

ADMITTED TO RECORD
BOOK _____ PAGE _____
FILE NO. _____

SEP 8 3 22 PM '76

LOUIS J. GRAY
REGISTRAR
NEW HANOVER CO., N.C.

BOOK 1074 PAGE 950

STATE OF NORTH CAROLINA :
COUNTY OF NEW HANOVER :

DECLARATION OF COVENANTS
CONDITIONS AND RESTRICTIONS

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned owners and developers, in connection with the development of the subdivision known as Edgewater in New Hanover County, North Carolina, do hereby place the following restrictions and covenants upon all of the lots in said subdivision, a map of which will in the future be recorded in the New Hanover County Registry.

1. Definitions. As used in this Declaration of Restrictions, the term means the undersigned owners and developers of said subdivision.

(a) "EDC" means Edgewater Development Company which in turn means the undersigned owners and developers of said subdivision.

(b) "Record or Recording" refers to record or recording with the Register of Deeds for New Hanover County, North Carolina.

(c) "Property" generally means the lands known as Edgewater at Wrightsville Sound in New Hanover County, North Carolina.

(d) "Residential Lots" or "lots" means those portions of the property specifically allocated, platted and/or recorded as lots for sale and/or use as single family residences.

(e) "Restrictions" shall mean the restrictions and covenants set forth in this Declaration of Restrictions.

2. Applicability: These Restrictions shall apply to all residential lots in said subdivision.

3. Reservations: EDC reserves the right absolutely to change, alter or redesignate the allocated, planned, platted or recorded use or designation of any property (so long as EDC retains title to said property) on any of the lands known as Edgewater, including, but not limited to, the right to change, alter or redesignate roads, utility and drainage facilities, and to change, alter or redesignate such other present and proposed amenities or facilities as may, in the sole judgment of EDC, be necessary or desirable.

4. Building and Site Improvements: (a) No building, fence, wall or other structure shall be erected, placed or altered on any lot, nor shall the grade or elevation or physical characteristics of any such lot, or portion thereof, be altered in any way whatsoever, until the proposed building plans, specifications, exterior colors and finishes, site and grading plan (showing the proposed location of such building or structure, drives, parking areas and proposed alterations to the grade, elevation or physical characteristics of the site), and construction schedule shall have been approved in writing by EDC. Refusal or approval of any such plans, location or specifications may be based by EDC upon any ground, including purely aesthetic and environmental considerations, that in the sole and uncontrolled discretion of EDC shall seem sufficient.

5. Approval of Plans: (a) No house plans will be approved unless the proposed house will have the minimum required square footage of enclosed dwelling area. Such minimum requirements for each lot will normally be specified in each deed, and shall be between 2000 square feet and 2500 square feet of enclosed dwelling area. The term "enclosed dwelling area" as used in these minimum size requirement shall mean the total enclosed area within a dwelling; provided, however, that such term does not include garages, terraces, decks, open porches, and like areas; provided further, that shed type porches, even though attached to the house, are specifically excluded from the definition of the aforesaid term "enclosed dwelling area." If for any reason any deed recorded might not specify the minimum required square footage of enclosed dwelling area, the minimum for said house will be 2,000 square feet. However, if the footage in the deed specifies otherwise, such amount shall be controlling.

(b) Since the establishment of standard inflexible building setback lines for location of houses on lots tends to force construction of houses directly to the side of other homes with detrimental effects on privacy, view, preservation of important trees and other vegetation, ecological and related considerations, no specific setback lines are established by these Restrictions except as set out herein as to minimums. In order to assure, however, that the foregoing considerations are given maximum effect, EDC reserves the right to control and approve absolutely the site and location of any house or

dwelling or other structure upon any lot with the provision that such will be at least 50 feet from the street and at least 15 feet from the side lines.

(c) EDC reserves unto itself a perpetual, alienable and releasable easement and right, on, over and under the ground to erect, maintain and use electric and telephone poles, wires, cables, conduits, sewers, water mains and other suitable equipment for the conveyance and use of electricity, telephone, TV cable facility, gas, sewer, water or other public conveniences or utilities on, in or over the rear 10 feet of each lot, the front 10 feet of each lot and 10 feet along one side of each lot and such other areas as are shown on the applicable plat. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary in the opinion of EDC to provide economical and safe utility installation.

(d) In the event that a lot owner shall decide, after acquiring a lot, to sell the same, he shall first offer the lot to EDC for the price and on the terms of the intended sale. EDC shall have thirty (30) days from such offer in which to accept or reject the same. This provision shall inure to the benefit of EDC, its successors and assigns, shall continue in force and effect for a period of two years after conveyance of title to the lot owner, and at the expiration of such period shall be of no further force or effect. EDC may release its interest under this option at any time within its sole discretion, and does hereby subordinate its interest under said option in favor of a Savings and Loan Association or Bank making a construction loan or permanent loan secured by deed of trust on said property.

(e) Each lot owner shall provide receptacles for garbage, in a screened area not generally visible from the road, or provide underground garbage receptacles or similar facilities.

(f) Each lot owner shall provide space for off street parking for not less than three passenger automobiles prior to the occupancy of any dwelling constructed on said lot. Said parking areas and the driveways thereto shall be in accordance with reasonable standards and constructed of concrete, asphalt or crushed stone.

(g) No trees, exceeding three inches in diameter measured one foot above the ground, bushes, shrubs, or other vegetation whatever, may be

removed from any lot without prior written approval of EDC based upon a site plan, landscaping plan or planting plan submitted to EDC.

(h) No structure, except as hereinafter provided, shall be erected, altered, placed or permitted to remain on any lot other than a detached single family dwelling not to exceed two (2) stories in height, and one or more small accessory buildings (which may include a detached private garage, but not garage apartments; provided further, that such buildings are not used for any activity normally conducted as a business. Such accessory building may not be constructed prior to the construction of the main building.

(i) No domesticated animals shall be kept on the property other than household pets.

6. Residential Use: (a) All lots shall be used for residential purposes exclusively. No home business or occupation shall be permitted.

(b) No trailer, tent or other structure of a temporary character shall be placed upon any lot at any time, provided, however, that this prohibition shall not apply to shelters used by a contractor during the construction of a main dwelling house, it being clearly understood that these latter temporary shelters may not, at any time, be used as residences or permitted to remain on the lot after completion of construction.

(c) No fuel tanks or similar storage receptacles may be exposed to view. Any such receptacles may be installed only within the main dwelling house, within an accessory building, within a screened area, or buried underground.

(d) Prior to the occupancy of a residence on any lot, proper and suitable provisions shall be made for the disposal of sewage by means of a septic tank or other method, provided that any such method must be approved by appropriate State or County health authorities. As soon as a county sewage system with a line to the street in front of the lot is available, sewage disposal shall be only by such system.

7. Maintenance: (a) It shall be the responsibility of each lot owner to prevent the development of any unclean, unsightly or unkempt conditions of buildings or grounds on such lot which would tend to substantially decrease the beauty of the neighborhood as a whole or the specific area.

(b) No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon tending to cause embarrassment, discomfort,

annoyance, or nuisance to the neighborhood. There shall not be maintained any plants or animals, or device or thing of any sort whose normal activities or existence are in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other property in the neighborhood by the owners thereof.

8. Signs: No sign of any character shall be displayed on any lot except (a) a temporary "For Sale" sign, (b) a property or owner identification sign not exceeding a combined total of two (2) square feet.

9. Subdividing: (a) No lot shall be subdivided, or its boundary lines changed except with the prior written consent of EDC. However, EDC hereby expressly reserves to itself, its successors or assigns, the right to replat any two (2) or more lots shown on the recorded plat of the subdivision in order to create a modified building lot or lots; and to take such steps as are reasonably necessary to make such replatted lot suitable and fit as a building site, said steps to include, but not be limited to, the relocation of easements, walkways and rights-of-way to conform to the new boundaries of the said replatted lots, provided that no lot originally shown on the recorded plat is reduced by more than twenty (20) percent from its original size, and provided further that this provision shall be subject to Section Three (3) of these Restrictions.

10. Covenants run with the land: All covenants, restrictions and affirmative obligations set forth in these Restrictions shall run with the land and shall be binding on all parties and persons claiming under them to specifically include, but not be limited to, the successors and assigns, if any, of EDC, for a period of ten (10) years from the date hereof after which time all said covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by a majority of the then owners of lots (not including mortgagees or trustees under deeds of trust) substantially affected by such changes in covenants, has been recorded, agreeing to change said covenants in whole or in part.

11. Violations: In the event of a violation or breach of any of these Restrictions by any lot owner, or agent of such owner, EDC or the owner of any other property in Edgewater, or any of them jointly or severally shall have

the right to proceed at law or equity to compel a compliance to the terms hereof or to prevent the violation or breach. In addition to the foregoing, shall have the right, whenever there shall have been built on any lot any structure which is in violation of these Restrictions, to enter upon such property where such violation exists, and summarily abate or remove the same at the expense of the owner, if after thirty (30) days written notice of such violation it shall not have been corrected by the owner. Any such entry and abatement or removal shall not be deemed a trespass. The failure to enforce any right, reservations, restrictions, or condition contained in these Restrictions, however long continued, shall not be deemed a waiver of the right to do so hereafter as to the same breach, or as to a breach occurring prior or subsequent thereto, and shall not bar or affect its enforcement.

12. Invalidation: The invalidation by any court, agency or legislation of any provision of these Restrictions shall in no way affect any of the other provisions of these Restrictions, but they shall remain in full force and effect.

13. Modifications: EDC specifically reserves the right to amend or change any part or all of the restrictions, covenants and conditions herein set out by the filing in the Office of the Register of Deeds of New Hanover County a declaration of amended restrictive covenants, which such amendments, modifications or additions to the restrictive covenants contained in this Declaration shall be made applicable only to lots conveyed subsequent to the recording of such declaration of amended restrictive covenants, or by modifications contained in deeds conveying said lots.

14. Absence of Dedication to Public Use: Nothing in these Restrictions, nor in the recording of any plat or deed pursuant hereto, shall dedicate (or be deemed to dedicate) to public use common lands, docks, and other grounds.

15. No fence shall be erected on any lot nearer the street than the rear or side line of the house erected on said lot.

16. Any structure erected on the lands herein conveyed shall be of wood, stone, brick veneer, tile, stucco, concrete and stucco, or asphalt shingles, and the design shall be subject to the approval of the grantors or their agent.

17. It shall be the obligation of the grantees to provide adequate drainage of the lands herein described to the end that the property of the grantors located adjacent to the land herein described shall not be subjected to other than the natural flow of drainage presently existing.

18. The developer reserves the right to subject the real property in this subdivision to contracts with electric, telephone, cable TV, and other utilities for the installation of underground cables, wires, pipes or other necessary conduits for utilities, any of which may require an initial payment and continuing monthly payments for the use thereof by the owners of residences in the subdivision.

19. The property set aside on the map of Edgewater above referred to for dock area, for park and parking area between the dock basin and Highway #20 and for rights of way in the residential area, shall be Common Area and after over fifty (50) per cent of the lots are sold in the subdivision, the EDC may transfer title to such Common Area to the Homeowners Association that shall be formed by the owners of lots in the subdivision.

20. That every lot owner, his family and guests, shall conform to the rules and regulations for the use of the Common Area, including the docks and the basin, which rules and regulations shall be initially established by EDC and after the deed to the Homeowners Association by such Association.

21. That each lot in the subdivision shall be entitled to one dock space and by his acceptance and use of such space the lot owner (or owners) agrees to abide by the rules and regulations applying to the use of the docks and Common Area. Further, the rules and regulations shall have the same force and effect as these restrictions and may be enforced in the same manner.

22. The Declarants for each lot in the subdivision hereby covenant and each owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Homeowners Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

23. The annual and special assessments, together with interests, costs, and reasonable attorney's fees, shall be a charge on the land and shall

be a continuing lien upon the property against which each assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

24. The assessments levied by the Homeowners Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the properties and for the improvements and maintenance of the Common Area and of the homes situated upon the properties. Premiums for liability insurance are to be paid from these assessments.

25. The Homeowners Association shall be comprised of all lot owners with the understanding that there shall be only one (1) vote allowed for each lot and such Association shall be nonprofit and shall elect its officers and conduct its business of protecting and caring for the Common Area and subdivision in such a way that the assessments shall only be for the amounts necessary to cover the Common Area and subdivision expenses, such to include such items as road repair, park and parking area maintenance adjacent to the docks, dock repair and maintenance, to include dredging if the same should ever become necessary, payment of utility bills for such Common Area for use of electricity and other utilities, and payment of insurance premiums on the docks, roads, parks, parking areas and any other Common Area.

26. The assessment must be fixed at a uniform and equitable rate for lots and money collected monthly or otherwise as decided by the Homeowners Association.

27. The assessments shall commence as to all lots on the first day of the month following the conveyance of the Common Area, which includes the docks, to the Homeowners Association and the Association, through its Board of Directors, shall set up the amount of such assessment and the method of notice and collection.

28. Any assessment not paid within thirty (30) days shall bear interest at 8% per annum. The Homeowners Association may bring an action at law against the owner or owners and may assert and foreclose a lien on the property. No lot owner or owners may escape liability of the assessments by

nonuse of the Common Area or by abandonment of his lot.

29. The lien of these assessments shall be subordinate to the lien of any first mortgage.

IN WITNESS WHEREOF, John F. Crossley, H. Ray Pearson and William D. West, t/a Edgewater Development Company, have hereunto set their hands and seals the day and year first above written.

EDGEWATER DEVELOPMENT COMPANY

By John F. Crossley (SEAL)
John F. Crossley

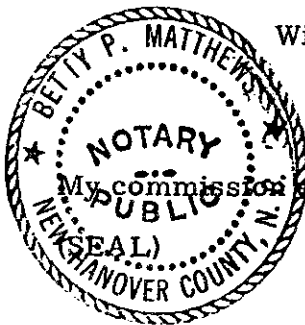
By H. Ray Pearson (SEAL)
H. Ray Pearson

By William D. West (SEAL)
William D. West

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

I, Betty P. Matthews, a Notary Public in and for the State and County aforesaid, do hereby certify that JOHN F. CROSSLEY, H. RAY PEARSON and WILLIAM D. WEST personally appeared before me and acknowledged the execution of the foregoing instrument for the purposes therein stated.

Witness my hand and notarial seal this 31st day of August, 1976.



Betty P. Matthews
Notary Public

STATE OF NORTH CAROLINA
New Hanover County
The Foregoing Certificate of _____
Betty P. Matthews,
a Notary Public, _____
is certified to be correct.
This the 8th day of Sept., 19 76
Drawn By Crossley & Johnson

Lois C. LeRay, Register of Deeds
By Lois C. LeRay

Received and Recorded
September 8, 1976 at 3:22 P.M.

Lois C. LeRay
Register of Deeds

COUNTY OF NEW HANOVER

DEED OF TRUST

THIS INDENTURE, made and entered into this 6 day of April, 1976, by and between REAVIS REAL ESTATE, INC. of County of New Hanover State of North Carolina, party of the first part, (whether one or more persons or corporations), hereinafter called the "Borrower", and James C. Steadman, Trustee, of New Hanover County, State of North Carolina, party of the second part, hereinafter called the "Trustee", and WACCAMAW BANK AND TRUST COMPANY, a corporation organized and existing under the laws of the State of North Carolina, party of the third part, hereinafter called the "Lender";

WITNESSETH, THAT WHEREAS, the Lender has agreed to lend to Borrower and has earmarked for the benefit of the Borrower, the sum of TWENTY-SEVEN THOUSAND AND NO/100 Dollars (\$ 27,000.00), to be advanced from time to time in installments as justified by the progress of construction, for the purpose of constructing a building or buildings or other improvements (hereinafter referred to as "Improvements") in accordance with the plans and specifications approved, or to be approved, by the Lender, on the premises hereinbelow described, under a written agreement between Lender and Borrower of even date herewith, hereinafter referred to as "Construction Loan Agreement" the total amount of said loan being evidenced by note of the Borrower of even date herewith, payable with interest, as, and at the rate specified in the note:

AND WHEREAS, the Borrower desires to secure the performance of said "Construction Loan Agreement" and to secure the payment of said note with interest and any renewal or extension thereof, in whole or in part, by a conveyance of the property hereinafter described;

AND WHEREAS, the disbursements to be made under the note referred to above are obligatory upon Lender as provided in the Construction Loan Agreement. This Deed of Trust shall further secure additional optional future advances to Borrower by Lender to be made over a period of not more than ten years from the date hereof. The maximum amount to be secured hereby, including any amount presently secured, the obligatory advances referred to above and the additional optional advances, shall not exceed at any one time the sum of \$ 27,000. The present amount secured hereby is \$. Wherever the word "note" is used hereafter, said word shall include any additional note executed by Borrower as evidence of future obligations secured hereby;

NOW THEREFORE

This Deed of Trust satisfied in full and hereby cancelled. This the 8 day of September, 1976.

James C. Steadman, TRUSTEE

WITNESS: Lois M. Holland, Deputy REGISTER OF DEEDS

ADMITTED TO RECORD BOOK FILE 187 SEP 8 3 24 PM '76 LOIS M. HOLLAND REGISTER NEW HANOVER CO., N.C.

TO HAVE AND TO HOLD, the said land and premises, including all houses, buildings, improvements, and fixtures thereon, with all the rights, privileges and appurtenances thereunto belonging or appertaining to the Trustee, their heirs, successors and assigns, upon the trusts and for the uses and purposes hereinafter set out.

Received and Recorded September 8, 1976 at 3:24 P.M.

Lois M. Holland Register of Deeds

SEP 12 1976 N.C.