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RECORDED AND VERIFIED
REBECCA P. TUCKER
REGISTER OF DEEDS
NEW HANOVER COUNTY, NC

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STATE OF NORTH CAROLINA

COUNTY OF NEW HANOVER

DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS
SUMMER REST LANDING YACHT
OWNERS ASSOCIATION, INC.

42
THIS DECLARATION, made this the 9th day of August, 1991, by
SANCO OF WILMINGTON CORPORATION, a North Carolina Corporation (SANCO),
and NATHAN S. SANDERS and wife, JUDIA B. SANDERS (SANDERS),
hereinafter collectively referred to as "Declarants";

WITNESSETH:

WHEREAS, Declarant SANCO OF WILMINGTON CORPORATION is the owner
of certain property located in Harnett Township, New Hanover County,
North Carolina, upon which said Declarant has developed, or is
developing three (3) residential lots, known as SUMMER REST LANDING,
as shown on the hereinafter described map, and Declarants NATHAN S.
SANDERS and wife, JUDIA B. SANDERS are the owners of an adjacent lot
or parcel which shall be subject to this Declaration. The adjacent
tract that shall be subject to this declaration is described in
Exhibit "A" hereto attached. In connection with said development,
Declarant SANCO has constructed a private boat docking facility along
the water front area as shown on the map of FACILITIES OF SUMMER REST
LANDING YACHT OWNERS ASSOCIATION, INC., recorded in the Office of the
Register of Deeds of New Hanover County in Map Book 32 at Page
25; and

WHEREAS, in accordance with the plan for said development,
Declarant SANCO has set aside or intends to set aside certain areas
for the common use and enjoyment of all property owners subject to
this Declaration, and accordingly has organized a community property
owners association known as "SUMMER REST LANDING YACHT OWNERS
ASSOCIATION, INC.", a private non-profit corporation, to hold title to
the boat dock facilities and open spaces adjacent to the dock
facilities and common areas intended primarily for the mutual use,
benefit, and enjoyment of the property owners of SUMMER REST LANDING
and that adjacent tract subject to this Declaration, all of whom shall
be members of the Association, and other members of the SUMMER REST
LANDING YACHT OWNERS ASSOCIATION, INC.

NOW THEREFORE, Declarants hereby declare that all of the property
comprising the boat docking facility which lies east of Summer Rest
Road, and including all of the open spaces, driveways, and common
areas, all of which are shown on the said map of FACILITIES OF SUMMER
REST LANDING YACHT OWNERS ASSOCIATION, INC., and which lie east of
said Summer Rest Road, Harnett Township, New Hanover County, North
Carolina, shall be held, sold, and conveyed subject to the following
easements, restrictions, covenants, and conditions, all of which are
for the purpose of enhancing and protecting the value, desirability,
and attractiveness of the development and all of which easements,
covenants, restrictions, and conditions shall run with the land and

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shall be binding upon all parties having or acquiring any right, title, or interest in the described premises or any part thereof, and shall inure to the benefit of each member of the Association.

ARTICLE I.

DEFINITIONS

Section 1. ASSOCIATION shall be used interchangeably with CORPORATION, and shall refer to SUMMER REST LANDING YACHT OWNERS ASSOCIATION, INC., a non-profit corporation, its successors and assigns. All owners of lots in SUMMER REST LANDING and other tracts subject to this Declaration, shall be members of the Association, which membership shall be appurtenant to and may not be separated from the ownership of such lot or tract.

Section 2. SUMMER REST LANDING shall refer to the entire development of the property conveyed to SANCO by deed recorded in Book 1502, Page 1250, of the New Hanover County Registry, including three (3) single family lots comprising SUMMER REST LANDING as shown on the plat thereof recorded in Map Book 32, Page 24, of the New Hanover County Registry, and any adjacent property subsequently annexed to the development by the Declarant.

Section 3. PROPERTIES shall refer to that real property described on the plat of FACILITIES OF SUMMER REST LANDING YACHT OWNERS ASSOCIATION, INC., which lies east of Summer Rest Road, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. COMMON AREAS shall refer to all real and personal property owned by the Association for the common use and enjoyment of the members of the Association, including but not limited to all streets and driveways on the property.

Section 5. BOAT DOCK FACILITY shall refer to all of the property, including the pier and boat slips, lying east of Summer Rest Road, as shown on that plat of FACILITIES OF SUMMER REST LANDING YACHT OWNERS ASSOCIATION, INC., herein referred to.

Section 6. BOAT SLIP shall mean the space in and above the water adjacent to the Intracoastal Waterway for the docking of a boat as shown diagrammatically on that plat of FACILITIES OF SUMMER REST LANDING YACHT OWNERS ASSOCIATION, INC., herein referred to. The terms "Boat Slip" and "Docking Space" shall have the same meaning and may be used interchangeably.

Section 7. MEMBERSHIP shall mean and refer to the rights, benefits, duties, and obligations, evidenced by an appropriate certificate of membership, which shall inure to the benefit of and burden of each member of the Association.

1563 1005

Section 8. MEMBER shall refer to every person or entity who has a membership in the Association.

Section 9. DECLARANTS shall refer to SANCO OF WILMINGTON CORPORATION (SANCO) and Nathan S. Sanders and wife, Judia B. Sanders (Sanders), their heirs, successors, and assigns.

ARTICLE II

ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. Declarants reserve the right to annex additional properties other than those properties herein made subject to this Declaration, and such annexation shall be made without prior approval by owners of any lots or tracts herein made subject to this Declaration, or any other members of the Association. However, Declarants shall give adequate notice of such annexation to the members of the Association.

Section 2. If the Declarants shall desire to enlarge the boat basin and/or create additional boat slips, such additional area may be annexed to such properties without the assent of the members of the Corporation, provided, however, that development of the additional lands to enlarge the boat basin be in accordance with a general plan submitted to and approved by all required federal, state, and local regulatory authorities, and provided further that no such annexation shall become effective until a revised plat of the boat dock facility is recorded in the Office of the Register of Deeds in New Hanover County showing the areas to be annexed and/or the boat slips to be added.

Section 3. If the boat basin is enlarged as provided in Section 2 above, the Declarants reserve the right to temporarily reassign the slip of any member located in the area to be enlarged. If no slips are available for reassignment, the Declarants shall pay all reasonable mooring and docking charges for the boat of any member temporarily displaced from his assigned slip during construction to enlarge the boat basin. Declarants shall give any such members whose slip will be temporarily unusable during construction, at least 30 days prior notice to relocate any boats moored in the unusable slips.

Section 4. Nothing herein shall be construed so as to allow Declarants to reduce the size of the boat slips as shown on the aforesaid plat of FACILITIES OF SUMMER REST LANDING YACHT OWNERS ASSOCIATION, INC., without the approval of a majority of the members of the Association.

ARTICLE III

MEMBERSHIP

Section 1. Classes of Members: There shall be three (3) classes of members and memberships in the Association:

- A. **Class "A".** The number of Class "A" memberships in the Association shall be at least equal to the total number of lots in SUMMER REST LANDING or other lot or tract made subject to this Declaration (including any lot added to or made a part thereof by annexation). Such memberships shall be appurtenant to and may not be separated from the ownership of any such lot. Every conveyance or transfer of a lot in SUMMER REST LANDING, or other lots or tracts subject to this Declaration, whether by deed, will, or inheritance, shall be conclusively presumed to include the transfer and conveyance of the Class "A" membership in the Association which shall be appurtenant to said lot, whether or not reference to the transfer of such membership is contained in the deed, will, or other muniment of title transferring the property.
- B. The Class "B" member shall be the Declarants, and they shall be entitled to two (2) votes for each lot owned. The Class "B" membership shall cease and be converted to Class "A" membership upon the occurrence of either of the following events, whichever occurs earlier:
 - (1) when the total combined votes of class "A" and Class "C" exceed the total votes outstanding in the Class "B" membership, or
 - (2) on December 31, 1995.
- C. All memberships in the Association other than Class "A" or Class "B" memberships shall be known as Class "C" memberships.

Section 2. TRANSFER OF CLASS "A" MEMBERSHIPS: Class "A" memberships shall not be transferable except as an incident or appurtenance to the transfer of the ownership of a lot in SUMMER REST LANDING or other lot subject to this Declaration. Every conveyance or transfer, whether by deed, will, or inheritance of such lot shall be conclusively presumed to include the transfer and conveyance of the Class "A" membership appurtenant to the same whether or not reference to the transfer of such membership is contained in the deed, will, or other muniment of title transferring the property.

Section 3. TRANSFER OF CLASS "C" MEMBERSHIPS: Class "C" memberships shall be transferable to Class "A" members or to the general public. In the event that an owner of a Class "C" membership should desire to sell such membership, all Class "A" members shall have a right of first refusal to purchase such membership at a fair market value. In the event there are no Class "A" members desiring to purchase said Class "C" membership, such Class "C" member shall be allowed to transfer said membership to the general public.

1563 1007

Section 4. ASSIGNMENT OF BOAT SLIPS: The Corporation shall assign a boat slip for each membership. The boat slips so assigned may be freely exchanged among the members of the Corporation. While assigned slips are freely transferable among the members, the record of which shall be kept in the records of the Association, no Class "A" member may transfer or sell his Class "A" membership in the Association except as an incident to the sale of his lot.

Section 5. RIGHTS OF MEMBERS:

A. Each member of the Corporation shall have the exclusive right, subject to the provisions hereof and subject to the By-laws and Rules and Regulations promulgated by the Board of Directors to occupy, possess, and lawfully use the boat slip assigned to such member.

B. Each member of each class shall have the right and easement of enjoyment in and to the common areas subject to the right of the Association:

- (1) To limit the number of guests of members;
- (2) In accordance with its Articles and By-laws, to borrow money for the purpose of improving the properties, common areas, and facilities;
- (3) To suspend all rights of any member for any period during which any dues or assessments against such member remains unpaid; and for a period not to exceed 30 days for any infraction of its published rules and regulations;

Section 6. VOTING RIGHTS: The Association shall have two (2) classes of voting rights:

Class I. All Class "A" members shall have Class I voting rights which shall entitle such Class "A" member to one vote in the affairs of the Association for each membership owned. When more than one person holds an interest in any membership, the vote for such shall be exercised as they among themselves shall determine, but in no event shall more than one vote be cast with respect to any such Class "A" membership. Class "C" members shall also have one vote for each Class "C" membership owned, which vote shall be exercised in the same manner as the vote for Class "A" memberships.

Class II. The Declarants shall have Class II voting rights, which shall entitle the Declarants to two (2) votes for each membership owned. Class II voting rights shall cease and be converted to Class I voting rights on the occurrence of either of the following events, whichever occurs earlier:

- (a) When the total Class I votes outstanding equal the total Class II votes outstanding; or
- (b) December 31, 1995.

ARTICLE IV.

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS: Except as hereinafter provided for the Declarants, each owner of each membership agrees to pay the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements; such assessment to be fixed, established, and collected from time to time as hereinafter provided, shall be a charge on the membership and shall be a continuing lien upon the membership against which each such assessment is made. Each such assessment, together with such interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such membership at the time when the assessments fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. PURPOSE OF ASSESSMENTS: The assessments levied by the Association shall be used exclusively for the purpose of (1) promoting the recreation, health, safety, and welfare of the members and their property; (2) the enforcement of these covenants and the rules of the Association promulgated by the Board of Directors; and (3) in particular for the improvement and maintenance of the properties, services, and dock facilities devoted to this purpose and related to the use and enjoyment of the common area.

Section 3. DETERMINATION OF ASSESSMENTS:

A. The Board of Directors shall determine from time to time the sum or sums necessary and adequate for the common expenses. At the annual meeting of the Association, such budget shall be submitted to the members for approval. As approved, the budget shall constitute the basis for all regular assessments for common expenses against owners of memberships, which assessments shall be due and payable periodically as determined by the Board. Common expenses shall include expenses for the operation, maintenance, repair, or replacement of the common area and facilities including the boat slips, maintenance of water depth and associated expenses, water, electricity, taxes, landscaping, all insurance premiums and expenses relating thereto, and any other expenses designated as common expenses from time to time by the Board of Directors of the Association.

B. The Board is specifically empowered on behalf of the Association to make and collect assessments and to maintain, repair, and replace the common area and facilities, including the docks and boat slips. Assessments shall be payable periodically as determined by the Board.

C. Until all of the memberships in the association are transferred, such that each member pays a direct one-sixth share of the

1563 1009

Association's expenses, Declarant shall pay any remaining expenses that are a direct operating expense of the day to day operation of the Association and its facilities, and not otherwise paid by the existing membership. Declarant shall not be responsible for any capital improvement expense or contingency fund established by the Association.

D. Notwithstanding the foregoing, no lot owner or member shall be required to pay more than the pro-rata one-sixth share of the association expenses attributable to his or her membership.

Section 4. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS: In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacements of a described capital improvement upon the common area, including the necessary fixtures and personal property related thereto, or defraying in whole or in part the cost of any dredging; provided that any such assessment shall have the approval of a majority of the members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTION 4: At the first meeting called as provided in Section 4 hereof, presence of members or proxies entitled to cast the votes of sixty per cent (60%) of all the memberships shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to fifteen (15) days written notice, and the required quorum for such subsequent meeting shall be the presence of members or proxies representing fifty per cent (50%) of the membership entitled to vote.

Section 6. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS, DUE DATES: The annual assessments provided for herein shall be collected on a quarterly basis and shall commence as to each membership upon its acquisition by a member. Upon such acquisition, the member shall pay the balance of the assessment due for the quarter in which such acquisition occurs, together with the quarterly payment for the succeeding quarter. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each membership at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner of a membership. The due dates shall be established by the Board of Directors. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the Corporation setting forth whether the assessments against a specified membership have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. ASSESSMENTS FOR REPAIRS OF DAMAGE CAUSED BY FAULT: If a member or one of their guests damages or destroys by his or her fault any of the property in the common area including the docks, boat slips, and other facilities, the board shall levy a special assessment upon the owner of that membership for the full cost of repair or replacement of such damage or destruction.

Section 8. EFFECT OF NON-PAYMENT OF ASSESSMENTS - REMEDIES OF THE CORPORATION: Any assessment or any portions thereof which are not paid when due shall be delinquent. If the assessment or portion thereof is not paid within thirty (30) days after the due date, the same shall become a lien on such membership and bear interest from the date of delinquency at the rate of ten per cent (10%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the membership, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessments. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment of his membership.

Section 9. SUBORDINATION OF THE LIEN TO MORTGAGES: The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or pledge of the membership. Sale or transfer of any membership shall not affect the assessment lien. However, the sale or transfer of any membership which is subject to any mortgage or pledge, pursuant to a decree of foreclosure under such mortgage or pledge or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereon which become due prior to such sale or transfer. No sale or transfer shall relieve such member from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V.

MAINTENANCE

In addition to maintenance of the common area, including all facilities and amenities therein, the Association shall provide maintenance of each boat slip in the properties, and shall have the right of ingress and egress to maintain, repair, or replace all or any portion of such slip. The cost of such maintenance, repair, or replacement shall be added to and become a part of the total annual assessment for which all memberships are proportionately liable.

ARTICLE VI.

ARCHITECTURAL CONTROL

Section 1. IMPROVEMENTS AND ALTERATIONS: No building, fence, wall, sign, or other structure shall be commenced, stored, erected, or

1563 1011

maintained upon the common area or other property of the Association, nor shall any addition to or change or alteration thereon be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of said change shall have been submitted to and approved in writing as to the harmony of external design and location in relation to the surrounding area by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives of the Board.

Section 2. DOCK BOXES: There shall be no more than one (1) dock box per slip of such size, design, and construction and in such location, as the Board of Directors shall determine. No removal or change in location, size, design, or construction will be made without the written consent of the Board of Directors; provided, that any such approved removal or change shall be at the expense of the person seeking such removal or change.

ARTICLE VII.

USE RESTRICTIONS

Section 1. RULES AND REGULATIONS: The Board of Directors of the Corporation shall have the power to formulate, publish, and enforce reasonable rules and regulations concerning the use and enjoyment of the properties including the boat slips.

Section 2. USE OF PROPERTIES: No portion of the properties, common area, or any boat slip may be used for any commercial purpose.

Section 3. QUIET ENJOYMENT: No obnoxious or offensive activity shall be carried on, in, or upon the properties, the common area, or any boat slip, nor shall anything be done which may be or may become a nuisance or annoyance to any member of the Association.

Section 4. GUESTS: Guests of a member shall be allowed to use the boat slip of that member for a period of time not to exceed one (1) week in duration. Any additional time allowed for such use by guests of a member shall be upon the approval and at the discretion of the Board of Directors of the Association. Members shall be responsible for the conduct of their guests in the use of the boat slips/pier and shall be liable for damages caused by their guests.

Section 5. RENTING OF BOAT SLIPS: Boat slips may be leased or rented upon such terms and conditions as established by the Board of Directors of the Association.

Section 6. USE OF PIER IN ADDITION TO BOAT SLIPS: Members may use the west side of the pier as necessary or reasonable upon the approval of the Board of Directors of the Association.

Section 7. OVERNIGHT STAY: No boat moored at the pier or any boat slip may be used as overnight accommodations by any member or guest of any member.

Section 8. APPEARANCE OF FACILITY: Members and their guests shall remove all refuse after their use of the facility, and shall generally keep the facility neat, clean, and presentable.

ARTICLE VIII.

EASEMENTS

Section 1. ACCESS EASEMENTS: The Declarants hereby reserve unto themselves, their successors, and assigns, a perpetual easement and right-of-way over the common areas of **SUMNER REST LANDING YACHT OWNERS ASSOCIATION, INC.**

Section 2. UTILITY EASEMENTS: The Association shall have the right to grant and establish over and across its properties and common areas such easements and rights of way as may be required for drainage and public utilities.

ARTICLE IX.

GENERAL PROVISIONS

Section 1. ENFORCEMENT: The Association, or any member, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by or under the provisions of this Declaration. Failure of the Association or any member to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. SEVERABILITY: Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision, which shall remain in full force and effect.

Section 3. DURATION: The covenants, conditions, and restrictions of this Declaration shall run with and bind the properties, common areas, and boat slips, and shall inure to the benefit or be enforceable by the Association, or any member, their respective legal representatives, heirs, successors, and assigns, subject to this Declaration, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time such covenants shall be automatically extended for successive periods of ten (10) years each.

Section 4. AMENDMENT OF DECLARATION: So long as Declarants own a majority of the lots subject to this Declaration, Declarants shall have the right, at any time prior to December 31, 1995, to amend this

1563 1015

Declaration, in whole or in part, without the consent or joinder of any member of the Association or of any owner of any lot in SUMMER REST LANDING or other lot subject to this Declaration. However, Declarants shall give to the members of the Association adequate notice of such amendment. Except as provided for amendment by the Declarants, this Declaration may be amended by the vote of not less than two-thirds (2/3) of the total membership of the Association, cast by person or by proxy at a meeting duly held in accordance with the By-laws. All amendments shall be certified by the Secretary of the Association and shall be effective from the date of recording of the Amendment as certified, in the Office of the Register of Deeds of New Hanover County. It shall be conclusively presumed that such instrument constitutes a valid amendment as to all persons thereafter purchasing any membership in the Association; provided, however, that in no event may this Declaration be amended so as to deprive Declarants of any rights herein granted or reserved unto Declarants.

ARTICLE X.

INSURANCE

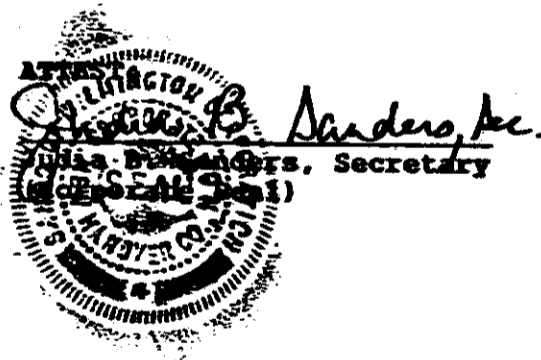
Section 1. The Board of Directors, on behalf of the Association, as a common expense, shall at all times keep the property (except personal property of a member) insured against loss or damage by fire or other hazards insured against, upon such terms and for such amounts as may be reasonably necessary from time to time to protect the properties, common area, and boat slips, which insurance shall be payable in case of loss to the Association for all members. The Association shall have the sole authority to deal with the insurer in the settlement of claims.

Section 2. Such insurance shall be obtained without prejudice to the right of each member to insure his personal property for his own benefit at his own expense. No insurance purchased by the Association shall insure the personal property of any member, including their boat while moored at the facility or their equipment. In no event shall the insurance coverage obtained by the Association be brought into contribution with insurance purchased by members or their mortgagees.

IN WITNESS WHEREOF, SANCO OF WILMINGTON CORPORATION has caused this instrument to be signed in its corporate name by its President and attested by its Secretary, and sealed with its corporate seal, and Nathan S. Sanders and wife, Judia B. Sanders, have hereto caused their hands and seals to be hereunto affixed, the day and year first above written.

SANCO OF WILMINGTON CORPORATION

BY: Nathan S. Sanders, Pres
Nathan S. Sanders, President



Nathan S. Sanders, Pres. (SEAL)
Nathan S. Sanders

Judia B. Sanders (SEAL)
Judia B. Sanders

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

I, a Notary Public of the County and State aforesaid, do hereby certify that JUDIA B. SANDERS personally appeared before me this day and acknowledged that she is Secretary of SANCO OF WILMINGTON CORPORATION, a North Carolina Corporation, and that, by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its corporate name by its President, sealed with its corporate seal, and attested by herself as its Secretary.

Witness my hand and official seal this the 9th day of August,



My Commission Expires: 10-14-95

Daniel D. Mahn
Notary Public

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

I, a Notary Public of the County and State aforesaid, do hereby certify that Nathan S. Sanders and Judia B. Sanders personally appeared before this day and acknowledged the due execution of the foregoing document for the purposes therein expressed.

Witness my hand and official seal this the 9th day of August,



My Commission Expires: 10-14-95

Daniel D. Mahn
Notary Public

STATE OF NORTH CAROLINA
New Hanover County
The Foregoing/Annexed Certificate(s) of

Daniel D. Mahn
Notary (Notarize) Public are certified to be correct.

This the 9th day of Aug. 1991

Rebecca P. Tucker, Register of Deeds
REBECCA TUCKER CHRISTIAN
Rebecca P. Tucker
Deputy/Assistant

Exhibit "A"

Beginning at a point in the easterly line of lot 13, Summer Haven as shown on a map recorded in Map Book 15 at Pages 14 and 14A of the New Hanover County Registry. Said point in said easterly line being located North 21 degrees 13 minutes 19 seconds West 210.90 feet as measured along said easterly line from its intersection with the northerly line of Summer Rest Road (40 foot right-of-way), also known as S.R. No. 1477. Said intersection point being located South 68 degrees 25 minutes West 125.00 feet from an old iron pipe marking the intersection of the northerly line of said Summer Rest Road and the westerly line of Blue Avenue (33 foot right-of-way). Running thence from said beginning point:

1. North 21 degrees 13 minutes 19 seconds West 47.12 feet along said easterly line to its intersection with the westerly line of said Blue Avenue; thence
2. North 48 degrees 49 minutes 11 seconds West 115.07 feet along the westerly line of said Blue Avenue to its intersection with the dividing line between Lots 15 and 17 of said Summer Haven; thence
3. South 21 degrees 44 minutes 53 seconds East 149.43 feet along said dividing line to a point; thence
4. North 68 degrees 25 minutes East 51.94 feet to the point of beginning.

The above described tract contains 0.12 acres and is a portion of said lots 13 and 15 of said Summer Haven.

EXHIBIT "B"

**BY-LAWS
OF
SUMMER REST LANDING YACHT OWNERS ASSOCIATION, INC.**

ARTICLE I

General Provisions

SECTION 1. - IDENTITY: These are the By-Laws of SUMMER REST LANDING YACHT OWNERS ASSOCIATION, INC., a nonprofit corporation organized pursuant to the laws of the State of North Carolina; the Articles of Incorporation for which have been recorded in Book 1541, at Page 0978, in the Office of the Register of Deeds of New Hanover County, North Carolina.

SECTION 2. - INCORPORATION: The provisions of these By-Laws supplement and are enacted pursuant to the provisions of the above referenced Articles of Incorporation and are applicable to the record owners of lots located upon or within that certain development of real property known as SUMMER REST LANDING, as shown upon a map thereof recorded in Map Book 32, at Page 24, of the New Hanover County Registry, as well as other lots or tracts made subject to the Declaration of Covenants, Conditions, and Restrictions SUMMER REST LANDING LANDING YACHT OWNERS ASSOCIATION, INC., as recorded in the New Hanover County Registry.

SECTION 3. - APPLICATION: These By-Laws shall, in conjunction with the above referenced Articles of Incorporation govern the affairs, rights, privileges, duties and obligations of the Association, all members, owners, the Developer, all mortgagees, beneficiaries under Deeds of Trust, Lessees and occupants of all lots subject hereto, their employees and all others who may use or enjoy any of the property subjected hereto, and the acceptance of a Deed for or conveyance of, or the succeeding to title to, or the entering into a lease for, or the actual occupancy of, or use of a lot, the common areas, streets, and amenities, or any of the improvements thereon by any of the above shall constitute an acceptance by the same of the provisions of these By-Laws, the Rules and Regulations enacted pursuant hereto and the provisions of the herein above referenced Articles, and an agreement to comply and abide by the same.

SECTION 4. - PRINCIPAL OFFICE: The principal office of the Association and of the Board of Directors shall be located at 110 Hinton Avenue, Wilmington, North Carolina 28403.

ARTICLE II.

Membership

SECTION 1. - IDENTIFICATION: The Association shall have three classes of voting memberships:

Class A. Class A members shall be those Owners, with the exception of the Developer until its Class B membership has converted to Class A membership, who own lots within **SUMMER REST LANDING** and such other owners of lots that may be made subject to that Declaration of Restrictions of **SUMMER REST LANDING** or to that Declaration of Covenants, Conditions, and Restrictions of **SUMMER REST LANDING YACHT OWNERS ASSOCIATION, INC.** Each Class A member shall be entitled to one vote for each such lot so owned.

Class B. The Class B member shall be the Developer, and it shall be entitled to two (2) votes for each lot owned by it. The Class B membership shall cease and be converted to Class A membership upon the happening of either of the following events, whichever occurs earlier: (a) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership, or on December 31, 1995.

Class C. The Class C members shall be such members who are not necessarily owners of lots subject to either of the above set out declarations, but who receive or are transferred a membership in the Association. Each Class C member shall be entitled to one vote for each membership owned. Class A members may also be Class C members and may vote as both Class A and Class C members. There shall only be two Class C members.

SECTION 2. - RECORDS: The Secretary of the Association shall maintain at the principal office of the Association a register of all of the current owners of memberships in the Association and the mailing address of each owner and of all mortgagees or beneficiaries under Deeds of Trust of all such lots.

SECTION 3. - VOTING RIGHTS: If a Class A membership is owned by one (1) person his right to vote shall be established by the record title to his lot. If such membership is owned by more than one (1) person, or is under lease, the person entitled to cast the vote for such membership shall be designated by a certificate signed by all of the record owners of such membership and filed with the Secretary of the Association. If a membership is owned by a corporation, the person entitled to cast the vote for that membership shall be designated by a certificate signed by the President or Vice President and attested by the Secretary or the Assistant Secretary of such corporation and filed with the Secretary of the Association. If a membership is owned by a partnership, whether general or limited, or a joint venture, the certificate designating the voting member shall be signed by all partners or joint venturers, as the case may be. Such