

STATE OF NORTH CAROLINA

COUNTY OF CARTERET

AMENDED AND RESTATED DECLARATION
OF COVENANTS AND RESTRICTIONS
BRANDYWINE BAY DEVELOPMENT

Chelsea Park North Subdivision Map Book 30 Page 479

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS AND RESTRICTIONS (hereinafter the "Restated Declaration") is dated for the purposes of reference this 1st day of November, 2004 and is entered into by GOLF & SHORE PROPERTIES, INC., (hereinafter "Declarant");

W I T N E S S E T H:

WHEREAS, Declarant, or its predecessor in interest, has previously recorded a Declaration of Covenants and Restrictions in Book 435, Page 362, Carteret County Registry, and has further caused the Declaration to be amended (such Declaration of Covenants and Restrictions as previously amended from time to time, being hereinafter called the "Original Declaration"); and

WHEREAS, the Original Declaration contemplates and provides for making additional property within the bounds of the property described on Exhibit A to the Original Declaration subject thereto, by amendment; and

WHEREAS, Declarant desires to submit the property described by Exhibit A, attached hereto (hereinafter "Chelsea Park North Subdivision") to the terms of Original Declaration, as amended and/or restated hereby;

NOW, THEREFORE, the hereinafter set forth Covenants, Restrictions and Easements shall from the time of recordation of this instrument, govern the use of Chelsea Park North Subdivision, as shown in Map Book 30, Page 479, Carteret County Registry.

ARTICLE I

Section i. Description

The property described in Exhibit A, attached hereto is hereby designated residential, single family.

Section ii. Effective Date

This Restated Declaration shall become effective upon the recordation hereof.

Section iii. Application

This Restated Declaration amends the original Declaration, and restates the Original Declaration, as same pertains to the above referenced Chelsea Park North Subdivision, Map Book 30, Page 479 only. In the event of conflict between the terms of the Original Declaration and this Restated Declaration, the terms of this Restated Declaration shall prevail.

ARTICLE II

Section i. Definitions.

- A. "Allowable Living Unit" shall mean and refer to a permissible but unconstructed Living Unit on a Parcel as hereinafter defined. The maximum number of Allowable Living Units per Parcel shall be as designated by this Restated Declaration or amendments hereto or by the recorded map.
- B. "Association" shall mean and refer to Brandywine Owners Association, Inc.
- C. "Building" shall mean any structure built for the support, shelter or enclosure of persons, animals, chattels or property of any kind. The term "building" shall be construed as if followed by the words "or parts thereof, " including porches, decks, carports, garages, sheds, roof extensions and overhangs and other projections. Any extension or addition to an existing building shall be considered a part of the pre-existing building if, upon reasonable evaluation by the Architectural Control Committee established hereunder, it is determined that the roof is aesthetically compatible with the roof of the existing building, and the building materials utilized are identical to or aesthetically compatible with the pre-existing structure or building.
- D. "Constructed Living Unit" shall mean and refer to a living unit which has been fully constructed and is ready for occupancy. For purposes of this subparagraph, a Living Unit shall be deemed "fully constructed" if a certificate of occupancy has been issued for said Living Unit by the appropriate authority. Twelve (12) months shall be considered adequate time to complete construction of building once construction has begun.
- E. "Family" shall mean and refer to one person living alone or two or more persons, whether related to each other by birth or not, and having common housekeeping facilities.
- F. "Living Unit" shall mean or refer to a room or combination of rooms in an apartment house, condominium, cooperative residential building, multifamily house, patio home, cluster home, single-family dwelling or any other building intended for occupancy by one family on a temporary or permanent basis. "Living Unit" shall also refer to any rentable room or suite with sleeping facilities in a motel, hotel, guest lodge, inn, motor court, tourist home, or other building used commercially for lodging of guests.
- G. "Lot" shall mean and refer to any individual plot of subdivided land shown upon a recorded subdivision map which is restricted by these covenants, or amendments hereto, to use for detached Single-Family Dwelling.
- H. "Multifamily Buildings" shall mean and refer to any combination of two or more Constructed Living Units which have at least one common wall (including floor or ceiling).

I. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, holding the fee simple title to any Lot, Living Unit, or Parcel or combination of Lots, Living Units or Parcels situated in the property to which this Restated Declaration applies.

J. "Parcel" shall mean an area of land shown on a subdivision map and designated by this Restated Declaration for unified development as multifamily.

K. "Person" shall include any individual, partnership, corporation, trust or other entity.

L. "Properties" shall mean and refer to all properties which are or shall become subject to this Restated Declaration.

M. "Single-Family Dwelling" shall mean and refer to a building containing one, and only one, Living Unit.

ARTICLE III

Brandywine Owners Association, Inc.

Section i. Membership.

Each and every person having any fee ownership interest in a Living Unit, Lot or Allowable Living Unit in property to which this Restated Declaration, or amendments hereto, are applicable, shall be a member of the Association, excluding only persons holding such an interest as security for the performance of an obligation. Further, lessees, regardless of the length of the term of the lease, shall not be members.

Section ii. Voting Rights.

Each member shall have the voting rights set forth in Article III, Section ii, of the Original Declaration. Each member shall be bound by the provisions of said original Declaration relating to membership and voting rights in said Association, including all amendments thereto relating to the Association. In addition, all members shall be bound by the By-Laws and the rules and regulations of said Association, as in effect from time to time.

Section iii. Use of Common Property.

All common property owned by the Association shall be available equally for the use and benefit of each member of the Association. However, nothing contained herein shall prevent the Association from adopting reasonable rules and regulations governing the use of such facilities, including methods of selection for utilizing facilities which may not be able to accommodate all owners.

Section iv. Allowable Assessments.

The owner of every Lot, Allowable Living Unit and Constructed Living Unit is obligated and bound, whether or not expressly stated in any instrument of conveyance, to pay to the Association, FOR EACH LOT, ALLOWABLE LIVING UNIT or CONSTRUCTED LIVING UNIT OWNED:

- (a) annual charges or dues;
- (b) special assessments; and
- (c) charges for the services or facilities provided by the Association.

Provided, however, that in the event a Lot shall have upon it a Constructed Living Unit, there shall only be one assessment for such Lot and Constructed Living Unit. Likewise, if an Allowable Living Unit shall be constructed and thereby become a Constructed Living Unit, there shall be only one assessment for such Allowable Living Unit and Constructed Living Unit. Further, a Lot shall not be deemed to include an Allowable Living Unit and each Lot shall, likewise, pay only one assessment.

All such assessments, charges and dues, together with any interest thereon, shall be a debt of the Owner and charge on the land and shall be a continuing lien upon the property against which such assessments are made. The time for perfecting said liens shall be as established by the Association from time to time, but in no event more than 360 days from the due date of the charge or assessment.

The assessments levied by the Association shall be used exclusively for the purposes of promoting the recreation, health, safety, and welfare of the residents of the property, and in particular, for the improvement and maintenance of common properties. Included, but not limited, is the payment of taxes and insurance on common properties, repairs and replacements and additions thereto, the cost of labor, equipment, materials and management and supervision thereof, and particularly, the cost of maintenance of streets, drainage, or other community facilities, such as security, as decided by the Association.

Section v. Amount of Assessments.

(a) Annual. The annual assessment shall be the assessment determined in accordance with Article III, Section vi, of the original Declaration, which annual assessment is, for fiscal year 2004-2005, the amount of \$200.00 per lot.

(b) Special. A special assessment may, from time to time, be levied by the members present at any regular or special meeting, if two-thirds (2/3) of the total votes cast are in favor of such assessment, and upon approval thereof by the Board of Directors, likewise upon a two-thirds (2/3) vote.

(c) Services. Charges for services or facilities shall be assessed by the Board of Directors of the Association on a nonprofit basis. Such services /facilities include the boat storage yard on Highway 24.

Section vi. Organization.

The organization of the Association and the functioning of it shall be as established in the Articles of Incorporation and the By-Laws of the Association.

Section vii. Amendments.

All amendments to Article III of the Original Declaration shall be binding on all members of the Association, including, without limitation, those members subject to the provisions of this Restated Declaration.

ARTICLE IV

RESIDENTIAL, SINGLE FAMILY USE RESTRICTIONS.

These restrictions shall apply to Chelsea Park North Subdivision, Map Book 30, Page 479, Carteret County Registry.

Section i. Land Use and Building Type.

No lot shall be used except for residential purposes. No building or structure shall be erected, altered or permitted to remain on any lot other than a single family dwelling and attached garage for not more than three (3) cars. Before construction, the above mentioned structures must be approved in accordance with Article V, herein. No outbuildings or detached garages shall be allowed.

Section ii. Dwelling Size.

The enclosed floor-heated area of the main structure, exclusive of porches and garages, (whether open or closed) shall not be less than 1700 square feet. The enclosed floor heated living area of the ground floor on a dwelling of more than one story shall not be less than 850 square feet.

Section iii. Building Location.

No building or structure, as allowed by Section i. above, shall be located on any lot nearer to the front, side or rear lot lines than the minimum building setback areas shown or described on the plat recorded in Map Book 30, Page 479. For the purpose of this covenant, eaves and steps shall not be considered a part of the building, provided however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot.

Section iv. Easements.

- (a) Drainage easements are reserved and dedicated as shown on the recorded plat.
- (b) Declarant reserves unto itself a 20' easement for installation and maintenance of water, sewer, electric, telephone and cable utility lines and facilities over the front of each lot and over such other areas of each lot as are shown on the recorded plat. For purposes of this paragraph all lots front on Brandywine Boulevard. Declarant shall have the right to convey rights in such easement areas to various utility companies as necessary. Section v. Subdivision or Dividing of Lots.

Chelsea Park North consists of only two lots. An owner of both lots may construct a dwelling and/or other structures permitted hereunder upon and across the original dividing line of such adjoining and contiguous lots, all such structures to comply with the minimum building set-

back lines from the new outside boundary lines of the subject owner's property. Neither lot, as shown on the subdivision plat, shall be subdivided unless the segments of the subdivided lot or lots shall be recombined such that the aggregate number of lots in the subdivision is not increased. Further, by any such recombination, no resubdivided lot shall have total area of less than the area of the smaller of the two (2) lots as originally platted.

Section vi. Animals.

No animals shall be kept on the property save and except normal house pets. No pets maintained may be kept, bred or for any commercial purposes. All animals shall be on a leash when off the premises of the owner.

Section vii. Prohibition of Nuisance

No noxious or offensive activities 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 viii. Recreational Equipment.

No recreational equipment and vehicles, including boats, trailers, campers, RV's (recreational vehicles) and other similar personal property (other than operational automobiles) may be parked on any lot to which this Declaration applies for more than one week at any one time. No junk, wrecked or non-operational cars or vehicles shall be kept on any lot at any time. A storage area is provided by the Association for parking/storage of such equipment and vehicles.

Section ix. Clotheslines, Antennae, Etc.

No outdoor clotheslines shall be allowed. Satellite dishes must be approved by the Architectural Control Committee to ensure that they are suitably screened from view, from all sides. No exterior antennae shall be allowed.

Section x. Outbuildings and Mobile Homes.

No "non-house" of any character, including, but not limited to, trailers, recreational vehicles, tents, shacks, garages, barns, and the like shall be used on any lot as a residence either temporarily or permanently. For purposes of this paragraph the term "trailers" shall include trailers, mobile homes, and what is commonly known as "doublewide" trailers or mobile homes.

Section xi. Signs.

No sign or billboard of any kind shall be erected or allowed on any lot other than a "For Sale" or "For Rent" sign not larger than two (2) feet by two (2) feet. Provided, however, this provision should not be deemed to prevent use by Declarant, or its assigns, of advertising signs which shall advertise the entire project. The allowed "For Sale" and "For Rent" sign shall be removed upon completion of the sale or rent transaction.

Section xii. Mailboxes.

No paper boxes shall be allowed on any lot, or in the road right-of-way fronting on the lot. Declarant shall provide mailboxes with an attached paper box for use by all lots to which this Restated Declaration applies.

Section xiii. Driveways.

Each lot on which a dwelling unit is constructed shall have a paved driveway. For purposes of this paragraph the term "paved driveway" shall be deemed to mean a driveway of either asphalt or concrete, and shall include parking space, on each lot itself, for at least two cars.

Section xiv. Fuel Oil Tanks.

Any fuel oil tanks shall be buried, placed in the basement of the dwelling house, or shall be enclosed in such manner that they will not be visible, and such that the structure within which the tank is housed blends harmoniously with the dwelling house.

ARTICLE V

Architectural Control Committee

There currently exists a standing Architectural Control Committee of the Association. Real property to which this Restated Declaration applies (whether originally or by amendment hereto) shall be governed by said standing Architectural Committee after the date of recording of this amended and Restated Declaration. All complaints pertaining to, or violations of, this Restated Declaration, whether regarding buildings, building additions, fences, shrubbery, animals, general appearance, or otherwise, should be reported promptly to Declarant and/or the Chairman of the Association's Architectural Control Committee.

No building, fence or wall, sign or other structure shall be commenced, or erected or maintained upon a portion of the properties to which this Restated Declaration, or amendments hereto apply, nor shall any addition, change or alteration to any exterior be made until the plans and specifications showing the nature, kind, height, materials, color and locations of the same shall have been submitted to and approved in writing by the Committee.

Section i. Site Standards

All Owners agree to leave all vegetation, trees, brooks, creeks, hillsides, springs, water courses, and ravines in as near their natural state as is compatible with good building and land use practices, to the end that an attractive exterior lot appearance will be evident at each building site, and in keeping with the surrounding properties. The locations of buildings and parking areas be made such that the overall wooded nature of the subdivision shall be preserved and land left undisturbed.

ARTICLE VI

Utilities.

Declarant covenants that either public or private water and sewer services will be available to purchasers of lots in Chelsea Park North. All users of such services agree to pay rates established by the proper authorities for the use of such services. ARTICLE VII

Buffers; Wetlands/Natural Area

All of that area designated as "Wetlands/Natural Area" on the recorded map of Chelsea Park North shall be left in its natural state. No structure of any kind or nature whatsoever may be built upon this property. At anytime subsequent to the recording of this Declaration, Declarant shall have the right to convey its 2/5 interest in the property designated "Wetlands /Natural Area" by Deed to one or both of the New Lot 1 and New Lot 2, Chelsea Park North, as tenants in common with all the then owners of Lots 73, 74, 78, 79, and 80 of Hammock Place, Phase II, as shown and described by Map Book 29 at Page 521, Carteret County Registry. Declarant's deed shall include a provision that the undivided ownership interest of each tenant-in-common is appurtenant to the lots owned by the Grantee(s) and shall not be conveyed or retained separate from said lots. Declarant's deed shall also provide that the property shall not be partitioned and that no structure shall be built or placed upon the property. The Grantee(s) shall have that percentage of responsibility for maintenance and payment of taxes and assessments, if any, represented by their percentage of ownership.

ARTICLE VIII

Duration.

These covenants are to run with the land and shall be binding on all parties and all persons, including Declarant and all persons claiming under them for a period of twenty-five (25) years from the date of recording of these covenants, after which time said covenants shall be automatically extended for successive periods of ten years unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change these covenants in whole or in part.

ARTICLE IX

Amendment to Declaration.

Article IV of the Restated Declaration may be amended by an instrument executed by not less than fifty-one percent (51%) of the lot owners in Chelsea Park North. The amendment must be recorded in the Carteret County Registry to become effective. For purposes of this paragraph the term "lot owner" shall mean and refer to an entity which owns one or more lots in the subdivision. For purposes of this section, each lot owner shall receive one (1) vote for each lot owned. The balance of this Restated Declaration may be amended only as and with the Original Declaration. Notwithstanding the above, until such time as Declarant has conveyed all lots in Chelsea Park North to third parties, no amendment shall be effective unless Declarant shall have executed such amendment.

ARTICLE X

Enforcement.

Enforcement of this Restated Declaration shall be by any proceeding in law or equity against any person violating or attempting to violate any provision hereof, whether to restrain a violation or to recover damages, and against the land to enforce any lien created by this Restated Declaration, and failure by the Association or any Owner to enforce any provision herein contained shall in no event be deemed a waiver of the right to do so thereafter. Invalidation of any provision of this Restated Declaration by judgment or court order shall in no wise affect any other provision, and the same shall remain in full force and effect. The right of enforcement of these covenants is hereby decreed to be vested in any Owner, or Declarant, or the Association, acting either singularly or in concert.

ARTICLE XI

Interpretation.

This Restated Declaration shall be interpreted in the spirit of reasonableness and, in the absence of authoritative court decisions, the interpretations placed thereon by Declarant shall prevail.

ARTICLE XII

Commencement of Dues and Voting Rights

Section i.

Liability for dues and assessments hereunder shall be deemed to commence, for all lots to which this Restated Declaration applies, as of the date of the recording hereof.

Section ii.

Voting rights and all other rights of membership in the Association shall be deemed to commence, for all lots to which this Restated Declaration applies, as of the date of recordation of this Restated Declaration.

IN WITNESS WHEREOF, Declarant causes this Declaration to be executed in its corporate name by Vice President, all by order of its Board of Directors first duly given; the day and year first above written.

GOLF & SHORE PROPERTIES, INC.

By: *Eugene Gurganus*

Eugene Gurganus, Vice President

EXHIBIT A

In Morehead Township, Carteret County, North Carolina, and being all of that property designated as "New Lot 1" and "New Lot 2", Chelsea Park North, as shown on that map of record in Map Book 30, Page 479.