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JOYCE M. SWICEGOOD
REGISTER OF DEEDS
PENDER COUNTY, NC

Recorded and Verified
Joyce M. Swicegood
Pender County, NC

JK

COVER SHEET

(Type of Document: Declaration of Covenants)


Grantor: ECI Custom Homes, Inc.

Trustee (If applicable): _____

Grantee: _____

(Brief Description of property, if applicable): The Harbor

Club

Return to:  James S. Price

STATE OF NORTH CAROLINA
COUNTY OF PENDER

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
THE HARBOUR CLUB

This Declaration is made this the 10 day of NOVEMBER, 2005 by ECI Custom Homes, Inc., a North Carolina Corporation (hereinafter referred to as the "Declarant"), and any and all persons, firms, or corporations hereinafter acquiring any of the within described property and any of the property hereinafter made subject to these Restrictive Covenants of The Harbour Club (Hereinafter referred to as "Restrictions").

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Topsail Township, Pender County, North Carolina known as The Harbour Club; and

WHEREAS, The Harbour Club is more particularly described by map(s) thereof entitled "THE HARBOUR CLUB" and duly recorded in Map Book 40 at Page 91 of the Pender County Registry, to which reference is hereby made for a more complete description; and

WHEREAS, said The Harbour Club lots are so situated as to comprise a neighborhood unit, and it is the intent and purpose of the Declarant to convey the aforesaid lots to persons who will erect thereon residences to be used for family purposes, subject to the provisions hereinafter set forth; and

WHEREAS, Declarant has agreed to establish a general plan of development as herein set out to restrict the use and occupancy of the property made subject to these Restrictions for the benefit and protection of the property and for the mutual protection, welfare and benefit of the present and the future owners thereof; and

WHEREAS, Declarant has filed and recorded separately with the Register of Deeds for Pender County a Subdivision Street Disclosure Statement, which is incorporated herein by reference as if fully set forth; and

WHEREAS, Declarant desires to provide for the preservation of the value of The Harbour Club made subject to these Restrictions and for the construction, maintenance and preservation of the Common Property.

NOW, THEREFORE, in accordance with the recitals which by this reference are made a substantive part hereof, Declarant declares that all of the property described herein on above said recorded plat (and all future plats(s) that may be made a part hereof in the manner set forth below) is made subject to these Restrictions and shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of The Harbour Club as it now exists and may hereafter be expanded, and that such easements, restrictions, covenants and conditions shall burden and be appurtenant to and run with said property and be binding on all parties now or hereafter owning said real property and their respective heirs, successors and assigns, having any right, title or interest in the properties now or hereafter subjected to these Restrictions, and shall inure to the

benefit of each owner thereof and their respective heirs, successors and assigns.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to The Harbour Club Homeowners' Association, Inc., a North Carolina non profit corporation.

Section 2. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all property including improvements thereto owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot shall be the entrance features located on The Harbour Club at the intersections of Country Club Road and also Tall Ships Lane as well as all of the area designated as "common area", if any, on the plat of The Harbour Club.

Section 5. "Lot" shall mean and refer to any plat of land shown upon any recorded subdivision map of the properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to Colorado ECI Custom Homes, Inc., its successors and assigns if such successors and assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two thirds (2/3) of each class of members has been recorded.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from Ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B members shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on December 31, 2010.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each 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. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and or the improvement and maintenance of the Common Area.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an owner, the maximum annual assessment shall be Two Hundred dollars (\$200.00) per lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased by more than five percent (5%) by a vote of two thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that such assessment shall have the assent of two thirds (2/3) of the vote of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum of Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is

binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eight percent (8%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of Lien to Mortgage. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessment as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V

ARCHITECTURAL CONTROL

Section 1. Developer's Rights. All duties and responsibilities conferred upon the Architectural Review Committee by this Declaration or the Bylaws of the Association shall be exercised and performed by the Declarant or its Designee, so long as Declarant shall own any lot in the Properties or any additions annexed thereto by Supplemental Declaration or Amendment to this Declaration.

Section 2. Building and Site Improvements. (a) No dwelling, fence, wall or other structure shall be commenced, erected, or maintained upon any Lot in the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, heights, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Declarant, or its designee, or, after the sale of all lots by Declarant, by the Board of Directors of the Association, or by an Architectural Review Committee composed of three (3) or more representatives appointed by the Board. In the event the Declarant, or its designee, or, if applicable, the Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specification have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Refusal of approval of any such plans, location or specification may be based upon any ground, including purely aesthetic and environmental considerations, that in the sole and uncontrolled discretion of the Declarant or Architectural Review Committee shall seem sufficient. One copy of all plans and related data shall be furnished to the Declarant or Architectural Review Committee, as the case may be, for its record. Neither the Declarant nor the Architectural Review Committee shall be responsible for any structural or other defects in plans or specifications submitted to it or any structure erected according to such plans and specifications.

(b) No concrete block, concrete brick, asbestos siding, aluminum or vinyl siding, cinder block

nor tar paper composition shall be used for the exterior of any residence constructed on any building lot. A minimum of 20% of the total front exterior shall be flagstone, dry stacked stone or similar stone façade approved by Architectural Control Committee. Foundation, gables, accents and entire balance of exterior inclusive of sides and rear, may be conventional or clay brick, cedar wood, flagstone, dry stacked stone, hardiplank cedar or similar composition board siding approved by the Architectural Control Committee. All homes must be setback from the road a minimum of 40 feet and side setbacks are 10 feet.

(c) Fence height shall not exceed 4 ft from ground to top of fence and must not impede view of neighboring lot. Natural landscape buffering shall be preferred for privacy. No fence shall be placed further forward than the frontmost corner of the home exclusive of garage less 15 ft.

(d) Garage doors shall be preferred to face the street unless front entry garage will pose and be proven to pose hardship to owner. Architectural review will be determining authority of hardship and all garage door lids will be subject to architectural review and approval. No builder grade aluminum garage doors will be approved. Custom doors with upgraded detail and/or appointments which complement the aesthetic of the home shall be preferred. Requirements shall be: Two single "Carriage-style" doors with ornamental hardware are required for each home. An ornamental arbor/trellis overhang over each garage door shall be mandatory for each home and must be approved by Architectural Control Committee prior to installation.

(e) All front doors shall include a full light glass storm door and are preferred to have side lights and transoms. Front entrance door shall be identified on home plan submittal prior to home plan construction.

(f) Louvered shutters are required for the front windows for every home.

(g) All roof shingles must be a minimum of 30 year architectural.

Section 3. Approval of Plans. (a) No house plans will be approved unless the proposed house shall have a minimum of 2000 heated square feet of enclosed dwelling area for one story homes and 2200 heated square feet of enclosed dwelling area for two story homes. The term "enclosed dwelling area" as used in the minimum requirements shall be the total enclosed area within a dwelling, provided, however, that such term does not include garages, terraces, decks, open porches, and like areas; provided, further, that shed type porches, even though attached to the house are specifically excluded from the definition of the aforesaid term "enclosed dwelling area". All homes must be constructed on crawl space and will be Traditional or Southern Plantation style in design. Plans shall be presented for approval no later than 30 days prior to start of construction.

(b) Since the establishment of inflexible building setback lines for location of houses on lots tends to force construction of houses directly to the side of other homes with detrimental effects on privacy, view, preservation of important trees and other vegetation, ecological and related consideration, specific setback lines are established by Pender County Zoning. In order to assure, however, that the foregoing considerations are given maximum effect, the site and location of any house or dwelling or other structure upon any lot shall be controlled by and must be approved absolutely by the Declarant or the Architectural Review Committee, as the case may be. Provided, however, that no dwelling shall be constructed closer than ten (10) feet to an

adjoining property line.

(c) The exterior and landscaping of all houses and other structures must be complete within twelve (12) months after the construction of same shall have commenced or upon certificate of occupancy, whichever occurs first, except where such completion is impossible or would result in great hardship to the Owner or builder, due to strikes, fires, national emergency or natural calamities.

(d) No structure shall be erected, altered, placed, or permitted to remain on any lot, except one (1) single family dwelling not to exceed two (2) stories in height, unless the Declarant or the Architectural Review Committee, as the case may be, approves in writing a structure of more than two (2) stories, and one or more small accessory buildings (which may include a detached private garage, servants quarters, or guest facilities) provided the use of such dwelling or accessory building does not in the opinion of the Declarant or Architectural review Committee overcrowd the site, and provided further, that such buildings are not used for any activity normally conducted as a business. Such accessory building may not be constructed prior to the construction of the main building.

(e) All service utilities, fuel tanks, pool equipment/pump(s), and/or garbage receptacles are to be enclosed within a fence, wall or plant screen of a type and size approved by a declarant of the Architectural Review Committee, so as to preclude the same from causing an unsightly view from any highway, street or way within the subdivision, or from any other residence within the subdivision. Clothes lines, wood piles, and trash and garbage accumulations are strictly prohibited. All mail boxes shall be uniform in design. Design for mail boxes shall be furnished by the declarant.

(f) Off street parking for not less than two (2) passenger automobiles must be provided on each lot prior to the the occupancy of any dwelling constructed on said lot, which parking areas and the driveways thereto shall be constructed of concrete, brick, asphalt or turfstone.

(g) All front, rear and side yards shall be sodded and irrigated, except for planting beds, shrubbery, trees, or other areas designated by the declarant or the Architectural Control Committee. Landscape plan shall be submitted by builder to Architectural Control Committee no later than 30 days prior to home completion.

(h) All swing sets and/or children's playground equipment is subject to review and approval by the Architectural Control Committee.

Section 4. Maintenance by Association. The association at its expense shall be responsible for maintaining, repairing, and replacing utility and drainage lines and pipes which are located on the properties, except those located within individual lots. The association shall have the right to go onto the lots at reasonable times for the purpose of maintaining, repairing, or replacing all utility and drainage lines and pipes that might be located on such lots; and each Owner hereby grants permission to the Association to enter his lot for such purposes.

In the event that the need for maintenance, repair, or replacement (other than said be caused by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, and smoke as the foregoing are defined and explained in North

Carolina Standard Fire and Extended Coverage Insurance Policies) is caused through the willful, or negligent act of the Owner, his family, guests or invitees, the costs of such maintenance, replacement or repairs shall be added to and become a part of the assessment to which such lot is subject.

ARTICLE VI

USE RESTRICTIONS

Section 1. Land Use and Building Type. No Lot in The Harbour Club shall be used except for residential purposes, provided, however, this shall not prevent the Declarant from constructing models or sales offices within the subdivision and from operating offices for the purpose of sales and other related activities from said model or office. All Lots (herein referred to as "single family lots") in The Harbour Club shall be restricted for the construction of single family dwellings only. Any building erected, altered, placed or permitted to remain on any lot shall be subject to the provisions of Article V of this Declaration relating to architectural control. Different land use restrictions and architectural control guide lines may be established for adjoining properties to be developed by the Declarant.

Section 2. Nuisances. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. There shall not be maintained any plants or animals, nor device or thing of any sort whose normal activities or existence are in any way noxious, dangerous, unsightly, unpleasant or other nature that may diminish or destroy the enjoyment of other property in the neighborhood by the Owners thereof. It shall be the responsibility of each Lot Owner to prevent the development of ant unclean, unsightly, or un-kept condition of buildings or grounds on such lot which would tend to substantially decrease the beauty of the neighborhood area as a whole or the specific area.

Section 3. Lot Maintenance. In the event that any Lot Owner shall fail or refuse to keep such premises free from weeds, underbrush or refuse piles, or unsightly growth or objects, then, after thirty (30) days' notice from the Architectural Review Committee, the Association or its designee shall enter upon such lands and remove the same at the expense of the Owner, and such entrance shall not be deemed a trespass, and in the event of such removal a lien shall arise and be created in the favor of the Association for the full amount thereof chargeable to such Lot, including collection costs and such amounts shall be due and payable within thirty (30) days after the Owner is billed therefore. Such lien shall be enforceable by Court proceedings as provided by law enforcement liens.

Section 4. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or any other out building shall be used on any Lot at any time as a residence either temporarily or permanently.

Section 5. Recreational Vehicles. Any boat, motor boat, camper, trailer, or motor homes, or similar type vehicle remaining on any lot at any time shall be parked in the back yard and screened from view as not to be readily visible from the street and/or neighboring lot(s).

Section 6. Animals. No animals, livestock, or poultry of any kind shall be maintained on any

Lot or in any dwelling except that dogs, cats, or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes and provided further that they are not allowed to run free and are at all times properly leashed. No outdoor dog runs will be permitted. Any exterior pet housing shall be approved by Architectural Control Committee.

Section 7. Outside Antennas. No outside radio or television antennas shall be erected on any Lot or dwelling unit within the Properties unless and until permission for the same has been granted by the Board of Directors of the Association or its Architectural review Committee.

Section 8. Window Coverings. All drapes, curtains and other similar materials hung at windows, or in any manner as to be visible from the outside, of any building erected upon any Lot shall be a white or neutral background material.

Section 9. Exterior Lights. All light bulbs or other lights installed in any fixture located on the exterior of any building or any Lot shall be clear, white or non-frost lights or bulbs.

Section 10. Junk Vehicles and Tractor-Trailers. No inoperable vehicle or vehicle without current registration and insurance, and no tractor-trailers will be permitted on the premises. The Association shall have the right to have all such vehicles towed away at the Owner's expense.

Section 11. Signs. No "FOR SALE" signs or any other signs shall be permitted on any lot or in the common areas without the permission of the Declarant or the Board of Directors, except that a sign conforming to the Pender County Sign Ordinance may be placed by Declarant on any Lot used by Declarant as a sale/rental office for the project so long as Declarant owns any Lot in the Properties.

Section 12. Tree Cutting. No trees located within The Harbour Club with a diameter in excess of ten (10) inches as measured at the base of the trunk at the ground level shall be cut without the written consent of the Architectural Review Committee.

ARTICLE VII

WATER SERVICES

Section 1. Water and Sewer Service. All lot owners shall be required to use water and sewer supplied by the companies servicing the Properties for all household uses.

ARTICLE VIII

ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. Annexation of additional property shall require the assent two-thirds (2/3) of the members at a meeting duly called for these purposes, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting.

ARTICLE IX

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at a law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of the Declaration. Failure by the Association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive period of ten (10) years each. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety (90) percent of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75) percent of the Lot Owners. Any amendment must be recorded.

Section 4. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration of the Veterans Administration: (a) annexation of additional properties, (b) dedication of Common Area, and © amendment of this Declaration of Covenants, Conditions and Restrictions.

The following covenants are intended to ensure ongoing compliance with State Stormwater Management Permit Number SW8 041039, as issued by the Division of Water Quality under NCAC 2H.1000.

Section 5. Impervious Surfaces. The allowable built-upon area per lot is _____ square feet. This allotted amount includes any built-upon area constructed within the lot property boundaries, and that portion of the right-of-way between the front lot line and the edge of the pavement. Built-upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate, coquina, driveways, and parking areas, but does not include raised, open wood decking, or the water surface of swimming pools. The covenants pertaining to storm water regulations may not be altered or rescinded without the express written consent of the State of North Carolina, Division of Water Quality. Filling in, piping or altering any 3:1 vegetated conveyances (ditches, swales, etc.) associated with the development except for average driveway crossings, is prohibited by any persons. Lots within CAMA's Area of Environmental Concern may have the permitted built-upon area reduced due to CAMA jurisdiction within the AEC. Filling in, piping or altering any designated 5:1 curb outlet swale or vegetated area associated with the development is prohibited by any persons.

This project proposes a curb outlet system. Each designated curb outlet swale or 100' vegetated area shown on the approved plan must be maintained at a minimum of 100' long, maintain 5:1 (H:V) side slopes or flatter, have a longitudinal slope no steeper than 5%, carry the flow from a

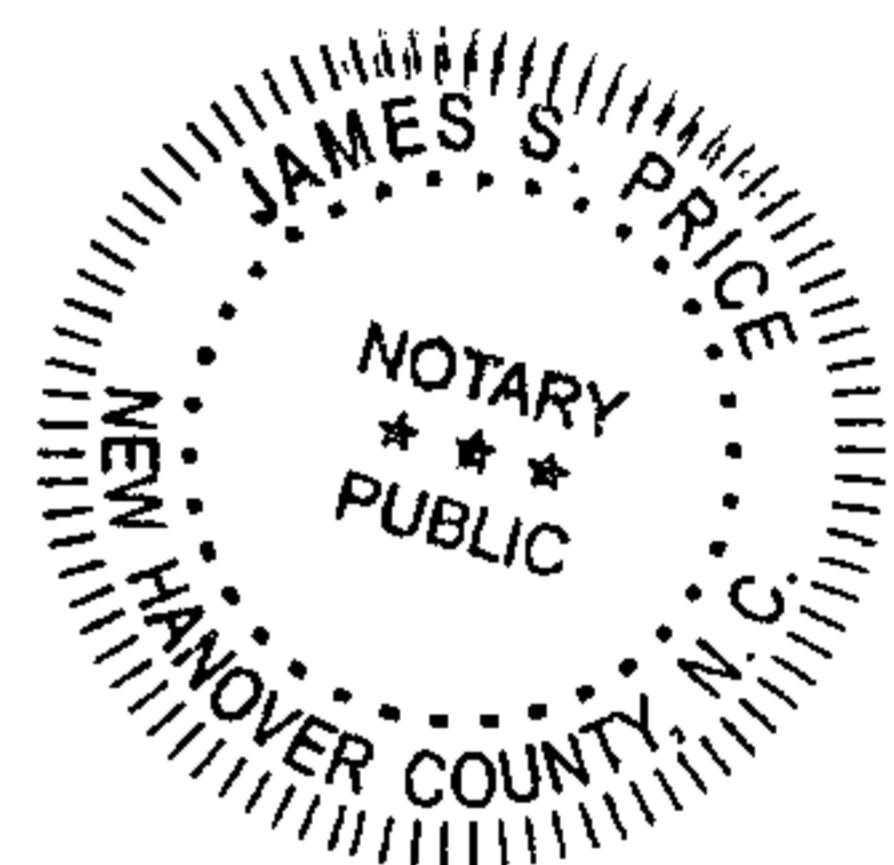
10 year storm in a non-erosive manner, maintain a dense vegetated cover, and be located in either a dedicated common area or a recorded drainage easement. A 30' vegetated buffer must be maintained between all built-upon area and the Mean High Water line of surface waters. All roof drains shall terminate at least 30" from the Mean High Water mark.

Each owner, the Declarant and The Harbour Club Homeowners' Association, Inc., hereby specifically agree that this Covenant is intended to insure continued compliance with storm water runoff rules adopted by the State of North Carolina and therefore, the State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the Stormwater Management Permit. These Covenants are to run with the land and shall be binding on all persons and parties claiming under them. Alteration of the drainage as shown on the approved plans may not take place without the concurrence of the Division of Water Quality.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 10 day of NOVEMBER, 2005.

DECLARANT:
ECI CUSTOM HOMES, INC.
A North Carolina corporation

By: [Signature] (SEAL)
VICE president



STATE OF NORTH CAROLINA)
COUNTY OF New Hanover)

I, James S. Price, a Notary Public for New Hanover County, do hereby certify that T.J. Tomlinson came before me this day and acknowledged that he/she is vice president of ECI Custom Homes, 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 him/her as vice president, and sealed with its corporate seal. Witness my hand and official stamp or seal, this the 10 day of November, 2005.

My Comm. Expires: 5/25/11

[Signature]
Notary Public

STATE OF NORTH CAROLINA

COUNTY OF PENDER

SUBDIVISION: The Harbour Club Subdivision is located in Topsail Township, Pender County, North Carolina, consisting of 39 residential lots (1 thru 39, inclusive).

The undersigned Developer and Seller does hereby certify that there are various public streets shown on the above-referenced The Harbour Club Subdivision map and that said public streets have been approved by the State of North Carolina Department of Transportation, and that the streets have been constructed according to the standards for subdivision streets adopted by the Board of Transportation for acceptance on the highway system.

The undersigned Developer and Seller further certifies that said streets will be dedicated as public streets under the Pender County Subdivision Ordinance and that said streets are defined as public streets for the purposes of maintenance as they are related to the County and/or State Highway Department.

The undersigned Developer and Seller further certifies that it will file an application for maintenance of the streets by the State of North Carolina Department of Transportation. Further, that until such time as said streets shall be adopted by the County and/or State Highway Department for acceptance into the Highway System, the responsibility for maintenance and repair to said roads shall be borne by the Developer and Seller, except for the entrance island, which shall be the continuing responsibility of The Harbour Club Homeowners' Association, Inc.

IN TESTIMONY WHEREOF, ECI Custom Homes, Inc., a North Carolina Corporation, has adopted as its seal the typewritten word "SEAL" appearing beside its name and has caused this instrument to be executed in its company name by its authorized member/manager with full authority to act for all of its members and managers and said member/manager has hereunto set his hand and seal as the act and deed of the limited liability company, all on the day and year first above written.