

STATE OF NORTH CAROLINA

COUNTY OF CARTERET

FIRST AMENDMENT

TO DECLARATION OF COVENANTS, CONDITIONS,

AND RESTRICTIONS FOR

"RESERVE GREEN"

A NORTH CAROLINA PLANNED COMMUNITY

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR "RESERVE GREEN" is made on this 20th day of August, 2003 by Golf & Shore Properties, Inc., a North Carolina corporation, hereinafter referred to as the "Declarant".

WITNESETH:

THAT WHEREAS, the Declarant is the developer of that subdivision known as "Reserve Green" located in the Brandywine community of Carteret County, and pursuant to such development did execute and record a "Declaration of Covenants, Conditions, and Restrictions for Reserve Green" which is recorded in book 986 page 373, Carteret County (hereafter "Covenants"); and, WHEREAS, by virtue of Article XIII, Section 4 of the Covenants, the Declarant reserved the right to unilaterally amend the same to conform to the requirements of any applicable law; and,

WHEREAS, this First Amendment is for such purpose.

NOW, THEREFORE, under the authority of the amendment rights of the Declarant and for the purpose aforesaid, the Declarant does hereby amend the Covenants by adding a new Section 17 to Article VI, stated as follows:

Section 17. Restrictions Regarding Stormwater Regulations. The following covenants are intended to ensure ongoing compliance with State Stormwater Management Regulations and permit to be issued to Declarant by the Division of Water Quality under NCAC 2H. 1000. The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the stormwater management permit. These covenants are to run with the land and be binding on all persons and parties claiming under them. The covenants pertaining to stormwater may not be altered or rescinded without the express written consent of the State of North Carolina, Division of Water Quality. Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the State. These covenants are as follows:

1. No more than 99,000 total square feet on all Lots and areas designated as "Common" shall be covered by structures or impervious materials. This allocated amount includes any built-upon area constructed within the lot boundary, property boundaries, and that portion of the right-of-way between the front lot line and the edge of pavement. Built upon area includes structures, asphalt, gravel, concrete, brick, stone, slate, or similar materials but

does not include wood decking or the water surface of swimming pools. The 99,000 total square feet of impervious area shall be allocated as such: Lots 1 and 3-18 shall be allocated 5400 square feet, 6000 square feet for Lot 2, and 1200 square feet for areas designated as "Common". The impervious allocations indicated to each lot may be reallocated by the owners of such lots to another lot by (i) a written document signed by such owner(s) and recorded in the Carteret County Registry, and (ii) approval by the North Carolina Division of Water Quality under the Permit referenced above.

2. Filling or piping in any ditches or swales associated with the development, except for average driveway crossings, is strictly prohibited by any persons.

3. Built-upon area in excess of the permitted amount requires a State Stormwater Management permit modification prior to construction.

4. This project proposes a curb outlet system. Each designated curb outlet swale shown on the approved plan must be maintained at a minimum of 100' long with a 5:1 (H:V) side slopes or flatter, have longitudinal slope no steeper than 5%, carry the flow from a 10 year storm in a non-erosive manner, and maintain a dense vegetation.

Except as amended above, all other covenants, conditions, and restrictions set forth in the Covenants remain unchanged and in full force and effect.

This the 20th day of August, 2003.