

DECLARATION OF COVENANTS,
RESTRICTIONS AND EASEMENTS
OF BOGUE SOUND YACHT CLUB
PHASE I

THIS DECLARATION, made this the 27th day of July, 1984, by OCEAN AREA DEVELOPERS, INC., a North Carolina corporation with its principal place of business in Carteret County, North Carolina, hereinafter called "Declarant":

BACKGROUND STATEMENT

The Declarant, Ocean Area Developers, Inc., is the owner of certain real property situated in Carteret County, North Carolina. This tract of land is shown on that plat appended hereto as Exhibit A and is described in Exhibit B, which are appended hereto and incorporated herein by reference, and is called the "development area". Declarant has created a subdivision of single-family lots located within the development area, which subdivision is named "Bogue Sound Yacht Club, Phase I". A plat of the said subdivision, consisting of twenty (20) consecutively numbered single-family lots, is appended hereto as Exhibit C. By this Declaration, the Declarant desires to assure development of Bogue Sound Yacht Club in a manner such as to preserve the value of the investment of owners therein, and further to protect the land from damage which would detract from its beauty or increase its vulnerability to damage by natural forces. Further, Declarant reserves the right to further subdivide and sell additional real estate interests within the development area. Further development may be subsequent phases of Bogue Sound Yacht Club, consisting of additional single-family lots, in which event the size and layout of such lots shall be similar to and compatible with the design of Phase I of Bogue Sound Yacht Club and Declarant may, by recording of a separate instrument incorporating the terms and conditions of this Declaration, extend the scope of these covenants, restrictions, and easements to such additional single-family lots. However, Declarant also reserves the right to further develop, within the development area, other forms of real estate ownership including, but not by way of limitation, multi-occupancy types of housing such as condominiums, townhouses, or patio homes: but provided, however, that in no event shall the aggregate total number of living units contained within the development area, including those lots which comprise Phase I of Bogue Sound Yacht Club, exceed one hundred seventy five (175).

With the initial development of Bogue Sound Yacht Club, Declarant has constructed an access road named "Yacht Club Drive", as shown on Exhibit A, providing access from the lots in Phase I to North Carolina Highway 24, and has additionally constructed an unnamed cul-de-sac serving lots Ten (10) through Fifteen (15), inclusive, of Phase I.

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ned to Bogue Sound with a dredged channel, and the said yacht basin and associated facilities, together with the surrounding parcel of land are further dedicated to the exclusive use and enjoyment of purchasers of lots in Bogue Sound Yacht Club, Phase I, as well as for the use of subsequent owners of property within the development area. In order to provide for a continuity of management of such common properties and to permit collective actions by owners within Bogue Sound Yacht Club, and further to enforce these covenants, Declarant has caused to be chartered a non-profit corporation under the provisions of Chapter 55A of the North Carolina General Statutes, called "Bogue Sound Yacht Club, Inc". All purchasers of lots within Bogue Sound Yacht Club, Phase I, shall by virtue of their ownership of such lots be members of the said non-profit corporation, and shall further be obligated to pay such dues and assessments as may be determined by the corporation for the proper maintenance of the common areas within the development, all as further provided in subsequent provisions of this Declaration and in the By-Laws of Bogue Sound Yacht Club, Inc.

NOW, THEREFORE, Declarant does publish and declare that all of the property described in Exhibit C hereto is held and shall be held, conveyed, and improved, subject to the following covenants, restrictions, easements, uses and obligations, all of which are agreed to be in furtherance of a uniform plan of subdivision, and shall be deemed to run with the land and to be a burden and a benefit to Declarant, its successors and assigns, and any persons acquiring an interest in Bogue Sound Yacht Club, their grantees, successors, heirs, executors, administrators, devisees and assigns.

ARTICLE I

DEFINITIONS:

The following words or phrases, as used in this instrument and any amendment hereto shall have the following meanings, unless the context shall prohibit:

1. Development area: That property platted on Exhibit A hereto and described in Exhibit B hereto.
2. Bogue Sound Yacht Club, Phase I: That property as shown on Exhibit C hereto.
3. Single-family: A residential structure intended and constructed for collective use by one or more persons but excluding structures containing two or more separable areas each of which contains separate living, sleeping, bath and food preparation areas for occupancy by unrelated persons or groups of persons.

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4. Association: Bogue Sound Yacht Club, Inc.

5. Owner: The record owner, whether one or more persons or entities, of fee simple title to any lot in the subdivision.

6. Common area: An area dedicated to the use of all owners in Bogue Sound Yacht Club, and subject to dedication for the use of other property owners within the development area at the election of the Declarant.

7. Living-unit: A single-family residence, whether consisting of a detached single-family dwelling, townhouse, cluster home, condominium, or any other real estate entity intended for occupancy by one family unit.

ARTICLE II

BUILDING USE:

Lots in Bogue Sound Yacht Club, Phase I may be used solely for single-family private residential purposes, and only one (1) single-family residence shall be erected on any lot. No commercial or business activity shall be permitted on any lot except that owners may maintain private offices within their homes provided such offices are not used for the purpose of serving the public, clients, patients, or customers. No business or professional signs will be erected within the subdivision.

This restriction shall not apply to those activities of the Declarant or its agents which are reasonably required in connection with its marketing activities, as long as unsold lots remain in the subdivision.

ARTICLE III

BUILDING RESTRICTIONS:

1. Set-back requirements: No part of any structure of any kind shall be erected or permitted to remain on any lot closer to the property line than thirty (30) feet on the front or road access side, thirty (30) feet on the back or rear lot line, and ten (10) feet to either side lot line. For purposes of application of these set-back limitations, a driveway is not defined as a structure.

2. Building size: All residences in Bogue Sound Yacht Club shall contain a minimum of 1,750 square feet of enclosed, heated area if consisting of a single-story, or a minimum of 2,000 square feet for split-level and multi-floor houses, exclusive of decks, porches, garages and carports. In addition, an enclosed, attached garage or carport must be provided with each residence, with a roof that is contiguous with the roof of the house.

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neys or flue stacks, electronics antennae, or vent pipes) shall exceed two living stories or thirty (30) feet in height measured from the lowest grade level of the building foundation or piers upon which the structure is erected.

4. Design Features: In order to maintain the quality and value of the development, residence design shall reflect traditional architectural styles and highly stylized themes such as "ultra modern" and "A" Frame types are not acceptable; nor are log cabins, exposed masonry block, metal exterior siding, and any other materials or design elements which, in the opinion of the Architectural Control Committee, do not harmonize with traditional first-quality residential construction.

5. All residences shall be built-in-place and no mobile homes (including double-wide mobile homes), commercial vehicles, recreational vehicles, trailers, campers, component homes, pre-fabricated homes, tents, shacks, barns or any other outbuilding, or portion thereof, (with the exception of approved pumphouses and poolhouses as further provided in sub-paragraph 7(a) of this Article III) shall be placed, erected, or permitted to remain on any lot.

6. Construction: The exterior of any house or addition to a house must be completed within nine (9) months after construction is started, except where such completion is impossible or would result in great hardship to the owner due to fire, national emergency, natural calamity, or other factors outside of the control of the owner.

Within one (1) month of completion of the exterior of any house or addition or alteration to a house, debris and waste material from construction must be removed from the site. Within one (1) year after completion of the exterior of any house or alteration or addition to a house the exterior woodwork shall be painted or stained and the lot shall be landscaped, including seeding with lawn grass or planting of ground cover on all bare earth, in a workmanlike manner.

Lot owners shall be insurers of their employees, contractors, subcontractors of their contractors, and material suppliers, to the Declarant and to the Association for any damage to roads or to any other common facilities in the subdivision caused by the passage of vehicles and equipment over the roads in the subdivision, or by any other activity associated with construction on lots within the subdivision. In the event of such damage, the Association shall have the authority to repair such damage and assess the costs of such repairs to the lot owner, which assessment shall become a lien on the property as provided in Article VIII of this Declaration.

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7. Accessory structures:

(a) Pumphouses, swimming pools, and poolhouses may be erected on any lot, provided the design of the same is approved by the Architectural Control Committee, and the same are located no closer than ten (10) feet to a side lot line.

(b) Trash container enclosures: Receptacles for trash, rubbish, garbage or ashes shall be screened or so placed and kept as not to be visible from any street except during time of refuse collection.

(c) No separate, free-standing storage sheds or other accessory structures shall be permitted on any lot.

8. Antennae: No exposed television antennae shall be allowed or permitted to remain on any lot for more than twelve (12) months after the availability of service by a community television antenna system. In no event shall satellite dish antennae be installed or permitted to remain on any lot.

9. No exposed fuel oil or propane gas tanks shall be permitted.

10. At such time as private or public waste treatment facilities may become available, no individual septic tank or other waste treatment equipment shall be permitted.

11. Outside illumination of any lot or dwelling shall be done by means of small incandescent lights. No metallic vapor, H.I.D., area lights, or other lights which cannot be restricted to the owners' residence or property shall be used.

12. No metallic fence of any height shall be permitted forward of the rear line of the residence on any lot nor between said lot and the subdivision roadway. No other fence of more than four (4) feet in height shall be permitted on any lot forward of the front line of the residence on said lot or between any residence and the subdivision roadway.

13. If in the discretion of the Architectural Control Committee it is necessary that a culvert or culverts be provided under the driveway connection of any lot with any road within the subdivision, fifteen (15) inch R.C.P. culverts with flared ends shall be specified.

14. No piers or docks shall be permitted to be built into Bogue Sound from any residential lot in Bogue Sound Yacht Club Phase I. The shoreline of any individual lot shall not be altered in any way, or bulkheaded, without the approval of the Architectural Control Committee, in addition to approval by any governmental agency which would otherwise be required.

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ARCHITECTURAL CONTROL COMMITTEE:

1. **Composition:** An Architectural Control Committee consisting of three (3) persons shall be appointed by the Declarant. Upon activation of the Association or upon the construction of eighteen (18) residences in Bogue Sound Yacht Club, whichever shall occur later, these persons shall be replaced by committee members designated by the Association. Members of the Architectural Control Committee need not be members of the Association.

2. **Responsibility of owners:** In the event that any building, fence, wall, walkway, or any other structure is to be erected, modified or altered on any lot, complete plans and specifications, including site and landscaping plans, exterior elevations, perspective sketches, and any other drawings and details necessary for evaluation, must be submitted to the Architectural Control Committee before the commencement of work. In the event of new construction or major alteration or replacement of an existing residence, the submittal shall include a plat prepared by a registered professional engineer or land surveyor. Submittals shall be directed to "Bogue Sound Yacht Club Architectural Control Committee", in care of Ocean Area Developers, Inc., Highway 24, Rt. 5, Box 549, Newport, North Carolina 28570

3. **Scope of architectural review:** Within ten (10) days of the submission of such plans, the Architectural Control Committee shall approve, disapprove, or recommend modifications of the same. In the event action is not taken within ten (10) days of the date received by the committee, such plans are deemed approved. Upon approval of the plans by the Architectural Control Committee, one set of such plans shall be initialed by the Chairman of the Committee and returned to the owner and a duplicate set of plans shall be maintained on file by the Architectural Control Committee for the purpose of assuring that construction ensues pursuant to the plans. Factors to be considered by the Architectural Control Committee shall include, but not by way of limitation, the following:

(a) Preservation of the natural environment.

(b) Harmony of design with the locale and with existing structures, so as to avoid devaluation of surrounding properties.

(c) The desirability of minimizing intrusions on the view and the privacy of surrounding properties.

(d) Design and location of driveway entrances and utilities service equipment.

(e) Complete compliance with all building restrictions set out in this Declaration.

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4. Enforcement of architectural requirements: The Architectural Control Committee is empowered, on behalf of the Association and affected individual owners, to bring an action to enforce the requirements of this Article, including, but not by way of limitation, actions for injunctive relief. In the event that the Architectural Control Committee should prevail in such an action brought to enjoin a violation of this Article or the next preceding Article, the Architectural Control Committee shall be entitled on behalf of the Association to recover reasonable attorney's fees for such action. All owners of lots within Bogue Sound Yacht Club, by acceptance of a deed thereto, agree that the vote of the Architectural Control Committee shall be final and binding.

ARTICLE V

GENERAL RESTRICTIONS:

1. No swine, cows, horses, goats, fowl or other livestock, or wild animals shall be kept or maintained on any lot; nor shall any dog kennels or other such projects involving the rearing, handling or care of any animals or birds in numbers or commercially be conducted or maintained within the subdivision. This restriction shall not apply to dogs, cats, or other domestic animals generally considered as pets, so long as said animals are of a quiet and unoffensive nature.

2. Watercraft of a size which may be lawfully transported by automobile trailer and recreational vehicles may be kept on the property, provided that:

(a) There shall be no more than two (2) such per lot.

(b) Boats, boat trailers, travel trailers, motor homes, campers, and other recreational vehicles shall be stored within a garage or shall be so kept as to be inconspicuous from the access road.

(c) In no case shall travel trailers, motor homes, or similar vehicles be occupied as living quarters while on the property.

3. No commercial vehicle, motorcycle, moped, off-road recreational vehicle, truck, or motorized equipment shall be permitted in the subdivision except while such units are being used for construction of residences in the subdivision or delivery of merchandise.

4. No advertising signs of any kind shall be permitted on any lot. This prohibition expressly includes "For Sale" or "For Rent" signs.

5. No lot in Bogue Sound Yacht Club may be subdivided without the approval of the Architectural Control Committee, which

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subdivided into segments of the subdivision combined with other lots so as to create larger lots, and such that the aggregate number of living units in the subdivision is not increased. An owner may combine two or more lots for the construction of a single residence without the approval of the Architectural Control Committee, and in such instance the set-back requirements pertaining to the interior lot line shall be inapplicable. Approval of the Architectural Control Committee for such a re-combination of complete lots shall not be required, but the Architectural Control Committee shall prescribe the building area on the lot created by such combination.

6. Unimproved lots shall be kept free of trash, unsightly debris, and stored materials and vehicles.

7. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

8. All clothes lines or appliances of any type designed for the purpose of drying laundry, shall be erected and maintained at the rear of the dwelling on each lot, suitably screened from view.

9. No roadways, trails, or lanes providing access to or from any portion of the subdivision to any adjacent properties outside said subdivision shall be constructed, other than those provided by the Declarant.

10. The use of the yacht basin or marina which is a part of the common area of Bogue Sound Yacht Club Subdivision shall be limited to pleasure vessels. Occupancy of the marina or yacht basin by any vessel which is employed in commercial fishing activities is prohibited.

ARTICLE VI

EASEMENTS:

Each lot in Bogue Sound Yacht Club, Phase I, is burdened by or benefitted by certain easements in perpetuity, running with the land, as follows:

1. Each lot in Bogue Sound Yacht Club is subject to a utilities easement for underground service to other lots within the subdivision as the same is shown on Exhibit C hereto.

2. Drainage easements: Certain lots are subject to drainage easements, as the same are shown on Exhibit C hereto.

3. General utilities easements: In addition to the foregoing, each lot in Bogue Sound Yacht Club is subject to a gen-

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eral easement granted, or to be granted, by the Declarant to the furnishers of utilities to individual lots within the subdivision, for the purpose of providing utilities services to the individual lots.

4. Access roads: Yacht Club Drive and the unnamed cul-de-sac, as shown on the plat in Exhibit C shall be constructed to State secondary road standards, but until such time as these roadways are accepted by the North Carolina Department of Transportation for maintenance, they shall be maintained by Declarant and the Association as more fully provided in Article VIII hereto. Lots One (1) through Twenty (20) of Bogue Sound Yacht Club are granted an easement appurtenant to the said lots over said roads for the purpose of vehicular ingress and egress to the said lots.

5. Right of owners to yacht basin and pier areas: Each lot in Bogue Sound Yacht Club, Phase I, has, associated with the ownership of the said lot and running with the land, a right to the use of the boat launching ramp located at the yacht basin and the right to the use of one (1) boat slip to be assigned to and allocated to each lot by the Association. The boat slips in the yacht basin are for the sole and exclusive use of owners of property within Bogue Sound Yacht Club, including any future phases within the development, and the right to the use of a slip which is allocated each lot owner may not be assigned, sub-let, or otherwise used by persons other than an owner within Bogue Sound Yacht Club. The Association may, in its discretion, create a special assessment to be charged to those persons who are making use of their assigned slips for boat dockage, but provided that such special assessment shall be limited solely to the direct cost of utilities such as power and water furnished for the use of boat owners. In addition, a lot owner who maintains a vessel in the yacht basin shall be responsible to reimburse the Association for any damages to any dock, pilings, utilities or any other improvements in the common area which result from the operation of his vessel, whether or not negligent. Boats which are docked in the said marina shall be properly maintained, and the Association shall have the authority to prescribe and enforce reasonable rules and regulations with respect to the use and operation of the yacht basin, ramp, and slips. Vessels docked in the said basin and slips shall not be used for living aboard by any persons. An Owner who owns more than one complete lot in Bogue Sound Yacht Club shall be entitled to the use of as many slips as the number of full lots which he owns. In the event of any purchase and re-combination of lots by more than one owner (e.g., the instance in which two owners acquire three lots and re-divide the same), the slip assigned to the subdivided lot shall be allocated to one owner alone by a written memorandum of agreement between such owners filed with the Secretary of the Association.

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RIGHTS AND RESPONSIBILITIES OF DECLARANT:

In the development of Bogue Sound Yacht Club and, in particular, in the further development of properties within the development area, the Declarant assumes certain responsibilities and obligations to purchasers of lots within Bogue Sound Yacht Club as follows:

1. Until such time as the Association is formed, Declarant shall maintain Yacht Club Drive and the unnamed cul-de-sac.

2. Declarant agrees to pay assessments to the association as provided in Article VIII of this Declaration.

3. In the event that Declarant should erect or provide additional common areas and amenities in the development area, the Declarant may, but is not obligated to, make such additional amenities available to the owners of single-family lots within Bogue Sound Yacht Club, Phase I, or subsequent phases of the single-family lot sub-division of Bogue Sound Yacht Club. In the event that such amenities are made available to the owners of single-family lots, such owners shall have the right to accept, or to decline to accept, the use of such additional amenities and a share in the cost of the maintenance of the same. To accept such additional amenities and to commit all owners of single-family lots within Bogue Sound Yacht Club to the lien of assessments for the maintenance of the same shall require a vote of two-thirds (2/3) of the members of the Association of single-family lot owners, and Declarant shall not have the right to cast a vote for lots owned by it on such question of acceptance of additional amenities. It is understood that Declarant may construct amenities to be made available to owners of living units within any condominium or townhouse development which may take place subsequently on the development area, without offering the use of the same to the owners of single-family lots.

4. Declarant reserves the right, in the event that there should be future development within the development area in a form of ownership other than single-family lot ownership, to create an additional association or associations of property owners for such subsequent developments, and to include within or convey to such subsequent associations additional common areas and further, to grant to such associations the right to participate in or make use of the access roads and the common areas as shown on the plat in Exhibit C. Because such subsequent associations, if any, and the association of single-family lot owners as created by this Declaration and the accompanying Articles and By-Laws of the Association shall have common rights and responsibilities with respect to amenities which are available to all persons within the development area, the Declarant reserves the right to create a

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"master association" for the ownership and/or control of such additional amenities, and the owners and subsequent purchasers of single-family lots within Bogue Sound Yacht Club and subsequent phases of the single-family lot subdivision shall be obligated to become members of and to participate in the said master association, for their mutual benefit.

ARTICLE VIII

BOGUE SOUND YACHT CLUB, INC.:

All purchasers of lots in Bogue Sound Yacht Club shall, and by their acceptance of deeds conveying such lots do, for themselves, their heirs, successors and assigns, agree to become members of the Bogue Sound Yacht Club, Inc., a North Carolina non-profit corporation organized for the purposes set out in the Articles of Incorporation and By-Laws thereof, these being attached hereto as Exhibits D and E, respectively, and incorporated herein by reference.

1. Responsibility of the association: The Association shall assume responsibility for such functions as shall fall within the purposes for which it is chartered, including, but not by way of limitation, the following:

- (a) Maintenance of Yacht Club Drive and cul-de-sac until such time as the same may become the responsibility of the State of North Carolina.
- (b) Negotiating and contracting for garbage, trash collection, and such other services as the owners may elect.
- (c) To maintain the marina and yacht basin, channel, bulkheads, pilings, the pier into Bogue Sound, the full cost of the maintenance of the channel including the dredging thereof, and payment of all utilities bills associated with the operation of the marina.
- (d) Maintaining any improvements in the common area as shown on the plat in Exhibit C, including the payment of ad valorem taxes, if any, on any of the common areas owned by the Association.
- (e) Representing the owners of single-family lots in the Bogue Sound Yacht Club, including subsequent phases thereof, in the management of the master association should such be created.
- (f) Enforcement of the provisions of this Declaration.

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The Association may dedicate or transfer title to any property to which it holds title, to any public agency or authority, provided such transfer is agreed to by three-fourths (3/4) of the members of the Association.

2. Assessments:

- (a) Each owner of a lot or lots in Bogue Sound Yacht Club by acceptance of the deed thereto, whether or not it shall be expressed in such deed, is deemed to, and does thereby, covenant and agree, on behalf of himself, his heirs, successors and assigns, to pay assessments to the Association for the expenses incurred in providing the services and in maintaining the properties which are the responsibility of the Association. The initial assessment shall be \$48.00 per year for each lot, whether or not improved, and the assessment year shall coincide with the fiscal year of the Association. When a lot is subdivided and re-combined, the total assessment for said lot shall become the personal obligation of the owner of the major fraction of the divided lot, and the lien of the assessment shall also attach to the same, notwithstanding that the owners who divide the said lot may reach whatever agreement they choose as to the allocation of the assessment. The assessment for lot will be divided between two owners only in the instance in which the lot is divided substantially equally between the said owners, in which instance the Association may assess one-half of the irregular assessment to each such owner, and the lien shall attach to each segment of the lot accordingly.
- (b) The Declarant shall also pay assessments at one-half of the rate set out herein, or \$24.00 per year, for all unsold lots in Bogue Sound Yacht Club, or which shall be shown and platted on supplemental plats of succeeding phases, if any, of Bogue Sound Yacht Club. The Declarant, however, shall have the additional obligation to see to the proper maintenance of the common areas of Bogue Sound Yacht Club until such time as voting control of the Association shall pass from the Declarant to the owners.
- (c) Each owner of a lot or lots in Bogue Sound Yacht Club, by his acceptance of a deed thereto, further covenants that he shall pay such amounts to be included in the Association assessment as may be required to be paid in turn to a master association, if any, for the maintenance of such amenities and properties as shall subsequently come under the

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ownership and/or control of the said master association, as set out hereinabove. (But provided, however, that the Association shall have the right to decline to participate in such additional common amenities in accordance with the provisions of paragraph VII-3. above). No individual lot owner within Bogue Sound Yacht Club shall be relieved of the obligation to pay assessments for the support of the activities of the master association by his election to decline the use of the same, provided such amenities have been accepted by the requisite vote of the members of the Association.

(d) At closing, each purchaser shall pay a pro-rata portion of the annual assessment from the date of closing to the end of the current fiscal year of the Association.

3. Voting rights. The Declarant shall elect the Directors of the Association until such time as the eighteenth (18) lot of Bogue Sound Yacht Club shall have been conveyed. Thereafter, all owners of lots in Bogue Sound Yacht Club shall be entitled to one (1) vote for each lot, as further provided in the Articles of Incorporation and the By-Laws of the Bogue Sound Yacht Club, Inc.

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

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of nine percent (9%) per annum. The Association may bring an action at law against the owner or owners personally obligated to pay the same or may foreclose the lien against the property, and the Association is hereby granted a power of sale to conduct said foreclosure; any interest, costs and reasonable attorney's fees of the action of foreclosure shall be added to the amount of such assessment. Such foreclosure shall be conducted under the procedure prescribed by statute in North Carolina for sales under a power of sale. In addition to the remedies set out hereinabove, the Association acting by and through its Board of Directors may deny the right to use of any of the recreational amenities of the subdivision to any lot owner whose assessment is not paid within thirty (30) days after the date upon which it is due.

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5. Subordination of lien to mortgage: The liens provided for herein shall be subordinate to the lien of any mortgage, mortgages, deed of trust or deeds of trust. Sale or transfer of any lot shall not affect the assessment lien provided for in the preceding section. However, the sale or transfer of any lot which is subject to any mortgage or deed of trust, pursuant to a foreclosure thereof shall extinguish the lien of such assessment as to the payment thereof which became due prior to such sale or transfer, but shall not extinguish the personal liability of the owner at the time the assessment fell due. No such sale or transfer shall relieve such lot from liability for any assessment thereafter becoming due or from the lien thereof, but the liens provided for shall continue to be subordinate to the lien of any mortgage, mortgages, deed of trust or deeds of trust.

ARTICLE IX

DURATION AND AMENDMENT:

All restrictions and covenants set forth in this Declaration shall run with the land and shall be binding on all parties and persons claiming under them for a period of twenty-five (25) years from the date of recording of this Declaration, after which these restrictions and covenants shall be automatically extended for additional periods of ten (10) years each.

This instrument may be amended by the Declarant until the Declarant shall no longer own unsold lots in Bogue Sound Yacht Club or upon the expiration of seven (7) years from the date hereof, whichever shall occur first, but provided, however, that the Declarant shall not have the power to:

- (a) Alter the voting rights of members other than as provided herein or in the Articles of Incorporation or By-Laws of the Association, nor to create voting rights in the master association, if created other than on the basis of one (1) vote per living unit; or
- (b) Effect any amendment which would alter these covenants and restrictions with respect to any lot in Bogue Sound Yacht Club, Phase I, as shown on plat attached hereto as Exhibit C, or any lot in any subsequent phases which shall be shown on a subsequently recorded map or plat at the time of such amendment;

without the joinder of seventy-five percent (75%) of the owners of lots, other than the Declarant, in such recorded phases.

This instrument may be amended at any time after the Declarant shall no longer own any lot or lots in Bogue Sound Yacht

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Club, or upon the expiration of seven (7) years from the date hereof, whichever shall occur first, by an affirmative vote of seventy-five percent (75%) of the then owners of lots in Bogue Sound Yacht Club, including the owners of subsequent phases of Bogue Sound Yacht Club.

ARTICLE X

ENFORCEMENT:

In the event of a violation or breach of any of the covenants and restrictions herein by any owner or agent thereof, the owners of other lots, jointly or severally, or the Board of Directors of the Association acting on behalf of such owner or owners, shall have the right to bring an action to compel compliance or to enjoin such violation or breach. In the event the enforcement action should result in a judgment in favor of the owner(s) bringing the same, or in favor of the Association, reasonable attorneys' fees shall be recovered in such action. The failure to enforce any right, reservation, restriction or condition contained in the Deed, or in these Restrictive Covenants, however long continued, shall not be deemed a waiver of the right to do so hereafter as to the same breach or as to a breach occurring prior or subsequent thereto and shall not bar or affect its enforcement.

ARTICLE XI

SEVERABILITY:

The invalidation by any court of any restrictions or obligations contained in this Declaration shall in no way affect any other provisions hereof, which shall remain in full force and effect.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed in its corporate name by its duly authorized officers, and its corporate seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

OCEAN AREA DEVELOPERS, INC.

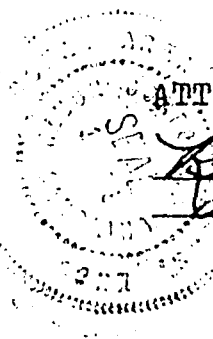
by: William Jackson
President

ATTEST:

Remelle S Adams
Secretary

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STATE OF NORTH CAROLINA
COUNTY OF CARTERET

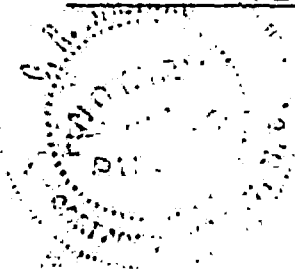
I, a Notary Public of the County and State aforesaid, certify that Renee S. Adams personally came before me this day and acknowledged that she is the Secretary of Ocean Area Developers, Inc., a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by as its Secretary.

WITNESS my hand and official stamp or seal, this the 27th day of July, 1984.

E. R. Walter
Notary Public

My Commission Expires:

9-13-88



NORTH CAROLINA, CARTERET COUNTY
The foregoing certificate(s) of DR. Adams
is (are) certified to be correct. This instrument was pre-
sented for registration and recorded in this office in
Book 110-38 Page 346
This 27 day of July, 1984 at 4:00 O'clock P.
M.
Sharon Piner
Register of Deeds
By Nancy Harris
Assistant, Deputy

BOOK 110-38

Page 346

EXHIBIT B

LYING AND BEING in WHITE OAK TOWNSHIP, CARTERET COUNTY, NORTH CAROLINA, and being more particularly described as follows:

TRACT I:

BEGINNING at a point which is situated South 8 degrees 56 minutes 44 seconds West a distance of 517.53 feet from a concrete monument in the south right of way line of North Carolina Highway No. 24 at the northeast corner of the property of W. J. Adams (which concrete monument is further located South 81 degrees 48 minutes 24 seconds West, 2071.72 feet from N.C. Geodetic Survey Marker "Boucher" 1981): From said POINT OR PLACE OF BEGINNING: South 8 degrees 56 minutes 44 seconds West with the J. E. Barbour line 348.72 feet to a concrete monument; thence North 84 degrees 11 minutes 24 seconds East, a distance of 432.99 feet to a concrete monument; thence South 9 degrees 16 minutes 56 seconds West, a distance of 150.88 feet to a concrete monument; thence North 83 degrees 31 minutes 34 seconds East, a distance of 428.07 feet to a concrete monument; thence South 7 degrees 59 minutes 59 seconds West with the H. H. Halliday line, 978.41 feet to an iron pipe; continuing thence with the Halliday line South 9 degrees 16 minutes 44 seconds West, 1,379.696 feet to an iron pipe; thence South 86 degrees 47 minutes 46 seconds East, 389.01 feet to a concrete monument; thence South 7 degrees 12 minutes 14 seconds West, 191.30 feet to an iron pipe; thence North 86 degrees 50 minutes 26 seconds West, 50.0 feet to a point; thence South 5 degrees 08 minutes 34 seconds West, 202.0 feet to a point in the ordinary highwater mark of Bogue Sound; thence North 83 degrees 41 minutes 15 seconds West with the ordinary highwater mark of Bogue Sound 339.09 feet to a point in the said ordinary highwater mark; thence North 71 degrees 31 minutes 27 seconds West with said ordinary highwater mark, 170.83 feet to a point; thence South 83 degrees 46 minutes 09 seconds West with said ordinary highwater mark (interrupted by a dredged canal) 538.69 feet to a point, the southeast corner of a parcel previously conveyed by W. J. Adams to W. A. Page, Jr.; thence North 02 degrees 40 minutes West with the W. A. Page, Jr. line, 1,045.79 feet to a point; thence South 87 degrees 20 minutes West, 150.0 feet to an iron pipe in the W. A. Page estate line; thence North 02 degrees 40 minutes West with the Page estate line 980.34 feet to an iron pipe; thence North 02 degrees 20 minutes 56 seconds West continuing with the Page estate line 1,022.83 feet to a point; thence North 83 degrees 24 minutes 44 seconds East, 609.33 feet to the point or place of BEGINNING; containing approximately 72.525 acres. Included with this tract are all of the riparian and littoral rights of the Declarant in any adjacent submerged lands, and the entire right, title and interest of the Declarant in and to all canals, basins, and other bodies of water or watercourses contained within the boundaries described above.

Book 710-38

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EXHIBIT B (cont)

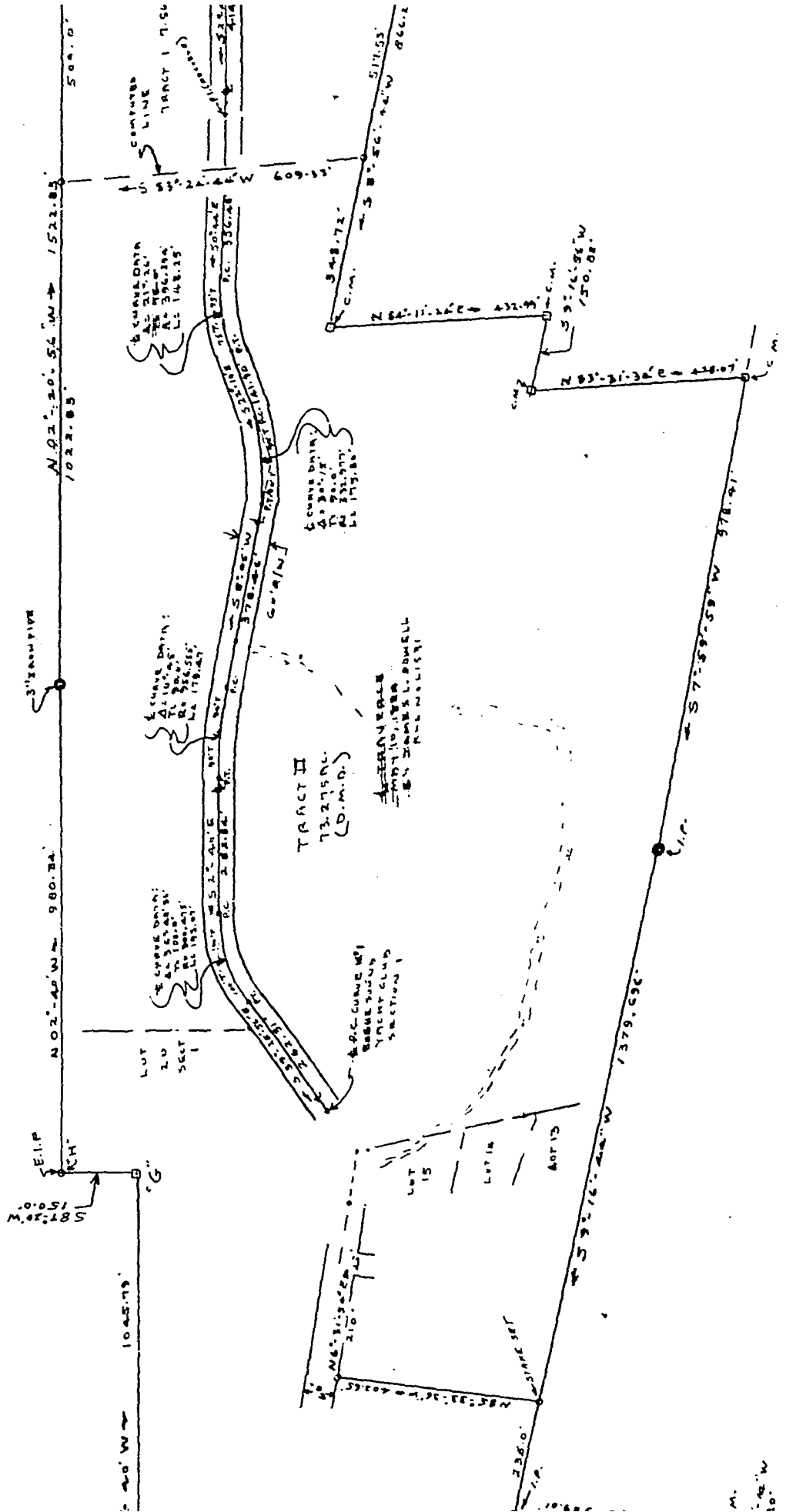
TRACT II:

BEING a parcel or strip of land sixty (60) feet in width intended for use as an accessway from North Carolina Highway No. 24 to TRACT I as described above, bounded on the north by North Carolina Highway No. 24, on the south by the north line of TRACT I above, and having a centerline located as follows: BEGINNING at a point in the south right of way line of North Carolina Highway No. 24, which point is located North 83 degrees 24 minutes 44 seconds East, 321.69 feet from a concrete monument at the northwest corner of the Declarant herein (being also the northeast corner of the lands of the W. A. Page estate); from said point of BEGINNING, running South 02 degrees 58 minutes 30 seconds East to the north line of TRACT I.

Book 40.38

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NORTH (magnetic)
 N5 PER SURVEY BY
 JOHN P. MILLER ALS



BOUNDARY TRANSVERSE FOR
W. J. ADAMS
 'A B C D E F G H' FROM
 SURVEY BY JOHN P. MILLER ALS
 REMAINDER FROM ACTUAL PERIMETER
 TRANSVERSE BY JAMES L. POWELL
 ALS 40 L1631

E: FORCED CLOSURE
 BY LEGS E F G H

