

Prepared by and Returned to:
STEVENS, MCGHEE, MORGAN, LENNON & TOLL, LLP

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

RET Rewa Adams
TOTAL 38 REV _____ TC# 38
REC# _____ CK AMT 38 CK# 030
CASH _____ REF _____ BY RA

**FIRST SUPPLEMENT AND AMENDMENT TO THE DECLARATION OF
CONDOMINIUM OF
SOUTH HARBOUR VILLAGE MIXED USE
CONDOMINIUM AND TO THE COVENANTS
AND RESTRICTIONS APPLICABLE THERETO**

WHEREAS, SOUTH HARBOUR VILLAGE ASSOCIATES, LLC, Viable Corp., Quality Farm, Inc., E. L. Burnett, III, and wife, Carolyn D. Burnett, James Burnett and wife, Marjorie A. Burnett, Lee Roy Smyre and wife, Diane M. Smyre, and Charles F. Green, III (hereinafter collectively referred to as "Declarant"), have heretofore executed and caused to be recorded in the Office of the Register of Deeds of Brunswick County, North Carolina, in Book 1948, Page 59, a Declaration of Condominium for South Harbour Village Mixed Use Condominium (hereinafter the "Declaration"), which Declaration is also a Declaration of Conditions and Restrictions for the lands therein described ; and

WHEREAS, the said SOUTH HARBOUR VILLAGE ASSOCIATES, LLC, and Viable Corp., are now the owners of the real property hereinafter described on Exhibit "A" attached as a part of this document but have requested that the other original Declarants join in the execution of this document to achieve the supplement and amendment set forth herein; and

WHEREAS, in accordance with Article II, Section 2.10, of the Declaration, the Declarant expressly reserved the right to add certain additional real estate to the condominium described in Exhibit "A" to the Declaration; and

WHEREAS, Declarant desires to supplement the Declaration in order to expand the Condominium by the addition of a portion of the Additional Real Estate described in the Declaration and to subject said property to the Declaration; and

WHEREAS, Declarant also desires to amend the said Declaration so as to add additional information concerning and relating to the development of the lands which are now and will be part of the condominium and therefore subject to the terms of the Declaration and all supplements and amendments thereto.

NOW, THEREFORE, the Declarant in accordance with the provisions of the Declaration and the North Carolina Condominium Act, does hereby amend and supplement the Declaration in the following respects:

- (1) The declaration of the real property submitted to unit ownership under the Act as described in Exhibit "A" to the Declaration is hereby supplemented, amended, and revised to include the real property as shown and designated as "South Harbour Village Mixed Use Condominium," on the Plats and Plans prepared by Sherwin D. Cribb, N.C. Professional Land Surveyor, dated June 7, 2004, and entitled "Map of Survey 5005 O'Quinn Blvd for South Harbour Village, LLC, Mixed Use Condominiums," recorded in Condominium Book 9 at Pages 392 and 393

in the Office of the Register of Deeds of Brunswick County, North Carolina (the "Registry"), said real property being included is more fully described in Exhibit "A" attached hereto and made a part hereof by this reference. The real property described in said Exhibit "A" of this First Supplement and the real property described in Exhibit "A" to the original Declaration shall be and constitute the Property known as South Harbour Village Mixed Use Condominium upon the recordation of this supplement. This First Supplement shall be deemed to be a Declaration of Conditions and Restrictions as well as a Declaration of Condominium for the property herein described. Further, the plans of the condominium as are shown on the above noted recorded plats are made a part of this document and the condominium.

- (2) Exhibit "B-1" attached hereto is hereby substituted in the place of Exhibit "B" to the Declaration.

The Condominium known as South Harbour Village Mixed Use Condominium shall, after the recording of this First Supplement to the Declaration, consist of twenty nine (29) units and one "office," contained in three buildings as follows: Ten units in 5001 O'Quinn Boulevard, to wit: Units "A, B, C, D, E, F, G, H, I, and J," Ten Units in 5003 O'Quinn Blvd, to wit: Units "A, B, C, D, E, F, G, H, I, and J," and Nine units and one office in 5005 O'Quinn Blvd, to wit: Units "101 and 102, the "Office," and Units "103 and 104" downstairs, and Units "201, 202, 203, 204, and 205" upstairs. The Plats and Plans of the additional units and the office are shown as above noted. and are incorporated herein by reference.

The common elements of the additional units and the office subjected to the Act by this First Supplement consist of all portions of the Condominium not encompassed and included within the Condominium units as described in the Declaration and this supplement and are as shown on the Plats and Plans above noted as being recorded. The Limited Common Areas for the exclusive use of the units subjected to the Act by this amendment are also as shown on the said Plats and Plans as recorded.

- (3) Section 1.9 "Declarant," as set forth in the Declaration, is deleted in its entirety and the following is substituted in lieu thereof:

"1.9 Declarant: Viable Corp. shall henceforth be deemed the Declarant and shall be authorized and empowered to exercise, without the joinder of any other person or legal entity, all of the rights and powers of Declarant as the same are enumerated herein."

- (4) Section 13.10 "Enforcement Of Stormwater Runoff Regulations," as set forth in the Declaration, is deleted in its entirety and the following is substituted in lieu thereof:

" 13.10 Enforcement Of Stormwater Runoff Regulations. The covenants set forth herein are intended to ensure the ongoing compliance with all existing State Stormwater Management Permits as issued by the Division of Water Quality under NCAC 2H1000. The State of North Carolina is hereby made a beneficiary of this Declaration to the extent necessary to enforce its stormwater runoff regulations as the same may be amended from time to time and to maintain compliance with the above noted stormwater management permit(s). These covenants shall run with the land and be binding upon all persons and parties claiming under them. The Built Upon Area for each Lot shall be that which has been established by the said State, to wit : 4,000 square feet for each lot (said lots being sometimes designated respectively as "5001," "5003," and "5005" "O'Quinn Blvd.," Southport, N.C, 28461"), unless and until the State of North Carolina shall revise its stormwater runoff regulations to permit a greater Built Upon Area for such Lot or Lots. For purposes of this section, the allowable "Built Upon Area" shall include that portion of the right-of-way between the front lot line and the edge of the pavement. Further, built upon areas shall include, but not be limited to, structures, pavement, walkways of asphalt, concrete, gravel, brick, stone, slate, or coquina, but shall not include raised, open wood or synthetic material decking, or the water surface of a swimming pool. Any Owner may, in accordance with applicable government regulations, borrow from another Owner any Built Upon Area which is not being utilized by the other Owner, without the approval of any Owner(s) not involved in such

transaction, the Developer, or the Association.

Any covenants pertaining to stormwater regulations may not be changed or deleted without the concurrence of the Division of Water Quality of the North Carolina Department of Environment and Natural Resources. Lots within the Area of Environmental Concern (AEC) of Coastal Area Management (CAMA) may have the built-upon area reduced to CAMA jurisdiction within the AEC. Alteration of the drainage as shown on the approved plan shall not take place without the concurrence of the State of North Carolina. Furthermore, all drainage easements, and/or any portion thereof which is located on any portion of any lot within the subdivision shall be preserved, protected, and maintained by the owner of said lot. Further, the filling in or piping of any vegetative conveyances (ditches, swales, etc.) within or used by the subdivision, except for average driveway crossings, is strictly prohibited. Each lot will maintain a thirty (30) foot wide vegetated buffer between all impervious areas and surface waters. All roof drains shall terminate at least thirty(30) feet from the mean high water mark.

With respect to any curb and gutter located within the subdivision, the following additional restrictions shall apply:

(A) Filling in, piping or altering any designated 5:1 curb outlet swale associated with the subdivision is prohibited by any person or persons.

(B) With respect to any curb outlet system, each designated curb outlet swale shown on the approved plan must be maintained at a minimum of 100 feet long with a 5:1 (H:V) side slope or flatter, have a longitudinal slope no steeper than 5%, carry the flow from a 10 year storm in a non-erosive manner, and maintain a dense vegetated cover.”

EXCEPT AS SPECIFICALLY supplemented and amended hereby, the aforesaid Declaration shall be and remain in full force and effect and shall apply to Units, Common Areas, Shared Common Areas and Limited Common Areas created by this First Supplement to the Declaration.

IN WITNESS WHEREOF, SOUTH HARBOUR VILLAGE ASSOCIATES, LLC has caused this document to be executed in its name by its duly authorized Member-Managers, VIABLE CORP. and QUALITY FARM, INC., have caused this document to be executed in their names by their respective Presidents, attested by their Secretaries or Assistant Secretaries, with their corporate seals affixed, all as duly authorized by their respective Boards of Directors, and the individual signatories have hereunto set their hands and seals, this the 5th day of July, 2005

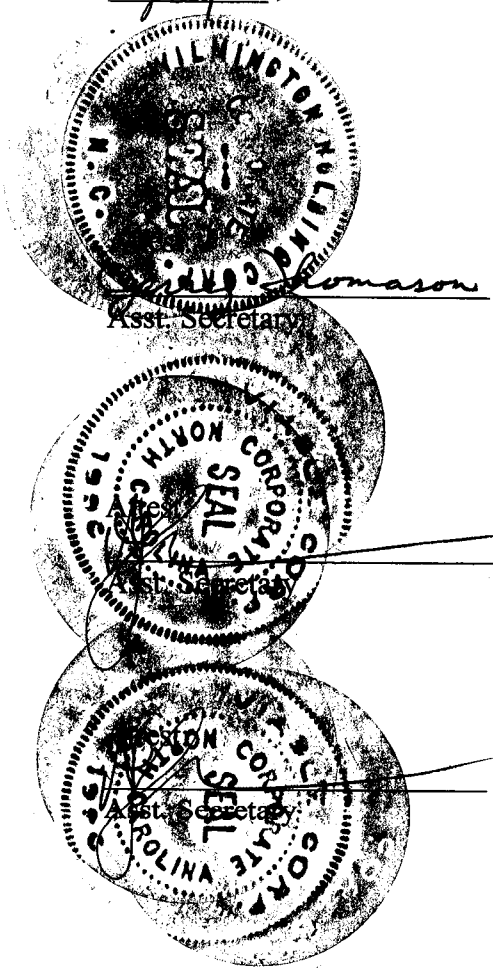
SOUTH HARBOUR VILLAGE ASSOCIATES, LLC
WILMINGTON HOLDING CORP., Member-Manager

By: [Signature]
Vice-President

VIABLE CORP., Member-Manager

By: [Signature]
President

VIABLE CORP.
By: [Signature]
President





QUALITY FARM, INC.

By: [Signature]
President

Attest:
[Signature]
Asst. Secretary

[Signature] (SEAL)
E. L. BURNETT, III

[Signature] (SEAL)
CAROLYN D. BURNETT

[Signature] (SEAL)
JAMES. BURNETT

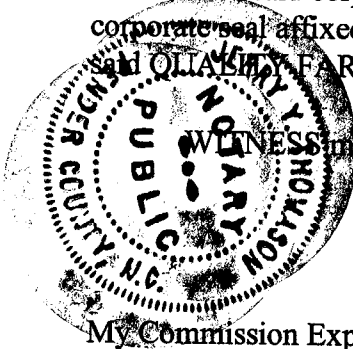
[Signature] (SEAL)
MARJORIE A. BURNETT

[Signature] (SEAL)
LEE ROY SMYRE

[Signature] (SEAL)
DIANE M. SMYRE

[Signature] (SEAL)
CHARLES F. GREEN, III

I, a Notary Public of Pender County, North Carolina do hereby certify that EDWIN L. BURNETT, III personally appeared before me this day and acknowledged that he is the President of QUALITY FARM, INC., a North Carolina Corporation; that he further acknowledged that the foregoing and annexed instrument was signed by himself as the President of said corporation, attested by Alton Y. Lennon as its Assistant Secretary, with its corporate seal affixed, all by authority of its Board of Directors, and as the deed and act of the QUALITY FARM, INC.



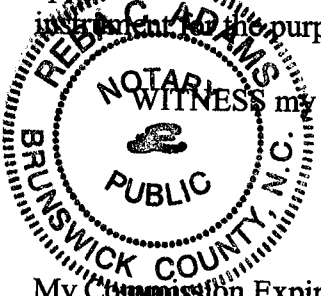
WITNESS my hand and notarial stamp or seal, this 5th day of July, 2005.

Jerry Z. Thomas
Notary Public

My Commission Expires: 12-08-05

STATE OF NORTH CAROLINA
COUNTY OF

I, a Notary Public of Brunswick County, North Carolina do hereby certify that EDWIN L. BURNETT, III, and wife CAROLYN D. BURNETT, each personally appeared before me this day and acknowledged their due execution of the foregoing and annexed instrument for the purposes therein stated.



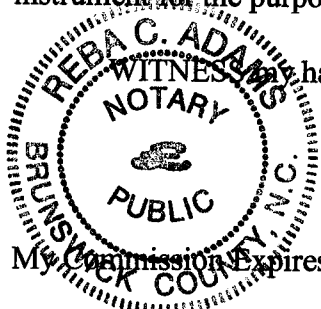
WITNESS my hand and notarial stamp or seal, this 5th day of July, 2005.

Reba C Adams
Notary Public

My Commission Expires: May 23 2009

STATE OF NORTH CAROLINA
COUNTY OF

I, a Notary Public of Brunswick County, North Carolina do hereby certify that JAMES BURNETT and wife MARJORIE A. BURNETT, each personally appeared before me this day and acknowledged their due execution of the foregoing and annexed instrument for the purposes therein stated.



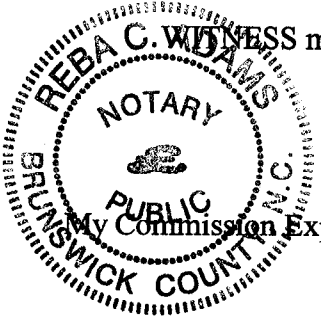
WITNESS my hand and notarial stamp or seal, this 5th day of July, 2005.

Reba C Adams
Notary Public

My Commission Expires: May 23, 2009

STATE OF NORTH CAROLINA
COUNTY OF

I, a Notary Public of Brunswick County, North Carolina do hereby certify that LEE ROY SMYRE and wife DIANE M. SMYRE, each personally appeared before me this day and acknowledged their due execution of the foregoing and annexed instrument for the purposes therein stated.



WITNESS my hand and notarial stamp or seal, this 5th day of July, 2005.

Reba C Adams
Notary Public

My Commission Expires: May 23, 2009

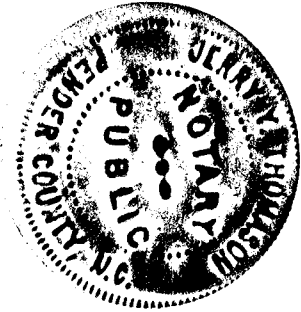
STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

I, a Notary Public of Pender County, North Carolina do hereby certify that CHARLES F. GREEN, III, personally appeared before me this day and acknowledged their due execution of the foregoing and annexed instrument for the purposes therein stated.

WITNESS my hand and notarial stamp or seal, this 5th day of July, 2005.

Jerry Z Thomason
Notary Public

My Commission Expires: 12-08-05

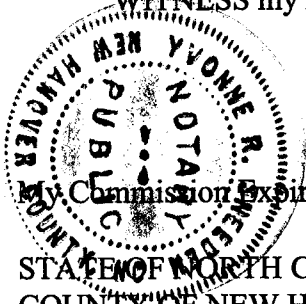


STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

Inst # 275990 Book 2183Page: 634

I, a Notary Public of New Hanover County, North Carolina do hereby certify that ALTON Y. LENNON personally appeared before me this day and acknowledged that he is the Vice President of Wilmington Holding Corp., a North Carolina Corporation, which he also acknowledged is a Member-Manager of SOUTH HARBOUR VILLAGE ASSOCIATES, LLC, that he further acknowledged that the foregoing and annexed instrument was signed by himself as the Vice President of said corporation, attested by Jerry Thomason as its Assistant Secretary, with its corporate seal affixed, all by authority of its Board of Directors, and as a Member of, on behalf of, and as the deed and act of the said SOUTH HARBOUR VILLAGE ASSOCIATES, LLC.

WITNESS my hand and notarial stamp or seal, this 5th day of July, 2005



Yvonne R. Sneed
Notary Public

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

I, a Notary Public of Pender County, North Carolina do hereby certify that EDWIN L. BURNETT, III personally appeared before me this day and acknowledged that he is the President of Viable Corp., a North Carolina Corporation, which he also acknowledged is a Member-Manager of SOUTH HARBOUR VILLAGE ASSOCIATES, LLC, that he further acknowledged that the foregoing and annexed instrument was signed by himself as the President of said corporation, attested by Alton Y. Lennon as its Assistant Secretary, with its corporate seal affixed, all by authority of its Board of Directors, and as a Member of, on behalf of, and as the deed and act of the said SOUTH HARBOUR VILLAGE ASSOCIATES, LLC.

WITNESS my hand and notarial stamp or seal, this 5th day of July, 2005



Jerry Y. Thomason
Notary Public

My Commission Expires: 12-08-05

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

I, a Notary Public of Pender County, North Carolina do hereby certify that EDWIN L. BURNETT, III personally appeared before me this day and acknowledged that he is the President of Viable Corp., a North Carolina Corporation; that he further acknowledged that the foregoing and annexed instrument was signed by himself as the President of said corporation, attested by Alton Y. Lennon as its Assistant Secretary, with its corporate seal affixed, all by authority of its Board of Directors, and as the deed and act of the said VIABLE CORP.

WITNESS my hand and notarial stamp or seal, this 5th day of July, 2005



Jerry Y. Thomason
Notary Public

My Commission Expires: 12-08-05

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

JERRY Y THOMASON, REBA C ADAMS, YVONNE R SNEEDEN

The Foregoing (or annexed) Certificate(s) of _____

Notary(ies) Public is (are) Certified to be Correct. 6th Day of July, 2005
This Instrument was filed for Registration on this _____ Day of _____, 2005
in the Book and page shown on the First Page hereof.

Robert J. Robinson
ROBERT J. ROBINSON, Register of Deeds

Exhibit "A"

The following description, prepared by Sherwin D. Cribb, Professional Land Surveyor, is of a Tract which contains the multi unit building at 5005 O'Quinn Boulevard, Oak Island North Carolina.

To arrive at the point of beginning commence at a railroad spike on the center line of Fish Factory Road (60 foot right-of-way), also known as SR 1101. Said spike being the southern terminus of the public right-of-way. Said spike being 4,900 feet, more or less, southwardly, as measured along the center line from the intersection of Fish Factory Road with N.C. Highway 133. Said spike being located North 53 degrees 35 minutes 30 seconds East 1,012.89 feet, from U.S. Corps of Engineers Atlantic Intracoastal Water Way right-of-way monument "TI-20" having N.C. Grid Coordinate (NAD 27), of North 63639.9711, East 2283930.8444, and a combined factor of 1.000662401. All bearings in this description are relative to N.C. Grid NAD 27 and all distances are field horizontal. Go thence from said spike South 23 degrees 05 minutes 20 seconds East 578.91 feet, to an old masonry nail in concrete, THE TRUE POINT OF BEGINNING. Said beginning point being the northeasterly corner of a tract shown on a map entitled "5003 O'Quinn Boulevard, South Harbor Village" recorded in Condo Book 9 at Page 377 of the Brunswick County Registry. Running thence from said beginning point:

1. South 83 degrees 25 minutes 42 seconds East 132.16 feet, to a new iron pipe on the westerly right-of-way line of Nester Drive (60 foot right-of-way); thence
2. South 06 degrees 34 minutes 20 seconds West 88.24 feet, along the southerly extension of the westerly right-of-way line of said Nester Drive, to a new iron pipe on the northerly edge of a bulkhead; thence
3. North 83 degrees 23 minutes 27 seconds West 132.16 feet, along the northerly edge of said bulkhead to an old iron pipe at the southeasterly corner of said tract recorded in Condo Book 9 at Page 377 of said Registry; thence
4. North 06 degrees 34 minutes 18 seconds East 88.15 feet, along the easterly line of said tract recorded in Condo Book 9 at Page 377 to the point of beginning.

The above described tract contains 0.27 acres, more or less. The same being a portion of that tract described in Deed Book 1407 at Page 1387 of the Brunswick County Registry.

Ayl2005P:5005des

South Harbour Village Mixed Use Condominium
 Percentage of Undivided Interest

Unit Number or other designation: Percentage of Common Elements and Expenses

UNIT 5001-A	3.33 %
UNIT 5001-B	3.33 %
UNIT 5001-C	3.33 %
UNIT 5001-D	3.33 %
UNIT 5001-E	3.33 %
UNIT 5001-F	3.33 %
UNIT 5001-G	3.33 %
UNIT 5001-H	3.33 %
UNIT 5001-I	3.33 %
UNIT 5001-J	3.33 %

UNIT 5003-A	3.33 %
UNIT 5003-B	3.33 %
UNIT 5003-C	3.33 %
UNIT 5003-D	3.33 %
UNIT 5003-E	3.33 %
UNIT 5003-F	3.33 %
UNIT 5003-G	3.33 %
UNIT 5003-H	3.33 %
UNIT 5003-I	3.33 %
UNIT 5003-J	3.33 %

UNIT 5005-101	3.33%
UNIT 5005-102	3.33%
UNIT 5005-OFFICE	3.33%
UNIT 5005-103	3.33%
UNIT 5005-104	3.33%
UNIT 5005-201	3.33%
UNIT 5005-202	3.33%
UNIT 5005-203	3.33%
UNIT 5005-204	3.33%
UNIT 5005-205	3.33%