies, or if such coverages are so available only at an unreasonable cost. Exclusive authority to negotiate losses under such policies shall be vested in the Executive Board and/or its authorized representative. The Executive Board shall promptly notify the members of material adverse changes in, or termination of, insurance coverages obtained on behalf of the Association.

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

- 1.2 Reputable companies licensed or qualified to do business in North Carolina shall write all policies of insurance.
- 1.3 The deductible (if any) on any insurance policies purchased by the Executive Board shall be a Common Expense except as set forth herein; provided, however, that the Association may assess any deductible amount necessitated by the act, misuse or neglect of an Owner, or such Owner's tenant or such Owner's (or tenant's) household, guests, agents or invitees against such Owner.

6.2. Physical Damage Insurance.

1.1 The Executive Board shall obtain and maintain a blanket, "all-risk" form policy of fire insurance with extended coverage, vandalism, malicious mischief, cost of demolition, debris removal, and water damage endorsements, insuring (a) any improvements located on the Common Elements covering the interests of the Association and all improvements located on any Lot including, without limitation, any floor covering, fixtures, appliances, cabinets and other installations constituting a part of the original improvements in their completed form as constructed on the Lots, but not including additions/betterments installed by Owner, and (b) in an amount not less than eighty percent (80%) of the then current replacement cost of any improvements located on the Common Elements and the Lots (exclusive of the land, excavations, foundations and other items normally excluded from such coverage), without deduction for depreciation (such amount to be re-determined annually by the Board with the assistance of the insurance company affording such coverage). The Executive Board shall also obtain and maintain appropriate coverage on all personal property and real estate other than the Common Elements owned by the Association.

6.3 Other Insurance.

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

The Executive Board shall obtain and maintain adequate fidelity coverage to protect against dishonest acts on the part of Directors, Officers, Trustees and Employees of the Association and all others who handle, or are responsible for handling funds of the Association, including the managing agent. If the Association has delegated some or all of the responsibility for handling funds to a managing agent, such managing agent shall be covered by its own fidelity bond. Such fidelity bonds (except for fidelity bonds obtained by the managing agent for its own personnel) shall: (i) name the Association as an obligee, and (ii) contain waivers of any defense based upon the exclusion of Persons who serve without compensation from any definition of "employee" or similar expression;

2. liability insurance in reasonable amounts covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements;

3. if required by a majority of the Mortgagees or governmental regulations, floor insurance in accordance with the applicable regulations for such coverage;

4. workers' compensation insurance, if and to the extent necessary, to meet the requirements of law (including a voluntary employees endorsement and an "all states" endorsement);

5. to the extent coverage can be obtained at a reasonable cost, directors and officers liability insurance in an amount not less than One Million and No/100 Dollars (\$1,000,000.00); and

6. such other insurance as the Executive Board may determine as may be requested from time to time by a Majority Vote of the members.

Section 7. Reconstruction and Repair.

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

7.1 When Reconstruction or Repair Required.

1. Common Elements. Except as otherwise provided in Section 10.4 hereof, if all or any part of any improvement located on the Common Elements is damaged or destroyed by fire or other casualty, the Executive Board shall arrange for and supervise the prompt repair, replacement and reconstruction thereof. The Association shall not use the proceeds of casualty insurance received as a result of damage or destruction of improvements located on the Common Elements for purposes other than the repair, replacement or reconstruction of such improvements except in accordance with Section 10.4 and the Act.

2. Lots/Improvements. If the residential building located upon a Lot is damaged or destroyed, the Association shall repair, replace or reconstruct the site and the residential building either (i) by repairing or reconstructing such building or other major improvement or (ii) by clearing away the debris and restoring the site to an acceptable condition compatible with the remainder of the Property. Unless the Architectural Control Committee permits a longer time period, such work must be commenced within six (6) months after the casualty and substantially completed within eighteen (18) months after the casualty.

7.2 Procedure for Reconstruction and Repair Performed by the Association.

1. Cost Estimates. Immediately after a fire or other casualty causing damage to any portion of the Property, the Executive Board shall obtain reliable and detailed estimates of the cost of restoring and repairing such improvement to a condition as good as that existing before such casualty. Such costs may also include professional fees and premiums for such bonds as the Executive Board determines to be necessary.

2. Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the original construction of any improvement located on the Property, subject to any modifications required by changes in applicable governmental regulations, and using contemporary building materials and technology to the extent feasible; provided, however, that other action may be taken if approved in accordance with Section 10.4 hereof.

7.3 Disbursement of Construction Funds for Common Elements.

1. Construction Fund and Disbursement. The proceeds of insurance collected on account of a casualty and the sums received by the Executive Board from the collection of assessments against the Owners shall constitute a construction fund, which shall be disbursed in payment of the costs of reconstruction and repair in the following manner.

2. Shortfalls. If the proceeds of insurance are not sufficient to defray such estimated costs of repair, or if upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the amount necessary to complete such reconstruction and repair may be obtained from the appropriate reserve for replacement funds or shall be deemed a Common Expense and an assessment therefore shall be levied subject to other sections hereof.

3. Surplus. The first monies disbursed in payment of the cost of reconstruction and repair shall be from insurance proceeds. If, after payment of the costs of all reconstruction and repair, and the refund of any excess payments made by Owners in proportion to their contributions or the refund of excess payments by any Owner, there remains any surplus fund, such fund shall be paid to the Association and shall be placed in the appropriate reserve account.

4. When Reconstruction and Repair of Common Elements Not Required. If destruction of the improvements located on the Common

UNOFFICIAL

Elements is insubstantial, the Executive Board may elect not to repair such insubstantial damage. ~~Otherwise~~, any decision not to repair or restore improvements on the Common Elements shall be made in accordance with the Act. If damaged improvements are not repaired, then the Executive Board shall remove all remnants of the damaged improvements and restore the site thereof to an acceptable condition compatible with the remainder of the Common Elements and the balance of any insurance proceeds received on account of such damage shall be placed in the appropriate reserve account.

5. Repair of Lot Improvements. Except for damage to the improvements constructed on the Lots, which is covered by insurance maintained by the Association, each Owner shall be obligated to pay the cost of upkeep necessitated by loss or damage to the improvements on his Lot unless: (i) the loss or damage is caused by failure of the Association to upkeep any portion of the improvements on his Lot for which the Association is obligated to provide upkeep after notice by the Owner to the Association of the need for upkeep, or (ii) the Association performs faulty upkeep to an area or portion of the improvements on the Owner's Lot for which the Association is obligated to provide upkeep. If the cost of upkeep necessitated by loss or damage is covered by insurance maintained by the Association, the Owner shall pay that portion of the cost, which would otherwise not be paid through the insurance maintained by the Association by reason of deductibles applicable to such policy or policies.

Section 8. Golf Facility. Any Owner by accepting and recording a Deed, acknowledges and agrees that the Developer intends to and does hereby subject the subject property conveyed hereby to further restrictions relating to the overall development of South Harbour Golf Villas at Glen Cove, including, but not limited to, restrictions relating to the potential development of a golf course upon lands adjacent to the subject lands conveyed hereby. The said Owner acknowledges and agrees that the Developer anticipates that one or more Golf Facilities may be constructed, operated and maintained in or contiguous to portions of the lands conveyed hereby as privately owned facilities and not as part of any Common Property. However, this statement shall not be construed as imposing on the Developer any obligation or commitment to construct, operate or maintain any Golf Facility or to have any Golf Facility constructed, operated or maintained. However, with respect to any and all Golf Facilities, and in consideration of the construction, operation and maintenance of same, the provisions of this Article shall apply to lands described herein. The easements established in this Article shall exist and continue with respect to each Golf Facility as long as it is operated as a Golf Facility.

1. Existence of a Golf Facility. The Developer hereby informs all Owners, their family members, and guests, that there exist certain hazards or risks associated with the existence of a Golf Facility and the ownership or use of the adjacent property, the surrounding property and other portions of the properties, including the risk of personal injury or property damage from golf balls, golf carts and golf course maintenance equipment. The Developer further informs all Owners, and their family members, and guests, that this Deed reserves easements for golfers to go onto portions of the lands conveyed hereby to look for and retrieve golf balls which, due to errant golf shots, have come to rest outside of the boundaries of a Golf Facility. Any Owner, by acceptance of this deed, specifically acknowledges the existence and acceptance of the foregoing risks, easements and interference with the use and enjoyment of the lands herein described that the Owner's family members, agents, contractors, guests, lessees and contract purchasers, which risks and interference arise out of and are associated with the usual and normal operation, use and maintenance of a Golf Facility.

2. Use of Golf Facility: Interference. The party of the second part shall have no right, solely by virtue of such ownership or by payment of assessments to any homeowner's association, whether or not their lands adjoins a boundary of a Golf Facility, or access to or across, entry onto, membership in, or other use or enjoyment of any Golf Facility that is not part of any recorded plat or Common Property. Use of a Golf Facility in or contiguous to land conveyed hereby may or may not be exclusive to the other lot owners within the development. There shall be no activities conducted on

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

any portions of the lands conveyed hereby that unreasonably disturb the playing of golf or the use or enjoyment of a Golf Facility by the members and guests thereof, including, without limitation, undue noise, unsightly trash or debris, or any other noxious or offensive activity. Without the written consent of the owner of a Golf Facility, there shall be no fencing or other obstructions on any portion of land conveyed hereby located within a distance of ten (10) feet from any boundary of such Golf Facility.

3. Use Not a Nuisance. Use of any part of a Golf Facility by any person in accordance with the reasonable rules and regulations established by the owner of the Golf Facility, including use of a Golf Facility for golf tournaments or social events shall not constitute a nuisance.

4. Easements For Golf Facility.

a.a. All portions of lands conveyed hereby located within 500 yards of a boundary of the golf course portion of a Golf Facility are subject to perpetual, non-exclusive easements for (i) golf balls that come upon or fly over such portions of said lands as a result of errant golfs shot struck by golfers using a Golf Facility (excluding golf balls resulting from any golf shot or other action by a golfer where the golfer's intent is to cause the golf ball to go on or over such lands) and (ii) golfers, at reasonable times and in a reasonable manner, to enter said lands to retrieve such golf balls. Provided, however, if such portion of lands to be entered is fenced or otherwise secured, before entry the golfer shall obtain the permission of the Owner thereof, and nothing herein shall give any person the right to enter any dwelling, building or other structure on any portion of the lands conveyed hereby to retrieve golf balls or for any other purpose. Further provided, nothing herein shall permit a golfer to strike a golf ball from or any portion of land conveyed hereby outside of the Golf Facility. The reasonable exercise of these easements by any person for whom they are reserved shall not constitute a trespass to any portion of lands conveyed hereby or a nuisance. The existence of these easements shall not relieve golfers who use the Golf Facility or who strike the errant golf shots of or from liability for personal injury or property damage caused by or resulting from any such use or errant golf shots.

a.b. The portion of any surrounding property immediately adjacent to a boundary of a golf Facility is hereby burdened with perpetual, nonexclusive easements in favor of that Golf Facility for (i) the reasonable over spray of water from the irrigation system serving that Golf Facility and (ii) the reasonable incursion of Golf Facility maintenance equipment and personnel, in order to maintain the boundary areas of a Golf Facility.

a.c. The owners and management of each Golf Facility, their agents, successors and assigns, shall at all reasonable times have a perpetual, non-exclusive easement of access and use over those lands conveyed hereby as may be reasonably necessary to the maintenance of that Golf Facility, including use during any PGA TOUR EVENT, and the right to retrieve golf balls from bodies of water within any Common Property lying reasonably within range of golf balls hit from that Golf Facility. Provided, following each exercise of any such easement, the owner of any Golf Facility who exercises the easement promptly shall restore any designated Common Property to the condition it was in prior to the exercise of the easement.

1.1 Limitation of Liability. Neither the Developer, any Builder, any Homeowner's Association, nor any of the members, managers, shareholders, officers, directors, employees, agents, contractors, affiliates, subsidiaries, predecessors, successors, or assigns of the Developer, Builder, or the Association shall be responsible or liable in any way to the party of the second part or any Owner or to any other person for any claims, causes or action, damages to person or property, judgments, liens, losses, injuries, demands, interference, liabilities, or obligations whatsoever, arising out of or resulting from any one or more of the following: (i) any interference of the party of the second part's (or any Owner's) use and enjoyment of any Common Property or any portion of the lands conveyed hereby by anyone using the Golf Facility; (ii) improper design or operation or use of the golf course or any other portion of a Golf Facility; (iii) the level of skill of any golfer; (iv) trespass by any golfer on any portion of the properties; (v) golf balls (regardless of the number and frequency or occurrences) hit or thrown over or onto any portion of said lands; (vi) golf equipment; (vii) Golf

UNOFFICIAL

Facility maintenance equipment and ~~debts~~ (will) social events held at a Golf Facility; (ix) the exercise by any golfer or the holder of a Golf Facility of any easement reserved or established for golfers or that Golf Facility by this Deed or shown on any plat of the properties recorded in the Registry. Provided, however, the foregoing liability limitations are not applicable to any of the named persons with respect to their acts or omissions as golfers, members or guests using the Golf Facility, or as owners, managers, agents or employees of a Golf Facility.

No Golf Facility, nor any owner or management, thereof, nor any member, partner or shareholder thereof or any affiliate of any such member, partner or shareholder, nor their respective employees, officers, directors or agents, nor any architects, builders, contractors or land planners hired or retained by the owner of such Golf Facility, in the foregoing capacities, shall be liable for any damage or injury resulting from errant golf balls hit by their parties, retrieval or errant golf balls by third parties from the reasonable over spray of water from that Golf Facility. Provided, however, the foregoing liability limitations are not applicable to any of the name persons with respect to their acts or omissions as golfers, members or guests using the Golf Facility.

However, it is expressly understood that nothing herein expressly stated, or otherwise implied, shall require the Development Owner or the Developer, or either of them, or their successors and assigns, to own, provide, operate, and/or maintain a Golf course or facility as above is described or otherwise. Development Owner and Developer expressly reserve the right to close the entire or any part or portion of the said Golf facility and property and, further, Development Owner and Developer reserve the right to develop all or any portion of the golf course property for such purposes as Developer, in its sole discretion shall deem appropriate.

WITNESS WHEREOF, POINT ASSOCIATES, LLC has caused this instrument to be duly executed by its authorized Member-Managers, and Viable Corp. has caused this instrument to be duly executed as authorized by its Board of Directors, as of the day and year first above written.

POINT ASSOCIATES, LLC, Developer-Declarant

BY: Wilmington Holding Corp., Member-Manager

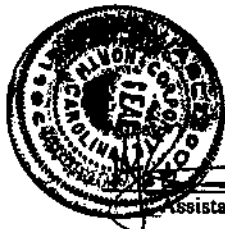
By [Signature]
Vice President



[Signature]
Secretary

VIABLE CORP.,

By [Signature]
E.L. Burnett, III, President



[Signature]
Assistant Secretary

UNOFFICIAL

UNOFFICIAL
STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

Inst # 202551 Book 1915Page: 485

I, a Notary Public of the County and State aforesaid, certify that Jerry Thomason personally came before me this day and acknowledged that she is the Assistant Secretary of Wilmington Holding Corp., a North Carolina corporation, which corporation is a Member-Manager of POINT ASSOCIATES, LLC., a North Carolina Limited Liability Company, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Vice President, sealed with its corporate seal and attested by herself as its Assistant Secretary, on behalf of and as the act and deed of the said POINT ASSOCIATES, LLC.

WITNESS my hand and official stamp or seal, this 25th day of MARCH, 2004.

Georgia F Ezzell
Notary Public



My commission expires: 9/13/06

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

I, a Notary Public of the County and State aforesaid, certify that Alton Y. Lennon personally came before me this day and acknowledged that he is the Assistant Secretary of Viable Corp., a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by himself as its Assistant Secretary, all as was duly authorized by its Board of Directors.

WITNESS my hand and official stamp or seal, this 25th day of MARCH, 2004.

Georgia F Ezzell
Notary Public



My commission expires: 9/13/06

AYL2004A:GLFVLDEC3-23-04

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of Georgia L. Ezzell

Notary(ies) Public is (are) Certified to be Correct.
This Instrument was filed for Registration on this 25th Day of March, 2004
in the Book and page shown on the First Page hereof.

Robert J. Robinson
ROBERT J. ROBINSON, Register of Deeds

UNOFFICIAL
Inst # 20253 Book 1915 Page: 486
UNOFFICIAL
UNOFFICIAL

Exhibit "A"

**TO THE DECLARATION OF COVENANTS AND RESTRICTIONS
SOUTH HARBOUR GOLF VILLAS AT GLEN COVE
A TOWNHOME DEVELOPMENT**

ALL OF LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12, inclusive, and LOTS 55, 56, 57, and 58, inclusive, of SOUTH HARBOUR GOLF VILLAS at GLEN COVE, as the same are shown, along with other Lots, on those maps or plats entitled "Map of Revision South Harbour Golf Villas at Glen Cove", said maps having been prepared by Sherwin D. Cribb, North Carolina Professional Land Surveyor, said maps being dated March 24, 2004, and having been recorded in Map Book 29, at Pages 505 and 506, of the Brunswick County, North Carolina, Registry, reference to which plats or maps is hereby made for a more particular description. The said Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12, inclusive, and Lots 55, 56, 57, and 58, inclusive, are all shown on the above noted plat recorded in Map Book 29, at Page 505, of the said Registry.

ayl2004A:SHGVDECExA

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

Inst # 202551 Book 1915Page: 487

**TO THE DECLARATION OF COVENANTS AND RESTRICTIONS
SOUTH HARBOUR GOLF VILLAS AT GLEN COVE
A TOWNHOME DEVELOPMENT**

ALL of those Lots in that Town Home Development known as "SOUTH HARBOUR GOLF VILLAS at GLEN COVE", as the same are shown on that map or plat entitled "Map of Revision South Harbour Golf Villas at Glen Cove", said map having been prepared by Sherwin D. Cribb, North Carolina Professional Land Surveyor, said map being dated March 24, 2004, and having been recorded in Map Book 29, at Page 506, of the Brunswick County, North Carolina, Registry, reference to which plat or map is hereby made for a more particular description.

Included in the above description are all of Lots 13 through 32, inclusive, and Lots 33 through 54, inclusive, of South Harbour Golf Villas at Glen Cove, as are shown on said plat or map.

AYL2004A:SHGVDECEXB

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

UNOFFICIAL
UNOFFICIAL

UNOFFICIAL
Brunswick County Register of Deeds
Robert J. Robinson
Inst #207762 Book 1935 Page 885
04/30/2004 03:23:18pm Rec# 18788

Prepared by and Returned to:
STEVENS, MCGHEE, MORGAN, LENNON & TOLL, LLP

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

**FIRST SUPPLEMENT TO THE DECLARATION OF COVENANTS AND
RESTRICTIONS FOR SOUTH HARBOUR GOLF VILLAS AT GLEN COVE**

WHEREAS, POINT ASSOCIATES, LLC (hereinafter referred to as "Developer" and/or "Declarant"), and others, have heretofore executed and caused to be recorded in the Office of the Register of Deeds of Brunswick County, North Carolina, in Book 1915, at Page 465, a Declaration of Covenants and Restrictions for South Harbour Golf Villas at Glen Cove, a Townhome Development, (hereinafter the "Declaration"); and,

WHEREAS, in accordance with Article II, Section 2, of the Declaration, the Developer expressly reserved the right to add certain additional real estate to the said townhome development and to make said additional lands subject to the Declaration; and,

WHEREAS, Developer desires to supplement the said Declaration and expand the said development by the addition of a portion of the real property described in Exhibit "B" of the said Declaration and to subject said property to the Declaration;

NOW, THEREFORE, the Developer, in accordance with the provisions of the Declaration, does hereby amend and supplement the Declaration in the following respects:

The real property which is and shall be held, transferred, sold, conveyed subject to the Declaration (and this Supplement) as described in Exhibit "A" to the Declaration is hereby supplemented, amended, and revised to include the real property as shown and designated on Exhibit "A" attached hereto and made a part hereof by this document by reference. The real property described in said Exhibit "A" of this First Supplement and the real property described in Exhibit "A" to the original Declaration shall be and constitute the Property known as "South Harbour Golf Villas at Glen Cove, a Townhome Development", upon the recordation of this supplement. This First Supplement shall be deemed to be a Declaration of ownership for the property herein described.

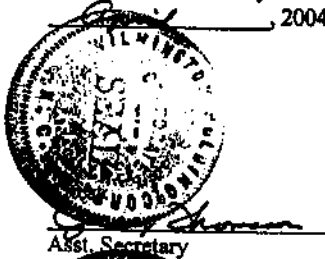
Dues and assessments payable for all property annexed hereby shall be paid as provided in the Declaration.

EXCEPT AS SPECIFICALLY supplemented hereby, the aforesaid Declaration shall be and remain in full force and effect and shall apply to Units, Common Areas, Shared Common Areas and Limited Common Areas created by this First Supplement to the Declaration.

RET L:z-S Darby
TOTAL 20 REV TCR 38
RECE CRAMT 201 CKE 307
CASH REF BY gw

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

IN WITNESS WHEREOF, POINT ASSOCIATES, LLC has caused this document to be executed in its name by its duly authorized Member-Managers, this the 28 day of _____, 2004.



POINT ASSOCIATES, LLC
WILMINGTON HOLDING CORP., Member-Manager

By: [Signature]
Vice-President



VIABLE CORP., Member-Manager

By: [Signature]
President

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

I, a Notary Public of New Hanover County, North Carolina do hereby certify that ALTON Y. LENNON personally appeared before me this day and acknowledged that he is the Vice President of Wilmington Holding Corp., a North Carolina Corporation, which he also acknowledged is a Member-Manager of POINT ASSOCIATES, LLC, that he further acknowledged that the foregoing and annexed instrument was signed by himself as the Vice President of said corporation, attested by Jerry Thomason as its Assistant Secretary, with its corporate seal affixed, all by authority of its Board of Directors, and as a Member of, on behalf of, and as the deed and act of the said POINT ASSOCIATES, LLC.

WITNESS my hand and notarial stamp or seal, this 28 day of April, 2004.



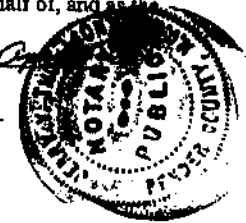
[Signature]
Notary Public

I, a Notary Public of New Hanover County, North Carolina do hereby certify that EDWIN L. BURNETT, III personally appeared before me this day and acknowledged that he is the President of Viable Corp., a North Carolina Corporation, which he also acknowledged is a Member-Manager of POINT ASSOCIATES, LLC, that he further acknowledged that the foregoing and annexed instrument was signed by himself as the President of said corporation, attested by Alton Y. Lennon as its Assistant Secretary, with its corporate seal affixed, all by authority of its Board of Directors, and as a Member of, on behalf of, and as the deed and act of the said POINT ASSOCIATES, LLC.

WITNESS my hand and notarial stamp or seal, this 28 day of April, 2004.

[Signature]
Notary Public

My Commission Expires: 12-08-05



STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of YVONNE R SNEEDEN, JERRY Y THOMASON

Notary(ies) Public is (are) Certified to be Correct.
This Instrument was filed for Registration on this 30th Day of April, 2004
in the Book and page shown on the First Page hereof.

[Signature]
ROBERT J. ROBINSON, Register of Deeds

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL

Inst # 207762 Book 1935Page: 887

**EXHIBIT "A" TO THE
FIRST SUPPLEMENT TO THE DECLARATION OF COVENANTS
AND RESTRICTIONS FOR SOUTH HARBOUR GOLF VILLAS AT
GLEN COVE**

All of those Lots in that Town Home Development known as "SOUTH HARBOUR GOLF VILLAS" as the same are shown on that map or plat entitled "Map of Revision South Harbour Golf Villas at Glen Cove," said map having been prepared by Sherwin D Cribb, North Carolina Professional Land Surveyor, said map being dated March 24, 2004, and having been recorded in Map Book 29 at Pages 505 and 506 of the Brunswick County, North Carolina, Registry, reference to which plat or map is hereby made for a more particular description.

deedVIISHGFirst.Sup

UNOFFICIAL
UNOFFICIAL
UNOFFICIAL