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STATE OF NORTH CAROLINA  
COUNTY OF BRUNSWICK

**AMENDMENTS TO  
DEVAUN PARK PROCLAMATION  
OF PROTECTIVE COVENANTS**

THIS AMENDMENT to the DEVAUN PARK PROCLAMATION OF PROTECTIVE COVENANTS (the original "Proclamation" recorded on September 11, 2002 in Book 1628, page 1129 of the Brunswick County Registry), is made and entered into this 28<sup>th</sup> day of JUNE, 2017;

WITNESSETH

WHEREAS, Stanaland Stewart Company, LLC (hereinafter "SSC") is the developer and "Founder" of Devaun Park pursuant to the Proclamation of Protective Covenants of Devaun Park set forth above; and

WHEREAS, the Founder Control Period as established in the Proclamation has not expired and the Founder has the right to amend and supplement the Proclamation pursuant hereto;

NOW, THEREFORE, SSC, as Founder under the Proclamation, hereby amends and supplements the Proclamation as follows:

**I.**  
**ADDITION OF NEW ARTICLE 17**

A. The Proclamation is hereby amended to add a new Article 17 as follows:

**“ARTICLE 17**  
**UNIMPROVED PROPERTY DEVELOPMENT**

**17.1 Purposes**

- A. To enhance the beauty of the Development, to establish and preserve harmonious and aesthetically pleasing designs and mixture thereof anticipated and incorporated into the Development, and to protect and promote values for the Development, the subdivisions thereof and the Units and improvements located therein or thereon.
- B. In those cases where property is not subject to the Proclamation, to provide a means whereby the property may become subject thereto with certain provisions of the Proclamation waived and/or modified for a predetermined period, until certain development events transpire.
- C. To define ‘Unimproved Property’ and ‘Improved Property’ with respect to the Proclamation and the Planned Unit Development Agreement between the Founder and the Town of Calabash (the ‘DPPUD’).
- D. To establish the ‘Unimproved Property Committee’ and grant authority and responsibilities thereto.
- E. To create a means of resolving potential questions or conflicts that may arise in the interpretation and implementation of this ARTICLE 17 and ARTICLE 4 or within the Proclamation, generally, in the interpretation of those articles.

**17.2 Definitions**

- A. “Unimproved Property Committee” (or ‘UPC’) will mean and refer to the committee established herein to approve exterior and structural improvements, the siting thereof, and the additions and changes thereto, upon Unimproved Property within the Development. In exercising any right or easement granted or reserved to the UPC hereunder, such right or easement shall be deemed to extend to its duly authorized members, officers, agents, employees and contractors.
- B. “Unimproved Property” shall initially be that property as designated and approved by the Board of Aldermen and Founder as illustrated upon a Community Master Plan for Devaun Park which includes but is not limited to:

- 1. All property subject to the DPPUD which is not subject to the Proclamation,



2. Certain areas which may be subject to the Proclamation but have not been developed or conveyed as Residential Units to a third party, end user, homeowner,
  3. Property, in the sole discretion of the Unimproved Property Committee, which is contiguous to the DPPUD and under consideration as Additional Property.
- C. "Improved Property" shall be that property which does not fall under the definition of Unimproved Property. It shall include,
1. The 256 Residential Units which are currently subject to the Proclamation as illustrated the Community Master Plan referenced in 17.2.A,
  2. The Clubhouse and Pool,
  3. Property which transitions from Unimproved to Improved by virtue of development consistent with the written plan agreed upon by the developer and Unimproved Property Committee.
  4. Property which, in the discretion of the Unimproved Property Committee should be considered Improved.

**17.3 Unimproved Property Committee**

- A. The Founder hereby establishes an 'Unimproved Property Committee' ('UPC') to govern, administer, and otherwise oversee the directives and purposes of this article. The members of the UPC are (i) the Founder and (ii) each member of the Board of Aldermen. The Founder shall have one vote on UPC matters and the Board of Aldermen shall have one vote collectively, determined by their majority, on UPC matters.
- B. The business of UPC shall be governed by Robert's Rules of Order or such other Parliamentary Law guidelines for deliberative bodies which, in the discretion of the UPC, provides a reasonable substitute.
- C. The UPC is authorized to retain the services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys and other professionals in order to advise and assist the UPC in performing its functions set forth herein.
- D. The UPC may establish and charge reasonable fees for review of developer applications and may require such fees to be paid in full prior to review of any application. Such fees may include the reasonable costs incurred by the committee in having any application reviewed by architects, engineers or other professionals.
- E. The UPC will have the sole discretion to determine whether plans and specifications submitted for approval are acceptable and the refusal of approval plans and specifications may upon any grounds inconsistent with the objects and purposes of this Proclamation, the UPC Site and Structure Guidelines, including purely aesthetic considerations, so long as such grounds are not arbitrary or capricious.
- F. Prior to UPC approval of vertical structure it is permissible for a developer/owner, upon receipt of all applicable governmental permits, to prepare the property infrastructure including all utilities, storm water improvements, streets, sidewalks, parking lots, alleys,

street lamps, proposed common area grounds, and to install the landscaping complimentary to those, including applicable excavation, grading, and irrigation.

- G. Approvals for development shall be evidenced by a written agreement between the Association, the property developer, and the property owner. All such approvals shall, prior to execution by the Association, be approved by the UPC at a duly called meeting or, by written mutual consent in the absence of a formal meeting of the UPC.
- H. Approvals for development shall contain provisions for the property to become subject to the Proclamation if all of it is not subject thereto. Such provisions may include contain restrictions regarding association obligations and benefits including, but not limited to, the waiver of assessments, the partial or total limitation to association amenities (such as Club and Pool usage), and the that the association is not required to provided street or other common area maintenance upon the property. Such restricted terms shall be incorporated into the written agreement (item G, above) and (a) shall provide for termination based upon conveyance to the end user (home/lot owner) and/or (b) other criteria agreed upon.
- I. No member of the UPC, or any assignee of rights hereunder, will be liable to any Unit Owner or Developer for any decision, action or omission made or performed by the UPC member in the course of his duties unless the member acted in bad faith or in reckless disregard of the rights of another or of the terms of this Proclamation.

17.4 **Unimproved Property Committee Site and Structure Guidelines**

- A. The UPC shall create, adopt, amend, and administer the "Unimproved Property Committee Site and Structure Guidelines" as well as the form of application, review procedures, and approval process for Unimproved Property in accordance with this ARTICLE 17.
- B. The guidelines may contain general provisions applicable to all Unimproved Property as well as specific provisions which may vary according to location, unique characteristics of a plan of development, and intended use.
- C. The guidelines will, generally, not cover interior improvements unless such interior improvement is plainly within view of adjacent properties.
- D. The guidelines may provide for preventing excessive drainage or surface water runoff and/or may establish a maximum percentage of property which may be covered by buildings, structures, or other improvements on the basis of topography, percolation rates of the soil, soil types and conditions, vegetation cover, other environmental factors, and/or storm water management (or other governmental) restrictions.
- E. Unless otherwise specifically provided for by applicable zoning, the location of all improvements will be pursuant to the guidelines and vested solely in the UPC.
- F. The guidelines may also provide for:
  - 1. the erection and use of temporary structures,

2. setting permissible times of construction,
3. requirements concerning construction debris,
4. requiring or encouraging visually screened service yards,
5. establishing exterior lighting design and location criteria
6. prohibiting or limiting installation and use of wells,
7. establishing conditions for property to transition from Unimproved to Improved,
8. subjecting property to the Proclamation as Additional Property in accordance with ARTICLE 2 of the Proclamation, if not already subject thereto.

G. In addition to any such permits and certificates as may be required and issued by governmental authority, the guidelines may also provide procedures for UPC inspection of work, for the issuance of a permit to commence work, and for the issuance of a certificate following completion thereof which may constitute conditions precedent to use or occupancy.

H. The above is not a comprehensive listing and is intended merely to provide an example of the diversity of guidelines that may be incorporated and shall not act as a limitation.

#### 17.5 Application of this Article 17

In the case of any conflict between this ARTICLE 17 and ARTICLE 4 of the Proclamation, this ARTICLE 17 shall control. In the case of any conflict which arises in the course of interpreting the provisions of the Proclamation with regards to the ARC and UPC, the UPC shall control."

## II.

### AMENDMENTS TO ARTICLES 1 THROUGH 15

B. Articles 1 through 15 of the Proclamation are amended as follows. (The paragraph numbers below correspond to the original paragraph numbers in the Proclamation. References to the Article numbers that these paragraphs appear in are omitted.)

1. Paragraph 1.1(m) is deleted in its entirety and replaced with:

(m) Founder Control Period. "Founder Control Period" means the period commencing on the date the Proclamation was recorded in the office of the Brunswick County Register of Deeds and ending on December 31, 2020.

2. The final sentence of paragraph 2.1(b) is deleted in its entirety and replaced with:

With the prior written consent of the Board of Aldermen, Founder may make improvements and changes to all Common Areas and to all such properties owned by Founder, including, without limitation, (a) installation and maintenance of any improvements, (b) changes in the location of the boundaries of any such properties owned by Founder, and (c) installation and maintenance of any water, sewer, and other utility systems and facilities, including, but not limited to stormwater facilities.

3. The first sentence of paragraph 2.2(a) is deleted in its entirety and replaced with:

With prior written consent of the Board of Aldermen, the Founder shall have the right to bring within the plan and operation of this Proclamation, or to consent thereto, the whole or any portion of any property contiguous or nearly contiguous to the Property described in Exhibit "A", whether or not owned by the Founder.

4. The final sentence of paragraph 2.2(c) is deleted in its entirety.

5. Paragraph 2.2(b) is deleted in its entirety and replaced with:

(b) Withdrawal of Property by Founder. With the prior written consent of the Board of Aldermen, the Founder reserves the right to amend this Proclamation during the Founder Control Period for the purpose of removing any portion of the Property from the coverage of this Proclamation, provided the withdrawal is not contrary to the overall, uniform scheme of development for the Property. Such amendment shall also require consent of the Owner of the property to be withdrawn, if not the Founder.

6. Paragraph 2.3(c) is deleted in its entirety and replaced with the following:

(c) The right of the Association and the UPC or ARC to approve all structures, construction, repairs, changes in elevation and topography and the location of any object (including vegetation) within the Common Areas prior to the commencement of such activities or location of any object therein;

7. Paragraph 3.1(b) is deleted in its entirety and replaced with the following:

(b) Completion of Construction of Improvements. Construction of an owner's house and related improvements must be completed not later than the expiration of twelve (12) months from the date actual construction starts.

8. Paragraph 3.2 is deleted in its entirety and replaced with the following:

3.2 Trees. No Owner shall be entitled to cut, remove, or mutilate any trees, shrubs, bushes, or other vegetation having a trunk diameter of four (4) inches or more at a point of four (4) feet above the ground level, or other significant vegetation as may be designated, by the UPC or ARC, without obtaining the prior approval of the UPC or ARC. Provided, however, that obviously dead or diseased trees, as well as obviously dead or diseased shrubs, bushes, or other vegetation, shall be cut and removed promptly from any property by the Owner thereof. Nothing herein shall be construed so as to limit any applicable law or ordinance. This paragraph shall not apply to the Founder with respect to Unimproved Property.

9. Paragraph 3.3 is deleted in its entirety and replaced with the following:

3.3 Alteration of Setback Lines in the Best Interest of Development. When because of size, natural terrain, alignment, view, or any other reason the Founder deems reasonable in the best interest of the Development, the setback lines of any Unit on Unimproved Property should be altered or changed, then, subject to applicable zoning, the Founder reserves unto itself, its successors or assigns, and no other, the right to change any setback lines on Unimproved Property to meet such conditions. The Founder specifically reserves the right to transfer and assign this right of approval to the ARC or UPC.

10. Paragraph 3.4 is deleted in its entirety and replaced with the following:

3.4 Use of Residential Units. Except as permitted by Section 3.23, each Residential Unit will be used for residential purposes only, and no trade or business of any kind may be carried on therein. The use of a portion of a Residential Unit as an office by an Owner or Occupant will not be considered to be a violation of this covenant if such use does not create regular customer, client, or employee traffic; provided that in no event will any Residential Unit be used as the office of or storage area for any building contractor, real estate developer or real estate broker, except as may be on a temporary basis, with the express written approval of the Board of Aldermen, and in accordance with reasonable rules and regulations promulgated therefor. Nothing contained herein shall be construed so as to prohibit the construction of houses to be sold on a lot or the showing of Residential Units for the purpose of selling houses in the Development; and nothing herein shall be construed to prevent the Founder or its permittees from erecting, placing or maintaining signs, structures and offices within the Unimproved Property as it may deem necessary for its operation and sales of Unimproved Property. Lease or rental of a Residential Unit for domestic residential purposes will also not be considered to be a violation of this covenant so long as the lease does not otherwise conflict with this Proclamation or the rules and regulations as may be promulgated and published from time to time the Board of Aldermen. All leases or rental agreements will be in writing and will be for a duration of one (1) year or more unless, for good cause shown, the Board permits, in writing, a shorter term, which, nevertheless, shall not be shorter than six (6) months. The Owner will provide Board of Aldermen with copies of such lease or rental agreement upon request. Any Occupant, lessee or otherwise will, in all respects, be subject to the terms and conditions of this Proclamation and the rules and regulations adopted hereunder.

11. Paragraph 3.5 is deleted in its entirety and replaced with the following:

3.5 Time Sharing Plans. No part of the Property subject to this Proclamation, including any improvements thereon or to be built thereon, will be used for or subject to any type of Time Share Program or Time Share Project as defined by the North Carolina Time Share Act, N.C. Gen. Stat. 93A-41 (1983), or any subsequent laws of this State dealing with that or similar type of ownership by a Residential Unit Owner, or which is used for, in conjunction with and/or as an advertised part of any time share exchange program which makes available as accommodations the Residential Unit and which is not otherwise registered as a Time Share Program or Time Share Project or which utilizes the Residential Unit as accommodations for time share sale prospects of any Person.



12. Paragraph 3.12 is deleted in its entirety and replaced with the following:

3.12 Signs. Except as may be required by law or by legal proceedings, no signs or advertising posters of any kind, including, but not limited to, "For Rent," "For Sale," and other similar signs, shall be erected by an Owner, or any agent, broker, contractor or subcontractor thereof, nor shall any sign or poster be maintained or permitted on any window or on the exterior of any improvements or on any unimproved portion of property located within the Development, without the express written permission of the ARC or UPC. The approval of any signs and posters, including, without limitation, name and address signs, shall be upon such conditions as may be from time to time determined by the ARC or UPC and may be arbitrarily withheld. Notwithstanding the foregoing, with respect the Unimproved Property the restrictions of this Section 3.12 shall not apply to the Founder or to any person having the written approval of the Founder. The Association shall have the right to erect reasonable and appropriate signs on any portion of the Common Areas in accordance with architectural design standards adopted therefor by the ARC or UPC and approved by the governmental authority with jurisdiction thereof.

13. Paragraph 3.23 is deleted in its entirety and replaced with the following:

3.23 Development, Sales and Construction Activities of Founder. Notwithstanding any provisions or restrictions contained in this Proclamation to the contrary, the Founder and its agents, employees, successors, and assigns are permitted to maintain and carry on such facilities and activities as may be reasonably required, convenient, or incidental to the development, completion, improvement, and sale of Unimproved Property including, without limitation, the installation and operation of development, sales and construction trailers and offices, signs and models, provided that the location of any such trailers of any assignees of Founder's rights under this Section 3.23 are subject to Founder's prior written approval. The right of Founder to maintain and carry on such facilities and activities upon Unimproved Property will include specifically the right of Founder to use Units as models and as offices for the sale or lease of Units and for related activities.

14. Paragraph 3.25 is deleted in its entirety and replaced with the following:

3.25 Owner Recording Additional Restrictions on Property. No Owner may impose additional restrictive covenants on any lands within the Property beyond those contained in this Proclamation without consent of the Board of Aldermen.

15. Paragraph 3.26 is deleted in its entirety.

16. Paragraph 4.3(d) is deleted in its entirety and replaced with the following:

(d) Other Guidelines. The Development's Design Guidelines also provide applicable guidelines (i) prohibiting or restricting the erection and use of temporary structures; (ii) setting permissible times of construction and requirements concerning construction

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debris; (iii) covering the allowance of and, where allowed, the content, size, style and placement location for, signage; (iv) requiring or encouraging visually screened service yards; (v) establishing exterior lighting design and location criteria; (vi) prohibiting or limiting installation and use of wells; (vii) and establishing conditions for property subdivision or consolidation, and for subjecting Development property to further covenants, conditions, restrictions and easements. This listing of possible guidelines is not a comprehensive listing and is intended merely to provide an example of the diversity of guidelines that may be incorporated in the Design Guidelines, and will not act as a limitation upon guidelines.

17. Paragraph 4.6 is deleted in its entirety and replaced with the following:

4.6 Founder's Right to Create Separate ARC. In the event any Non-residential Unit is submitted to this Proclamation pursuant to Section 2.2(a)(iii), the Founder, subject to the prior written approval of the Board of Aldermen, hereby reserves the right to create a separate and distinct Architecture Review Committee to administer the architectural and aesthetic approval process for the Non-residential Units.

18. Paragraph 5.3(a) is deleted in its entirety and replaced with the following:

(a) Public Roadways Within The Development. The Association, shall have the right to dedicate any portion of the roadways within the Development to the State of North Carolina or any political subdivision thereof for the purpose of granting public access thereto and over said roadway and for the purpose of having said political subdivision assume responsibility for maintenance of such roadways. Furthermore, the Association, shall have the right to impose upon the Association the requirement of maintaining any such dedicated roadway until such time as the roadway is brought up to standards acceptable to such public body and maintenance thereof is assumed by such public body. The Board of Aldermen may levy a Special Assessment against all Owners, without the necessity of a vote pursuant to Section 11.5(a) hereof, in an amount sufficient to provide funds required to bring any roadway up to standards acceptable to any public body for the assumption by it of maintenance of a said roadway.

19. Paragraph 5.5 and 5.5(a) are deleted in their entirety and replaced with the following:

5.5 Development Easements for Founder. Founder will have an alienable and transferable right and easement on, over, through, under, and across Common Areas upon Unimproved Property for the purpose of constructing improvements in and to the Units and for installing, maintaining, repairing and replacing other improvements to the Property contemplated by this Proclamation including, without limitation, any improvements or changes permitted and described by ARTICLE 2, and for the purpose of doing all things reasonably necessary and proper in connection therewith, provided in no event will Founder have the obligation to do any of the foregoing. For Common Areas upon Improved Property owned by the Association, prior written consent of Board of Aldermen is required prior to any changes being made.



(a) Founder's Easements for Any Additional Property. There is hereby reserved for Founder, and its successors, assigns, and successors in title to the Additional Property and Unimproved Property, for the benefit of and as an appurtenance to the Additional Property, when added to this Proclamation pursuant to Section 2.2(a), and as a burden upon the then existing Development, perpetual, non-exclusive rights and easements for (d) pedestrian, vehicular, access, ingress, egress, parking over, across, within, and on all private roads, alleys, service lanes, sidewalks, trails, parking facilities, and lagoons, from time to time located within the Common Areas or within easements serving the Common Areas, (e) the installation, maintenance, repair, replacement, and use within the Common Areas, and those portions of properties encumbered pursuant to Section 5.8 for security systems and utility facilities and distribution lines, including, without limitation, drainage systems, storm sewers, and electrical, gas, telephone, water sewer, and master television antenna and/or cable system lines, and (f) drainage and discharge of surface water onto and across the then existing Development, provided that such drainage and discharge shall not materially damage or affect the then existing Development or any improvements located thereon.

20. Paragraph 5.6 is deleted in its entirety and replaced with the following:

5.6 Changes in Boundaries; Additions to Common Areas. Founder expressly reserves for itself and its successors and assigns, the right to change and realign the boundaries of the Common Areas and any Units between such adjacent properties owned by Founder, provided that any such change or realignment of boundaries will not materially decrease the acreage of the Common Areas, will be evidenced by a revision of or an addition to the Site Plan which will be filed Of Record, and requires the prior written consent of the Board of Aldermen. In addition, Founder reserves the right, but will not have the obligation, to convey to the Association at any time and from time to time any portion of the Additional Property, such real property to be conveyed to the Association as an addition to the Common Areas and subject to the provisions of Section 2.2.

21. Paragraph 5.7 is deleted in its entirety and replaced with the following:

5.7 Fire Breaks. The Association shall have a perpetual, alienable and releasable easement and right on and over and under any property to cut fire breaks and other activities which in the opinion of the holder are necessary or desirable to control fires on any portion of the Property, or any improvements thereon. Entrance upon property pursuant to the provisions of this Section 5.7 will not be deemed a trespass.

22. Paragraph 6.2, 6.2(a), 6.2(b), and 6.5(c) are deleted in their entirety and replaced with the following:

6.2 Voting Rights. The Association will have one type of voting membership as follows:  
(a) Owners (including the Founder) of a Unit, entitled to one (1) vote for each ERU owned.

23. Paragraph 10.3 is hereby deleted in its entirety and replaced with the following:

10.3 Agreements. All agreements and determinations lawfully authorized by the Board of Aldermen will be binding upon the Association and all Owners, their heirs, legal representatives, successors, and assigns, and all others having an interest in the Development or the privilege of possession and enjoyment of any part of the Development will comply with and be subject to the authorized actions of the Board of Aldermen. In performing its responsibilities hereunder, the Board of Aldermen, will have the authority to delegate to persons of its choice such duties of the Association as may be determined by the Board of Aldermen. In furtherance of the foregoing and not in limitation thereof, the Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association will deem necessary or desirable for the proper operation of the Development, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. All costs and expenses incident to the employment of a manager will be a Common Expense. During the term of such management agreement, such manager may, if authorized by the Board of Aldermen, exercise all of the powers and will be responsible for the performance of all the duties of the Association, excepting any of those powers or duties specifically and exclusively reserved to the Aldermen, officers, or Members of the Association by this Proclamation or the Bylaws. Such manager may be an individual, corporation, or other legal entity, as the Board of Aldermen will determine, and may be bonded in such a manner as the Board of Aldermen may require, with the cost of acquiring any such bond to be a Common Expense. In addition, the Association may pay for, and the Board of Aldermen may hire and contract for, such legal and accounting services as are necessary or desirable in connection with the operation of the Development or the enforcement of this Proclamation, the Bylaws, or the rules and regulations of the Association.

24. Paragraph 11.3(a) is hereby deleted in its entirety and replaced with the following:

11.3(a). Disapproval of Annual Assessments. The annual budget and Annual Assessments as determined by the Board of Aldermen, as hereinabove provided, will become effective unless disapproved by a majority of the total Association vote at a meeting to consider ratification of the budget, which percentage will also constitute the quorum required for any such meeting. Notwithstanding the foregoing, in the event the proposed budget and Annual Assessments are disapproved or in the event the Board of Aldermen fails for any reason to determine an annual budget and to set the Annual Assessments, then and until such time as a budget and Annual Assessment will have been determined as provided herein, the budget and Annual Assessments will be the Default Budget and Default Annual Assessments calculated in accordance with Section 11.4.

25. Paragraph 11.5(b) and 11.5(b)(i) are hereby deleted in their entirety and replaced with the following:

(b) Disapproval by Members. Except as otherwise permitted in Sections 5.3(a), 8.2, 9.1 and 11.6 hereof, any Special Assessment will only be levied if the Special Assessment is



not disapproved by sixty-seven percent (67%) or more of the votes of the entire Association at a special meeting of Members called therefor and held pursuant to the provisions of the Bylaws, which percentage will also constitute the quorum required for any such meeting. The notices of such special meeting will include one statement from those Aldermen favoring the Special Assessment (containing the reasons for their support) and one statement from those Aldermen opposing the Special Assessment (containing the reasons for their opposition).

26. Paragraph 11.6 is hereby deleted in its entirety and replaced with the following:

11.6 Emergency Special Assessments. In addition to the Annual Assessments authorized by Section 11.3 and the Special Assessment authorized by Section 11.5 hereof, the Association may levy Assessments for repairs, reconstruction, alterations or improvements due to emergencies of any type, as determined by the Board of Aldermen, in their sole discretion ("Emergency Special Assessment"). Any Emergency Special Assessment may be imposed without a vote of the Members and will be apportioned among the Units equally in the same manner as Annual Assessments unless it is determined by the Board that another apportionment thereof is more reasonable and more equitably justified by the circumstances giving rise to such emergency.

27. Paragraph 11.7 is hereby deleted in its entirety.

28. Paragraph 12.1 is hereby deleted in its entirety and replaced with the following:

12.1 Rules and Regulations. Subject to the provisions hereof, the Board of Aldermen may establish reasonable rules and regulations concerning the use of Units, the Common Areas and facilities located thereon. In particular, but without limitation, the Board of Aldermen may promulgate, from time to time, rules and regulations that will govern activities that may, in the judgment of the Board of Aldermen, be environmentally hazardous, such as application of fertilizers, pesticides, and other chemicals. The Association will furnish copies of such rules and regulations, and amendments thereto, to all Owners prior to the effective date of such rules and regulations and amendments thereto. Such rules and regulations will be binding upon the Owners and Occupants until and unless any such rule or regulation is specifically overruled, cancelled, or modified by the Board of Aldermen or any such rule or regulation is disapproved by a majority or more of the votes of the entire Association at a special meeting of Members called therefor and held pursuant to the provisions of the Bylaws, which percentage will also constitute the quorum required for any such meeting.

29. Paragraph 15.2 is hereby deleted in its entirety and replaced with the following:

15.2 Amendments by Founder. The Founder may amend this Proclamation or the Bylaws by an instrument in writing filed Of Record without the approval of any Owner or Mortgagee; provided, however, that, (a) in the event that such amendment has a material adverse effect upon any Owner's rights hereunder or adversely affects the title to any Unit, such amendment will be valid only upon the written consent thereto by a



majority in number of the then existing Owners affected thereby, (b) in the event that such amendment would materially and adversely affect the security title and interest of any Mortgagee, such amendment will be valid only upon the written consent thereto of all such Mortgagees so affected, and (c) the Board of Aldermen consent in writing to the amendment. Any amendment made pursuant to this Section 15.2 will be effective upon it being filed Of Record unless a different effective date is specified in the amendment. This Proclamation and the Bylaws may be amended solely by the Founder, (i) to bring any provision hereof or thereof into compliance or conformity with the provisions of any applicable governmental statute, rule, or regulation or any judicial determination which will be in conflict therewith, (ii) to enable any reputable title insurance company to issue title insurance coverage with respect to any properties subject to this Proclamation, (iii) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on any properties subject to this Proclamation, or (iv) to enable any governmental agency or reputable private insurance company to insure Mortgages on the properties or other improvements subject to this Proclamation. Each Owner by acceptance of a deed or other conveyance of a Unit agrees to be bound by amendments permitted by this Section 15.2, and further agrees, if requested by the Founder, such Owner will consent to such amendment.

30. Paragraph 15.3(b) is deleted in its entirety and replaced with the following:

(b). Resolution to Amend and Vote to Approve. At such a meeting, a resolution adopting a proposed amendment may be proposed by either the Board of Aldermen or Members of the Association. Such amendment must be approved by sixty-seven percent (67%) or more of the votes of the entire Association, by a duly held Referendum or at a duly held meeting of Members called for the purpose of approving a proposed amendment, which percentage will also constitute the quorum required for any such meeting; provided, however, (i) that any amendment which materially and adversely affects the security title and interest of any Mortgagee must be approved by such Mortgagee; and (ii) in the event that such amendment also is an amendment to the Bylaws, the amendment will be adopted pursuant to the applicable procedures of the North Carolina Nonprofit Corporation Act.

31. Paragraph 11.12 is deleted in its entirety and replaced with the following:

11.12 Working Capital Collected At Closing. Notwithstanding anything to the contrary in this Proclamation, a working capital fund will be established for the Association by collecting a working capital amount equal to one-half (1/2) of the Annual Assessment then in effect at the time of each closing taking place within Devaun Park, which Assessment will be due and payable, and will be transferred to the Association, at the time of transfer of each Unit. Such sum is and will remain distinct from the Annual Assessment and will not be considered advance payment of the Annual Assessment. The working capital receipts may be used by the Association in covering operating expenses



as well as any other expense incurred by the Association pursuant to this Proclamation and the Bylaws.

32. Article IV, Section 1 of the Bylaws is deleted in its entirety and replaced with the following:

Section 1. Number.

The affairs of the Association shall be managed by a Board of Aldermen, each of whom must be Members of the Association (or an officer, director, alderman, employee or agent of a Member). The Board of Aldermen shall consist of between 5 and 9 Aldermen elected by the Members, which range shall be determined by the Board and/or the Members.

IN WITNESS WHEREOF, the Founder amends the Proclamation as set forth above, this 28th day of June, 2017.

STANALAND STEWART COMPANY, LLC

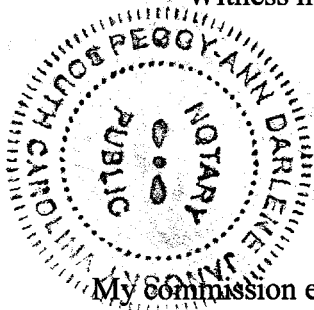
W. Vaughn Stanaland  
W. Vaughn Stanaland, Member/Manager

SOUTH  
STATE OF NORTH CAROLINA

COUNTY OF Horry

I, Peggy-Ann Darlene Janosky a Notary Public of the state and county aforesaid, do hereby certify that W. Vaughn Stanaland personally appeared before me this day and, being personally known by me or after proper photo identification shown to me, acknowledged that he is the Manager of Stanaland Stewart Company, LLC, a North Carolina limited liability company, and further acknowledged due execution of the foregoing document on behalf of and as the act of the limited liability company.

Witness my hand and official seal, this the 28 day of June, 2017.



Peggy-Ann Darlene Janosky  
Notary Public

My commission expires: Peggy-Ann Darlene Janosky  
My commission expires  
April 6th, 2022