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TAMMY THEUSCH PIVER
Register of Deeds

New Hanover County Register of Deeds

320 Chestnut Street Suite 102 Wilmington, North Carolina 28401
Telephone 910-798-4530 • Fax 910-798-7751

BK: RB 6556

PG: 926-948

RECORDED:
04-14-2022

09:33:54 AM

BY: ANDREA CRESWELL
ASSISTANT



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NEW HANOVER COUNTY, NC

TAMMY THEUSCH PIVER

REGISTER OF DEEDS

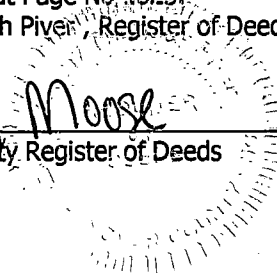
NC FEE \$54.00



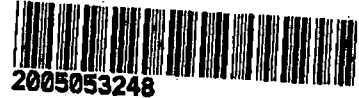
I do hereby certify this to be a true and accurate copy of the document filed
and recorded in New Hanover County Register of Deeds Office as evidence in
Book No 4904 at Page No 1825.

Tammy Theusch Piver, Register of Deeds 4/14/2022

Haley Moose
Assistant/Deputy Register of Deeds



(20)
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FOR REGISTRATION REGISTER OF DEEDS
REBECCA P. SMITH
NEW HANOVER COUNTY, NC
2005 SEP 16 02:01:11 PM
BK: 4904 PG: 1825-1845 FEE: \$71.00

INSTRUMENT # 2005053248

Return to:
Lori W. Rosbrugh
Lea, Rhine, Rosbrugh & Chleborowicz, PLLC
314 Walnut Street
Wilmington, North Carolina 28401

NORTH CAROLINA

NEW HANOVER COUNTY

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
EGRET LANDING SUBDIVISION**

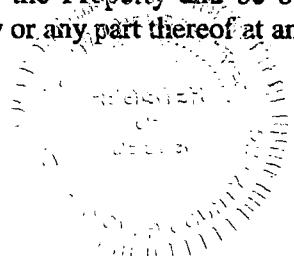
THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF EGRET LANDING SUBDIVISION (the "Declaration") is made this the 16 day of September, 2005, by HOMES AT THE BEACH, INC, a North Carolina Corporation, hereinafter "Declarant".

WITNESSETH

WHEREAS, Declarant owns in fee simple that tract or parcel of land located in New Hanover County, North Carolina which is more particularly described in EXHIBIT "A" which is attached hereto and incorporated herein by reference;

AND WHEREAS, Declarant desires to impose certain covenants, conditions and restrictions upon the property described in Exhibit A (the "Property");

NOW, THEREFORE, Declarant hereby declares that all of the Property shall hereinafter be held, sold and conveyed subject to the terms, restrictions, covenants, and conditions set forth below, which are for the purpose of enhancing and protecting the value and desirability of, and which shall run with, the Property and be binding upon all parties having any right, title or interest in the Property or any part thereof at any time, their heirs, successors and assigns.



SECTION 1
DEFINITIONS.

The terms listed in this Declaration shall be defined as follows:

a. "Additional Property" shall mean any property adjacent to or within one mile of the Property which is now owned or hereafter acquired by Declarant for purposes of development and is annexed to the Property, without the joinder or consent of the Members of the Association as hereinafter provided.

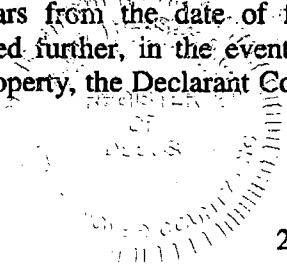
b. Architectural Control Committee (the "ACC") shall mean and refer to the Architectural Control Committee of the Association established under Section 5 below.

c. "Association" shall mean and refer to Egret Landing Homeowners Association, Inc., a nonprofit corporation, its successors and assigns organized for the mutual benefit and protection of the Property.

d. "Common Area" or "Common Areas" shall mean any portion of the Property (including improvements thereto) owned at any time by the Association for the common use and enjoyment of the Owners, including any recreational facility or area, roadway, street area, landscaped area, parks or trails, drainage systems and retention ponds, and any tracts or areas outside of the Property over which the Association hold easements or licenses. In addition, all private streets, water lines located outside public rights-of-way and individual Lots, all sewer lines located outside public rights-of-way and individual Lots, and public sanitary sewer easements which water or sewer lines serve the Property are declared to be Common Area. Declarant reserves, for itself and the Association, the right to convey water and sewer lines, facilities and easements to public authorities (when and if County or City water and/or sewer service becomes available to the subdivision) or the public utilities. Declarant reserves the right to alter and amend the recorded Map to amend, delete or relocate such Common Area and facilities as Declarant, in its sole discretion, deems appropriate.

e. "Common Expenses" shall mean actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all owners, including any reasonable reserve determined by the Board of Directors of the Association.

f. "Declarant Control Period" shall mean that period from the filing of the Articles of Incorporation of the Association until the earlier of (i) 120 days after conveyance of 90% of the Lots to Owners, (ii) two years after Declarant has ceased to offer Lots for sale in the ordinary course of business, (iii) two years after the Expansion Right to add additional Property to the Declaration was last exercised, or (iv) the date Declarant voluntarily terminates the Declarant Control Period pursuant to an instrument recorded in the office where the Declaration is recorded; provided, however, the Declarant Control Period shall, in all events, terminate on that date which is three years from the date of filing of the Articles of Incorporation of the Association; and provided further, in the event that the Expansion Right is exercised to add additional Lots to the Property, the Declarant Control Period shall be adjusted and extended (or



revived, as the case may be) to reflect the addition of such additional Lots but not beyond the date of three years from the date of the filing of the Articles of Incorporation of the Association.

g. "Expansion Right" shall have the meaning ascribed to such term in Section 10 below.

h. "Lot" or "Lots" shall mean and refer to any numbered or lettered plot of land shown upon any recorded subdivision map of any portion of the property which is intended for residential purposes. The number of Lots may be increased or decreased as determined by Declarant in accordance with the provisions of this Declaration and local ordinances, rules and regulations.

i. "Lot in Use" or "Lots in Use" shall mean and refer to any Lot on which a residential structure is located, for which a certificate of occupancy has been issued by the County of New Hanover.

j. "Member" shall mean and refer to every person or entity which holds membership in the Association.

k. "Owner" or "Owners" shall mean and refer to the record owner, whether one or more persons or entities, of a fee or undivided fee interest in any lot which is a part of the property including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

l. "Supplemental Declaration" shall mean any Declaration of covenants, conditions and restrictions that Declarant may file at the New Hanover County Registry subsequent to filing this Declaration.

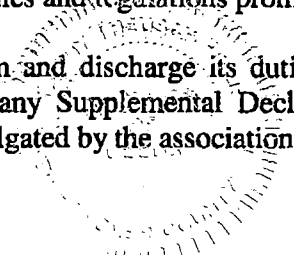
SECTION 2
EGRET LANDING HOMEOWNERS ASSOCIATION, INC.

1. **Membership.** Every person or entity who is an owner of a fee or undivided fee interest in any of the Lots shall be a Member of the Association. Ownership of such interest shall be the sole qualification for membership, and membership shall be appurtenant to and shall not be separated from such ownership.

2. **Purpose** The basic operating principles of the Association shall be as follows:

i. To enforce the provisions of this Declaration, of any Supplemental Declaration and of any bylaws, rules and regulations promulgated by the Association;

ii. To perform and discharge its duties, responsibilities and obligations, as stated herein, in any Supplemental Declaration and in any bylaws, rules and regulations promulgated by the association; and



iii. To promote and to protect the enjoyment and beneficial use and ownership of the Lots.

iv. To contract for the landscaping, irrigation and maintenance of the Common Area, signs and other improvements (except as otherwise provided herein) located within Egret Landing, except improvements on individual Lots.

3. Voting Rights and Meetings. On matters of Association business submitted to vote of the membership, there shall be one (1) vote per Lot (i.e., one vote for each residential Lot which exists at the time of the vote), regardless of the number of Owners of a Lot. Unless otherwise provided herein, in a Supplemental Declaration or in the bylaws of the Association, all voting matters shall be decided by a simple majority vote. The Members of the Association shall meet as provided by the bylaws of the Association. Requirements for a quorum shall be as set forth in the bylaws of the Association.

4. Bylaws, Rules and Regulations. The initial directors and/or the Members of the Association shall enact and adopt all and any bylaws, rules and regulations that they deem necessary for the operation of the Association, which bylaws, rules and regulations shall be binding upon all members of the Association, their mortgages, lessees, agents, guests and invitees.

5. Government Permits. All duties, obligations, rights and privileges of Declarant under any water, sewer, storm water and utility agreements, easements, permits and special use permits for the Planned Community with municipal or governmental agencies or public or private utility companies shall be the responsibility of the Association.

6. Insurance. The Board of Directors on behalf of the Association, as a common expense, shall at all times keep the property of the Association, if any, insured against such perils, included but not limited to director's liability and public liability insurance, upon such terms and for such amounts as may be reasonably necessary from time to time to protect the Property (to the extent insurable by the Association) and Common Areas, which insurance shall be payable in case of loss to the Association.

7. Management and Control. Management of the affairs of the Association shall be the right and responsibility of its Board of Directors in accordance with the Declaration and By-Laws, provided, however, that all of the powers and duties of the Board of Directors may be exercised and performed by Declarant or its Designee, so long as the Declarant Control Period is applicable or Declarant own any additions annexed thereto by Supplemental Declaration or Amendment to this Declaration.

SECTION 3 **TITLE TO THE COMMON AREAS**

Declarant hereby covenants for itself, its successors and assigns that it will convey fee simple title to the Common Areas to the Association, free and clear of all liens and encumbrances, except rights-of-way for public and private streets and roads, utility easements

and any use restrictions of record (including this Declaration), at the time of the conveyance of the fifth Lot. Thereafter, title to the Common Area or any portion thereof shall not be conveyed or subjected to any mortgage or deed of trust unless authorized by the affirmative vote of at least three-fifths (3/5) of all Lots existing at the time, exclusive of any Lots owned by Declarant.

SECTION 4 **ASSESSMENTS**

The Association shall have the power to assess the Lots, as follows:

1. **Regular Assessments.** All Common Expenses and all other costs of the Association in fulfilling the purposes stated in Section 2 above shall be shared among the Owners of all the Lots as set forth in subsection c. below. The Association shall have the power to charge each Lot on an annual, quarterly or monthly basis a Regular Assessment (the "Regular Assessment" or "Regular Assessments") as its share of the aforesaid costs, pursuant to the bylaws of the Association. Regular assessments begin at the time of closing of each Lot and is payable to the Association on an annual, quarterly or monthly, at the sole discretion of Declarant.

2. **Special Assessments.** In addition to the Regular Assessments authorized in subsection 1, above, the Association may charge each lot, in any fiscal year of the Association, a special assessment (the "Special Assessment" or "Special Assessments") applicable to that fiscal year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon any part of the Common Areas, including fixtures and personal property related thereto; provided that any such Special Assessment must be approved by the affirmative vote of at least three-fifths (3/5) of all the Lots existing at the time of the vote, cast in person or by proxy at a meeting duly held in accordance with the bylaws of the Association. If authorized by the Association, Special Assessments may be paid by Owners in monthly or quarterly installments, as determined by the Board of Directors of the Association.

3. **Rates of Regular and Special Assessments.** Regular and Special Assessments shall be charged against all Lots, and shall be a lien against each Lot and the personal obligation of the Owners of each Lot. Lots which are not Lots in Use shall not be assessed. The rate of assessment for all Lots shall be uniform as to those Lots. The Association has the right to suspend the voting rights and privileges of any Owner for a period during which any assessment against his Lot remains unpaid and for a period not to exceed sixty days for any infraction of its published rules and regulations.

4. **Effect of Nonpayment of Assessments and Remedies of the Association.** Any assessment or portion thereof not paid when due shall be delinquent. Any assessment from the due date shall be at the highest rate of interest permitted by law. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Owner's Lot and, in either event, interest, costs and reasonable attorney's fees incurred in the prosecution of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided herein by non-use of the

Common Area or abandonment of the Lot. All unpaid installment payments of Assessments shall become immediately due and payable if the Owner fails to pay any installment within the time permitted. The Association may also establish and collect late fees for delinquent installments.

5. Lien for Assessment. The Association may file a lien against a Lot when any Assessment levied against said Lot remains unpaid for a period of thirty (30) days or longer.

a. The lien shall constitute a lien against the Lot when and after the claim of lien is filed of record in the Office of the Clerk of Superior Court of New Hanover County. The Association may foreclose the claim of lien in like manner as a mortgage on real estate under power of sale under Article 2A of Chapter 45 of the General Statutes. Fees, charges, late charges, fines, interest and other charges imposed pursuant to Sections 47E-3-102, 47F-3-107, 47F-3-107A and 47F-3-115 of the Act are enforceable as Assessments.

b. The lien under this section shall be prior to all liens and encumbrances on a Lot, except (i) liens and encumbrances (specifically including but not limited to a mortgage or deed of trust on the Lot) recorded before the docketing of the claim of lien in the Office of the Clerk of Superior Court, and (ii) liens for real estate taxes and other governmental assessments and charges against the Lot.

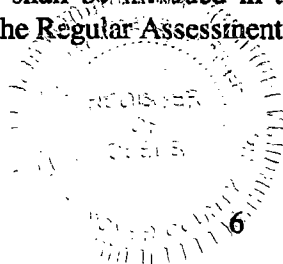
c. The lien for unpaid assessments is extinguished unless proceedings to enforce the tax lien are instituted within three years after the docketing of the claim of lien in the Office of the Clerk of Superior Court of New Hanover County.

d. Any judgment, decree or order of any action brought under this Section 4 shall include costs and reasonable attorneys fees for the prevailing party.

6. Working Capital Assessment. The Association shall also establish a working capital fund for general maintenance of the Common Areas for the purposes set forth under Section 2 and Section 6 herein. A capital contribution fee of \$500.00 shall be due and payable to the Association at closing from the Buyer of each lot sold by the developer or its successor and/or assigns. Such funds shall be used for initial operating and capital expenses of the Association, including without limitation, prepaid insurance, supplies, Common Area supplies and Equipment. Amounts paid into the working capital fund are not to be considered as advance payment of regular assessments. Any working capital funds remaining at the end of the first full operating year may be transferred to and become part of the general funds of the Association at the discretion of the Board of Directors.

7. Insurance Premiums.

a. Premiums for contracts of insurance purchased by the Association shall be paid by the Association and shall be included in the operating costs of the Association to be assessed against all Lots via the Regular Assessment.



b. Proceeds. All contracts of property insurance purchased by the Association shall be for the benefit of the Owner or Owners of the property insured (which may include the Association) and their mortgages, if any, and shall provide that all proceeds thereof shall be payable to the Association as insurance trustee under this Declaration. The sole duty of the Association as insurance trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes stated herein. Proceeds of insurance received by the Association as insurance trustee shall be distributed to or for the benefit of the beneficiaries in the following manner:

- i. The proceeds shall first be paid to cover the cost of reconstruction and repair of any damage covered;
- ii. Proceeds shall then be paid to the trustee to reimburse it for costs reasonable incurred in discharging its duties as trustee; and
- iii. Any remaining proceeds shall then be distributed to the beneficiaries of the trust, as their interests may appear.

SECTION 5
CONTROL OF DESIGN AND APPEARANCE.

Notwithstanding any other provision of this Declaration, no tree removal, site preparation on any Lot, or change in grade or slope of any Lot, installation, planting or construction of any Improvements (as defined below), shall be commenced, undertaken, or maintained on any Lot until the Declarant has approved the plans and specifications therefore and the location of such Improvements. Approvals pursuant to this section shall be required for so long as the Declarant owns any of the Lots. Upon the sale of the final Lot, the Declarant shall appoint an Architectural Control Committee (the "Committee") to perform such approvals in accordance with this section. Design and appearance approval shall operate as follows:

a. Composition of the Committee. The Committee shall be composed of three (3) individuals initially appointed by the Declarant. The Board of Directors of the Association shall thereafter annually appoint the members of the Committee. Each member of the Committee shall be generally familiar with residential and community development design matters and knowledgeable about the Declarant's concern for appearance standards in the Property. No member of the Committee shall be liable for claims, causes of action or damages (except where occasioned by gross negligence or willful misconduct of such member) arising out of services performed pursuant to this Declaration.

b. Definition of "Improvement." For purposes of this section, the term "Improvement" shall mean and include all buildings, storage sheds or areas, roofed structures, parking areas, loading areas, trackage, fences, walls, hedges, mass plantings, poles, driveways, ponds, lakes, changes in grade or slope, site preparation, swimming pools, tennis courts, exterior illumination, changes in any exterior color or shape and any new exterior construction or exterior improvement exceeding \$1,000.00 in cost which may be included in any of the foregoing. "Improvement" shall not mean shrub or tree replacements or any other replacement or repair of

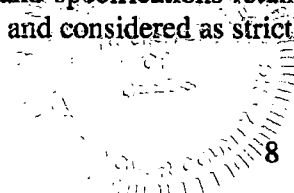
any magnitude which ordinarily would be expensed in accounting practice and which does not change exterior colors or exterior appearances. "Improvement" shall mean and include all changes, repairs or additions to original Improvements, as long as the activity in question is included within the definition of "Improvement" given above.

c. Procedure. No Improvement of any kind or nature shall be commenced or undertaken on any Lot until all plans and specifications therefore and a site plan thereof have been submitted to and approved in writing by the Declarant or the Committee, as the case may be, as to:

- i. Quality of workmanship and materials, adequacy of site dimensions, adequacy of structural design, and facing of main elevation with respect to nearby streets;
- ii. Conformity and harmony with the other structures in the community, as determined by the Declarant or the Committee, as the case may be;
- iii. Location with respect to topography and finished grade elevation and effect of location and use on neighboring Lots and improvements situated thereon, and drainage arrangement;
- iv. Location of all trees having a diameter of eight (8) inches or greater which are proposed for removal; and
- v. The other standards set forth within this Declaration (and any amendments hereto) or as may be set forth within bulletins promulgated by the Declarant or the Committee, as the case may be, and made available to all Owners.

With respect to the initial Improvements to be constructed on a Lot, the final plans and specifications required hereunder shall include a site plan with building footprints showing distance of the Improvements from the Lot boundaries and location of all trees having a diameter of eight (8) inches or greater proposed for removal from locations other than within such footprint and the driveway to be constructed, and shall include construction drawings showing exterior elevations and a schedule of the plans and specifications required therefore shall be as determined necessary by the Declarant or the Committee, as the case may be, based on the circumstances of the proposed Improvements. Final plans and specifications for all Improvements proposed to be constructed on a Lot shall be submitted in duplicate to the Declarant or the Committee, as the case may be, for approval or disapproval. The Declarant or the Committee, as the case may be, is authorized to request the submission of samples of proposed construction materials.

At such time as the plans and specifications meet the approval of the Declarant or the Committee, as the case may be, one complete set of plans and specifications will be retained by the Declarant or the Committee, as the case may be, and the other complete set of plans and specifications will be marked "Approved" and returned to the Lot Owner or his designated representative. The plans and specifications retained by the Declarant or the Committee, as the case may be, shall be kept and considered as strictly confidential, and shall be utilized to monitor



and insure compliance therewith and for no other purpose. If found not to be in compliance with these covenants, conditions and restrictions, or if found to be otherwise unacceptable to the Declarant or the Committee, as the case may be, one set of plans and specifications shall be returned to the Lot Owner marked "Disapproved," accompanied by a statement in reasonable detail of items found not to be in compliance with these covenants, conditions or restrictions, or found otherwise unacceptable. Any modification or change to the set of plans and specifications approved by the Declarant or the Committee, as the case may be, must again be submitted to the Declarant or the Committee, as the case may be, for its inspection and approval. The approval or disapproval, as required herein, shall be in writing.

The Declarant or the Committee, as the case may be, may from time to time publish and promulgate bulletins of architectural standards which shall be fair, reasonable, and uniformly applied in regard to the Lots, and which shall carry forward the spirit and intention of these covenants, conditions and restrictions; however, the Declarant or the Committee, as the case may be, shall not be required to publish such bulletins. The Declarant or the Committee, as the case may be, shall be responsive to technological advances or general changes in architectural designs and materials and related conditions in future years and shall use its best efforts to balance the competing interests of maintenance of the existing scheme of development and each Owner's right to use of his/her private property. However, although the Declarant or the Committee, as the case may be, shall not have unbridled discretion with respect to taste, design and any standards specified herein, the primary charge and responsibility shall be to maintain the common scheme of development, as perceived and determined by the Declarant or the Committee, as the case may be, to the best of its ability.

d. Failure of the Declarant or Committee to Act. If the Declarant or the Committee, as the case may be, fails to approve or disapprove any plans and specifications or other submittals within thirty (30) days after submittal thereof, it shall be conclusively presumed approved. If plans and specifications are not sufficiently complete or are otherwise inadequate, the Declarant or the Committee, as the case may be, may reject them as being inadequate or may approve part, conditionally or unconditionally, and reject the balance.

e. Limitation of Liability. Neither the Committee nor the members thereof nor Declarant shall be liable for damages or otherwise to anyone submitting plans and specifications and other submittals for approval, or to any Owner by reason of mistake of judgment, negligence (except for gross negligence) or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any plans or specifications.

f. Enforcement. The Declarant, any Owner, and/or the Association shall have the right (but not the obligation) to enforce the provisions contained in this section and/or to prevent any violation of the provisions contained in this section by a proceeding at law or in equity against the person or persons violating or attempting to violate such provisions, and all rights and remedies set forth in subsection (d) of Sections 8.

g. Compensation. No member of the Committee shall be entitled to compensation for services performed pursuant to this section; however, the Association shall reimburse members of the Committee for reasonable out-of-pocket expenses.

SECTION 6
MAINTENANCE

All areas within the Property and all areas covered by easements or licenses owned or held by the Association shall be maintained to a community-wide standard, and to all other standards stated in this Declaration, any Supplemental Declarations and the bylaws, rules and regulations of the Association. The Association and the individual Owners shall be responsible for such maintenance as follows:

a. Association's Responsibility. The Association shall maintain the following:

- i. All Landscaped Rights-of-Way and all Entry Features;
- ii. All streets and roadways within any easements or licenses owned or held by the Association, unless such streets or roadways are maintained by New Hanover County or some other governmental authority;
- iii. All Common Areas, and all landscaping, irrigation, paving, streets, structures and improvements of any nature located thereon; and
- iv. All ponds, streams and culverts located on the Property which serve as part of any drainage and storm-water retention system.

b. Owner's Responsibility. Except as provided in the subsection (c) below, each Owner shall maintain his or her Lot and all landscaping, irrigation, paving, structures and improvements of any nature located thereon. Each Owner's maintenance of his/her Lot shall include but not be limited to:

- i. Keeping the Lot free and clear of all litter, trash, refuse and wastes;
- ii. Mowing lawns on a regular basis;
- iii. Pruning trees and shrubs;
- iv. Watering lawns;
- v. Keeping lawn and garden areas alive;
- vi. Keeping exterior lighting and mechanical facilities in working order;
- vii. Removing and replacing any dead plant material;
- viii. Keeping vacant land well maintained and free of trash and weeds;
- ix. Complying with all governmental health and police requirements;
- x. Repainting of Improvements;
- xi. Repair of exterior damage to Improvements; and
- xii. Keeping parking areas and driveways in good repair.
- xiii. Maintaining the underground irrigation system installed by Declarant (including any irrigation system benefitting any common areas that may be connected to an irrigation system benefitting a particular lot).

If, in the opinion of the Association, any Owner or occupant of a Lot shall fail to maintain any dwelling owned by him in a manner which is reasonably neat and orderly or shall fail to keep the improvements constructed thereon in a state of repair so as not to be unsightly, or shall fail to perform any of the duties or responsibilities set forth in this subsection, then the Board of Directors of the Association or Declarant may give such person written notice of such failure and such person must within ten (10) days after receiving such notice (which notice shall be deemed to have been received upon deposit in any official depository of the United States mail, addressed to the party to whom it is intended to be delivered at that party's current address as shown on the records of the New Hanover County Tax Collector, and sent by certified mail, return receipt requested), perform the care and maintenance required or otherwise perform the duties and responsibilities of such Owner. Should any such person fail to fulfill this duty and responsibility within such period, the Association, acting through its authorized agent or agents, or the Declarant, acting through its authorized agent or agents, shall have the right and power to enter onto the Lot in question and perform such care and maintenance without any liability for damages for wrongful entry, trespass or otherwise to any person. The Association shall have an easement onto and over each Lot for the purpose of accomplishing the foregoing.

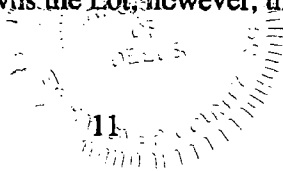
All Owner(s) of a Lot on which such work is performed shall be liable for the cost of such work plus interest computed at the rate of eight percent (8.00%) per annum from the date(s) such amounts are expended until repaid to the Association or the Declarant, as the case may be, and for all costs and expenses incurred in seeking the compliance of such Owner with his duties and responsibilities hereunder, and shall reimburse the Association or the Declarant, as the case may be, on demand for such costs and expense (including interest as above provided).

If such Owner shall fail to reimburse the Association or the Declarant, as the case may be, within thirty (30) days after mailing to such owner of a statement for such costs and expense by the Association or Declarant, the Association or the Declarant may bring an action at law to recover such costs and expenses, and to recover any reasonable attorney's fees incurred in bringing such action. In addition, if the Association or Declarant has performed the work on the Lot of the delinquent Owner(s), the Association or Declarant may charge a Reimbursement Assessment for such amounts against the Lot of such Owners, and proceed to collect such Reimbursement Assessment as provided in Section 4 above.

SECTION 7 **USE RESTRICTIONS.**

All of the Property shall be subject to the following restriction on use:

- a. **Clotheslines.** Outside clotheslines shall not be permitted upon any Lot at locations where they can be viewed from any street or adjacent Lot.
- b. **Signs.** No sign of any kind shall be displayed to the public view on any Lot except one professional sign of not more than six (6) square feet (i) advertising the Lot for sale (ii) advertising the building contractor construction improvements on the Lot during the initial construction and sales period, or (iii) identifying the sales office and/or model home of a building contractor or developer who owns the Lot; however, the foregoing shall not act to



restrict or prohibit Declarant from erecting and maintaining signs and billboards advertising the Property or portions thereof. Notwithstanding the foregoing, all signs erected and maintained on any Lot must conform with all applicable governmental requirements.

c. Boats, Trailers and Campers. Boats, trailers and campers shall not be permitted on any Lot except in areas where they cannot be viewed from the streets, and shall not be parked on any street or roadway. No motorized boat or watercraft is allowed on Porter's Pond at any time.

d. Parking and Vehicle Storage. Garages shall be enclosed on all four sides. The Owner(s) of any occupied Lot shall provide at least two (2) parking spaces on the Lot, which need not be covered and which may be on a driveway, for off-street parking. Only licensed and operative vehicles, classified as passenger cars, station wagons, passenger pick-up trucks or passenger vans may be regularly parked in driveways. No vehicle will be permitted to park regularly on any roadway within the Property. Recreational vehicles must be screened from view as provided in Section 7c above. No vehicle located on a lot may be used as a dwelling, temporarily or permanently.

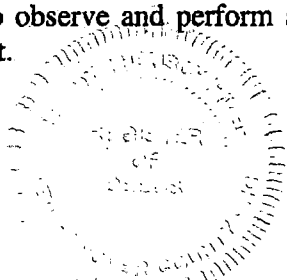
e. Building Materials and Equipment. No lumber, brick, stone, cinder block, concrete or any other building materials or equipment shall be stored in any Lot in an exposed location except for the purpose of construction on such Lot, nor shall any such material or equipment be stored in such Lot for longer than the length of time reasonably necessary for the construction in which same is to be used.

f. Above-ground tanks. No exposed above-ground tanks will be permitted for the storage of fuel or water or any other substance, except that such tanks may be placed above-ground provided they are kept in a screened enclosure which exceeds in height by at least one (1) foot any such tank as may be placed therein.

g. Antennae and Dishes. No exterior antennae, earth satellite station or dish, microwave dish or other similar improvement may be constructed, placed or maintained on any lot without the prior written approval of the Declarant or the Committee, as the case may be. In any event, no satellite dish or antenna exceeding 24" in height or diameter may be constructed.

h. Home Occupations. A resident of any Lot in Use shall comply with all of the provisions of New Hanover County Land Use Ordinance then applicable thereto; provided that no home occupation or business or professional activity shall be permitted which generates a significantly greater volume of vehicular traffic or non-street parking than would normally occur within a residential neighborhood.

i. Leases. No Lot or structures thereon may be used for hotel or other transient residential purposes. Each lease relating to any Lot or any structures thereon (or any part thereof) must be for a term of at least one hundred eighty (180) days and must provide that the tenant is obligated to observe and perform all of the terms and provisions of this Declaration applicable to such Lot.



j. General Use. Each Lot shall be used only for residential purposes, in accordance with the Special Use Permit, as amended, issued by County of New Hanover for the Egret Landing Subdivision. All Lots shall be used solely for detached, single-family residential dwellings. A single-family residential dwelling shall mean a residential dwelling occupied by related persons of the same family, or by related persons of the same family and not more than two (2) unrelated persons. This shall not preclude the inclusion of an apartment within the residential structure of occupancy by a domestic.

k. Fences. All fences constructed upon a Lot shall be set off of the rear corners of the main dwelling located on the Lot and shall be consistent with setbacks and property lines as indicated on any recorded plats of the sub-division or in these Declarations of Restrictive Covenants or any future amendments thereto. Any fence must be approved prior to any installation by the Architectural Control Committee. The maintenance and repair of any fences constructed on a Lot shall be the responsibility of the Lot owner.

l. Hobbies and Activities. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles, which might tend to cause disorderly, unsightly or unkempt conditions, shall not be pursued or undertaken on any part of any Lot at locations where they can be viewed from any street or upon any portion of the Common Areas.

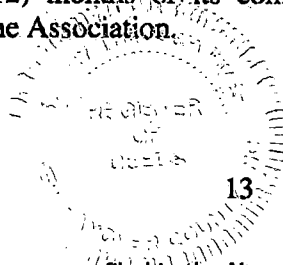
m. Keeping Animals. No stable, poultry house or yard or other similar structure shall be constructed or allowed to remain on any Lot, nor shall livestock of any nature or classification whatsoever be kept or maintained on any Lot without the written permission of the Association. However, a reasonable number of household pets as determined by the Board of Directors of the Association shall be permitted, provided they are not raised for commercial purposes. Pets shall be kept under control and shall not be allowed to range the neighborhood. Pets shall be kept on leashes when not on the Lots of their owners.

n. Offensive Activities. Noxious, offensive or loud activities shall not be permitted on any Lot. Each Owner shall refrain from any act or use of his Lot which could reasonably cause embarrassment, discomfort, annoyance or nuisance to the neighborhood.

o. Required Land Area. No Lot may be subdivided by sale or otherwise so as to reduce the total area thereof as shown upon any recorded subdivision map of the property.

p. Setbacks. Each Lot shall be subject to setbacks, if at all, as shown on any recorded subdivision map of the property showing that particular Lot. With respect to setbacks imposed by New Hanover County, nothing herein shall relieve the requirement to comply therewith, such relief being available solely from New Hanover County.

q. Completion of Construction. Once construction or modification/repair of any structure located within the Property is commenced, it must be prosecuted diligently and must be completed within twelve (12) months of its commencement, unless otherwise approved in writing by the Declarant or the Association.



r. Driveways. The driveway for each Lot shall be covered fully with concrete, paving stone, or other approved hard surfacing.

s. Refuse Storage. All trash, garbage, and refuse stored outside of a dwelling shall be stored in a solidly screened, enclosed, covered receptacle out of view from any street or any other Lot.

t. Temporary Structures. No temporary structures such as sheds or tents shall be erected or placed on a Lot without the written approval of the Declarant or the Association. Such structures, if permitted, may be used only during periods of construction, and never as a residence.

u. Underground Utilities. All utility lines serving structures located on Lots shall be placed underground.

v. Mobile Homes and Manufactured Homes. No mobile home, trailer, manufactured or modular home shall be located on any Lot.

w. Screening. Swing Sets, tree houses and play areas shall not be located on a Lot so as to be visible from any street.

x. Vegetable Gardens. No vegetable gardens shall be allowed in the front yard of any Lot, and the area of any vegetable garden on a Lot shall not exceed three hundred (300) square feet.

y. Minimum Dwelling Size. The minimum size of dwelling structures to be erected on the Lots shall be Eighteen Hundred (1,800) Square Feet of heated and finished living area. A multiple story structure shall have no less than One Thousand Two Hundred (1,200) Square Feet on its first floor.

z. Mailboxes and Newspaper Containers. The size, type, style, composition and location of mailboxes, newspaper containers and similar structures, if placed apart from the a dwelling structure erected on a Lot, must be approved by the Declarant or the Association. All mailboxes shall be uniform in size, color, and material.

aa. Erosion Control. At no time shall any Lot, recreation area or open area be stripped of its topsoil or trees, or allowed to be eroded by being excavated or neglected. During the period of grading and construction of a structure on a Lot and thereafter, the Owner(s) of the Lot shall exercise and maintain such erosion control measures, including the erection of silt fences, as may be required by the Declarant or the Association in order to minimize erosion and runoff. The Declarant reserves the right to impose requirements and standards of erosion control in excess of those required by law.

