

Section 24. ROOFS: No flat roofs are permitted in the Development. Roofs in the Development must slope at a minimum of 6 in 12 pitch. Except if otherwise approved in writing in advance by the ASC, roof overhangs are required on all homes and buildings in the Development. The Architectural Standards may state recommended roof surfacing materials, including materials for stacks, flashing, and chimney cap treatments, together with gutter and downspout criteria.

Section 25. USE: No Lot subject to this Restated Declaration shall be used except for single-family residential purposes as are consistent with the rights, powers, duties, and obligations granted pursuant to this Restated Declaration and any other restrictive covenants applicable to the area wherein the Lot is located, provided that, notwithstanding any provision to the contrary, Declarant may designate on any Plat any Lot(s) for multi-family use. If Declarant designates any Lot(s) for multi-family use, each dwelling constructed on said Lot(s) shall be deemed to be a Lot for purposes of Assessments, voting, and other controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens applicable to Lots in this Restated Declaration. Commercial uses shall be confined to those areas established by Declarant on a Plat for such purposes, including the Club Amenities, except as provided in Article Eleven, Section 2.

ARTICLE ELEVEN

Club Amenities

Section 1. COVENANTS REGARDING CLUB AMENITIES: The Owner(s) of the Club Amenities shall be subject to the additional covenants that are set forth in this Article Eleven.

Section 2. THE CLUB AMENITIES: In conjunction with the development of the Property, Declarant may, from time to time, develop Club Amenities (including the Golf Course, tennis courts, swimming pools, and related facilities). The Club Amenities shall be developed and provided at the discretion of Declarant. Declarant, or its successors and assigns, intends to operate the Club Amenities that it elects to construct as ongoing entities in such manner as Declarant in its discretion may determine, subject to the terms of this Restated Declaration. Declarant reserves the right to sell the Club Amenities to any Person.

The Owner(s) (as of the date hereof, the Owner being Declarant) of the Club Amenities shall have the exclusive right to determine, from time to time, in its discretion, and without notice or approval of any change, how and by whom such Club Amenities shall be used. Members shall in no way have any right to use of, or membership in, any of the Club Amenities arising out of their membership in the Association or ownership of any Lot(s). By way of example, but not limitation, the Owner of any Club Amenities shall have the right from time to time to approve users, and to determine eligibility for use thereof; to reserve use rights for future Owners thereof; to allow members of the general public to the use thereof; to modify any usage rights; to alter, suspend, abate, or limit operation of such Club Amenities; to transfer such Club Amenities or the operation thereof to anyone (including a member-owned or equity club) and, on any terms, to limit the availability of use privileges, and to require the payment of a purchase price, a membership contribution, an initiation fee, dues, and other charges for use privileges.

Declarant reserves the right to add Club Amenities to the Development as it, in its discretion, decides and operate them in accordance with this Restated Declaration.

Each Owner of the Club Amenities, for its benefit and for the benefit of its licensees, customers, and the members of the subject Club Amenities, and each of their visitors, guests, and invitees as permitted by said Owner, shall have perpetual and non-exclusive easements over the Property as set forth in this Article Eleven as though they were Owners; provided, however, that the use of such easements as they relate to the use of the Common Area by the Owner(s) of the Club Amenities or its/their members, licensees, customers, visitors, guests, and invitees shall be only as to those portions of the Common Area as is necessary to facilitate such Person's reasonable use of the Club Amenities. Each Owner acknowledges that the use of the Common Area by the Owner(s) of the Club Amenities or its/their members, licensees, customers, visitors, guests, and invitees may increase the number of people using the Common Area. Any disputes as to what constitutes a normal purpose or what portions of the Common Area are necessary for such Person's use of the Club Amenities shall be determined in the discretion of Declarant or, after Turnover, by the Association, in its discretion. The location of a Lot may result in nuisances or hazards to such Lot, or to Persons making use of, or in transit to or from such Lot, as a result of normal operation of the Club Amenities. Each Owner covenants for itself, its successors in interest, and assigns, and its household members, tenants, licensees, contractors, subcontractors, guests, and invitees that it shall assume all risks associated with such location, including the risk of property damage or personal injury arising from stray golf balls or actions incidental to any Club Amenities' activities, and shall indemnify and hold harmless Declarant and the Association, the Owner(s) of any Club Amenities, each Club Amenities, the Golf Course architect, and any other entity owning or managing the Golf Course or any of the Club Amenities, and all of their officers, directors, agents, or employees, from any and all liabilities, claims, or expenses, including attorneys' fees and expenses arising from such property damage or personal injury. The Association shall not be responsible or liable in any way for any disputes between any Owner(s) and any Person(s) using the Golf Course or other Club Amenities. All Owners, by acceptance of delivery of a deed to their respective Lot(s) or other portion of the Property, for themselves, their household members, tenants, licensees, contractors, subcontractors, guests, and invitees, successors in interest and assigns, assume all risks associated with errant golf balls, and all Owners agree and covenant for themselves, their household members, tenants, licensees, contractors, subcontractors, guests, and invitees, successors in interest, and assigns, not to make any claim or institute any action whatsoever against Declarant, the Association, the Golf Course, the Owner(s) of the Golf Course or other Club Amenities, the architect of the Golf Course, or any officers, directors, employees, agents, partners, members, or affiliates of any of them, or their respective successors and assigns, arising or resulting from any errant golf balls or any damages that may be caused thereby.

Nothing in this Section 2 shall restrict or limit the power of Declarant, the Owner(s) of the Golf Course or any entity managing the Golf Course to change the design of the Golf Course with the ASC's approval; and such changes, if any, shall not nullify, restrict, impair, or conflict with the covenants contained in this Restated Declaration.

The rights accruing to the Owners of Club Amenities, the Golf Course, and their members, licensees, customers, visitors, guests, and invitees, including the easements, waivers, indemnities, and hold harmless provisions associated with Club Amenities and the Golf Course, as provided by this Restated Declaration, also shall accrue to the benefit of Declarant, each of the recreational facilities owned by Declarant adjacent or contiguous to the Property, and the members, licensees, customers, visitors, guests, and invitees of each, pending the subject recreational facility being brought within the jurisdiction of the Association by Supplementary Declaration(s). After any such recreational facility is brought within the jurisdiction of the Association by Supplementary Declaration(s), then the rights accruing to the Owner thereof and the members, licensees, customers, visitors, guests, and invitees of the subject Club Amenities (including Golf Course, if that is the case) shall be as provided for the Owners of Club Amenities (including the Golf Course, if that is the case) and the members, licensees, customers, visitors, guests, and invitees thereof, respectively, pursuant to this Restated Declaration and such Supplementary Declaration(s).

NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, NO PART OR PORTION OF THE CLUB AMENITIES ARE COMMON AREA UNDER THIS RESTATED DECLARATION, AND THE OWNERSHIP OF A LOT OR OTHER PORTION OF THE PROPERTY AND/OR MEMBERSHIP IN THE ASSOCIATION OR ANY OTHER ASSOCIATION DOES NOT IN ANY WAY CONFER ANY OWNERSHIP INTEREST IN, OR ANY EASEMENT OR RIGHT TO USE, THE CLUB AMENITIES OR ANY RELATED FACILITIES, AND NO SUCH INTEREST, RIGHT, EASEMENT, OR RIGHT OF USE IS CREATED UNDER THIS RESTATED DECLARATION BY IMPLICATION.

Section 3. GOLF COURSE: While Owners shall have the right of quiet enjoyment to their Lots subject to the provisions of this Restated Declaration, there shall be no activity on any Lot or other portion of the Property which is contiguous to the Golf Course or within a reasonable distance, to be determined by the Association, from any boundary of the Golf Course that unreasonably disturbs golf in play, or the enjoyment of the Golf Course by the Owner(s) or licensees, customers, members, invitees, and guests, including undue noise, unsightly trash and debris, or any other noxious or offensive activity. Typical noises and activities associated with normal construction activities on Lots or other portions of the Property shall, however, be permitted except during a Golf Tournament as hereinafter defined. Each Lot, the Common Area, and any other portion of the Property adjacent to the Golf Course is hereby made subject to an easement in favor of the registered Golf Course players and their guests to enter upon such property to remove golf balls. Once a dwelling is constructed on a Lot, this easement related to such Lot shall be limited to the recovery of golf balls. This easement is for pedestrian access only, and the player and their guests shall not use a golf cart or other vehicle for the purpose of entry on any such adjoining Property nor shall such player and their guests commit a nuisance while on such Property.

Section 4. GOLF TOURNAMENT: In addition to the restrictions set forth in Article Eleven, Section 3, which shall apply at all times, there shall be no unusual construction or any activity on any portion of the Property whether or not contiguous to the Golf Course, that, in the reasonable judgment of the Owner(s) of the Golf Course, disturbs play in, or conduct of, any tournament on the

Golf Course sponsored by the Owner(s) of the Golf Course ("Golf Tournament"), including the enjoyment thereof by spectators. Provided they comply with applicable governmental laws, rules, and regulations, and notwithstanding any provision to the contrary in Article Three, Section 3(g), the Owner(s) of the Golf Course and its designees shall be entitled to restrict the roadways in the Common Area and access to other Common Area contiguous to or near the Golf Course during the period of any Golf Tournament, provided, however, that Owners, their household members, tenants, licensees, guests, and invitees, shall at all times have at least one means of ingress and egress from their Lot(s) and/or Common Area, as the case may be, to a public right-of-way. All Owners acknowledge that, during a Golf Tournament, parking facilities for spectators and guests may be located off the premises of the Golf Course, including within the Property, notwithstanding any provision to the contrary in Article Ten, Section 21, and traffic congestion may occur.

Section 5. CONSTRUCTION LIMITS: With respect to portions of the Property which are contiguous to the Golf Course and notwithstanding any other provision to the contrary:

(a) Reasonable efforts shall be made to screen locations of construction material storage areas, chemical toilets, dumpsters, and other unsightly items from the line of sight of the Golf Course;

(b) All construction areas shall be kept in good order; all debris shall be placed in dumpsters which shall be emptied as necessary during construction to prevent storage of debris on the ground, or handled as otherwise directed by the ASC; and

(c) Except for drainage required by governmental authorities, no permanent open trenches will be located adjacent to the Golf Course. Any trenches required by any governmental authority shall be designed so as to minimize any adverse aesthetic impact on the Golf Course and the Property.

Section 6. DAILY CONSTRUCTION OPERATIONS: During any Golf Tournament, no exterior work will be allowed on any portion of the Property if such work, in the reasonable judgment of any Owner of the Golf Course, would disturb playing in, or conduct of, the Golf Tournament, including enjoyment by spectators. For purposes of illustration only, such prohibited construction work during any Golf Tournament shall include pile driving, hammering, jack hammering, and sawing (by means of a power saw or chain saw).

Section 7. EXCAVATION: Any trenches located within a distance of ten (10) feet from any boundary of the Golf Course must be closed overnight, unless effectively barricaded, lighted, and marked to indicate a hazardous condition.

Section 8. CONSTRUCTION VEHICLES AND PARKING: Construction parking will be restricted to the street side of any property contiguous to the Golf Course (i.e., away from the common boundary with the Golf Course).

Section 9. CONSTRUCTION ACCESS ACROSS OR OVER GOLF COURSE: To prevent damage to the Golf Course, no access will be allowed across or over the Golf Course for storage or transportation of labor or materials or location of construction equipment other than in connection with construction easements approved in advance in writing by the Owner(s) of the Golf Course.

Section 10. NOISE: No telephones, horns, bells, musical instruments, radios, audio cassettes, compact discs, record players, or other sound-producing equipment shall be operated in an unreasonably loud manner on any portion of the Property which, in the judgment of the Owner(s) of the Golf Course, would disturb play on, or use of, the Golf Course.

Section 11. PETS: Owners shall be responsible for their pets and shall not allow their pets to make loud noises (such as barking), run loose, walk on the fairways, pick up golf balls, or otherwise interfere with play at the Golf Course.

Section 12. ADDITIONAL CONSTRUCTION RESTRICTIONS ON PORTIONS OF THE PROPERTY ADJACENT TO THE GOLF COURSE: Without limiting the generality of those construction provisions in Article Ten, the following additional restrictions shall apply to construction activity on those portions of the Property contiguous to the Golf Course:

(a) Each contractor shall schedule and perform his work in a good and workmanlike manner and use reasonable efforts to minimize any detrimental impact on play in, or the conduct of, any golfing activity or Golf Tournament, including the enjoyment by spectators;

(b) No work shall be allowed that will restrict access to the Golf Course (except in the event of emergency) unless such work is coordinated with and approved by the Owner(s) of the Golf Course, which approval shall not be unreasonably withheld; and

(c) Each contractor shall exercise reasonable care to restore any area adversely affected by his construction activities to its original condition.

Section 14. ENFORCEABILITY: The rights and obligations to implement the enforcement of the provisions of this Article Eleven and of those portions of the other easements, covenants, conditions, and restrictions herein contained that are directed to the protection and enjoyment of the Club Amenities and the orderly conduct of the Golf Tournament shall be and are delegated to become the full responsibility of the applicable Owner(s) of the subject Club Amenities, their successors, and assigns; provided, however, the Association also shall have the right, but not the obligation, to enforce any of the provisions of this Article Eleven.

ARTICLE TWELVE

Miscellaneous

Section 1. SEVERABILITY: When possible, each provision of this Restated Declaration shall be interpreted in such a manner as to be effective and valid. If the application, however, 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 Restated Declaration are declared to be severable.

Section 2. PRIORITY OF LAND USE DOCUMENTS: The Articles shall take precedence over conflicting provisions in this Restated Declaration or the Bylaws, and this Restated Declaration shall take precedence over the Bylaws. In the event of any inconsistency between the provisions of Addendum I and the balance of the Restated Declaration, said balance of the Restated Declaration will control.

Section 3. DURATION: This Restated Declaration shall affect and run with the Property and shall exist and be binding upon Owners and all Persons claiming under them until December 31, 2025, and shall continue in full force and effect thereafter by automatically extending for successive periods of ten (10) additional years until ninety percent (90%) of the Members have, by affirmative vote, agreed to terminate this Restated Declaration.

Section 4. AMENDMENT: This Restated Declaration may be amended by the affirmative vote of no less than fifty-one percent (51%) of Members, which vote is taken at a duly held meeting of the Members in accordance with the Bylaws. Any amendment or modification of this Restated Declaration must be consented to by Declarant if Declarant is the Owner of any Lot or Club Amenities or other portion of the Property, which consent may be granted or withheld in its discretion. Once this Restated Declaration has been amended or modified, such amendment or modification shall extend to and be applicable to the Lots and Club Amenities that were sold prior to or subsequent to such amendment or modification. Any such amendment or modification of this Restated Declaration shall not require the joinder of the Association or Institutional Lenders. The Board, after Turnover, may also modify or amend this Restated Declaration, provided any such amendment or modification may not materially alter the basic plan of development. Notwithstanding anything contained in this Section 4 to the contrary, any amendment or termination of this Restated Declaration which shall materially and adversely affect the validity or priority of the lien of or the rights of Institutional Lenders holding first mortgage loans on property located within the Development shall be required to have the prior approval of such lenders. "Institutional Lender" shall mean and refer to banks, savings and loan associations, insurance companies, other firms or entities customarily offering loans secured by first liens on residences, and eligible insurers and governmental guarantors. Further, notwithstanding anything in this Section 4 to the contrary, the attached Addendum I may be amended as provided therein.

Section 5. ENFORCEMENT - GENERAL: Failure of an Owner, his licensees, invitees, guests, or members of his household to comply with a provision of this Restated Declaration or a provision in the Articles, Bylaws, Rules, or Architectural Standards shall provide the Association and/or any Owner with the right to bring legal action at law or in equity, including an action for injunctive relief, damages, or a combination thereof, to enforce the same against the violating Owner. All costs and expenses incurred by the Association and/or Owner in terminating or resolving a violation of this Restated Declaration, the Articles, Bylaws, Rules, or Architectural

Standards, inclusive of reasonable 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 reasonable attorneys' fees, costs, and damages may be enforced by any method described in this Restated Declaration (including providing for the collection of Assessments), by a civil action to collect the debt, or as otherwise provided by law. The Association shall further have the right to enforce the Additional Declarations and the rules as may be promulgated by the individual Additional Associations by compelling compliance and by compelling the subject Additional Association to enforce its own bylaws, articles, restrictions, and rules. Failure by the Association or any Owner to enforce any provision contained in this Restated Declaration, the Articles, Bylaws, Rules, or Architectural Standards shall in no event be deemed a waiver of the right to do so thereafter or preclude any other Person from enforcing such violation pursuant to this Article Twelve, Section 5. Furthermore, failure by the Association to enforce any provision contained in the Additional Declarations shall in no event be deemed a waiver of the right to do so thereafter or preclude any other Person from enforcing such violation pursuant to such Additional Declarations.

Section 6. INTERPRETATIONS: The provisions of this Restated Declaration shall be construed together and given that interpretation or construction which, in the opinion of Declarant or the Board, will best effect the intent of the general plan of development. The provisions of this Restated Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive. Furthermore:

(a) Use of the terms "include" or "including" or any variation thereof within this Restated Declaration shall be deemed to mean "include, includes, or including, without limitation."

(b) Unless otherwise provided, use of the term "discretion" within this Restated Declaration shall be deemed to mean "sole and absolute discretion as exercised from time to time and without the consent of any other Person (including the Association or any Owner), and without the exercise of any discretion being deemed to forego or limit any future exercise of discretion."

(c) Any hereinabove reference to an Article or Section shall mean such Article or Section of this Restated Declaration.

Section 7. NO TRESPASS: Whenever the Association, Declarant, the ASC, and their respective successors, assigns, household members, tenants, licensees, guests, contractors, agents, or employees are permitted by this Restated Declaration to enter upon, correct, repair, clean, maintain, preserve, or do any other action within any portion of the Property, the entering thereon and the taking of such action shall not be deemed a trespass.

Section 8. NOTICES: Notices required under this Restated Declaration shall be in writing and shall be delivered by hand or sent by United States Mail, postage pre-paid. All notices to Owners shall be delivered or sent to such address as has been designated in writing to the Association for each said Owner, or if no such address has been so designated by the Owner, at the address of the Owner's Lot or Club Amenities. All notices to Declarant shall be delivered or sent

to Declarant's main office in Duplin County, North Carolina, or to such other address as Declarant from time to time may notify the Association.

Section 9. GENDER AND NUMBER: All masculine, feminine, and neuter references as used in this Restated Declaration shall include each other gender as context permits. All singular references as used in this Restated Declaration shall include the plural, and vice versa, as context permits.

Section 10. ACTIONS REQUIRING DECLARANT'S CONSENT: Notwithstanding any language in this Restated Declaration, the Articles, Bylaws, Rules, Architectural Standards, or any Additional or Supplementary Declarations to the contrary, under no circumstances, whether prior to or subsequent to Turnover, shall the following be modified, amended, or otherwise altered in any way without Declarant's written consent thereto:

- (a) Any provision in this Restated Declaration providing for Declarant's right and/or power to add property to the Property;
- (b) Any provision in this Restated Declaration providing for Declarant's right and/or power to convey property to the Association as Common Area; and
- (c) Any provision in this Restated Declaration providing that Declarant and the Owners of Club Amenities shall have no liability or requirement for paying Assessments.

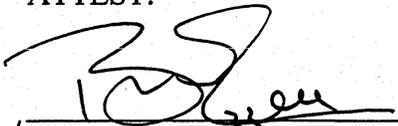
IN WITNESS WHEREOF, this Restated Declaration together with the easements, covenants, conditions and restrictions described herein has been signed and executed by Declarant the day and year first above written.

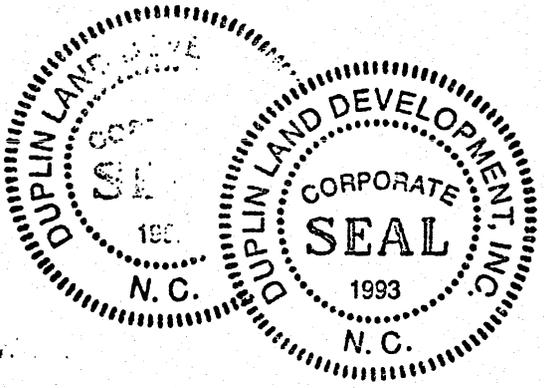
DUPLIN LAND DEVELOPMENT, INC.

BY: 
VICE-President

CORPORATE SEAL

ATTEST:


Asst Secretary/Treasurer



STATE OF NORTH CAROLINA

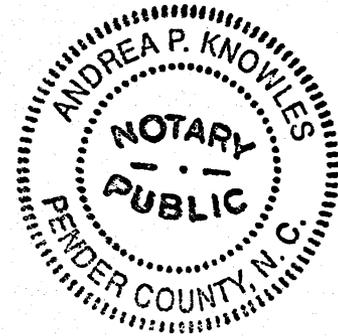
COUNTY OF ~~DUPLIN~~ PENDER (APK)

I, Andrea P. Knowles, a Notary Public of the County and State aforesaid, certify that Brewer M. Ezzell personally came before me this day and acknowledged that (s)he is ~~Secretary/Treasurer~~ ^{Vice} of Duplin Land Development, 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~~ ^{Vice}, sealed with its corporate seal and attested by him/her as its ~~Secretary/Treasurer~~.

Witness my hand and official stamp or seal, this 22 day of March, 1999.

Andrea P. Knowles
Notary Public

My Commission Expires: April 15, 2002

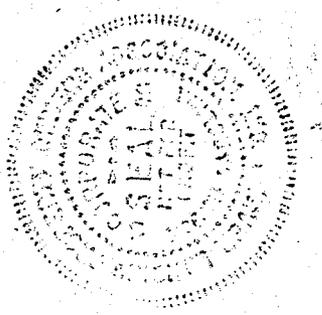


CERTIFICATION

Pursuant to a vote by ballot by Class "A" Members (as defined in the Amendment to and Restatement of Covenants and Master Declaration recorded in Book 1195, Page 526, Duplin County Registry ("First Amendment")) of the River Landing Property Owners Association, Inc. ("Association"), and in accordance with the Association's Articles of Incorporation and Bylaws and law, this Second Amendment to and Restatement of Covenants and Master Declaration was approved by the requisite number of Class "A" Members as set forth in Article Twelve, Section 5 of the First Amendment, on the 19th day of March, 1999.

RIVER LANDING PROPERTY OWNERS ASSOCIATION, INC.

BY: [Signature]



CORPORATE SEAL

ATTEST:

[Signature]
Secretary

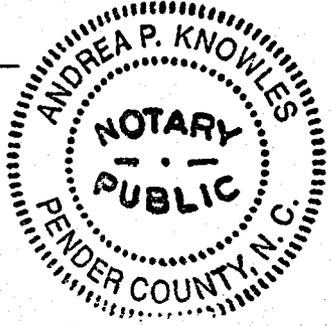
STATE OF NORTH CAROLINA

COUNTY OF ~~DUPLIN~~ PENDER HA

I, Andrea P. Knowles, a Notary Public of the County and State aforesaid, certify that Brewer M. Ezzen personally came before me this day and acknowledged that (s)he is Secretary of River Landing 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 ^{vice} President, sealed with its corporate seal and attested by him/her as its Secretary.

Witness my hand and official stamp or seal, this 22 day of March, 1999.

Andrea P. Knowles
Notary Public



My Commission Expires: April 15, 2002

STATE OF NORTH CAROLINA

COUNTY OF DUPLIN

NORTH CAROLINA, Duplin County

The foregoing or annexed certificate... of *Andrea P. Krawles, N.C.*

This Instrument duly recorded and verified, this *26* day of *July* is/are certified to be correct

at *10:35* o'clock *PM* in the Book and Page shown on the first page hereof

JOYCE J. WILLIAMS, ^{West} Register of Deeds

By *Linda S. Rhodes*
Deputy / Assistant Register of Deeds
Deputy / Assistant Register of Deeds

REGISTER OF DEEDS

Recorded and verified: *RL*

Joan Perreault
134.00

EXHIBIT "A"

Being that real property described in Map Book 14 at Pages 153, 154, 155, 195, 196, and 262; and Map Book 15 at Pages 10, 66, 67, 117, 118, 119, 158, 159, 160, 185, 186, and 187, as recorded in the office of the Register of Deeds, Duplin County, North Carolina.

ADDENDUM I

**ADDITIONAL DECLARATION OF COVENANTS, CONDITIONS,
AND RESTRICTIONS FOR CANDLEWOOD MAINTENANCE****WITNESSETH:**

WHEREAS, Declarant is or was the Owner and is the developer of that certain real property located in Duplin County, North Carolina, and more particularly described on Exhibit "A" to the Restated Declaration, which real property is being developed by Declarant as a residential community to be known as River Landing; and

WHEREAS, Declarant desires to provide for the preservation and enhancement of the property values, amenities, and opportunities as to the Candlewood Property (as defined below) and for the maintenance of the Candlewood Property and improvements thereon, and to this end desires to subject the Candlewood Property to, in addition to the controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens set forth in the Restated Declaration, the controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens hereinafter described in this Maintenance Declaration (as defined below); and

WHEREAS, Declarant contemplates developing the Development in phases. In connection therewith, Declarant has provided for the preparation and recording of plats of Candlewood Lots 1 through 58, inclusive, of that portion of the Development known as Phase I and II of Candlewood ("Candlewood"), which plats are recorded in Map Book 15, Page 10 and Map Book 15, page 66 of the Duplin County Public Registry, North Carolina; and

WHEREAS, Article Two, Section 3 of the Restated Declaration provides that Declarant may subject any portion of the Development to controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens not inconsistent with the Restated Declaration, in addition to the controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens set forth in the Restated Declaration, by filing an Additional Declaration in the office of the Register of Deeds of Duplin County, North Carolina, containing a designation of the plat or plats showing the portion of the Development to which the Additional Declaration applies; and

WHEREAS, Phases of the Development similar to that of Candlewood have been subjected to separate controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens (which include controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens similar to those herein contained), and Declarant desires to be consistent with its plan of development for the Development; and consistent with the separate controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens applicable to Phases of the Development similar to Candlewood, Declarant desires to extend such plan of development to Candlewood, and therefore desires to reflect pursuant to this Maintenance

Declaration controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens as to those Candlewood Lots (as defined below) comprising Candlewood and to that end has attached this Addendum I to this Restated Declaration which is incorporated herein by reference and which is part of this Restated Declaration and which has been approved by Class "A" Members (as defined in the First Amendment) and consented to by Declarant aforesaid, and said Addendum I does not materially and adversely affect the validity or priority of the lien or the rights of Institutional Lenders currently holding first mortgage loans on any portion of the Property;

NOW, THEREFORE, for and in consideration of the recitals set forth above, which recitals by this reference are made a substantive part of this Maintenance Declaration (as defined below), Declarant hereby subjects the Candlewood Property (as defined below) to the controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens hereinafter set forth and described and hereby declares that (subject to certain express rights of amendment of Declarant) all of the Candlewood Property shall be held, sold, conveyed, and used subject to such controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Candlewood Property and the Development. Subject to the herein-described rights of Declarant, such controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens set forth herein shall be covenants running with the Candlewood Property and shall be binding on all parties having or acquiring any right, title, or interest in the Candlewood Property, or any part thereof, their heirs, devisees, executors, personal representatives, successors, and assigns, and shall inure to the benefit of each Candlewood Owner (as defined below), their heirs, devisees, executors, personal representatives, successors, and assigns.

ARTICLE I

Definitions

Section 1. All capitalized terms not otherwise defined in this Maintenance Declaration shall have the same meaning as set forth in the Restated Declaration.

Section 2. Except as otherwise expressly provided or as context otherwise requires, the following terms when used in this Maintenance Declaration (as defined below) shall have the following meanings:

(a) "Candlewood" shall mean Candlewood Lots 1 through 58, inclusive, of the portion of the Development known as Phase I and II of Candlewood at River Landing, as the same is shown on the Candlewood Map, each as the same may be altered or modified from time to time by Declarant as permitted in the Restated Declaration.

(b) "Candlewood Articles" shall mean the articles of incorporation of the Candlewood Association, as the same may be amended.

(c) "Candlewood Association" shall mean the Candlewood Maintenance Association, Inc., a North Carolina nonprofit corporation, its successors and assigns.

(d) "Candlewood Board" shall mean the Board of Directors of the Candlewood Association.

(e) "Candlewood Bylaws" shall mean the bylaws of the Candlewood Association, as the same may be amended.

(f) "Candlewood Lot" shall mean any one of Candlewood Lots 1 through 58 which is a part of the Candlewood Property as shown on the Candlewood Map, each as the same may be altered or modified from time to time by Declarant as permitted in the Restated Declaration.

(g) "Candlewood Map" shall mean the Plats of Phase I and II of Candlewood at River Landing recorded in Map Book 15, Page 10, and Map Book 15, Page 66, Duplin County Public Registry, North Carolina, each as the same may be altered or modified from time to time by Declarant to change Candlewood Lot boundaries and otherwise as permitted in the Restated Declaration.

(h) "Candlewood Member" shall mean each member of the Candlewood Association, namely, every Candlewood Owner.

(i) "Candlewood Occupant" shall mean any Person occupying all or any portion of a Candlewood Lot or any of the Candlewood Property with the permission of the Owners for any period of time, regardless of whether such Person is a tenant of the Candlewood Owner of such Candlewood Lot, the Owner, or some other type of invitee of such Candlewood Lot or portion of the Candlewood Property.

(j) "Candlewood Owner" shall mean the record owner, whether one or more Persons, of fee simple title to any Candlewood Lot, but excluding those having such interest merely as security for the performance of an obligation.

(k) "Candlewood Property" shall mean the Candlewood Lots, together with such additional real property as may be made subject to the provisions of this Maintenance Declaration pursuant to the provisions of Article II, Section 5 hereof.

(l) "Improved Candlewood Lot" shall mean any Candlewood Lot upon which a dwelling has been constructed for which a certificate of occupancy by the appropriate governmental authority (or other similar right to occupy) has been issued.

(m) "Improvements" shall mean the product of any and all work conducted on any portion of the Candlewood Property, including all construction, grading, and landscaping.

(n) "Maintenance Declaration" shall mean this Additional Declaration of Covenants, Conditions, and Restrictions for Candlewood Maintenance as it may be amended and supplemented from time to time as herein provided.

(o) "Mortgage" shall mean and refer to any mortgage or deed of trust constituting a first lien on a Candlewood Lot.

(p) "Mortgagee" shall mean the holder of a Mortgage at the time such term is being applied.

(q) "Unimproved Candlewood Lot" shall mean any Candlewood Lot other than an Improved Candlewood Lot.

ARTICLE II

Candlewood Property

Section 1. Property Made Subject to this Maintenance Declaration. The Candlewood Property is hereby made subject to this Maintenance Declaration. The Candlewood Property shall be owned, used, held, leased, transferred, sold, mortgaged, and conveyed by Declarant and each Candlewood Owner subject to this Maintenance Declaration and the controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens set forth in this Maintenance Declaration.

Section 2. Remainder of Development Not Subject to this Maintenance Declaration. The remainder of the Development, namely, the Development excluding the Candlewood Property, is not and shall not be subject to this Maintenance Declaration, and may be owned, used, held, leased, transferred, sold, mortgaged, and conveyed by Declarant and any Owner free of this Maintenance Declaration and the controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens set forth herein.

Section 3. Changes to this Maintenance Declaration Requiring Declarant's Consent. Notwithstanding anything contained herein to the contrary, it is expressly understood and agreed that so long as Declarant owns any part of the Candlewood Property, the prior written consent of Declarant shall be required for any parties to modify, change, and/or amend, in whole or in part, the terms and provisions of this Maintenance Declaration or to impose new or additional covenants, conditions, restrictions, or easements on any part of the Candlewood Property.

Section 4. This Maintenance Declaration Is in Addition to the Restated Declaration. The Restated Declaration imposes certain controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens on the Development, which includes the Candlewood Property, and accordingly restricts the Candlewood Property, in addition to the controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens contained in this Maintenance Declaration. The provisions of this Maintenance Declaration are in addition and

subordinate to the provisions of the Restated Declaration, such that the additional controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens described in this Addendum I shall be: (a) construed to be consistent with the Restated Declaration, (b) subordinate to the other provisions of the Restated Declaration, and (c) enforced by the Association, in its discretion.

Section 5. Additional Property. Declarant shall have the right, in its discretion, to bring within the coverage of this Maintenance Declaration and the jurisdiction of the Candlewood Association any additional real property via supplementary declaration(s). Each such supplementary declaration shall be made by filing of record in the office of the Register of Deeds of Duplin County, North Carolina, a supplementary declaration referencing therein a plat showing such additional real property being added to the Candlewood Property and subjecting said property to the controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens of the Maintenance Declaration to the extent same are applicable with respect to the type of additional real property so added. Each such supplementary declaration shall extend the plan of this Maintenance Declaration and the jurisdiction of the Candlewood Association to such additional real property and thereby subject each Candlewood Owner of such additional real property to assessment for said Candlewood Owner's share of charges via assessment to the extent applicable as provided in this Maintenance Declaration. Nothing contained in this Article II, Section 5 shall be construed to obligate Declarant to bring any additional property within the coverage of this Maintenance Declaration.

ARTICLE III

The Candlewood Association

Section 1. Membership. Every Candlewood Owner shall be a member of the Candlewood Association. Membership in the Candlewood Association shall be appurtenant to and may not be separated from ownership of a Candlewood Lot.

Section 2. Voting Rights. Except as provided in Article V, Section 1 below as to Candlewood Owners of combined Candlewood Lots, each Candlewood Member shall be entitled to one (1) vote for each Candlewood Lot owned by it; provided however, that if more than one Candlewood Member is a Candlewood Owner of any Candlewood Lot, all Candlewood Members who are Candlewood Owners of such Candlewood Lot shall be entitled only to a total of one (1) vote for the subject Candlewood Lot and such Candlewood Members shall designate in writing to the Candlewood Association the name and address of one Candlewood Member to cast such vote related to the subject Candlewood Lot and only that designated Candlewood Member or his proxy shall be allowed to cast the single vote related to the subject Candlewood Lot.

Section 3. Control by Declarant. Declarant shall have the right to appoint the Candlewood Board (who need not be Candlewood Members) until the occurrence of either of the following events ("Candlewood Turnover"):

- (a) The date of Turnover from Declarant to the Association as provided for in the Restated Declaration; or
- (b) Declarant, in its discretion, voluntarily relinquishes its right to appoint the Candlewood Board.

Upon Candlewood Turnover, the Maintenance Association shall indemnify Declarant for any actions by Declarant before Candlewood Turnover that may contribute to or result in Declarant incurring liability regarding the Candlewood Property subsequent to the Candlewood Turnover, excluding any liability arising out of Declarant's negligence or willful misconduct.

ARTICLE IV

Association's Responsibilities

Section 1. Maintenance of Grounds and/or Candlewood Lots. The Candlewood Association is authorized to and may maintain the grounds and landscaping of each Candlewood Lot as the Candlewood Association, in its discretion, deems appropriate to preserve a uniform, well-groomed, first-rate appearance of said grounds and landscaping, provided that the foregoing right of the Candlewood Association shall not affect each Candlewood Owner's maintenance obligations under this Maintenance Declaration or conflict with the maintenance obligations in the Restated Declaration, including each Candlewood Owner's obligation to comply with any standards or criteria regarding minimal plant materials and plant material size to be implemented by each Candlewood Owner in connection with a landscaping plan. Such maintenance by the Candlewood Association may be performed whether the Candlewood Lot is occupied, unoccupied, improved, or unimproved; at such times and in such manner as the Candlewood Association, in its discretion, deems appropriate. Such maintenance by the Candlewood Association may include, but shall not be limited to, the following:

- (a) Keeping land, including any lawns and shrub beds, well maintained and free of trash, uncut grass, and weeds;
- (b) Pruning trees;
- (c) Watering as needed (unless otherwise prohibited by law or other governmental regulation) from the community irrigation system serving Candlewood to keep lawn areas alive and green;
- (d) Maintaining natural areas and landscaping in accordance with the Architectural Standards; and
- (e) Maintaining the irrigation system supplying irrigation water to the Candlewood Property.

THE AUTHORITY AND ABILITY OF THE CANDLEWOOD ASSOCIATION TO MAINTAIN CANDLEWOOD LOTS IS DISCRETIONARY AND IN NO WAY OBLIGATES ANY SUCH ACTION ON THE PART OF THE CANDLEWOOD ASSOCIATION.

If the Candlewood Association performs any maintenance on any Candlewood Lot, it shall not decorate, change, or otherwise alter the appearance of any portion of the exterior of any improvement, landscaping, or grounds, unless such decoration, change, or alteration is first approved in writing by the ASC.

Section 2. Maintenance Restrictions. Nothing in this Article IV shall give the Candlewood Association the right to repair, alter, add to, replace, paint, dig, dump, fill, plant in, remove from, or in any other way maintain the Common Area (except that the Candlewood Association shall maintain the portion of the Candlewood irrigation system located in the Common Area), Declarant's property, the Association's property, or that property under the authority of any Additional Association other than the Candlewood Association, without first obtaining the prior written consent of the applicable owner or controlling authority of such property.

The Candlewood Association shall be responsible to the Association and/or Declarant for any damage to any Common Area caused by the negligence or willful misconduct of the Candlewood Association, its employees, agents, or contractors, provided, however, that this Section 2 shall not apply to Declarant's construction activities on the Candlewood Property.

Section 3. No Abrogation of Candlewood Owner's Duties. The Candlewood Association's rights set forth in this Article IV shall in no way be construed as abrogating or in any way limiting any legal or other obligation of a Candlewood Owner with regard to the maintenance, repair, and condition of said Candlewood Owner's Candlewood Lot(s) set forth in Article VI of this Maintenance Declaration, and no Candlewood Owner shall be entitled to use as a defense or otherwise contend that the Candlewood Owner has relied on the Candlewood Association's performance of such duties. The Candlewood Association shall not be liable to a Candlewood Owner, a Candlewood Owner's invitees or licensees, or any other party for any personal injury, property damage, or other liability suffered or sustained as a result of the Candlewood Association's failure to exercise its option to perform any duties under this Article IV.

Section 4. Compliance with Plans and Specifications. All maintenance of the grounds, landscaping, and beautification of the Candlewood Lots which may be made pursuant to the provisions of this Article IV shall be performed in material accordance with the applicable landscape plan and other applicable plans and specifications approved by the ASC.

Section 5. Insurance. The Candlewood Board may maintain insurance in the name of the Candlewood Association in such amounts and covering such risks as the Candlewood Board, in its discretion, deems appropriate to protect the Candlewood Association and its directors, officers, agents, and employees from risks associated with the performance of its rights pursuant to this Maintenance Declaration.

Section 6. Administrative Duties. The Candlewood Association shall keep books and records in connection with the monies expended and the assessments made and received by it pursuant to this Maintenance Declaration, which shall include the name and Candlewood Property address of each Candlewood Owner, the amounts and due dates of all assessments made and received by it pursuant to this Maintenance Declaration, the dates assessments made and received by it pursuant to this Maintenance Declaration are paid by the respective Candlewood Owners, and the outstanding balance due from any Candlewood Owner, if any, as to said assessments. In addition, the Candlewood Association shall record minutes of all meetings and significant actions taken by the Candlewood Association as required by law and the Candlewood Bylaws, and may retain counsel to assist in the preparation of such minutes. The Candlewood Association shall file any corporate reports and property reports that it may be required to file by law, and shall pay all taxes, if any, and other expenses incurred in connection therewith, including the reasonable fees of counsel engaged by the Candlewood Association related thereto.

Section 7. Rule-making Authority. To the extent consistent with the Restated Declaration and the Rules promulgated thereunder, the Candlewood Board shall have the power and authority to make or adopt such reasonable rules as it, in its discretion, deems necessary or appropriate to govern the maintenance of Candlewood Lots and any other reasonable rules necessary or appropriate concerning the appearance, maintenance, or use of the Candlewood Lots.

Section 8. Engagement of Employees, Agents, and Contractors. The Candlewood Association shall have the right, in its discretion, to engage the services of employees, contractors, a real estate management company, or any agents to perform or to assist it in the exercise of any of its rights or duties under this Maintenance Declaration, the Candlewood Articles, Candlewood Bylaws, and any rules adopted by it.

ARTICLE V

Candlewood Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Candlewood Owner, excluding Declarant, by acceptance of a deed or other conveyance for all or any portion of a Candlewood Lot, whether or not it shall be so expressed in such deed or other conveyance, is deemed to covenant and agree to pay to the Candlewood Association: (a) annual Candlewood assessments or charges ("ACA") as more particularly described below; (b) General Special Candlewood Assessments ("GSCA") as more particularly described below; and (c) Special Individual Candlewood Assessments ("SICA") as more particularly described below, such assessments to be established and collected as hereinafter provided. The ACA, GSCA, and SICA, together with any interest, late charges, costs, and reasonable attorneys' fees associated therewith, shall be a charge and shall be a continuing lien upon each Candlewood Lot against which each assessment is made as of that date such assessment is made and continuing until paid, as more specifically described in Section 6 below. A modified Candlewood Lot may be created by the purchase of two (2) or more adjacent Candlewood Lots by one (1) party, followed by the construction thereon of a single dwelling straddling contiguous Candlewood Lot lines and use of the

Candlewood Lots as appurtenances to said dwelling; in such event said Candlewood Lots shall be treated as one (1) Candlewood Lot for the purpose of assessments and voting, meeting any set-back and side-line requirements, and other controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens applicable to Candlewood Lots in this Maintenance Declaration without the necessity of a recombination plat.

Section 2. Purpose of Candlewood Assessments.

(a) The assessments levied by the Candlewood Association shall be used to promote the recreation, health, safety, and welfare of the Candlewood Owners and in particular for the improvement, maintenance, and beautification of the Candlewood Lots as set forth in this Maintenance Declaration by the Candlewood Association, including the costs of maintenance, repairs, replacements, and additions thereto by it; the costs of labor, equipment, materials, management, and supervision incurred or to be incurred by the Candlewood Association in exercising any of its rights or performing any of its duties pursuant to the extent determined by the Candlewood Board in its discretion; the costs of the procurement and maintenance of insurance by the Candlewood Association as permitted by this Maintenance Declaration, the Candlewood Articles, the Candlewood Bylaws, or the rules adopted by the Candlewood Association; the costs associated with the administrative duties of the Candlewood Association; the costs related to the employment of attorneys, accountants, professional management companies, and other contractors and agents to represent the Candlewood Association when necessary in the Candlewood Association's discretion; providing reasonable reserves for the replacement of capital improvements to the extent determined by the Candlewood Board, in its discretion; and the costs of any other expense for which the Candlewood Association may undertake pursuant to the Candlewood Articles, Candlewood Bylaws, this Maintenance Declaration, or the rules adopted by the Candlewood Association.

(b) The Candlewood Association may establish and maintain a reasonable reserve fund for the performance of its rights and duties under this Maintenance Declaration and for capital expenditures, if any, to the extent determined by the Candlewood Board, in its discretion. Such reserve fund may be established out of the ACA and GSCA.

(c) All monies collected by the Candlewood Association shall be treated as the separate property of the Candlewood Association, and such monies may be applied by the Candlewood Association to the proper undertaking of all acts and duties imposed upon or permitted by it by virtue of this Maintenance Declaration, the Candlewood Articles, Candlewood Bylaws, the rules adopted by the Candlewood Association, or under law. Although all funds and common surplus, including other assets of the Candlewood Association, and any increments thereto or profits derived therefrom, shall be held for the benefit of the Candlewood Members, no Candlewood Member shall have the right to assign, hypothecate, pledge, or in any manner transfer his membership interest therein, except as an appurtenance to his Candlewood Lot. When a Candlewood Owner shall cease to be a Candlewood Member by reason of his divestment of ownership of his Candlewood Lot(s), by whatever means, the Candlewood Association shall not be required to account to such Candlewood Owner for any share of the funds or assets of the Candlewood Association, or which

may have been paid to the Candlewood Association by such Candlewood Owner (except as provided in Article V, Section 7 below), as all monies paid to the Candlewood Association shall be and constitute an asset of the Candlewood Association.

Section 3. Annual Candlewood Assessments. The ACA provided herein for each Candlewood Member shall commence upon conveyance of a Candlewood Lot to the said Candlewood Member. The ACA for the first year in which a Candlewood Lot is subject thereto shall be prorated based upon the number of days remaining in the calendar year from the date of such conveyance.

Section 4. Basis and Amount of Annual Candlewood Assessments. The total ACA shall be divided among the Candlewood Lots as follows: The Candlewood Owner of each Candlewood Lot shall pay an ACA not less than \$960.00 per calendar year (\$80.00 per month), with the Candlewood Board making the determination, in its discretion, whether the the ACA shall be payable annually or monthly, as well as the due date therefor. The Candlewood Board is granted the right to assess a larger ACA amount based on actual costs to carry out the Candlewood Association's rights and duties. Beginning with and including 2000 and in each year thereafter, the maximum ACA that may be made by the Candlewood Board, without a vote of the membership, shall be the minimum ACA plus the greater of ten percent (10%) thereof compounded annually or the minimum ACA multiplied by the percentage increase, if any, in the Consumer Price Index ("CPI") (all urban consumer, U. S. City average, all items 1967 = 100 or its succeeding index, or, if none, an index selected in the discretion of the Candlewood Board), such increase to be determined by dividing the CPI Indicator published most recently prior to the time the new ACA is determined by the CPI Indicator published most recently prior to January 1, 1999.

Section 5. General Special Candlewood Assessments.

(a) In addition to the ACA authorized by this Article V, the Candlewood Board may authorize without Candlewood Member approval, except as provided below, GSCA(s) in any calendar year, applicable to that year only, for defraying in whole or in part the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Candlewood Property, acquisition of property, and expense of indemnification of each director and officer of the Candlewood Association. The due date of any GSCA under this Article V shall be fixed in a resolution of the Candlewood Board authorizing such GSCA adopted pursuant to the Candlewood Articles and Candlewood Bylaws.

(b) The Candlewood Board must receive approval of no less than 51% of the Candlewood Members before it may authorize a GSCA in an amount greater than \$250.00 per Candlewood Lot in any calendar year, or before authorizing a GSCA which, when added to any and all previous GSCAs for that calendar year, the total for the calendar year would exceed \$250.00 per Candlewood Lot. Candlewood Member approval, when needed, shall be obtained by ballot or at an annual or special Candlewood Member meeting duly called and held in accordance with the Candlewood Bylaws.

Section 6. Special Individual Candlewood Assessments: Effect of Nonpayment of Candlewood Assessments.

(a) The Candlewood Board may levy, after giving reasonable notice and an opportunity to be heard, SICAs against any individual Candlewood Owner(s) without a vote of the Candlewood Members for payment of fines, penalties, or other charges imposed against said Candlewood Owner(s) relative to such Candlewood Owner(s)'s failure to comply with the terms and provisions of this Maintenance Declaration, the Candlewood Articles, Candlewood Bylaws, or any rules promulgated hereunder. Upon the establishment and due date of a SICA by resolution of the Candlewood Board, the Candlewood Board shall send written notice of the amount and due date of such SICA to the affected Candlewood Owner(s) at least thirty (30) days prior to the date such SICA is due.

(b) An assessment levied pursuant to this Maintenance Declaration, together with any interest, late charges, costs, and reasonable attorneys' fees, is a continuing lien upon each Candlewood Lot against which each said assessment is made from the date said assessment is made until paid. An assessment levied pursuant to this Maintenance Declaration shall bind such Candlewood Lot in the hands of each Candlewood Owner thereof, his heirs, devisees, executors, personal representatives, successors, and assigns. The personal obligation of the Candlewood Owner to pay the subject assessment shall remain his personal obligation for the statutory period. Unless a Candlewood Owner obtains from the Candlewood Association a certificate attesting to the fact that all assessments levied pursuant to this Maintenance Declaration are paid as to an applicable Candlewood Lot and presents such certificate to a purchaser or transferee thereof at closing, the purchaser or transferee shall be conclusively presumed to have assumed all past due assessments levied pursuant to this Maintenance Declaration related thereto and also shall become liable for said past due applicable assessments; every such purchaser in any event shall be liable for future assessments applicable to it. The Candlewood Owner requesting the certificate shall pay to the Candlewood Association a reasonable sum to be determined by the Candlewood Association in its discretion to cover the costs of examining records and preparing the certificate. If an assessment 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 Candlewood Board not to exceed eighteen percent (18%) or the maximum rate allowed by law, whichever is lower; and the Candlewood Association may bring an action at law against the Candlewood Owner(s) personally obligated to pay the outstanding assessment and/or bring an action to foreclose the lien against the applicable Candlewood Lot; and there shall be added to the amount of such assessment all costs of collection, including the cost of preparing and filing the complaint in such action and the costs of reasonable attorneys' fees incident to collection whether or not suit is brought, including on appeal. In the event a judgment is obtained, such judgment shall include interest on the assessment as provided above, reasonable attorneys' fees to be fixed by the Court, together with costs incident to the action.

Section 7. Certificate of Assessments. The Candlewood Association shall, within a reasonable time upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Candlewood Association setting forth whether the assessments on a specified Candlewood Lot have been paid. A properly executed certificate of the Candlewood Association as to the status

of said assessments on a Candlewood Lot is binding upon the Candlewood Association as of the date of its issuance.

Section 8. Subordination of the Lien. The lien for the assessments provided for in this Maintenance Declaration as to any Candlewood Lot shall be prior to all liens and encumbrances on said Candlewood Lot except (a) liens and encumbrances (specifically including any mortgage or deed of trust on said Candlewood Lot) recorded before the docketing of said claim of lien in the office of the clerk of superior court of Duplin County, North Carolina; and (b) liens for real estate taxes and other governmental assessments and charges against said Candlewood Lot. This Section 8 does not affect the priority of mechanics' or materialmen's liens.

Section 9. Additional Assessments. The assessments provided for in this Article V shall be in addition to any other assessments, charges, or taxes which may be levied by the Association or any other entity.

Section 10. Declarant's Assessments: Declarant shall not be liable for or required to pay any Candlewood Assessments as to any Candlewood Lot(s) that it owns. No lien for Candlewood Assessments may attach to Candlewood Lot(s) owned by Declarant, if any. Declarant may pay, however, in its discretion, the difference in cost between the sum of all assessments levied pursuant to this Maintenance Declaration and collected from Candlewood Members, excluding itself, and the actual cost of operation of the Candlewood Association ("deficits"). If Declarant opts to pay the deficits, it may terminate such payment(s) at any time. After Turnover, Declarant shall not be obligated to pay any ACA or GSCA on any Candlewood Lot it owns.

ARTICLE VI

Candlewood Owners' Responsibilities

Section 1. Maintenance of Candlewood Lots. Maintenance and repair of each Candlewood Lot, together with all improvements thereon and all lawns, landscaping, and grounds thereof, shall be the responsibility of the Candlewood Owner thereof. Each Candlewood Owner shall maintain and repair its Candlewood Lot(s) in a neat, clean, and sanitary condition in compliance with any rules promulgated by the Candlewood Association, this Maintenance Declaration, the Rules, the Restated Declaration, the Architectural Standards and other rules and standards promulgated by the ASC, and each Candlewood Owner's obligation to comply with any standards or criteria regarding minimal plant materials and plant material size to be implemented by each Candlewood Owner in connection with a landscaping plan. The Candlewood Owners' responsibilities shall include as to their subject Candlewood Lot(s), but shall not be limited to, the following:

- (a) Promptly removing all litter, trash, refuse, and waste;
- (b) Keeping all sediment resulting from land disturbance or construction on the subject Candlewood Owner's Candlewood Lot confined to said Candlewood Owner's property;

- (c) Complying with all governmental health and police requirements;
- (d) Keeping exterior lighting and mechanical facilities in working order;
- (e) Keeping parking areas and driveways in good repair;
- (f) Repainting of exteriors of improvements;
- (g) Repairing damage and deterioration to exteriors of improvements, it being understood and agreed that, if any improvements are damaged or destroyed by fire or other casualty, either within six (6) months following the date such damage or destruction occurs, the Candlewood Owner of the Candlewood Lot on which such improvements are situated must repair and restore such damaged improvements (in accordance with the original plans and specifications or in accordance with new plans and specifications approved by the ASC and otherwise in accordance with the terms and provisions of the Restated Declaration and of each Additional Declaration applicable thereto); or within thirty (30) days following the date such damage or destruction occurs, the Candlewood Owner must remove any and all debris resulting from such casualty and restore the Candlewood Lot to its condition existing prior to the construction of such improvements. The time requirements contained herein may be waived or extended by the ASC, in its discretion; and
- (h) Completing any maintenance rights not undertaken by the Candlewood Association.

The Candlewood Owner shall not decorate, change, or otherwise alter the appearance of any portion of the exterior of any improvement, landscaping, or grounds, unless such decoration, change, or alteration is first approved in writing by the ASC.

Section 2. Failure to Maintain; Association's and Candlewood Association's Remedies. In the event the Board or Candlewood Board determines that any Candlewood Owner has failed or refused to carry out its duties under this Article VI, the Association and/or the Candlewood Association may act as is necessary to restore the Candlewood Property and improvements thereon to the conditions required under any rules promulgated by the Candlewood Association, this Maintenance Declaration, the Restated Declaration, the Architectural Standards and any rules and/or standards promulgated by the ASC, and any standards or criteria regarding minimal plant materials and plant material size in connection with a landscaping plan. The Association and/or Candlewood Association, acting through its/their agents or employees, shall have the right and power to enter onto the subject Candlewood Owner's Lot(s) and perform such maintenance without any liability for damages for wrongful entry, trespass, or otherwise to any Person. Except in emergency situations, the Association and/or Candlewood Association shall give the Candlewood Owner fifteen (15) days notice prior to its entry onto the Candlewood Owner's Lot(s) to perform such work as permitted hereunder. This right in favor of the Association and/or Candlewood Association shall not impose any obligation upon the Association and/or Candlewood Association to undertake any particular corrective action. If the Association and/or Candlewood Association does take corrective action, said subject Candlewood Owner shall be obligated to pay for any costs incurred by the

Association and/or Candlewood Association, as the case may be, for construction, reconstruction, repairing, replacing, restoring, maintaining, or removing any items which duties the subject Candlewood Owner fails or refuses to discharge, plus an additional fee equal to 10% of such costs for overhead expenses, together with interest on the amounts expended by the Association and/or Candlewood Association in performing such work computed at the highest lawful rate as shall be permitted by law from the date(s) such amounts are expended until repayment to the Association and for the Additional Association, as the case may be, and for all costs and expenses incurred in seeking compliance of such Candlewood Owner with the duties and responsibilities hereunder, and shall reimburse the Association and/or Candlewood Association, as the case may be, on demand for such costs and expenses (including interest as above provided). If such Candlewood Owner shall fail to reimburse the Association and/or Candlewood Association, as the case may be, within thirty (30) days after demand has been made by the Association and/or Candlewood Association for reimbursement, then, without limitation of any other rights of the Association and/or Candlewood Association, the Association and/or Candlewood Association may impose a Special Individual Assessment and/or SICA, respectively, against such Candlewood Owner.

In addition to the foregoing remedy and any and all other remedies available to the Association, the Association may, in its discretion, upon performing the subject Candlewood Owner's maintenance obligations and duties, deem the Candlewood Association to have assigned to the Association the Candlewood Association's right to future income, including the right to receive future ACAs, until the Association's costs plus interest incurred for repairing, replacing, maintaining, or cleaning any items which duties the subject Candlewood Owner failed or refused to discharge has been paid in full.

Section 3. Maintenance Restrictions. Nothing in this Article VI shall give any Candlewood Owner(s) the right to repair, alter, add to, replace, paint, dig, dump, fill, plant in, remove from, or in any other way maintain the Common Area, Declarant's property, the Candlewood Association's property, Association's property, or that property belonging to any other association without first obtaining the prior written consent of the applicable owner or controlling authority of such property.

Each Candlewood Owner shall be liable to the Association and/or Declarant for any damage to any Common Area caused by the negligence or willful misconduct of the Candlewood Owner, or his family, tenants, guests, agents, employees, or invitees, provided, however, that this Section 3 shall not apply to Declarant's construction activities on the Candlewood Property.

Section 4. Compliance with Plans and Specifications. All maintenance of the grounds, landscaping, and beautification of the Candlewood Lots which may be made pursuant to the provisions of this Article VI shall be performed in material accordance with the applicable landscape plan and other applicable plans and specifications approved by the ASC.

ARTICLE VII

Easements

The Candlewood Association shall possess for itself, and at its option, its successors, assigns, employees, agents, and contractors, an easement to enter upon each Candlewood Lot for the purpose of performing the rights and duties set forth in Article IV and VI of this Maintenance Declaration, including an easement over any portion of any unimproved Candlewood Lot in the Candlewood Property for the purpose of installing and maintaining an irrigation system to service the Candlewood Property. Any such entrance shall not be deemed a trespass. The easements granted and reserved in this Maintenance Declaration shall run with the land until termination of the Restated Declaration and shall be binding upon all Persons now owning or subsequently acquiring all or a part of the Candlewood Property and inure to the benefit of the Candlewood Association and the Declarant.

ARTICLE VIII

Indemnification of Directors and Officers of the Candlewood Association

Every director and officer of the Candlewood Association shall be indemnified by the Candlewood Association in accordance with the Candlewood Bylaws.

ARTICLE IX

General Provisions

Section 1. Enforcement. The Association, Candlewood Association, Declarant, or any Candlewood Owner shall have the right, but not the obligation, to enforce the provisions of this Maintenance Declaration. Enforcement of the controls, covenants, conditions, restrictions, easements, development guidelines, charges, or liens for which provision is made in this Maintenance Declaration shall be by any proceeding at law or in equity (or otherwise, as provided in this Maintenance Declaration) against any Person violating or attempting to violate any such control, covenant, condition, restriction, easement, development guideline, charge, or lien to restrain such violation or to recover damages (or otherwise, as provided in this Maintenance Declaration), and against the land to enforce any control, covenant, condition, restriction, easement, development guideline, charge, or lien created by these covenants; and failure by the Association, Candlewood Association, Declarant or any Candlewood Owner to enforce any such control, covenant, condition, restriction, easement, development guideline, charge, or lien shall in no event be deemed a waiver of the right to do so thereafter or of any other or future violation of any thereof.

Section 2. Duration. This Maintenance Declaration and the controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens set forth in this Maintenance Association shall affect and run with the Candlewood Property and shall exist and be binding upon

Candlewood Owners and all Persons claiming under them to the extent as provided in this Maintenance Association until December 31, 2025, and shall continue in full force and effect thereafter by automatically extending for successive periods of ten (10) additional years until 90% of the Candlewood Members have, by affirmative vote, agreed to terminate this Maintenance Declaration; provided, however, that any termination of any or all provisions of this Maintenance Declaration must be consented to by Declarant so long as Declarant is a Candlewood Owner. The foregoing shall not limit the right of Declarant to amend and/or supersede, in whole or in part, the terms and provisions hereof, as such right in favor of Declarant is described in this Maintenance Declaration.

Section 3. Amendment. Subject to the limitations hereinafter contained, this Maintenance Declaration may be amended or modified at any time by the consent of seventy-five percent (75%) of the Candlewood Owners; provided, however, that any amendment or modification to this Maintenance Declaration must be consented to by Declarant so long as Declarant is a Candlewood Owner, which consent Declarant may grant or withhold in its discretion. In addition, without obtaining the approval of any Candlewood Owner, Declarant may make amendments or modifications to this Maintenance Declaration which are correctional in nature only and do not involve a change which materially affects the rights, duties, or obligations specified in this Maintenance Declaration. Any amendment or modification effected pursuant to this Article IX, Section 3, shall become effective when an instrument setting forth such amendment or modification is duly filed for record in the office of the Register of Deeds of Duplin County, North Carolina. Notwithstanding anything contained in this Section 3 to the contrary, any amendment or termination of this Maintenance Declaration which shall materially and adversely affect the validity or priority of the lien of or the rights of Institutional Lenders holding first mortgage loans on property located within Candlewood shall be required to have the prior approval of such lenders.

Section 4. Severability of Provisions. If any paragraph, section, sentence, clause, or phrase of this Maintenance Declaration shall be or become illegal, null, or void for any reason or shall be held by any court of competent jurisdiction to be illegal, null, or void, the remaining paragraphs, sections, sentences, clauses, or phrases of this Maintenance Declaration shall continue in full force and effect and shall not be affected thereby. It is hereby declared that said remaining paragraphs, sections, sentences, clauses, and phrases would have been and are imposed irrespective of the fact that any one or more other paragraphs, sections, sentences, clauses, or phrases shall be or become illegal, null, or void.

Section 5. Notice. Except as otherwise set forth in this Maintenance Declaration, whenever written notice to a Candlewood Owner is required under this Maintenance Declaration, such notice shall be given by the mailing of same, postage prepaid, to the address of such Candlewood Owner appearing on the records of Declarant or the Candlewood Association or, if none, to the address of the Candlewood Owner's Candlewood Lot. If notice is given in such manner, such notice shall be conclusively deemed to have been given by placing same in the United States mail, so addressed, with postage prepaid, whether or not received by the addressee.

Section 6. Titles. The titles, headings, and captions which have been used throughout this Maintenance Declaration are for convenience only and are not to be used in construing this Maintenance Declaration or any part thereof.

Section 7. No Exemption. No Candlewood Owner or other Person may be exempted from the coverage hereof or obligations imposed hereby by non-use of such Candlewood Owner's Candlewood Lot(s).

Section 8. Changes to Plans for Property. Nothing contained in this Maintenance Declaration shall be deemed to incorporate, by reference or otherwise, any plans or proposals promulgated by Declarant with respect to the development of the Candlewood Property other than as expressly referred to in this Maintenance Declaration (i.e., what is revealed on the Candlewood Map).

DRAWN BY AND MAIL TO:

Michele R. Vroman, Esq.
 Parker, Poe, Adams & Bernstein L.L.P.
 P.O. Box 389
 Raleigh, NC 27602

STATE OF NORTH CAROLINA

COUNTY OF DUPLIN

SUPPLEMENTARY DECLARATION OF
 COVENANTS, CONDITIONS AND
 RESTRICTIONS REGARDING
 RIVER WOODS - PHASE II AND
 CEDAR POINT - PHASE I

THIS SUPPLEMENTARY DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS REGARDING RIVER WOODS - PHASE II AND CEDAR POINT - PHASE I (this "Supplementary Declaration") is made this 4 day of MARCH, 1998, by **DUPLIN LAND DEVELOPMENT, INC.**, a North Carolina corporation ("Declarant").

STATEMENT OF PURPOSE

A. Declarant filed those Covenants and Master Declaration in Book 1163, Page 456, in the Office of the Register of Deeds for Duplin County, North Carolina; as amended by that Amendment to and Restatement of Covenants and Master Declaration, recorded in Book 1195, Page 526, in the Office of the Register of Deeds for Duplin County, North Carolina; as supplemented by that Supplementary Declaration of Covenants, Conditions and Restrictions Regarding Red Fox Run - Phase I and Candlewood - Phase II, recorded in Book 1209, Page 148, and Book 1209, Page 472, each in the Office of the Register of Deeds for Duplin County, North Carolina; as further supplemented by that Supplementary Declaration of Covenants, Conditions and Restrictions Regarding Red Fox Run - Phase II and Maple Creek - Phase I, recorded in Book 1217, Page 781, in the Office of the Register of Deeds for Duplin County, North Carolina; and as further supplemented by that Supplementary Declaration of Covenants, Conditions and Restrictions Regarding River Woods - Phase I and Firefly Meadow - Phase I, recorded in Book 1228, Page 650, in the Office of the Register of Deeds for Duplin County, North Carolina (collectively, the "Declaration"). The terms used in this Supplementary Declaration not otherwise defined herein shall have the same meaning as set forth in the Declaration.

B. Article 2, Section 2 of the Declaration provides that Declarant may, with the prior approval of HUD/VA so long as there is a Class "C" Member, cause additional real property to be made subject to the operation and effect of the Declaration and the jurisdiction of the Association by filing in the Office of the Register of Deeds for Duplin County, North Carolina, a Supplementary Declaration containing a statement by Declarant of its intent to extend the operation and effect of the Declaration to additional real property and a reference to a plat showing such additional real property.

C. Declarant desires to bring within the operation and effect of the Declaration and the jurisdiction of the Association the additional real property designated as (1) Lots numbered ~~295~~ ²⁹⁷ through 304, inclusive, of River Woods - Phase II, together with the roads and

Common Area adjacent to such Lots, all as shown on that plat recorded in Map Book 15, Page 187, in the Office of the Register of Deeds for Duplin County, North Carolina ("River Woods II"); and (2) Lots numbered 220 through 294, inclusive, of Cedar Point - Phase I, together with the roads and Common Area adjacent to such Lots, all as shown on those plats recorded in Map Book 15, Page 185, and in Map Book 15, Page 186, each in the Office of the Register of Deeds for Duplin County, North Carolina ("Cedar Point I") (River Woods II and Cedar Point I are collectively referred to herein as the "Additional Property").

D. There is a Class "C" Member under the Declaration, and HUD/VA has issued its consent of the bringing of the Additional Property within the operation and effect of the Declaration and the jurisdiction of the Association.

NOW, THEREFORE, Declarant, by this Supplementary Declaration, declares that:

1. **Incorporation of Recitals.** The above-stated recitals are incorporated herein by reference.
2. **Additional Property made subject to the Declaration.** The Additional Property shall be held, sold, conveyed and used subject to the Declaration and this Supplementary Declaration, the provisions of which shall run with the title to the Additional Property and be binding upon and inure to the benefit of all parties having or acquiring any right, title or interest in the Additional Property, or any part thereof, their heirs, personal representatives, successors and assigns.
3. **Complementary Addition to the Declaration Regarding Common Area.** Without limiting the generality of the Declaration and any rules and regulations regarding use of the Common Area promulgated thereunder, any lake, pond or other waterway included in Cedar Point I which is Common Area shall have the following complementary restrictions as permitted in the Declaration: (a) motorized boats or watercrafts shall not be permitted or allowed on any such lake, pond or other waterway at any time; and (b) no boat, watercraft or other water equipment shall be located or stored on any such lake, pond or other waterway or on any Common Area which lies adjacent to any such lake, pond or other waterway.
4. **Covenants remaining in full force and effect.** All covenants, conditions, restrictions and easements established by and contained in the Declaration shall remain in full force and effect as supplemented hereby and shall apply to the property described therein in addition to the Additional Property.

IN WITNESS WHEREOF, Declarant has caused this Supplementary Declaration to be duly executed effective the day and year first above written.

[SIGNATURE AND NOTARY BLOCKS FOLLOW]

IN WITNESS WHEREOF, Declarant has caused this Supplementary Declaration to be duly executed effective the day and year first above written.

DUPLIN LAND DEVELOPMENT, INC.,
a North Carolina corporation

By: Harry D. Murphy
Harry D. Murphy, President

ATTEST:

By: Brewer M. Ezzell
Title: Asst Secretary
Print Name: Brewer M. Ezzell

[CORPORATE SEAL]



STATE OF NORTH CAROLINA
COUNTY OF Pender

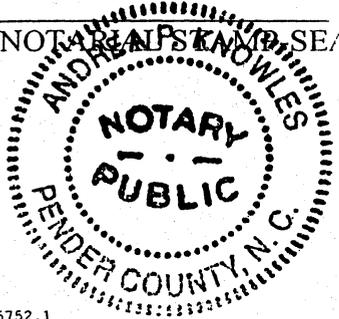
I, a Notary Public of the County and State aforesaid, certify that Brewer M. Ezzell personally appeared before me this day and acknowledged that he/she is Asst. Secretary of **DUPLIN LAND DEVELOPMENT, INC.**, a North Carolina corporation, and that by authority duly given and as an act of the corporation, the foregoing instrument was signed in its name by its _____ President, sealed with its corporate seal and attested by him/herself as its Asst. Secretary.

WITNESS my hand and official stamp or seal, this 4 day of March, 1998.

Andrea P. Knowles
Print Name: Andrea P. Knowles
Notary Public

My Commission Expires: April 15, 2002

[AFFIX NOTARY SEAL]



NORTH CAROLINA, Duplin County

The foregoing or annexed certificate... of

Andrea P. Knowles, NP

..... is/are certified to be correct

This Instrument duly recorded and verified, this *5* day of *March* 19 *98*

at *12:57* o'clock *p*. M. in the Book and Page shown on the first page hereof

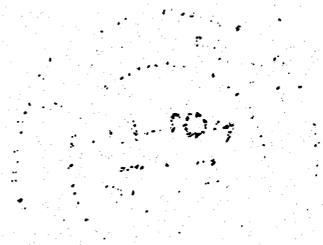
JOYCE J. WILLIAMS, Register of Deeds

By

June H. Malley
Deputy Assistant Register of Deeds

14th

*Handed Emily Walter
w/ River Landing*



STATEMENT OF EXPLANATION AND CORRECTION

Pursuant to the provisions of North Carolina G.S. § 47-36.1, the undersigned, the party to the below-described instrument, makes the following statement of explanation and correction with the re-recording of that certain Supplementary Declaration of Covenants, Conditions and Restrictions Regarding River Woods - Phase II and Cedar Point - Phase I, dated March 4, 1998, by Duplin Land Development, Inc., a North Carolina corporation, originally recorded in the Duplin County Registry in Book 1236 at Page 55.

The original instrument incorrectly lists the numbers of the lots of River Woods - Phase II shown on that plat recorded in Map Book 15, page 187, Duplin County Registry, as Lots numbered 295 through 304, inclusive. The correct numbers of the lots of River Woods - Phase II shown on that plat recorded in Map Book 15, page 187, Duplin County Registry; are Lots numbered 297 through 306, inclusive. Such inadvertent error occurred because the original instrument was prepared based on the understanding that the lots in question would be numbered as stated therein; however, said plat, which was recorded immediately prior to the recordation of the original instrument, numbered the lots in question Lots 297 through 306. Therefore, the error has been corrected on the original instrument attached hereto, which original instrument is herewith being re-recorded.

This 6 th day of March, 1998.

DUPLIN LAND DEVELOPMENT, INC.,
a North Carolina corporation

By: [Signature]
Brewer M. Ezzell, Vice President

This explanation statement together with the attached instrument duly rerecorded at 2:53 o'clock PM this the 6th day of March, 1998 in the Book and Page shown on the first page hereof.

Joyce J. Williams
Register of Deeds
By: [Signature]
June H. Mobley
Asst.

ATTEST:

[Signature]
Joyce M. Norman, Secretary

(AFFIX CORPORATE SEAL)



[Signature]
Emily Walter
w/ River Landings

14

DRAWN BY AND MAIL TO:
Brandon G. Bordeaux, Esq.
Parker, Poe, Adams & Bernstein L.L.P.
P.O. Box 389
Raleigh, NC 27602-0389

RECORDED

00 SEP 13 PM 1:14

JUDICE WILLIAMS WEST
REGISTER OF DEEDS
DUPLIN COUNTY, N.C.

JE

STATE OF NORTH CAROLINA
COUNTY OF DUPLIN

SUPPLEMENTARY DECLARATION
OF COVENANTS, CONDITIONS AND
RESTRICTIONS REGARDING FIREFLY
MEADOW II AND CARDINAL CREST

THIS SUPPLEMENTARY DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS REGARDING FIREFLY MEADOW II AND CARDINAL CREST (this "Supplementary Declaration") is made this 11 day of September, 2000, by DUPLIN LAND DEVELOPMENT, INC., a North Carolina corporation ("Declarant").

STATEMENT OF PURPOSE

A. Declarant filed that Second Amendment to and Restatement of Covenants and Master Declaration in Book 1275, Page 612, in the Office of the Register of Deeds for Duplin County, North Carolina (as supplemented and amended, the "Restated Declaration"). The terms used in this Supplementary Declaration not otherwise defined herein shall have the same meaning as set forth in the Restated Declaration.

B. Article 2, Section 2 of the Restated Declaration provides that Declarant may cause additional real property to be made subject to the operation and effect of the Restated Declaration and the jurisdiction of the Association by filing in the Office of the Register of Deeds for Duplin County, North Carolina, a Supplementary Declaration containing a statement by Declarant of its intent to extend the operation and effect of the Restated Declaration to additional real property, referencing therein a plat showing such additional real property, and including such complimentary additions to and modifications of the controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens contained in the Restated Declaration as are not inconsistent with the provisions of the Restated Declaration.

C. Declarant desires to bring within the operation and effect of the Restated Declaration and the jurisdiction of the Association the additional real property designated as (1) Lots numbered 526 through 580 of Firefly Meadow II, together with the roads and Common Area adjacent to such Lots, all as shown on that plat entitled "Map of Survey of Firefly Meadow at River Landing [Phase II] for Duplin Land Development, Inc.," by Manley D. Carr, P.L.S., Robert H. Goslee & Associates, P.A., dated September 11, 2000, and recorded in Map Book 16, Page 199-200 in the Office of the Register of Deeds for Duplin County, North Carolina ("Firefly Meadow II"); and (2) Lots numbered 581 through 605 of Cardinal Crest, together with the roads and Common Area adjacent to such Lots, all as shown on that plat entitled "Map of Survey of Cardinal Crest at River Landing for Duplin Land Development, Inc.," by Manley D.

Carr, P.L.S., Robert H. Goslee & Associates, P.A., dated September 7, 2000, and recorded in Map Book 16, Page 198, in the Office of the Register of Deeds for Duplin County, North Carolina ("Cardinal Crest") (collectively, the "Additional Property").

NOW, THEREFORE, Declarant, by this Supplementary Declaration, declares that:

1. **Incorporation of Recitals.** The above-stated recitals are incorporated herein by reference.

2. **Additional Property made subject to the Restated Declaration.** The Additional Property shall be held, sold, conveyed, and used subject to the Restated Declaration and this Supplementary Declaration, the provisions of which shall run with the title to the Additional Property and be binding upon and inure to the benefit of all parties having or acquiring any right, title or interest in the Additional Property, or any part thereof, their heirs, personal representatives, successors and assigns.

3. **Setbacks.** Any setbacks shown on any recorded plats of the Additional Property shall take precedence over and be superior to any conflicting setbacks not shown on said plats.

4. **Central Sewer System.** No private sewage disposal system, including, without limitation, septic tanks, may be installed or maintained on any Lot within the Additional Property unless the central sewer system serving the Development has not been installed adjacent to said Lot and made available to said Lot, in which case a private sewer system approved by the ASC may be installed on said Lot at said Lot Owner's sole expense to provide service to said Lot only. Once the central sewer system serving the Development is made available adjacent to said Lot, the Lot Owner must disconnect the private sewer system and connect to and use the central sewer system only. All Owners shall pay the regular fees and charges to the utility providing sewer service. Should an Owner fail for fifteen (15) days after notice of its delinquency to pay the sewer bill, the Person(s) (including any municipality, other governmental authorities, utility, or the Association or an applicable Additional Association, as the case may be) providing the sewer service may discontinue the sewer service to said Owner and deny reconnection until the delinquent bill and reconnection fee are paid.

5. **Covenants remaining in full force and effect.** All controls, covenants, conditions, restrictions, easements, development guidelines, charges, and liens established by and contained in the Restated Declaration shall remain in full force and effect as supplemented hereby and shall apply to the property described therein in addition to the Additional Property.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, Declarant has caused this Supplementary Declaration to be duly executed effective the day and year first above written.

DUPLIN LAND DEVELOPMENT, INC.,
a North Carolina Corporation

By: [Signature]
Title: VICE President
Print Name: Kevin A. Hine

ATTEST:
By: [Signature]
Title: Asst. Secretary
Print Name: Brewer M. Ezzell



STATE OF NORTH CAROLINA
COUNTY OF PENDER

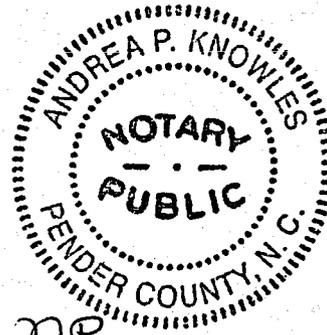
I, a Notary Public of the County and State aforesaid, certify that Brewer M. Ezzell personally appeared before me this day and acknowledged that he/she is Asst. Secretary of **DUPLIN LAND DEVELOPMENT, INC.**, a North Carolina corporation, and that by authority duly given and as an act of the corporation, the foregoing instrument was signed in its name by its Vice President, sealed with its corporate seal and attested by him/herself as its Asst. Secretary.

WITNESS my hand and official stamp or seal, this 11 day of September, 2000.

[Signature: Andrea P. Knowles]

Andrea P. Knowles
Print Name:
Notary Public

My Commission Expires:
April 15, 2002
[AFFIX NOTARIAL STAMP/SEAL]



NORTH CAROLINA, Duplin County
The foregoing or annexed certificate... of Andrea P. Knowles, NP

is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

JOYCE W WILLIAMS, WRST Register of Deeds.

Recorded and verified [Signature]

By: [Signature: Jenell K. Edmundo]
Deputy / Assistant Register of Deeds

12.00