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**CONSOLIDATED MASTER DECLARATION AND
 DEVELOPMENT PLAN
 FOR
 BRUNSWICK PLANTATION**

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DEVELOPMENT PLAN FOR BRUNSWICK PLANTATION

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**CONSOLIDATED MASTER DECLARATION
OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR BRUNSWICK PLANTATION**

This Consolidated Master Declaration of Covenants, Conditions and Restrictions for Brunswick Plantation is made this the 29th day of January, 2007 by Caw Caw Land Corporation, a North Carolina Corporation, hereinafter referred to as the "Declarant" or "Caw Caw".

RECITALS

WHEREAS, Caw Caw and its principals and their companies are the Owners of approximately 1,750 acres of property which is hereinafter referred to as "The Property" located near Calabash, North Carolina, and

WHEREAS, Caw Caw has established and recorded a Master Declaration and Development Plan containing Covenants, Conditions and Restrictions (hereinafter "Master Declaration") covering the property described therein or later subjected thereto, said Master Declaration and Development Plan is duly recorded in Book 839, Pages 690 through 734 of the Brunswick County Registry.

WHEREAS, Caw Caw has recorded several Amendments to the Master Declaration and those Amendments appear in Book 1341 at Page 121, Book 1404 at Page 214, Book 1526, Page 631, Book 1533 at Page 1180, Book 1829 at Page 104 (which amended portions of the Amendments recorded in Book 1404 at Page 214 and Book 1526 at Page 631), and Book 2015 at Page 1063, all of the Brunswick County Registry.

WHEREAS, Caw Caw in conjunction with Anderson Holding Co. Limited Partnership, Jimmy McLamb and wife, Gail McLamb, J and G McLamb Limited Partnership, and Brunswick Partners, LLC have recorded several Supplemental Declarations and/or Amendments to the Master Declaration subjecting additional real property to the Master Declaration and those Supplemental Declarations and/or Amendments appear in Book 1275 at Page 954, Book 1341 at Page 124, Book 1341, Page 128, Book 1354, Page 650, Book 2137, Page 467, Book 2418, Page 20, Book 2418, Page 23, Book 2453, Page 1084, all of the Brunswick County Registry which subject the real property described in the Deeds recorded in Book 1258, Page 1207, Book 1273, Page 1380, Book 1206, Page 1162, Book 1337, Page 988, Book 1192, Page 525 (as to Tracts Five, Six and Seven described therein), Book 1129, Page 469, Book 1088, Page 524, Book 2120, Page 1225, Book 2120, Page 1228, Book 2010, Page 1071, Book 1784, Page 1200, Book 1922, Page 979, Book 1691, Page 504, Book 1857, Page 1025 (as to Tract Six described therein), Book 2368, Page 535, Book 2392, Page 181, and Book 2440, Page 1282, all of the Brunswick County Registry.

WHEREAS, Caw Caw now wishes to incorporate the aforesaid Amendments, together with any amendments contained herein, into the Master Declaration so as to create one document

with all of the Amendments therein for ease of understanding and clarification and to record this Consolidated Master Declaration in the Brunswick County Registry.

WHEREAS, after this Consolidated Master Declaration has been recorded in the Brunswick County Registry, it shall apply to all of The Property whether conveyed before or after its recordation, and any reference to it in any deed of conveyance shall be effective in the same manner as referring to or citing the original Master Declaration recorded in Book 839 at Page 690 of the Brunswick County Registry and each of the Amendments to the Master Declaration as recorded in the Brunswick County Registry.

NOW, THEREFORE, Caw Caw does hereby declare that all of The Property together with any Additional Property which may hereafter be subjected by amendment to this Amended Consolidated Master Declaration shall be held, transferred, conveyed, occupied and used subject to the following Easements, Covenants, Conditions, Restrictions, Liens and Charges which shall run with the title to the real property and which shall be binding upon and inure to the benefit of all of the parties having any right, title or interest in the above described properties, their heirs, successors and assigns.

ARTICLE ONE DEFINITIONS

The following words when used in this Master Declaration shall have the following meaning:

1. "**Architectural Standards Committee**", "**ASC**" or "**Committee**" shall mean the committee appointed by the Board for the purpose of establishing and enforcing the architectural standards of the Development. The Committee shall consist of not less than three (3) nor more than five (5) persons.
2. "**Articles**" means the Articles of Incorporation of Brunswick Plantation Property Owners Association, Inc., a copy of which is attached hereto as **Exhibit 1**.
3. "**Assessment**" shall mean an Owner's share of the common expense or charges as established by the Association.
4. "**Association**" or "**POA**" shall mean the Brunswick Plantation Property Owners Association, Inc., a not-for-profit corporation whose purpose is to administer The Property which is subject to this Consolidated Master Declaration.
5. "**Board**" or "**Board of Directors**" means the Board of Directors of the Association.
6. "**Bylaws**" shall mean the Bylaws of the Association, a copy of which is attached hereto as **Exhibit 2**.

7. **"Common Area" or "Common Property"** shall mean all real and personal property: (a) Designated and shown in writing and/or on a plat by the Declarant as Common Area or Common Property; (b) Conveyed to the Association for the use and benefit of the Association; (c) Held by Caw Caw for the benefit of the Association. Such real property may include for example roads, driveways, walkways, any rights-of-way reserved to the Association, open spaces (both landscape and natural), lagoons, lakes or ponds and all of the drainage and storm water management system.

Nothing contained in this definition shall limit the type of personal or real property which may be owned by the Association and constitute Common Property.

8. **"Common Expenses"** shall mean all expenditures made by the Association in carrying out its duties together with all funds assessed by it for the creation and maintenance of reserve funds under this Consolidated Master Declaration.

9. **"Declarant"** shall mean Caw Caw Land Corporation, a North Carolina Corporation with offices at Calabash, North Carolina, its successors and assigns. The Declarant may assign or pledge any or all of its rights reserved under the land use documents through an assignment or in an instrument of conveyance or assignment.

10. **"Master Declaration", "Consolidated Master Declaration" or "Declaration"** shall mean this document which includes the Covenants, Conditions and Restrictions for Brunswick Plantation together with all amendments which may be filed in the office of the Register of Deeds, Brunswick County, North Carolina.

11. **"The Property", "Development" or "Project"** shall mean the property described in Book 800 at Page 501, Book 817 at Page 150, Book 818 at Page 675, Book 775 at Page 1085, Book 783 at Page 960, Book 828 at Page 777, Book 1258, Page 1207, Book 1273, Page 1380, Book 1206, Page 1162, Book 1337, Page 988, Book 1192, Page 525 (as to Tracts Five, Six and Seven described therein), Book 1337, Page 988, Book 1129, Page 469, Book 1088, Page 525, Book 2120, Page 1225, Book 2120, Page 1228, Book 1206, Page 1162, Book 2010, Page 1071, Book 1784, Page 1200, Book 1922, Page 979, Book 1691, Page 504, Book 1857, Page 1025 (as to Tract Six described therein), Book 2368, Page 535, Book 2392, Page 181, and Book 2440, Page 1282, all of the Brunswick County Registry and any and all other tracts or parcels previously subjected to the Master Declaration by Caw Caw and/or its principals and/or their companies, together with all improvements located or constructed thereon. It shall also refer to any Additional Property which may hereafter be made subject to this Master Declaration.

12. **"Dwelling or Living Unit"** shall mean any Dwelling quarters whether in a Detached Single-Family residential building or in a building containing more than one residential unit attached to each other.

13. **"Lot"** shall mean a space on the earth's surface to be used exclusively for a Single-Family Detached Dwelling. A parcel of land shall be deemed to be a Lot rather than a Dwelling until the improvements constructed thereon are sufficiently complete to reasonably permit habitation thereof. Upon completion of the building, the parcel and the improvements shall collectively be considered a Dwelling for purposes of this Master Declaration.

14. **"Member"** shall mean every person or entity who is an Owner of (a) a Lot, (b) a Dwelling and (c) the Recreational Amenity or other separate Business Entity situated in the Development provided that any such person or entity who holds interest merely as security for the performance of an obligation shall not be a Member.

15. **"Multi-Family Areas"** shall mean those areas restricted to the erection of Attached Dwelling Units.

16. **"Occupant"** shall mean any person including without limitation any Owner, guest, invitee, lessee, tenant, renter or family member of an Owner occupying or otherwise using a Dwelling within the Development.

17. **"Owner"** shall mean the record owner, whether one or more persons or entities, of the fee simple title or contractual equitable title to any Lot or Dwelling Unit in The Project; provided however, notwithstanding any theory of the mortgage, shall not mean or refer to the mortgagee, unless and until such mortgagee has acquired title pursuant to foreclosure or in any proceeding in lieu of foreclosure. An Owner is also a Member and these terms may be used interchangeably in this document.

18. **"Person"** shall mean a Natural Person, Corporation, Partnership, Limited Liability Company, Association, Trust or other legal entity, or any combination thereof.

19. **"Recreational Amenity"** shall mean the Golf Course(s) and its (their) Associated Club House, Pro Shop, Driving Range, Restaurant, and Lounge which are operated on a fee or charge basis as ongoing Business Entities.

20. **"Rules"** shall mean any and all regulations of the Association promulgated by the Board pursuant to its power under this Master Declaration or any other land use document.

21. **"Single-Family Detached Dwelling Area"** shall mean those areas restricted to the erection of Single-Family Detached Dwellings on the Lot.

22. **"Supplemental Declaration"** shall mean a Declaration filed by Caw Caw or any other Developer for a parcel of property located in the Development establishing Covenants, Conditions and Restrictions for that particular parcel of property. Supplemental Declarations will be filed for the Single-Family Areas and also for the Multi-Family Areas.



ARTICLE TWO
PLAN OF DEVELOPMENT

Section 1. THE DEVELOPMENT PLAN: Caw Caw is planning and is in the process of constructing a Residential/Resort subdivision with some areas being restricted to Single-Family Detached Dwellings and some areas restricted to Multi-Family Attached Dwellings which may be rented on a temporary basis and some areas devoted to commercial uses, such as (but not limited to) Golf Course(s), Driving Range(s), Pro Shop(s), Restaurant(s), Lounge(s), Hotel(s), Motel(s), Retail Shop(s) and Rental/Real Estate Sale Offices. These commercial facilities shall be open for use to the Occupants of the Plantation and members of the public on a fee or charge basis.

A non-profit Property Owners Association will own, manage, and maintain all of the Common Areas or Common Property of the Development (except common property included as part of a condominium and maintained by the condominium regime) which will include one or more Private Property Owner's Club Houses, Swimming Pools, Tennis Courts, as well as all of the streets, ponds, lagoons and the stormwater drainage system. The Property Owners Association will collect the fees necessary to carry out these functions and in addition it will have authority to enforce the provisions of this Declaration which includes Architectural and Landscape approval.

Section 2. SUPPLEMENTAL DECLARATIONS: Supplemental Declarations shall be filed for the various residential modules prior to conveyance of the first Lot or Dwelling Unit in the module as shown on a recorded plat. The Supplemental Declarations shall be subordinate to this Master Declaration. A plat of the areas to which the Supplemental Declaration applies shall be filed prior to or simultaneously with the Supplemental Declaration. The plat for such area shall clearly show the Common Property, if any, located thereon. Supplemental Declarations shall set forth such additional Covenants and Restrictions as the Declarant deems appropriate for such areas; provided no provision shall be inconsistent with the provisions of this Master Declaration. A Condominium Master Declaration is a Supplemental Declaration.

Section 3. RECREATIONAL AMENITY: The Declarant reserves for itself, its successors and assigns the absolute right to develop, within The Property, or any additions thereto, Recreational Amenities as ongoing business operations for the benefit of Occupants of the Development, the Declarant (its successors or assigns), including, in the sole and absolute discretion of the Declarant (its successors or assigns), members of the general public on a fee or charge basis. The Recreational Amenities are not a part of the Common Property and facilities. No Lot or Dwelling Owner shall obtain any right, title or interest, either equitable or legal, in any of the Recreational Amenities by reason of his purchase of such Lot or Dwelling.

Section 4. THE WATER AND SEWER SYSTEMS: Brunswick County now owns and operates the water and sewer facilities serving the Development, including all lines, pumps, pipes, water towers or tanks, or other systems related thereto which are located within the Development and which are not a portion of a Lot or Dwelling Unit or Recreational Amenity. Notwithstanding the foregoing, however, a private water (subject to county ordinances and regulations) well may

be used for irrigation of landscaping on the Lots, but for no other purpose.

Section 5. NOTICE: Every purchaser of a Lot, Dwelling or Recreational Amenity shall purchase and hold title thereto with notice of Declarant's Plan of Development as herein set out.

ARTICLE THREE
PROPERTY SUBJECT TO THIS MASTER DEVELOPMENT PLAN

Section 1. APPLICABILITY: This Master Declaration shall apply to the property described in Book 800 at Page 501, Book 817 at Page 150, Book 818 at Page 675, Book 775 at Page 1085, Book 783 at Page 960, Book 828 at Page 777, Book 1258, Page 1207, Book 1273, Page 1380, Book 1206, Page 1162, Book 1337, Page 988, Book 1192, Page 525 (as to Tracts Five, Six and Seven described therein), Book 1129, Page 469, Book 1088, Page 525, Book 2120, Page 1225, Book 2120, Page 1228, Book 2010, Page 1071, Book 1784, Page 1200, Book 1922, Page 979, Book 1691, Page 504, Book 1857, Page 1024 (as to Tract Six described therein), Book 2368, Page 535, Book 2392, Page 181, and Book 2440, Page 1282 all of the Brunswick Registry, together with such additional parcels or tracts previously or hereafter subjected to the Master Declaration. New areas may be added to the Development and subjected to the Master Development Plan by the Declarant by:

(a) Filing a map showing the Common Area or Common Property together with a Supplemental Declaration which recites that the area and lots shown on the map are subject to this Master Declaration and the Supplemental Covenants and Restrictions which may apply to that particular area as contained in the Supplemental Declaration; or

(b) Filing an Amendment to the Master Declaration which recites that the Master Declaration shall apply to the real property described in the Amendment or deeds listed in the Amendment.

Any new area which is added to the Development pursuant to this Article must be located contiguous to The Property.

ARTICLE FOUR
MUTUALITY OF BENEFIT AND OBLIGATION

The Restrictions and Agreements set forth herein are made for the mutual and reciprocal benefit of each and every part of the Property to which these Restrictions are made applicable and are intended to create mutual, equitable servitude upon each of said Lots and Dwelling Units in favor of each and all of the other Lots and Dwelling Units therein; to create reciprocal rights between the respective owners of all said Lots and Dwelling units; to create a privity of contract and estate between the grantees of said Lots and Dwelling Units, their heirs, successors and assigns, and shall operate as Covenants running with the land for the benefit of each and all other Lots and Dwelling Units in the Development and their respective Owners.

ARTICLE FIVE
PROPERTY RIGHTS IN THE COMMON PROPERTY

Section 1. OCCUPANT'S EASEMENTS OF ENJOYMENT IN THE COMMON PROPERTY: Subject to the provisions of Section 3, the limitations if any which may be contained in any Supplemental Declaration and any other provisions contained in this Consolidated Master Declaration, every Occupant, shall have a permanent and perpetual easement for the use and enjoyment of the Common Property and this Easement shall be appurtenant to and shall pass with title to every Lot or Dwelling Unit for the Occupants of such Lot or Dwelling Unit. Such Easement of Enjoyment shall include but not be limited to the Occupants' right of ingress and egress over the streets, roadways and walkways over the Common Property for the purpose of access to the Occupant's Lot or Dwelling Unit.

Section 2. TITLE TO THE COMMON PROPERTY: The Declarant may (but is not obligated) retain the legal title to the Common Property until it has sold 75% of its properties subject to this Master Declaration. Notwithstanding any other provision herein, however, the Declarant hereby covenants for itself, its successors and assigns that it will (not later, than the time it has closed the sale on 75% of its property subject to this Declaration) convey by Warranty Deed, at no cost to the Association, and the Association for itself, covenants that it will accept a conveyance of all of the Common Property (together with all environmental permits pertaining to The Property and assume enforcement of and compliance with the relevant permits) free and clear of all liens and encumbrances except this Master Declaration and utility and/or communication lines and conduit easements which may be located in the street right-of-ways.

Section 3. LIMITATION OF OCCUPANTS' EASEMENTS: The rights and easements of use and enjoyment created hereby shall be subject to the following:

- (a) The right of the Association to set specific charges for the use, maintenance and repair of the Common Property; and
- (b) The right of the Association as provided in its Articles and Bylaws to suspend the enjoyment rights of any Occupant for any period during which any assessment on his Lot or Dwelling remains unpaid, or for a period that may be determined by the Board of Directors for any violation of this Master Declaration, the Association's Articles, Bylaws or published Rules and Regulations; provided, however, that the right of an Occupant of ingress and egress over the streets shall not be abrogated; and
- (c) The right of the Declarant and the Association to dedicate or transfer all or any part of the Common Property to any public agency, authority or utility for the purpose of securing or providing its services; and
- (d) The right of the Declarant, without approval of the Association, or any Owner to add to or delete part of the Common Property and to dedicate or grant easements and rights-of-way over the Common Property in accordance with the terms of this Master Declaration; and



(e) The right of the Association to adopt and enforce, at any time, Rules and Regulations governing the use of the Common Property and all facilities situated thereon. Any Rules and/or Regulations so adopted shall apply until rescinded or modified the same as if originally set forth at length in this Master Declaration.

(f) The restrictions, if any, on the right of the transient occupants (renters) to use the Plantation House and its pools and other amenities as may be set in the Declaration, Supplemental Declaration and/or any amendment thereto creating that particular condominium or any Recreational Amenity.

Section 4. EASEMENT FOR GOVERNMENTAL, HEALTH, WATER, SANITATION AND EMERGENCY SERVICES: A non-exclusive easement is hereby granted to the appropriate governmental authorities and to the appropriate private organizations supplying health, sanitation, police services and any emergency services such as fire, ambulance and rescue services, for the purpose of ingress and egress over the Common Property. Caw Caw further grants an easement to Brunswick County over the Common Property as needed for the installation, maintenance and operation of the central water and sewer systems which already are or will serve the Development.

Section 5. RECREATIONAL AMENITY: Ownership of a Lot or Dwelling Unit confers no ownership, either legal or equitable, in any Recreational Amenity. The Declarant intends to operate the Recreational Amenities as ongoing business enterprises for profit in such manner as the Declarant in its sole discretion may determine; however, it is intended that these recreational Amenities may be used by the Owners (Occupants), as well as members of the general public (in the discretion of the Declarant). Caw Caw reserves the right to sell any of the Recreational Amenities to any other person or legal entity to be operated as ongoing business enterprises. The Owner of the Recreational Amenity or Amenities shall set the charges and establish the terms and conditions under which an Owner of a Lot or Dwelling in the Development may use these facilities. The Recreational Amenities which are shown on the land use plan are the initial Recreational Amenities which are subject to this Master Declaration. They are hereby designated as the Recreational Amenities and includes a 27 hole Golf Course, Driving Range and attendant Club House and related facilities. Caw Caw reserves the right to add additional Recreational Amenities to The Project and operate them as ongoing business enterprises as it deems desirable.

Section 6. EASEMENT FOR DECLARANT: The Declarant reserves for itself, its successors and assigns over, through, under, and across the Common Property, the right to place such roads, utility systems, communication facilities, and drainage and stormwater systems as are necessary in its sole discretion for the proper development and administration of The Project.

Section 7. CHANGES IN BOUNDARIES; ADDITIONS TO DESIGNATED COMMON PROPERTY: Declarant expressly reserves for itself, its successors and assigns the right to change and realign the boundaries of any designated Common Property within the

Development, use and to make additions thereto.

Section 8. EASEMENTS FOR UTILITIES: There is hereby reserved for the benefit of the Declarant, the Association, any public utility or governmental unit providing services in the Development, and their respective successors and assigns an Easement upon, over, under and across (a) all of the Common Property, (b) all portions of the Multi-Family Areas on which Dwellings are not constructed or erected and (c) All land located within 10 feet of any Lot line as shown on all plats of record, for the purpose of installing, replacing, maintaining and operating all utilities including the water, sewer, stormwater management and drainage system(s).

Section 9. MAINTENANCE EASEMENT: The Declarant reserves for itself and the Association and their respective agents and employees an Easement to enter upon any Lot or unimproved portion of any Dwelling, or Multi-Family Area for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds, stumps or other unsightly growth and removing trash therefrom so as to maintain reasonable standards of health, fire safety and appearance within the Development. This reservation shall not impose any duty or obligation upon the Declarant or the Association to perform any such action. Furthermore, the Declarant hereby reserves for its benefit and that of the Association, an Easement, but not obligation, to enter upon any unimproved portion of any Lot, Dwelling or Multi-Family Area which is located within thirty feet of the waters edge of any lagoon, pond, water course and waterway, whether natural or man made, or shown on any recorded plat or map within the Development for the purpose of maintaining such area and keeping the area clear and free from unsightly growth and trash and the maintenance of reasonable water quality standards.

Section 10. ENVIRONMENTAL EASEMENTS: Declarant reserves for its benefit, the Association and their respective agents and employees an Easement on, over and across all Lots and all unimproved portions of Dwellings and Multi-Family Areas for the purpose of taking any action necessary to effect compliance with environmental rules, regulations and procedures promulgated or instituted by the Board of Directors or imposed or required by any Governmental Entity, such Easement to include, without limitation, the right and obligation to enforce and comply with the stormwater management and drainage systems and all permits relating thereto, the right to implement erosion control procedures and practices, the right to drain standing water, and the right to dispense pesticides and herbicides within the Development.

Section 11. IRRIGATION AND WATER EASEMENTS: There is hereby reserved for the benefit of the Declarant and the Owner of the Golf Course, their affiliates, agents, employees, successors and assigns a permanent exclusive easement and right (a) to pump water from the lagoons, ponds, waterways, basins, water dependant structures and other bodies of water located in the Development for the purpose of irrigating any portion of the Development including the Golf Course, and (b) to drill, install, locate, maintain and use wells, pumping stations, water towers, filtration basins and tanks and related water facilities and systems within the Common Property and/or lands within The Property owned by the Declarant. Except as herein contained the pumping of any water from any lagoon, pond, lake or body of water for any purpose other than fire fighting is prohibited without express written permission of the Declarant.

Section 12. ENTRY BY GOLFERS: Each Lot, Dwelling and Multi-Family Area adjacent to a golf fairway or green is hereby made subject to an Easement in favor of the registered golf course players to enter upon such property to remove a golf ball or to play the golf ball. Once a residential unit is constructed on such property this easement shall be limited to the recovery of the golf ball. This Easement is for pedestrian access only and the player shall not use a golf cart or other vehicle for the purpose of entry on any such adjoining property nor shall such player commit a nuisance while on such property.

Section 13. ENCROACHMENTS: No encroachment shall be erected upon any pond, lagoon or other body of water within or adjacent to the Development unless specifically permitted by the Declarant or the Architectural Standards Committee.

ARTICLE FIVE
MEMBERSHIP, VOTING RIGHTS AND TURNOVER

Section 1. MEMBERSHIP: Every person or entity who is an Owner of (a) a Lot, (b) a Dwelling, (c) any Recreational Amenity and (d) any other separate Business Entity situated in the Development shall be a member of the Association, provided that any such person or entity who holds an interest merely as security for the performance of an obligation shall not be a member.

Section 2. VOTING RIGHTS: The Association shall have three (3) classes of voting membership;

(a) Class "A"

Class "A" Members shall be all those Owners as defined in Section 1 of this Article with the exception of the Declarant, the Owner of the Recreational Amenity and the Owner of any other separate Business Entity. Class "A" Members shall be entitled to one vote for each Lot or Dwelling Unit in which they hold the interest required for membership by Section 1. When more than one person holds such interest in any Lot or Dwelling Unit, all such persons shall be members and the vote for such Lot or Dwelling Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot or Dwelling Unit. The Bylaws may establish procedures for voting when the title to a Dwelling Unit or Lot is held in the name of a corporation or more than one person or entity.

(b) Class "B"

Class "B" Member(s) shall be the Owner(s) of (1) the Recreational Amenity and (2) any other separate Business Entity. The Owner of The Recreational Amenity shall be entitled to 50 votes. Should there be any separate Business Entity(ies) built and operated as an ongoing business enterprise on The Property, the Declarant shall have the right to assign the number of votes in the Association to such entity, provided such assignment shall be made in good faith by the Declarant. The Declarant is the Owner of the Recreational Amenity and so long as it retains

ownership of the Recreational Amenity, the votes assigned to the Recreational Amenity shall be added to the votes allocated to the Declarant under Class "C".

(c) Class "C"

The Class "C" Member is the Declarant. The Class "C" Member shall be entitled to three votes for each Lot or Dwelling Unit in which it holds the interest required for membership by Section 1; provided that The Class "C" membership shall cease and become converted to Class "A" membership on the happening of the earlier of any of the following events:

1. When the total votes outstanding in the Class "A" membership equal the total votes outstanding in the Class "C" membership; or
2. At any earlier time that the Declarant, in its sole discretion, voluntarily converts its Class "C" membership to Class "A" membership; or
3. On December 31, 2005, if not sooner converted under (1) or (2).

From and after the happening of the earlier of these events, the Class "C" Member shall be deemed to be a Class "A" Member entitled to one vote for each Lot or Dwelling Unit in which it holds the interest required for membership under Section 1.

Notwithstanding any provision in paragraph (1), (2), or (3) of this subsection (c) to the contrary, the Declarant shall have the right to appoint the Board of Directors (who need not be members of the Association) until the occurrence of either of the following events:

1. Ninety days after the Declarant no longer holds the title to 25% of the Development; or
2. The Declarant relinquishes its right described in clause one of this sentence.

Upon the occurrence of either (1) or (2) in the preceding sentence, then the existing members shall be obligated to elect the Board and assume control of the Association.

Section 3. TURNOVER: Within ninety (90) days after the happening of the events described in paragraph (c) (1), (2) or (3) of section two of this Article 5, the Association shall conduct a special meeting of the membership, hereinafter called the Turnover Meeting, for the purpose of electing officers and directors, provided, however, that so long as the Declarant is the Owner of one Lot or Dwelling Unit governed by the Association, the Declarant shall be entitled to appoint at least one member to the Board of Directors.

ARTICLE SIX
COVENANT FOR ASSESSMENTS

Section 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF



ASSESSMENTS: Except as hereinafter more fully provided, the Declarant for each Lot, Dwelling Unit, Recreational Amenity or separate Business Entity owned by it (exclusive of the real estate sales and rental office) which is subject to this Master Declaration hereby covenants and each Owner of any Lot, Dwelling Unit Recreational amenity or separate Business Entity by acceptance of a deed therefore, whether or not it shall be so expressed in the particular deed of conveyance shall be deemed to covenant and agree to pay to the Association: (1) Annual Assessments and (2) Special Assessments for capital improvements and other assessments to be fixed, established, and collected from time to time as hereinafter provided. The Annual and Special Assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. Each Member expressly covenants, by acceptance of a deed, that liens may be placed against the Owner's Lot, Dwelling Unit, Recreational Amenity or separate Business Entity for nonpayment of Assessments.

Section 2. PURPOSE OF ASSESSMENTS: The assessment levied by the Association for Common Expenses shall be used exclusively for the general purposes of promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and Occupants of the Development and maintaining the Development and improvements therein, all as may be more specifically authorized from time to time by the Board of Directors. The Common Expenses to be funded by the annual assessments may include but shall not necessarily be limited to the following: (a) management fees and expenses of administration; (b) utility charges for utilities serving the Common Property and charges for other common services for the Development including trash collection and security services if any such services or charges are, in fact, paid by the Association; (c) the cost of insurance coverage as the Board of Directors determine to be in the interest of the Owners; (d) the expenses of maintenance, operation and repair of the Common Property as these facilities are described in the Definition Section of this Master Declaration; (e) the expenses of the Architectural Standards Committee which are not defrayed by plan review charges; (f) any ad valorem or personal property taxes assessed or levied against the Common Property; (g) the expense of maintenance, operation, repair and reconstruction of any and all roadways, pathways, trails, lagoons, waterways and landscaped areas, drainage and stormwater management system(s) within The Property; (h) all expenses associated with providing security services to the Development; (i) the establishment and maintenance of a reasonable reserve fund for maintenance, repair and replacement of the Common Property to cover emergency repairs as a result of casualties which are not covered by insurance and to cover unforeseen operating contingencies or deficiencies arising from unpaid assessments; and (j) such other expenses as may be determined from time to time by the Board of Directors of the Association to be Common Expenses. Planned Unit Development Associations or Condominium Associations shall be the collecting agents for and on behalf of the Association where such organizations exist and will collect all annual assessments and special assessments as fixed by the Association.

Section 3. DATE OF COMMENCEMENT OF "ANNUAL ASSESSMENTS"; DUE DATE; ASSESSMENT PERIOD: The annual assessment provided herein for Class "A" Members shall commence upon conveyance of a Lot or Dwelling to a Class "A" Member. The annual assessment for the Class "B" membership shall commence on the first day of the month

following the date the Recreational Amenity or separate Business Entity is open and operating as an ongoing enterprise. Once the assessment period has commenced the assessments shall thereafter be due on the first day of every assessment period as this term is defined in the Bylaws of the Association. There is no commencement date for assessments for the Class "C" Member.

Section 4. BASIS AND AMOUNT OF THE ANNUAL ASSESSMENTS: The total annual assessments shall be divided among the Lots, Dwellings, Recreational Amenities and separate Business Entities as follows: The Class "A" Members shall pay an annual assessment, which beginning in the year 1991 shall be not less than \$192.00 for each Lot or Dwelling Unit. The Board is granted the right to assess a larger amount based on the actual costs in carrying out its duties for the year 1992. The annual assessments for each Dwelling Unit or Lot commencing in the year 1993 may be increased in proportion by the greater of either 10% of the assessment for the previous year or by the percentage increase, if any, for the then current year in the Consumer Price Index (ALL URBAN CONSUMERS (CPI-U), 1982 - 1984 = 100, as published by the U.S. Bureau of Statistics). When the private Club House, Swimming Pool and Tennis Court Complex, which is a part of the Common Property is added by the Declarant, the limitation on assessment increase will be waived in order to allow these extra charges to be included in the annual budget. Once these additional charges are absorbed into the annual assessment, the assessment cap shall apply to future years, unless some additional common facilities requiring adjustment is added, in which event the cap will be waived for the year of such addition. The cap on assessments shall terminate upon Turnover to the Association as described in Article Five, Section III hereinabove.

The Class "B" Members shall pay an Assessment determined by multiplying the number of votes assigned to them times the assessment for an individual Dwelling or Lot.

Until the time of Turnover the Class "C" Member (Declarant) shall not pay any Annual or Special Assessment; however, the Declarant shall pay the difference in cost between the sum of all Annual Assessments collected from Class "A" and Class "B" Members and the actual cost of operation of the Association. After Turnover, the Declarant shall be obligated to pay 20% of the Annual Assessment on any Dwelling or Lot owned by it. Notwithstanding any other provision to the contrary in this Master Declaration, the Declarant may at any time commence paying assessments as to Dwelling Units or Lots owned by it and thereby automatically terminate its obligation to fund deficits, but at any time thereafter the Declarant may again elect to follow the procedure specified in the preceding sentence.

Section 5. SPECIAL ASSESSMENTS: In addition to the Annual Assessment authorized by this Article Six, the Board may levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Property including the necessary fixtures and personal property related thereto, or for other purposes deemed appropriate by the Association. The due date of any Special Assessment under this Article shall be fixed in a resolution authorizing such assessment. The Declarant shall not be obligated to pay a Special Assessment levied on any Lot or Dwelling Unit owned by it. If the Special Assessment is for the maintenance, repair, replacement or construction of an item, system or facility which will

benefit a limited area within The Property, then the Special Assessment shall be levied only against those Lots or Dwelling Units that will benefit from such maintenance, repair, replacement or construction of an item, system or facility. The basis for fixing the Special Assessment shall be set by the Board of Directors, and no Special Assessment shall be levied without the affirmative vote of at least Fifty-Five percent (55%) of the benefiting property owners with each benefiting property owner having one (1) vote for each lot or parcel he/she/it owns.

Section 6. CHANGE IN BASIS MAXIMUM AMOUNT OF THE ANNUAL ASSESSMENT: Subject to the limitations of Section 4 and for the periods therein specified, the Board may change the maximum and basis of the Assessment fixed by Section 4 for any such period, provided that written notice containing a copy of the newly adopted budget outlining the Assessment change is sent to all Members at least thirty (30) days in advance of the effective date of the adopted change.

Section 7. DUTIES OF THE BOARD OF DIRECTORS: The Board of Directors of the Association shall prepare a roster of Members and Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member. Written notice of the Assessment for each assessment year shall be sent to every Member subject thereto at least thirty (30) days prior to the commencement of the Assessment Year.

The Association shall, upon demand at any time, furnish to any Member liable for an Assessment a certificate in writing signed by an officer of the Association setting forth whether the Assessment has been paid. The certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

Section 8. EFFECT OF NON-PAYMENT OF ASSESSMENT: THE PERSONAL OBLIGATION OF THE OWNER; THE LIEN; REMEDIES OF THE ASSOCIATION; LATE FEES; RESALE CERTIFICATE: If an Assessment is not paid on the date when due (being the dates specified in Section 3 and Section 5 hereof), then it shall become delinquent and shall, together with interest thereon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation for the statutory period. Provided, however, unless the Seller obtains from appropriate officers of the Association at closing, a certificate attesting to the fact that all Assessments are paid and present such certificate to the purchaser at closing, the purchaser shall be conclusively presumed to have assumed such past due Assessments and shall also become forthwith liable therefore. The Owner requesting the certificate shall pay to the Association a reasonable sum to cover the costs of examining records and preparing the certificate. If the Association is not paid within thirty (30) days after the delinquency date, the Assessment shall bear interest from the date of delinquency at the rate established by the Board of Directors not to exceed the maximum legal rate of interest, and the Association may bring an action at law against the Owner personally obligated to pay the outstanding Assessment and/or bring an action to foreclose the lien against The Property under Article 2a of Chapter 45 of the General Statutes; and there shall be added to the amount of such Assessment all costs of

collection, including, but not limited to the cost of preparing and filing the complaint in such action, the cost of any and all attorneys' fees incident to collection whether or not suit is brought, including attorneys' fees on appeal. In the event a judgment is obtained, such judgment shall include interest on the Assessments as provided above and a reasonable attorneys' fee to be fixed by the Court, together with costs incident to the action.

In addition to the foregoing remedies, the Board of Directors may assess a "Late Fee" of ten percent (10%), compounded annually, on the delinquent Assessment for each Annual or Special Assessment which is more than ten (10) days delinquent, for the purpose of helping defray collection costs.

Section 9. SUBORDINATION OF THE LIEN TO MORTGAGES: The lien for the Assessment provided for in this Declaration shall be subordinate to the lien of any mortgage now or hereafter placed upon an Owner's property subject to assessment; unless such Assessment is secured by a Claim of Lien that is recorded prior to the recording of such mortgage.

ARTICLE SEVEN **MAINTENANCE**

Section 1. OWNER'S RESPONSIBILITIES: Maintenance and repair of Lots, Dwellings, Recreational Amenities and other separate Business Entities, together with all improvements thereon and all lawns, landscaping and grounds shall be the responsibility of the Owner or Multi-Family Association with responsibility thereof. Each Owner or Multi-Family Association shall maintain its Lot, Dwelling or Recreational Amenity in a neat, clean and sanitary condition. Such responsibility shall include the maintenance and care of all exterior surfaces of all Dwellings, buildings and other structures as well as lawns, trees, shrubs, hedges, grass and other landscaping. Each Owner or Multi-Family Association with responsibility shall also be obligated to pay for any costs incurred by the Association for carrying out this responsibility if the Owner fails reasonably to do so. Except for the Declarant, the owner of any amenity or any condominium association, no Owner shall decorate, change or otherwise alter the appearance of any portion of the exterior of any Dwelling or building or the landscaping, grounds or other improvements unless such decoration, change or alteration is first approved in writing by the Architectural Standards Committee as hereinafter established. If an Owner or Owners are legally responsible for damage inflicted on any Common Properties, the Association may direct such Owner or Owners to repair such damage, or the Association may itself cause the repairs to be made and recover damages from the responsible Owner or Owners.

Section 2. ASSOCIATION RESPONSIBILITIES: Unless otherwise provided, the Association shall maintain and keep in good repair the Common Property including any improvements or structures located thereon and in addition it may provide lawn and landscaping maintenance in any areas provided that the Supplemental Declaration for such area requires the Association to provide this service. No diminution or abatement of assessments, fees or charges, however, shall be claimed or allowed by any Owner by reason or any alleged failure of the Association to take some action or to perform some function required to be taken or performed

by it under this Declaration.

In the event the Board determines that any Owner or responsible Multi-Family Association has failed or refused to carry out its duties under this Article, the Association may take such action as is necessary to restore the property to the conditions required under this Article. Entry upon any property for this purpose by the Association, its agents or employees shall not be deemed a trespass. Except in emergency situations; however, the Association shall give such Owner or responsible Multi-Family Association 15 days notice prior to its entry on the premises to perform such work. This right in favor of the Association shall not, however, impose any obligation upon the Association to undertake any particular corrective action. In the event the Association does, however, take any corrective action as regards any property, the Owner thereof shall promptly reimburse the Association for all costs and expenses incurred in such corrective action.

ARTICLE EIGHT **INSURANCE AND CASUALTY LOSSES**

Section 1. PROPERTY AND CASUALTY INSURANCE: Property and casualty insurance on the Common Property shall be maintained through the Association in an amount equal to the maximum insurable value thereof. The Association shall also purchase such other insurance as may be necessary on the Common Property for the purpose of properly protecting the Association. The Association may also purchase liability insurance covering the Association's Directors and Officers.

Section 2. PREMIUMS: The premiums for all insurance policies purchased by the Association shall be deemed to be general expenses of the Association and shall be paid by the Members through the Annual Assessments as provided in this Declaration.

Section 3. DAMAGE OR DESTRUCTION TO COMMON PROPERTY: Should any part of the Common Property be damaged or destroyed the Association shall cause it to be repaired or replaced if the insurance proceeds together with available reserves are sufficient to do so. If the Board determines these funds are insufficient and therefore a Special Assessment is necessary to complete the repair or replacement, then the Members of the Association shall be given notice of the amount of the Special Assessment and an opportunity to vote on the question. Any necessary Special Assessment shall be imposed by the Board unless 60% of the total Association membership votes no.

ARTICLE NINE **CONDEMNATION**

CONDEMNATION OF COMMON PROPERTY: Should any portion of the Common Property be taken through eminent domain or conveyed by deed in lieu of condemnation by the Association the award of proceeds made or collected by the Association shall be disbursed or held as follows: (a) to the extent practical in the discretion of the Board the funds shall be used for the

replacement of the condemned facility on some other part of the Common Property; (b) if replacement at some other location within the Common Property is not feasible then these funds shall be added to the reserves held by the Association; or (c) should the Board deem the funds not necessary for addition to the reserves then these funds shall be disbursed on a pro-rata basis to the Membership of the Association.

ARTICLE TEN
ADMINISTRATION OF THE COMMON PROPERTY

Section 1. MANAGEMENT: The Association, subject to the rights of the Declarant and the rights and duties of the Owners as set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Property and all improvements located thereon.

Section 2. DUTIES AND POWERS: The duties and powers of the Association shall be those set forth in (a) Chapter 55A of the North Carolina General Statutes as it applies to non-profit Corporations, (b) this Declaration (c) the Bylaws and (d) the Articles of Incorporation of this Corporation. Should there be conflicts or inconsistencies between any of these documents then the order of authority shall be the General Statutes, this Declaration, the Articles of Incorporation and the Bylaws. Notwithstanding any other provision in this Master Declaration to the contrary, as long as the Declarant shall own any Lot, Dwelling, Recreational Amenity or other Business Entity in the Development the Association shall not, without the consent of the Declarant, borrow money or pledge, mortgage, or hypothecate all or any portion of the Common Property.

In addition to the powers granted or given the Association under this Master Declaration, the Bylaws and Article of Incorporation of the Association and the laws of North Carolina, the Association shall also have the power to:

- (a) **Maintain Common Property:** The Association shall have the power to maintain the Common Property in good order, repair and condition, pursuant to the terms and conditions of this Master Declaration. These responsibilities shall include, but not be limited to, the operation, maintenance, repair and replacement, subject to any insurance then in effect, of the furniture, fixtures, equipment, landscaping, structures, stormwater facilities, roads and any other improvements located in the Common Property.
- (b) **Employee an Agent:** The Association shall have the power to employee or contract for the services of a manager and delegate to such manager any and all of the powers and duties of the Association, except those that are required by this Master Declaration or by law to have the approval of the members of the Association or Directors of the Association. The Association shall also have the power to terminate such manager. The Association, through its Board of Directors, shall also have the power to hire and discharge other employees, agents and independent contractors.

- (c) Make Contracts and Incur Liabilities: The Association shall have the power to make such contracts and incur such liabilities as are required to carry out the duties assigned to it under its Articles of Incorporation, Bylaws and this Master Declaration.
- (d) Adopt and Amend Its Bylaws and Rules and Regulations: The Association shall have the power to amend its Bylaws and Articles of Incorporation and to adopt and enforce rules and regulations concerning the use of the Common Property within the Development, subject to the provisions of the Articles of Incorporation and Bylaws of the Association and the provisions of this Master Declaration.
- (e) Impose, Receive and Collect Fees, Charges and/or Fines: The Association shall have the power to impose and receive any payments, fees or charges for the use, rental, maintenance and operation of the Common Property. The Association shall also have the power to charge reasonable fines and/or sanctions for the violation of this Master Declaration, the Bylaws of the Association or any rules or regulations duly adopted by the Association. The Association shall also have the power to suspend the rights and privileges provided by the Association for reasonable periods for violations of this Master Declaration, Bylaws and/or rules and regulations of the Association. The Association shall also have the power to impose and collect reasonable charges for the preparation and recordation of documents, including, but not limited to, amendments to this Master Declaration or statements for unpaid assessments. The procedure for imposition of and collection of any of the aforesaid charges, fees, fines and/or sanctions shall be as is set forth in this Master Declaration, any rules or regulations adopted by the Association or as permitted or required by law.
- (f) Secure Insurance: The Association shall have the power to secure and maintain such insurance coverage as required by this Master Declaration, the Bylaws and/or the Articles of Incorporation of the Association or any other insurance the Board of Directors deems expedient.
- (g) Maintain Easements: The Association shall have the power to maintain all easements, swales, drainage and/or stormwater easements or systems within the Development (including the power to secure and furnish any equipment used in connection therewith).
- (h) Borrowing by the Association: The Association shall have the power to borrow funds under such conditions and terms as the Association deems appropriate; provided, the Association shall secure such approval as may be required under this Master Declaration, the Bylaws and/or Article of Incorporation of the Association before borrowing any funds. The Board of Directors of the Association shall have the power to pledge, mortgage or hypothecate all or any portion of the Common Property and/or its income or revenues to secure a loan upon the approval of a majority of the votes cast by the members with each lot or dwelling unit representing one (1) vote.

- (i) Additional Powers: The Association shall have such additional powers and duties as are assigned to it under the terms of this Master Declaration, the Bylaws and Article of Incorporation of the Associations or may be required to perform the duties assigned to it. This shall include, but is not limited to the powers set forth in North Carolina General Statutes Sections 47F-3-102 (1) through (6) and (11) through (17), as they exist as of the date of this instrument or as they may be amended from time to time.

Section 3. AGREEMENTS: All Agreements and actions lawfully authorized by the Board of Directors shall be binding upon all Owners, their heirs, successors and assigns. The Association may perform its duties and responsibilities through its Board of Directors and further shall have the authority to delegate to persons of its choice such duties as may be determined by the Board of Directors to be expedient. The Board shall have the power to employ such managers, agents and employees as necessary in its discretion to carry out its functions under this Declaration. In addition the Association may pay for and the Board of Directors may hire and contract for such legal, accounting and other professional services as are necessary or desirable in connection with the operation of the Development or enforcement of this Declaration or the Bylaws or the Rules and Regulations of the Association.

Section 4. RESTRAINT ON TRANSFER: The Shares of the Owners in the funds and assets of the Association cannot be individually assigned, hypothecated or transferred in any manner except to the extent that a transfer of ownership of a Lot, Dwelling or Recreational Amenity also transfers the membership in the Association which is an appurtenance to such Lot, Dwelling or Recreational Amenity.

Section 5. RULES AND REGULATIONS: The Association acting through its Board of Directors may make and enforce reasonable rules and regulations governing the use of the Lots, Dwellings, Multi-Family Areas and Common Property. These rules and regulations shall be consistent with the rights and duties established by this Declaration.

ARTICLE ELEVEN **ARCHITECTURAL AND LANDSCAPING STANDARDS**

Section 1. PURPOSE: In order to preserve the natural setting and beauty of the Development, to establish and preserve a harmonious and ascetically pleasing design for the Development, to protect and promote the value of the Development, the Lots, Dwellings, Recreational Amenities, or other separate Business Entity and all improvements located therein or thereon including landscaping shall be subject to the restrictions set forth in this article. Every Grantee of any interest to any property in the Development, by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article.

Section 2. ARCHITECTURAL STANDARDS COMMITTEE (ASC): The Board of Directors, at its first meeting, shall establish an Architectural Standards Committee ("ASC" or

“Committee”). The ASC or Committee shall consist of not less than three (3) nor more than five (5) members. The members of the ASC or Committee shall serve at the pleasure of the Board of Directors. The ASC is authorized to retain the services of consulting architects, landscape architects, engineers, inspectors, attorneys and/or any other professionals it deems appropriate in order to advise and assist it in performing its functions under this Article. The members of the ASC may be paid a stipend or honorarium as established from time to time by the Board.

Section 3. PERMITTED IMPROVEMENTS: No improvements of any nature whatsoever, specifically including landscaping shall be constructed, altered, added to, placed or maintained upon any part of the Development except: (a) such improvements as are approved by the Committee in accordance with this Article, or (b) any Dwelling or other improvements including Recreational Amenities or other separate Business Entities which are constructed by the Declarant, or (c) any other improvements which under this Article does not require the consent of the Committee.

Section 4. PLACEMENT OF IMPROVEMENTS:

a. Except for construction by the Declarant, all buildings, structures or other improvements shall be placed on the Lot or Multi-Family Area under the supervision of the Committee. The Committee, to assure that Dwellings and other structures will be located so that the maximum view, privacy and breezes will be available shall take into consideration the topography of each Lot and also the location of trees, vegetation, other aesthetic and environmental considerations, as well as the precise site and location of any other Dwellings or structures within the Development. Should the Committee elect to require specific set-back lines, they shall be shown on (1) the plat of the Lots or parcels to which these specific requirements apply; (2) set out in the Supplemental Declaration for the area; or (3) in the written Building Criteria for the area involved. Even in those cases, where specific set-back lines are established, the Committee shall have the right, in its discretion, to grant a variance if it deems appropriate in order to protect some particular environmental or aesthetic consideration or to allow reasonable use of the lot under the particular circumstance.

b. The Committee, in its discretion, may require any Owner or contractor for any planned improvement within the Development to post a payment and/or performance bond with it to assure satisfactory completion of such improvements. The bond shall be in form and amount as deemed satisfactory to the Committee. The Committee, may in lieu of requiring the posting of a payment or performance bond, accept a sum satisfactory to it to be held by the Committee in escrow in order to assure the completion of all of the improvements including landscaping in accordance with the approved plans and specifications and within the time periods provided within this Article.

c. The exterior of any improvement permitted under this Article shall be completed within the time specified in Section 9 of this Article, unless the Committee allows a longer time period. Should the improvements, including landscaping, not be completed within the provided time periods, the Committee shall be entitled to collect on or enforce payment under the bonds. If the Committee has accepted funds in escrow in lieu of the bonds it shall be entitled to retain any such

sums as a penalty for failure to complete the work within the allotted time. Any escrow funds held by the Committee may be invested in an interest bearing account with the interest thereon being the property of the Association should the owner become entitled to a return of the escrow funds, or the Association in the event of default.

d. No structure may be temporarily or permanently occupied until a certificate of occupancy has been issued by the Committee. Further, no structure shall have the permanent electrical service connected by Brunswick Electric Membership Corporation (the electrical supplier) until the certificate of occupancy has been issued by the Committee. No temporary structure of any kind shall be permitted within the Development except in connection with an ongoing building project. Any such temporary structure shall be immediately removed from the Development when the building is completed. Temporary structures for social functions may be permitted by the Board for specific functions provided such structures are immediately removed from the Development after the function is terminated. No outside clothes drying facilities may be allowed within the Development. During construction, the Owner shall require his contractor to maintain The Property in a reasonably clean and uncluttered condition. To the extent possible, all construction trash and debris shall be kept within refuge containers. Upon completion of the structure, the Owner and the Contractor shall cause immediate removal of all equipment, tools and construction materials including debris from the Lot.

Section 5. ARCHITECTURAL APPROVAL:

a. To preserve the architectural and aesthetic appearance of the Development all plans and specifications for any structure or improvement whatsoever (except as permitted in Section 3 of this Article) to be erected in the property including the proposed location thereof, the construction material, the roofs and exterior color schemes, any later changes or additions after initial approval thereof, any remodeling, reconstruction, alterations or additions thereto, shall be subject to and shall require the written approval of the Committee before any such work is commenced.

b. The Owner shall submit to the Committee such plans and specifications for any and all proposed improvements as may be required by the Committee. The plans shall show the location on the Lot or parcel of the structures proposed to be constructed, altered, placed or maintained together with the proposed construction material, color schemes exterior elevations and any other details required by the Committee.

c. The Committee shall approve or disapprove plans, specifications, and details within thirty (30) days from the receipt thereof. One (1) set of said plans and specifications and details with the approval or disapproval endorsed thereon, shall be returned to the person submitting them and the other copy thereof shall be retained by the Committee for its permanent files.

d. The Committee shall establish written architectural and aesthetic criteria to be used in reviewing all plans, specifications and details submitted for its approval. The criteria shall be subject to revision by the Committee. In addition, the Committee may establish such administrative

procedures and rules as it deems expedient to facilitate the administration of this Article.

e. The Committee shall have the right to disapprove any plans, specifications or details submitted to it in the event they are not, in the opinion of the Committee, in accordance with (1) any of the provisions of this Master Declaration, (2) the written criteria established by the Committee or (3) the general plan of the Development, or (4) if the design or color scheme of the proposed structure(s) is not in harmony with the general surroundings of such Lot or Parcel or with the adjacent structures, (5) if the plans and specifications submitted are incomplete, or (6) in the event the Committee deems the plans, specifications or details, or any part thereof, to be contrary to the interests welfare or rights of all or any part of the Development subject hereto, or the Owners thereof.

f. Prior to commencement of construction, a building certificate must be obtained from the Committee and prior to occupancy, an occupancy permit must be obtained from the Committee. The Committee or its agents shall have the right to inspect all construction to insure that the structure is in accordance with the approved plans, specifications and details. No structure or improvement shall be made unless it conforms strictly to the approved plans, specifications and details. These required certificates are in addition to those required by the local, county, or state authorities.

g. As part of the building permit application, the Owner must submit, if needed, plans for installing a culvert in the drainage ditch where his driveway is to cross the drainage ditch between the roadway and Lot or Parcel. The cost of the culvert and covering is to be borne by the Owner and the construction specifications must meet the ASC's approval.

Section 6. LANDSCAPING APPROVAL:

a. To preserve the aesthetic appearance of the Development, no landscaping, grading, excavation, or filling of any nature shall be implemented or installed by anyone other than the Declarant, unless and until the plans therefore have been submitted to and approved in writing by the Committee.

b. The procedure outlined in Section 5 of this Article shall apply in all respects to this section.

c. The landscape and grading plans shall be reviewed and approved with consideration of the harmony of the proposed landscaping design, the environmental character of the surrounding area, the preservation of natural drainage patterns, the visual impact on the surrounding areas and the establishment of adequate shading and buffering in regard to individual Lots. The landscaping plan shall be in general conformity with the overall landscaping plan of the golf course.

d. Unless located within ten (10) feet of a building or parking area, no tree, shrub, bush or other vegetation having a trunk diameter of six (6) inches or more at a point of four (4) feet above ground level shall be cut, removed or mutilated, provided this does not apply to dead or diseased



trees or shrubs. If any such tree, bush or shrub is removed without approval of the Committee, the Owner shall replace it with a tree, bush or shrub of comparable value. In the event the Owner fails, within thirty (30) days, to satisfactorily replace the tree, bush or shrub removed, the Owner shall pay the Association a damage fee (as set by the ASC) upon demand of up to \$2,500.00 per lost or removed tree, bush or shrub. The Association, through its agents and employees, shall have the right to enter The Property for the purpose of replacing the tree, bush or shrub. Liquidated damages provided for herein shall become a lien on the property of the Owner.

e. The Committee shall promulgate standards and criteria for the landscaping plans in general. A copy of the criteria may be obtained from the Committee.

f. The Owners of the Recreational Amenities are hereby exempted from the provisions of the landscaping plan.

Section 7. APPROVAL NOT A GUARANTEE: Approval of plans, specifications and the publication of architectural and landscaping standards shall not be considered as representing or implying that the plans, specifications or standards if following will result in properly designed improvements. Neither the Declarant, the Association, the Committee nor any architect or agent thereof shall be responsible or liable in any way for defects in any such plans or specifications submitted, revised or approved pursuant to the terms of this Article.

ARTICLE TWELVE
GENERAL PROHIBITIONS

Section 1. TEMPORARY STRUCTURES: No temporary house, trailer, tent, garage or other building shall be placed or erected on any Lot, provided, however, that the Association may grant permission for any such temporary structure for storage or materials during construction. No such temporary structure as may be approved shall be used at any time as a Dwelling place.

Section 2. COMPLETION OF STRUCTURES: Once construction or improvement is started on any Single-Family Detached Dwelling, it must be substantially completed in accordance with the plans and specifications as approved within nine (9) months from date of commencement. Once construction or improvement is started on any Multi-Family Attached Dwelling building, it must be completed within twelve (12) months from date of commencement. Landscaping shall be completed within ninety (90) days of occupancy in any case. The ASC may grant an extension to these completion dates in its discretion.

Section 3. PETS: No animal, livestock, bird, or poultry of any kind may be raised, bred, or kept on a Lot or Dwelling Unit, however, a reasonable number of generally recognized house pets may be kept subject to rules and regulations adopted by the Association, through its Board of Directors. Such house pet or pets must be kept solely as domestic pets. No pet shall be allowed to make an unreasonable amount of noise or to become a nuisance. Upon the written request of any Owner of a Lot or Dwelling Unit the Board of Directors of the Association may conclusively

determine, in its sole and absolute discretion, whether, for the purposes of this Section 3, a particular pet is a generally recognized house pet, or if such pet is a nuisance. The Board shall have the right to require the Owner of a particular pet to remove it from The Property if it is found to be a nuisance or in violation of this restriction. The Board shall have the further right to fine any Owner of a Lot or Dwelling unit (not to exceed \$50.00 per violation) for the violation of these restrictions by himself or any Occupant of his Lot. All Lot or Dwelling Unit owners shall be liable to the Association for the cost of repairing any damage to the Common Property caused by the pet of such Owner or of an Occupant of such Owner's Lot or Dwelling Unit. Any such fine or cost of repair shall be added to and become a part of any assessment next coming due against the Lot or Dwelling Unit under the Master Declaration.

The following breeds of dogs (Pit Bulls, Doberman Pinschers and Rottweilers), pot belly pigs, snakes and any other exotic creatures are hereby deemed not to be "generally recognized household pets" and are therefore not allowed in this Development unless specifically allowed by written variances from the Board of Directors of the Property Owners Association under whatever terms and conditions they may require.

No pet may be allowed to be loose or unleashed when outside its owner's premises. When the pet is off its owner's premises it shall be on a leash and its attendant shall scoop up and dispose of any droppings in an appropriate manner. Failure by the owner to properly scoop and dispose of their pet's droppings shall allow the Board of Directors of the Property Owners Association to impose a fine of up to \$50.00 per offense. In this connection, the pet owner shall be given one written warning that the rule is being violated before being assessed any fines.

Section 4. STORAGE RECEPTICALS: Every fuel storage tank shall be buried below the surface of the ground or screened to the satisfaction of the ASC and Developer. Receptacle for ashes, trash, rubbish or garbage shall be buried below the surface of the ground or screened to the satisfaction of the ASC. All detached storage buildings or sheds on a Lot must be placed within the screened service yards or otherwise shielded from view of the street, the adjoining property or the golf course as may be required by the ASC.

Section 5. MAINTENANCE OF UNOCCUPIED LOTS: All unoccupied Lots shall be well maintained, and no unattractive growth or accumulation of rubbish or debris shall be permitted. All unoccupied Lots shall, as a minimum, be mowed or bushhogged at least once during the period commencing with September 1 and ending with October 15. Should an Owner fail to mow or bushhog his Lot as required herein, the Association is hereby granted the right to enter the Lot and perform this work. The cost of such work shall be paid to the Association by the Owner unless the Association has mowed or bushhogged other vacant lots and included the cost thereof in the annual budget of the Association.

Section 6. OFFENSIVE AND ILLEGAL ACTIVITIES: No noxious, offensive or illegal activities shall be carried on within the Development nor shall anything be done that shall be or become an unreasonable annoyance or nuisance.



Section 7. REPAIR OR REMOVAL OF BUILDINGS: Any building which may be destroyed in whole or in part by fire, windstorm or from any other cause or act of God must be rebuilt or all debris removed and the Lot restored to a sightly condition with reasonable promptness, provided, however, that in no event shall such debris remain longer than three (3) months.

Section 8. OUTSIDE BURNING: No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted, except in accordance with a validly issued burning permit from Brunswick County and the Declarant or the Association.

Section 9. DIVISION OF SINGLE-FAMILY LOTS: No Single-Family Detached Dwelling Lot shall be subdivided, or its boundary lines changed by its Owner, except with the written consent of the Declarant. However, the Declarant hereby expressly reserves for itself, its successors or assigns, the right to replat and thereby combine any two (2) or more Single-Family Detached Dwelling Lots shown on a plat thereof into one lot prior to delivery of a deed in order to create a modified Single-Family Detached Dwelling Lot. The Declarant may also create one Single-Family Detached Dwelling Lot by the sale of two or more adjacent Lots to one party, followed by the construction thereon of a Dwelling Unit in such a manner as to require the total Lots to be treated as one Lot in order to meet the set back and side line requirements, without the necessity of replatting.

Section 10. MOTOR VEHICLES AND NOISE LEVEL: No dirt bike, go-cart, or similar vehicle may be used within the Development at all under any circumstances. All motor vehicles (including motorcycles and motor bikes) operated in the Development shall have quiet mufflers. Further, no person shall operate any motor vehicle in the Development unless he holds a valid drivers' license. There shall be no outside storage or parking upon any Lot or the Common Property within The Property (other than areas provided for such purposes within the Common Property, if any) of any mobile home, trailer (either with or without wheels), motor home, tractor, truck (other than private standard size pick-up trucks), boat or other watercraft, boat trailer, or any other related form of transportation device. No owner shall repair or restore any vehicle of any kind on or within any Lot or other portion of The Property, except (a) within enclosed garages; or (b) for emergency repairs, and then only to the extent necessary to enable the movement thereof to a proper repair facility.

Section 11. SIGNS:

(a) With regard to single family homes,

One (1) for sale sign may be placed on the property under the following terms and conditions:

(1) The sign shall not exceed 18 inches by 24 inches in size and may show that the home is "For Sale" by the owner or by a real estate company as the



case may be and the phone number. No other wording may be placed on the sign;

- (2) The sign must be placed approximately equal distance from the front of the house and the adjacent street right of way;
- (3) There shall be only one sign permitted on the property and shall only be placed where described.

(b) With regard to vacant lots, No sign or advertising poster of any kind (specifically including "For Sale" may be maintained on any vacant lot except as may be required pursuant to a legal proceeding or court order).

(c) The Declarant and/or the Association through their agents or employees may remove any signs which violate these restrictions.

Section 12. ANTENNAS: Satellite antennas of less than forty (40) inches in diameter may be placed on the dwelling or lot subject to any reasonable screening or placement requirement which the Architectural Standards Committee may impose in a particular case to minimize visual intrusion to adjoining properties. No placement or screening requirement imposed by the Architectural Standards Committee may prevent, unreasonably delay or unreasonably increase the cost of antenna installation, maintenance and use; or preclude reception of an acceptable quality signal.

Section 13. GOLF COURSE AREAS: Owners of Lots and Dwellings adjacent to the golf course fairways and greens, as well as their Occupants and pets shall be obligated to refrain from any action which would distract from the playing qualities of the golf course. The Owners shall be responsible for their pets and shall not allow the pets to make loud noises such as barking or run loose or walk on the fairways, pick up the ball or otherwise interfere with play.

Section 14. SALES AND CONSTRUCTION ACTIVITIES: The Declarant, its agents, employees, successors and assigns may maintain such facilities and carry on such activities as may be reasonably convenient or incidental to the completion, improvement and sale of Lots or Dwellings within the Development including without limitation the right to install and operate construction trailers, sales offices, signs and model Dwellings. The right to maintain such facilities and carry on such activities shall include the right to use Dwellings as models and to use any Dwelling as an office for the sale of Lots or Dwellings and related activities. In addition, the Declarant shall have the right to construct, maintain, and operate a real estate sales and/or rental office on any site it deems expedient in the Development.

Section 15. ADDITIONAL RULES: The Declarant, until Turnover and thereafter the Board of Directors of the Association, may establish such additional rules and regulations as may be deemed for the best interest of the Owners in the Development.



ARTICLE THIRTEEN
ENFORCEMENT

Section 1. USE: No Lot or Dwelling subject to this Master Declaration shall be used except for residential purposes unless otherwise allowed herein. Commercial uses shall be confined to those areas established for such purposes by the Declarant.

Section 2. RULES AND REGULATIONS: The Board of Directors is specifically granted the power to pass rules and regulations for the purpose of enforcing this Declaration.

Section 3. INVALIDATION: Invalidation of any one or more of these covenants or restrictions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect.

Section 4. PRIORITY OF LAND USE DOCUMENTS: This Master Declaration shall take precedence over conflicting provisions in the Articles of Incorporation or the Bylaws of the Association and the Articles shall take precedence over the Bylaws.

Section 5. DURATION: This Master Declaration shall affect and run with the land and shall exist and be binding upon all parties and all persons claiming under them until December 31, 2015 and shall continue in full force and effect thereafter until a majority of the Owners have, by written vote agreed to amend or terminate them.

Section 6. AMENDMENT: Neither the Declarant, nor the Association, shall make any amendment or modification to this Master Declaration which will change or alter the Plan of Development. The Declarant, however, reserves for itself before Turnover and thereafter the Association the right to make an amendment or modification which will not affect the Plan of Development. Should any such modification or amendment however, attempt to materially change or alter the Plan of Development, such modification or amendment shall be null and void. Further, this right to amend shall not render these Covenants or Restrictions purely personal to the Declarant and the benefits and burdens shall remain mutual and reciprocal to all Owners. The Plan of Development may only be materially altered, modified, or changed by a written document executed by the Declarant together with the owners of a majority of the Lots and Dwelling Units then owned by persons other than the Declarant and will only become effective upon recordation in the Brunswick County, North Carolina, Public Registry.

Section 7. ENFORCEMENT - GENERAL: Failure of an Owner/Occupant to comply with a provision of this Master Declaration or a provision in the Bylaws, Articles of Incorporation or Rules and Regulations of the Association shall provide the Association with the right to bring legal action at law or in equity, including but not limited to an action for injunctive relief, damages, or a combination thereof against the Owner. All costs and expenses incurred by the Association in terminating or resolving a violation of this Declaration, inclusive of attorneys' fees (whether or not litigation is instituted) and Court costs shall be the responsibility of the Owner

determined by the Association to be in violation. Collection of such attorneys' fees costs and damages may be enforced by any method described in this Master Declaration providing for the collection of Annual Assessments, or by a civil action to collect the debt. The Association shall further have the right to enforce rules and regulations as may be promulgated by the individual Condominium and/or Multi-Family Associations situated in the Development by compelling them to enforce their own Bylaws and restrictions.

Section 8. INTERPRETATIONS: In all cases, the provisions of this Master Declaration shall be construed together and given that interpretation or construction which, in the opinion of the Declarant or the Board of Directors will best effect the intent of the General Plan of Development. The provisions of this Master Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive.

Section 9. SEVERABILITY: Whenever possible each provision of this Declaration shall be interpreted in such a manner as to be effective and valid; however, if the application of any provision to any person or property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application and to this end the provisions of this Declaration is declared to be severable.

Section 10. NO TRESPASS: Whenever the Association, the Declarant, the Architectural Standards Committee and their respective successors, assigns, agents or employees are permitted by this Declaration to enter upon or correct, repair, clean, maintain, preserve or do any other action within any portion of the Development, the entering thereon and the taking of such action shall not be deemed a trespass.

Section 11. NOTICES: Notices required under this Declaration shall be in writing and shall be delivered by hand or sent by United States Mail, postage prepaid. All notices to Owners shall be delivered or sent to such address as have been designated in writing to the Association or if no such address has been so designated by the Owner, at the address of the Owner's Lot, Dwelling or Recreational Amenity. All notices to the Declarant shall be delivered or sent to the Declarant's main office in Brunswick County, North Carolina or to such other address as the Declarant from time to time may notify the Association.

ARTICLE FOURTEEN **WORKING CAPITAL CONTRIBUTION**

At the closing, each Class "A" Member shall make a \$100.00 per Lot or Dwelling contribution to the working capital of the Association. This initial contribution is not a pre-payment of the regular monthly or Annual Assessment.



ARTICLE FIFTEEN
CONSTRUCTION

When construing these Covenants and Restrictions, the parties agree that they shall be construed as beneficial community rules and that any ambiguity shall be resolved in favor of liberal enforcement by the Courts.

ARTICLE SIXTEEN
NORTH CAROLINA PLANNED COMMUNITY ACT

This Consolidated Master Declaration has been amended as necessary to incorporate the provisions of the North Carolina Planned Communities Act which apply to communities created prior to January 1, 1999.

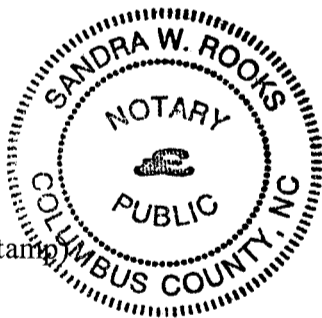
IN WITNESS WHEREOF, this Master Declaration together with Covenants, Conditions and Restrictions has been signed and executed by the Declarant the day and year first above written.

CAW CAW LAND CORPORATION

By: *Mason H. Anderson*
Mason H. Anderson, President

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

This 26 day of January, 2007, personally appeared before me MASON H. ANDERSON, who being duly sworn and personally known to me or I have seen satisfactory evidence of the above named person's identity, by current state or federal identification with is photograph in the form of a _____, says that he is duly authorized PRESIDENT of CAW CAW LAND CORPORATION and that he signed the foregoing and annexed instrument of said corporation, and that he acknowledged the said writing to be the act and deed of said corporation herein stated.



(Official Seal or Stamp)

Sandra W. Rooks
Notary Public

Sandra W. Rooks
Typed or Printed name of Notary Public

My Commission Expires: 8/28/2011

OF

BRUNSWICK PLANTATION PROPERTY OWNERS ASSOCIATION, INC.

The undersigned, acting as incorporator of a non-profit corporation under Chapter 55A of the North Carolina General Statutes, does hereby adopt the following Articles of Incorporation for such corporation.

ARTICLE I

The name of the corporation (hereinafter called the Association) is BRUNSWICK PLANTATION PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE II

The primary purposes for which the Association is formed is to carry out the functions as set out for the Association in the Master Declaration of Covenants, Conditions, Restrictions and Reservations for Brunswick Plantation.

In furtherance of such purposes, the Association shall have the power to:

(a) Perform all duties and obligations of the Association as set forth in the Master Declaration for Brunswick Plantation Property Owners Association, Inc. applicable to the development and to be recorded in the Public Records of Brunswick County, North Carolina;

(b) Affix, levy, collect, and enforce payment by any lawful means of all charges and assessments pursuant to the terms of the Master Declaration and pay all expenses in connection therewith, and all office and other expenses incidental to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied on or imposed against the property of the Association;

(c) Acquire (by gift, purchase or otherwise), own, hold and improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate to public use, or otherwise dispose of real and personal property in connection with the affairs of the Association;

(d) Borrow money and, subject to the consent by vote or written instrument of two-thirds (2/3) of each class of members, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;



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(e) Dedicate, sell, or transfer all or any part of the common areas to any municipality, public agency, authority, or utility for such purposes;

(f) Have and exercise any and all powers, rights, privileges that a non-profit corporation organized under Chapter 55A of the North Carolina General Statutes by law may now or hereafter have;

(g) Retain a management entity to perform any of the services or duties set forth above or in the Declaration.

The Association is organized and shall be operated exclusively for the purposes set forth above. The activities of the Association will be financed by assessments against members as provided in the Declaration, and no part of any net earnings of the Association will inure to the benefit of any member.

ARTICLE III

The period of duration of the Association shall be perpetual.

ARTICLE IV

The name and mailing address of the incorporator is:

Mason H. Anderson
P. O. Box 345
Shallotte, NC 28459

ARTICLE V

The affairs of the Association shall be managed by a Board of Directors; a President and a Vice President. Prior to turnover as defined in the Master Declaration, the Board of Directors will be appointed by Caw Caw Land Corporation, the Developer of Brunswick Plantation. Neither the officers or the directors need be members of the Association. After turnover, both the officers and directors must be members of the Association (or an officer of any corporate member). The officers shall be elected at the first meeting of the Board of Directors each year.

The names of the officers who are to serve until the first election are:

<u>Name</u>	<u>Office</u>
George A. Sloane, III	President
Mason H. Anderson	Vice President
Roscoe Grady	Secretary/Treasurer



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ARTICLE VI

The number of persons constituting the first Board of Directors of the Association shall be three (3); and thereafter, the membership shall consist of not more than five (5). The names and addresses of the persons who shall serve as Directors until the first election are:

<u>Name</u>	<u>Addresses</u>
1. Mason H. Anderson	111 Pine Street Shallotte, NC 28459
2. George A. Sloane, III	16 Causeway Road Ocean Isle Beach, NC 28459
3. Grady Roscoe	#5 Oak Brook Court Bricklanding Plantation Shallotte, NC 28459

ARTICLE VII

The initial Bylaws shall be adopted by the Board of Directors. Thereafter the Board of Directors shall have the power to alter, amend, repeal or adopt new Bylaws provided such action and the resulting Bylaws are not inconsistent with the Articles of Incorporation or the Master Declaration.

ARTICLE VIII

These Articles may be amended at any annual meeting of the Association, or at any special meeting duly called and held for such purpose, on the affirmative vote of a majority of each class of voting members existing at the time of, and present in person or by proxy at such meeting. The procedure for proposing an amendment shall be as set out in N.C.G.S. Section 55-A-35.

ARTICLE IX

Section 1. Membership: Every person or entity who is an Owner of a Lot, Dwelling, Recreational Amenity or other Business Entity subject to the Master Development Plan shall be a member of the Association, provided that any such person or entity who holds an interest merely as security for the performance of an obligation shall not be a member.

Section 2. Voting Right: The Association shall have three classes of voting membership;

(a) Class "A"

Class "A" Members shall be all those Owners as defined in Section 1 of this Article with the exception of the Declarant and the Owner of any Recreational Amenity. Class "A" members shall be entitled to one vote for each Lot or Dwelling

Unit in which they hold the interest required for membership by Section 1. When more than one person holds such interest in any Lot or Dwelling Unit, all such persons shall be members and the vote for such Lot or Dwelling Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot or Dwelling Unit. The Bylaws may establish procedures for voting when the title to a Dwelling Unit or Lot is held in the name of a corporation or more than one person or entity.

(b) Class "B"

Class "B" Members shall be the Owner(s) of (1) the Recreational Amenity and (2) any other separate Business Entity. The Owner of the Recreational Amenity shall be entitled to 50 votes. Should there be any other separate Business Entity(ies) built and operated as an ongoing business enterprise on the property, the Declarant shall have the right to assign the number of votes in the Association to such entity, provided such assignment shall be made in good faith by the Declarant. The Declarant is the Owner of the Recreational Amenity and so long as it retains ownership of the Recreational Amenity, the votes assigned to the Recreational Amenity shall be added to the votes allocated to the Declarant under Class "C".

(c) Class "C"

(i) The Class "C" Member is the Declarant. The Class "C" Member shall be entitled to three votes for each Lot or Dwelling Unit in which it holds the interest required for membership by Section 1; provided that The Class "C" membership shall cease and become converted to Class "A" membership on the happening of the earlier of any of the following events:

1. When the total votes outstanding in the Class "A" membership equal the total votes outstanding in the Class "C" membership; or
2. At any earlier time that the Declarant, in its sole discretion, voluntarily converts its Class "C" membership to Class "A" membership.
3. On December 31, 2005, if not sooner converted under (1) or (2).

From and after the happening of the earlier of these events, the Class "C" Member shall be deemed to be a Class "A" Member entitled to one vote for each Lot or Dwelling Unit in which it holds the interest required for membership under Section 1.



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On dissolution, the assets of the Association shall be distributed to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event such distribution is refused acceptance, such assets shall be granted, conveyed, and assigned to any non-profit corporation, association, trust, or other organization organized and operated for such similar purposes.

ARTICLE XI

The address of the initial registered office of the Association is 111 Pine Street, Shallotte, Brunswick County, North Carolina 28459, and the Initial Registered Agent of the Association is Mason H. Anderson at such address.

ARTICLE XII

The effective date of this corporation shall be upon filing with the Office of the Secretary of State of North Carolina.

ARTICLE XIII

Each Director and Officer of this Association shall be indemnified by the Association against all costs and expenses reasonably incurred or imposed upon him in connection with or arising out of any action, suit or proceeding in which he may be involved or to which he may be made a party by reason of his having been a Director or Officer of this Association, such expense to include the cost of reasonable settlements (other than amounts paid to the Association itself).

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation on this 28th day of February, 1991.

Mason H. Anderson (Seal)
Mason H. Anderson

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

I, Lisa Jay Anderson Notary Public, do hereby certify that MASON H. ANDERSON personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein set forth.

WITNESS my hand and official seal this 28th day of February, 1991.

Lisa Jay Anderson (SEAL)
Notary Public

My Commission Expires:

9/3/92



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EXHIBIT

Brunswick County, NC Register

Exhibit 2

BYLAWS OF
BRUNSWICK PLANTATION PROPERTY
OWNERS ASSOCIATION, INC.
A Non-Profit Corporation

ARTICLE I
Name and Location

NAME AND LOCATION: The name of the Corporation is Brunswick Plantation Property Owners Association, Inc. The principal office shall be located at Brunswick Plantation, North Carolina, but meetings of Members and Directors may be held at such places within the State of North Carolina as may be designated by the Board of Directors.

ARTICLE II
MEETINGS OF MEMBERS

Section 1: ANNUAL MEETINGS. The first annual meeting of Members shall be held within ninety (90) days after Turnover of the Association by the Developer. Subsequent annual meetings shall be held on the same day of the month of each year thereafter at the hour of 2:00 o'clock P.M. If the day for the annual meeting is a legal holiday, the meeting will be held at the same hour on the next day which is not a legal holiday.

Section 2: SPECIAL MEETINGS. After Turnover, special meetings of Members may be called at any time by the President or by two (2) Members of the Board of Directors or upon written request of Members who are entitled to vote fifty-one (51%) of all votes of the membership.

Section 3: NOTICE OF MEETINGS. Written notice of each meeting of Members shall be given by, or at the direction of, the Secretary/Treasurer or other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days, but not more than thirty (30) days, before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of receiving notice. Such notice shall specify the day, hour and place of the meeting and in the case of a special meeting, the purpose of the meeting.

Section 4: QUORUM. The presence at the meeting, in person or by proxy, of Members entitled to cast 25% of the votes of the membership shall constitute a quorum for authorization of any action, except as may otherwise be provided in the Declaration, the Articles of Incorporation, or these Bylaws. If a quorum is not present at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

Section 5: PROXIES. At all meetings of Members, each

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Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary/Treasurer. Proxies shall be revocable, and the proxy of any Owner shall automatically terminate on conveyance by him of his property subject to the assessment.

ARTICLE III
BOARD OF DIRECTORS: TERM OF OFFICE; REMOVAL

Section 1: NUMBER. The affairs of the Association shall be managed by not less than two (2) nor more than five (5) directors. Prior to Turnover as described in the Master Declaration, the directors shall be appointed by Caw Caw Land Corporation; after Turnover they shall be duly elected by the Members of the Association from among the Members.

Section: TERM OF OFFICE. Prior to Turnover, Directors shall serve at the pleasure of Caw Caw Land Corporation; after Turnover they shall serve one (1) year terms and until their successors are duly appointed or elected, as the case may be.

Section 3: REMOVAL. After Turnover, any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

ARTICLE IV
BOARD OF DIRECTORS; MEETINGS

Section 1: REGULAR MEETINGS. Regular meetings of the Board of Directors shall be held annually, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 2: SPECIAL MEETINGS. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) directors, after not less than three (3) days notice to each director.

Section 3. QUORUM. A majority of the directors shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of directors present at a duly held meeting in which a quorum is present shall constitute the act or decision of the Board.

ARTICLE V
BOARD OF DIRECTORS; POWERS AND DUTIES

Section 1: POWERS. The Board of Directors shall have the power to:

- (a) Adopt and publish rules and regulations governing



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the use of the Common Areas and facilities including the personal conduct of the Members and their guests thereon; to establish penalties for infractions of such rules and regulations.

(b) Suspend the voting rights and right to use of the Common Areas of any Member during any period in which such Member is in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty (30) days for infraction of published rules and regulations.

(c) Exercise on behalf of the Association all powers, duties and authority vested in or delegated to the Association and not specifically reserved to the membership by the Declaration, Articles of Incorporation, or by other provisions of these Bylaws.

(d) Employ a manager, independent contractors, and such other employees as they may deem necessary, and to prescribe their duties.

Section 2: DUTIES. It shall be the duty of the Board of Directors to:

(a) Supervise all officers, agents, and employees of the Association and see to it that their duties are properly performed;

(b) Fix the amount of the annual assessment against each Lot, Dwelling, Recreational Amenity or other Business Entity in advance of each annual assessment period;

(c) Send written notices of each assessment to every Owner subject thereto in advance of each assessment period; and

(d) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date, or to bring an action at law against the Owner personally obligated to pay the same;

(e) Issue, on demand of any person, a certificate setting forth whether or not any assessment has been paid. The Board may impose a reasonable charge for the issuance of such certificates;

(f) Procure and maintain liability and hazard insurance on all property owned by the Association as it may deem appropriate;

(g) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(h) Cause all property owned by the Association to be



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ARTICLE VI
OFFICERS AND THEIR DUTIES

Section 1: ENUMERATION OF OFFICES. The officers of the Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, and a Secretary/Treasurer and such other offices as the Board may from time to time by resolution create.

Section 2: ELECTION OF OFFICERS. The election of officers shall take place at the organizational meeting of each new Board of Directors as the first order of business of the new Board.

Section 3: TERM. Each officer shall hold office for a term of one (1) year unless he shall sooner resign or shall be removed or otherwise disqualified to serve.

Section 4: SPECIAL APPOINTMENTS. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time determine.

Section 5: RESIGNATION AND REMOVAL. Any officer may be removed from office by the Board at any time with or without cause. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary/Treasurer. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6: VACANCIES. A vacancy in any office may be filled by appointment of the Board. The officer appointed to such vacancy shall serve for the unexpired term of the officer he replaces.

Section 7: MULTIPLE OFFICES. No person shall simultaneously hold more than one of any of the offices, except in the case of special offices created pursuant to Section 4 of this Article.

Section 8: DUTIES. The duties of the officers are as follows:

(a) President: The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; and shall sign all leases, mortgages, deeds, and other instruments.

(b) Vice President: The Vice President shall act in the

place of the President in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary/Treasurer: The Secretary/Treasurer shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it to all papers so requiring; serve notice of meetings of the Board to Members; keep appropriate current records showing the Members of the Association together with their addresses. Also, the Secretary/Treasurer shall receive and deposit in appropriate bank accounts all funds of the Association and disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; shall keep proper books of the accounts; shall cause an annual audit of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget and statement of income and expenditures, a copy of which documents shall be delivered to each Member, and a report which shall be given at the regular annual meeting of Members.

ARTICLE VII ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments. All annual assessments shall be paid as designated by the Board of Directors. Any assessments not paid when due are considered delinquent. Interest, costs, and reasonable attorney's fees for collection shall be added to the amount of any assessment due. No Owner may waive or otherwise escape liability for assessments by nonuse of the common properties or abandonment of his property. Delinquent assessments and costs shall constitute a continuing lien on the property which generated the assessment until paid.

ARTICLE VIII BOOKS AND RECORDS; INSPECTION

The books, records, and papers of the Association shall be subject to inspection by any Member upon fifteen (15) days prior written notice. The Declaration, Articles of Incorporation, and Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies shall be made available for sale at a reasonable price.

ARTICLE IX CORPORATE SEAL

The Association shall have a seal in a circular form having within its circumference the words: BRUNSWICK PLANTATION PROPERTY OWNERS ASSOCIATION, INC.



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ARTICLE X
AMENDMENTS

Prior to and after Turnover, these Bylaws may be amended by the Board of Directors at any regular or special meeting.

ARTICLE XI
FISCAL YEAR

The fiscal year of the Association shall be the calendar year, except that the first fiscal period shall begin on the date of incorporation and shall end on December 31st of the year of incorporation.

ARTICLE XII
CONFLICTS

In case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; in case of any conflict between the Declaration and these Bylaws, the Declaration shall control; in case of a conflict between the Articles and the Declaration, the Declaration shall control.

BRUNSWICK PLANTATION PROPERTY OWNERS ASSOCIATION, INC.

BY: [Signature]
President

CORPORATE SEAL

ATTEST:

[Signature]
Secretary/Treasurer

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

I, Elizabeth G. Carlisle, Notary Public do hereby certify that Grady Roscoe personally came before me this day and acknowledged that he/~~she~~ is Secretary/Treasurer of BRUNSWICK PLANTATION PROPERTY OWNERS ASSOCIATION, INC., a North Carolina Corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by him/her as its Secretary/Treasurer.

WITNESS my hand and official seal this the 18th day of April, 1991.

[Signature] (seal)
Notary Public

My Commission Expires:
10-13-1993